space to thrive.

FY24
annual report.

for the year ended 30 June 2024

GROWTHPOINT
PROPERTIES AUSTRALIA

What's **inside**

Directors' Report

Operating and financial review

Financial Report

Additional information

Acknowledgement of Country

Growthpoint Properties Australia acknowledges the Traditional Custodians of Country throughout Australia and recognise their continued connection to land, water and community. We pay our respects to Elders past and present and extend that respect to First Nations people.

About this report

This report is a consolidated summary of Growthpoint Properties Australia's (comprising Growthpoint Properties Australia Limited, Growthpoint Properties Australia Trust and their controlled entities) (Growthpoint or the Group) operational and financial performance for the 12 months ended 30 June 2024 (FY24 or the year). Data contained in this report relates to the Group's directly held assets, unless otherwise indicated.

FY24 reporting suite

Growthpoint's reporting suite for FY24 includes the following documents:

FY24 Annual Report
A review of Growthpoint's financial and operational performance for FY24, the Group's remuneration report and its financial statements.

FY24 Results Presentation
An overview of Growthpoint's operational and financial performance for the financial year.

FY24 Property Compendium
A summary of Growthpoint's property portfolio as at 30 June 2024.

FY24 Corporate Governance Statement
An overview of Growthpoint's governance framework and practices. Download a copy: growthpoint.com.au/corporate-governance

FY24 Sustainability Report
A review of our approach to sustainability and an update on our progress in achieving our sustainability goals, which will be released prior to Growthpoint's AGM and will be available online at that time.

Our corporate reporting suite documents are available for download on the Growthpoint Investor Centre growthpoint.com.au/investor-centre

Front cover image: 130 Sharps Road, Melbourne Airport, VIC.

Image this page: 599 Main North Road, Gepps Cross, SA

FY24 performance summary

Financial performance

Funds from operations (FFO)

23.9cps

above guidance

Distribution

19.3cps

in line with guidance

Net tangible assets (NTA) per security

$3.45

30 June 2023: $4.00

Statutory loss after tax

($298.2m)

FY23: ($245.6m)

Capital management

Gearing

40.7%

Target 35-45%

Hedging

74.5%

30 June 2023: 70.5%

Weighted average cost of debt (WACD)

4.8% p.a.

30 June 2023: 4.6%

Operating performance (Direct)

Portfolio value

$4.4b

30 June 2023: $4.8b

Portfolio occupancy

95%

30 June 2023: 93%

Weighted average cap rate (WACR)

6.3%

30 June 2023: 5.6%

Weighted average lease expiry (WALE)

5.7 years

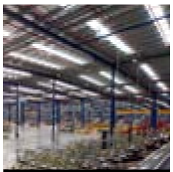
30 June 2023: 6.0 years

Who we are

Our **business**

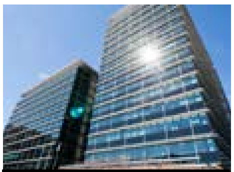
Growthpoint Properties Australia | AUM **$6.0b** | 66 assets

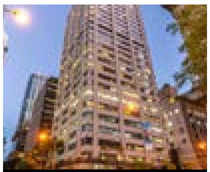
Industrial & logistics	**Office**	**Retail**
AUM **$1.6b** | 30 assets	AUM **$3.0b** | 28 assets	AUM **$1.4b** | 8 assets

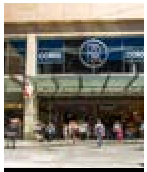

40 Annandale Rd, Melb. Airport, VIC

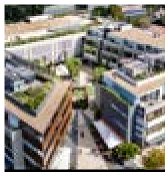

70 Distribution St, Larapinta, QLD


100 Skyring Tce, Newstead, QLD


1 Charles St, Parramatta, NSW


307 Queen St, Brisbane, QLD


Rundle Place, Adelaide, SA


Cammeray Square, Cammeray, NSW

Directly held $4.4b

Rental & co-investment income $313.7m

Third party $1.6b

Management fee income $8.0m

What we do

Growthpoint provides space for you and your business to thrive. Since 2009, we've been investing in high-quality Australian real estate.

Today, we have $6.0 billion in total assets under management. We directly own and manage 57 high-quality, modern office and industrial properties, valued at approximately $4.4 billion. We also manage a further nine assets valued at $1.6 billion for third-party wholesale syndicates and institutional investors through our funds management business, which invests in office, retail and mixed-use properties.

We are committed to operating in a sustainable way and reducing our impact on the environment. We are on track to achieve our Net Zero Target by July 2025 across our directly-owned office assets and corporate activities.

Growthpoint Properties Australia (ASX: GOZ) is an internally managed real estate investment trust (REIT), listed on the ASX, and is part of the S&P/ ASX 300. Moody's has issued us with an investment-grade rating of Baa2 for domestic senior secured debt.

How we do it

Our values underpin everything we do.

Success
valuing performance, hard work and high standards

Integrity
doing the right thing for tenants, investors and team

Respect
dealing with others openly, honestly and inclusively

Fun
enjoying work, being sociable and playing as a team

Strategic highlights in FY24

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

Direct property portfolio

c.108,000 sqm of leasing completed across the direct portfolio, **representing 11.0% portfolio income**

Occupancy of 95% and **5.7-year WALE**

Achieved positive industrial **re-leasing spreads of 31%**

Completed the sale of 1-3 Pope Court, Beverley, SA for **$35.0m, c.15% above the June 23 book value**

Financial and capital management

Delivered FFO of 23.9 cps, above guidance, distributions of 19.3 cps in line with guidance

Gearing of 40.7%, around the midpoint of target gearing range 35%-45%

Extended $470 million of bank debt, c.20% of total bank debt facilities

Funds management

Disciplined approach to capital market transactions in a challenging environment. Narrowing bid/ask spreads across various sectors is encouraging for FY25

Focussing on core industrial, counter-cyclical office and opportunistic retail assets for institutional and wholesale investors

Sustainability

On track to achieve Net Zero Target by 1 July 2025

Issued a further $500m of sustainability-linked loans, bringing the total on issue to $1.02b, exceeding all targets to date leading to interest margin reductions

Maintained high portfolio average NABERS ratings, including portfolio NABERS Energy rating of 5.2 stars

Letter from the **Chair**

Andrew Fay
Independent Chair and Director

Dear Securityholders,

On behalf of the Board of Directors, I am pleased to present the 2024 Annual Report for Growthpoint Properties Australia ("Growthpoint or the Group")

In the 2024 financial year, property markets adapted to the challenges of higher interest rates, declining valuations, and subdued transaction activity. Despite these headwinds, we continued to see positive performance from our industrial portfolio, which represents 37% of our directly held asset base, underpinned by strong population growth, constrained supply and rental increases.

While negative sentiment towards the office sector continued, market pricing activity became more apparent toward the end of FY24, highlighted by several high-profile transactions. In this environment, Growthpoint's portfolio performed well with high occupancy and a solid portfolio weighted average lease expiry (WALE), providing a steady income stream for Securityholders.

Growthpoint remained focused on driving resilient income streams from its high-quality property portfolio, while also focusing on funds management opportunities to provide scale and exposure to industrial, office and retail sectors for institutional and wholesale syndicate investors.

Financial performance and capital management

The Group's FY24 performance reflects the underlying strength and quality of the portfolio. Growthpoint delivered FFO of 23.9 cents per security (cps), above guidance. Distributions to Securityholders were in line with guidance of 19.3 cps, representing a payout ratio of 81%, consistent with the Board's target payout ratio of between 75% and 85%.

FFO performance in FY24 was lower compared to FY23 due to a decrease in lease surrender payments and higher borrowing costs. Borrowing costs increased from $76.4 million in FY23 to $86.2 million, reflecting a higher weighted average cost of debt. As at 30 June 2024, gearing was 40.7%, which is at the midpoint of the target 35% - 45% range. We continued to look at opportunities to manage our overall gearing and in FY24 this was supported by the sale of 1-3 Pope Court Beverley, South Australia for $35 million, c.15% premium to book value.

In FY24, total securityholder return (TSR) was -15.5%. This was below the S&P/ ASX 200 REIT Accumulation Index of 4.7%, excluding the Goodman Group, which now represents more than 40% of the Index.

Direct Portfolio

The Group's direct portfolio is leased primarily to government, ASX listed or large organisations. As at 30 June 2024, the portfolio had a solid occupancy of 95% and WALE of 5.7 years.

In FY24, the overall portfolio value declined to $4.4 billion or 7.9% on a like-for-like basis relative to FY23. The decline was predominantly due to increases in interest rates resulting in higher capitalisation and discount rates within valuations.

The office portfolio decreased 11.2% (on a like-for-like basis), influenced by negative sentiment in office markets and increased transactional activity reflecting market pricing. In contrast, the industrial portfolio saw a smaller decrease of 1.8% (on a like-for-like basis) as ongoing rental growth offset the effects of capitalisation rate expansion in this sector.

There was significant leasing activity during the year with 108,000 sqm or 11.0% of portfolio income completed. Government tenants continue to account for c.40% of our office portfolio income.

Funds management

Growthpoint's funds management business manages $1.6 billion of assets on behalf of third-party investors, including wholesale syndicates and institutional investors. In a challenging interest rate environment, the business continued to seek new opportunities during the year and maintained a disciplined approach to capital market transactions. The Group completed the sale of Taylors House, a Sydney CBD fringe office asset for c.$87 million, achieving an internal rate of return of 11% over the 7-year fund term.

The Group impaired the goodwill associated with its funds management business by $26.6 million. The impairment primarily relates to changed economic conditions affecting the funds management sector since the acquisition, leading to revised FUM growth assumptions. The Group remains committed to growing funds under management across the industrial, office and retail sectors.

New Chief Executive Officer and Managing Director

On 20 May 2024, Ross Lees commenced as Chief Executive Officer and Managing Director, succeeding outgoing Managing Director, Timothy Collyer. Ross brings more than 20 years of real estate investment management experience and a deep understanding of commercial property markets, funds management, asset management, mergers and acquisitions as well as equity capital markets. He has held senior leadership positions, including most recently as Head of Funds Management at Centuria Capital Group where he helped grow its funds management platform from $4 billion to over $21 billion.

1-3 Pope Court,
Beverly, SA

Sold during the first half for $35 million, c.15% above the 30 June 2023 book value

Governance

In November 2023, independent non-executive director Grant Jackson retired from the Board. Grant joined the Board in August 2009. On behalf of the Board, we thank him for his contribution and commitment and wish him the very best for the future. The Board is committed to maintaining diversity across gender, skills and experience and is well progressed in its search for a new independent director to fill the vacancy.

Sustainability

Growthpoint continues to operate sustainably with good progress on National Australian Built Environment Rating System (NABERS). For the third year running, we were recognised as a Sector Leader in the 2023 GRESB Sustainability Benchmark in our regional peer group of Diversified – Office/Industrial. Our score increased to 84/100 from 81/100 in 2023 and we retained our 4-star ranking. The Group is on track to achieve our Net Zero Target by July 2025. During FY24 we increased the quantity of offsite renewable energy (GreenPower) to 50% coverage of base building electricity needs for our directly owned office portfolio.

In addition, the Group entered into another $500 million of Sustainability Linked Loans (SLL), bringing the total SLLs on issue to $1,020 million. Interest margin reductions have been achieved as we exceeded all targets tied to sustainability related KPIs and targets.

Our FY24 Sustainability Report will be available on our website from in early October 2024.

Our people

The positive results in our annual employee engagement survey demonstrate the Group's focus on building on our positive, performance-driven culture. In FY24 we achieved an employee engagement score of 75%, slightly higher than our FY23 score of 74% and outperformed the property sector benchmark of 70%[1]. Most notable responses included 98% of employees recommending Growthpoint as a great place to work and 88% of employees are proud to work for Growthpoint.

In FY24, we made progress with our gender diversity, by maintaining at least 40% of employees of each gender in the overall workforce. As at 30 June 2024, 43.6% of our workforce were women, with 37.5% female representation on our Board.

Outlook

Recent inflation data continues to track above the Reserve Bank of Australia's target 2–3% range, placing some pressure on short-term interest rates. Commercial real estate transaction activity remains subdued relative to longer-term historical averages, but price discovery across all markets is anticipated to gather momentum in FY25. Industrial markets remain positive with solid rental growth expected as new supply is absorbed due to underlying demand in the logistics sector. Growthpoint's portfolio of modern office assets and strong tenant base is resilient, with the Brisbane fringe office market performing strongly, where the Group has over 20% of its office portfolio by value.

Subject to no material changes or events, our targeted FY25 FFO guidance is between 22.3 cps and 23.1 cps and distribution guidance of 18.2 cps. A key assumption to this guidance is interest rates, with the Group assuming an average FY25 floating rate of 4.35%.

We would like to take this opportunity to thank our employees for their dedication and contribution to delivering this solid performance in FY24. We would also like to acknowledge our tenants, suppliers and other key stakeholders for their continued support. Finally, we thank our former Managing Director, Timothy Collyer for his service. Tim was Managing Director from 2009 and made an enormous contribution to the performance of Growthpoint and we wish him all the best.

We also would like to thank our Securityholders, for your ongoing commitment to the Group.

Andrew Fay
Chair

1. Real Estate Australia Industry January 2024 benchmark provided by Culture Amp's platform.

Letter from the **Chief Executive Officer & Managing Director**

Ross Lees
Chief Executive Officer
& Managing Director

Dear Securityholders

It is a privilege to join Growthpoint, an organisation with an impressive history and an excellent portfolio of office, industrial and retail assets with strong customer tenant relationships. Growthpoint's purpose of creating spaces for people and businesses to thrive, along with the future growth prospects of its funds management platform attracted me to this opportunity.

In the first two months of joining, I have visited all 66 assets in our portfolio and spent time listening to our stakeholders. What has stood out is the quality of our assets and more importantly how our team is living our values and delivering for our tenants. This has been demonstrated by the strong employee engagement score of 75% above the property sector benchmark of 70%[1] and our industry leader ranking for landlord customer satisfaction in office (first) and industrial (second) vs. a benchmarked peer group for the third year in a row.[2]

Our directly held portfolio of modern office (63%) and industrial assets (37%), with a strong tenant base is resilient. While our office assets make up the majority of the portfolio value, over 20% are located in the best performing office market in Australia, the Brisbane fringe.

The decision to adopt a disciplined approach to capital market transactions in our funds management business has been the right one as we are now well placed to capitalise on attractive opportunities for our funds investors. Our retail assets held in our funds are high quality, and there is scope to grow this asset class. Over the next year, we will focus on growing our funds management in core industrial, counter-cyclical office and opportunistic retail assets for institutional and wholesale investors.

Solid platform for growth

We have a solid platform for growth: quality office, industrial and retail assets, strong customer tenant relationships and promising growth prospects for our funds management business.

There are numerous opportunities that we are focusing on progressing in the year ahead including optimising performance, capital allocation, growing our funds under management, building our brand, evolving our sustainability framework and importantly investing in the development and capability of our people.

Outlook

Despite the current economic landscape, we have an incredibly exciting future ahead of us. While high vacancy rates in office markets in Australia persist, we are optimistic about the medium-term prospects. Strong population growth along with higher construction costs for new buildings should see supply moderate and benefit existing well leased assets.

In addition to this, we are observing a noticeable trend of organisations reversing work from home policies. In August 2024, the NSW Government announced its return to office edict for its workforce which will have far-reaching benefits for the overall economy.

In the logistics sector, Australia benefits from one of the lowest vacancy rates globally which is expected to continue to underpin rental growth.

I want to congratulate the Growthpoint team and our previous Managing Director, Timothy Collyer for delivering this year's solid result in what has been a challenging market, particularly for the Australian real estate sector.

Together with the Executive Management Team, we look forward to building on our purpose of creating spaces for people and businesses to thrive and thank you for your ongoing support.

Ross Lees
Chief Executive Officer and Managing Director

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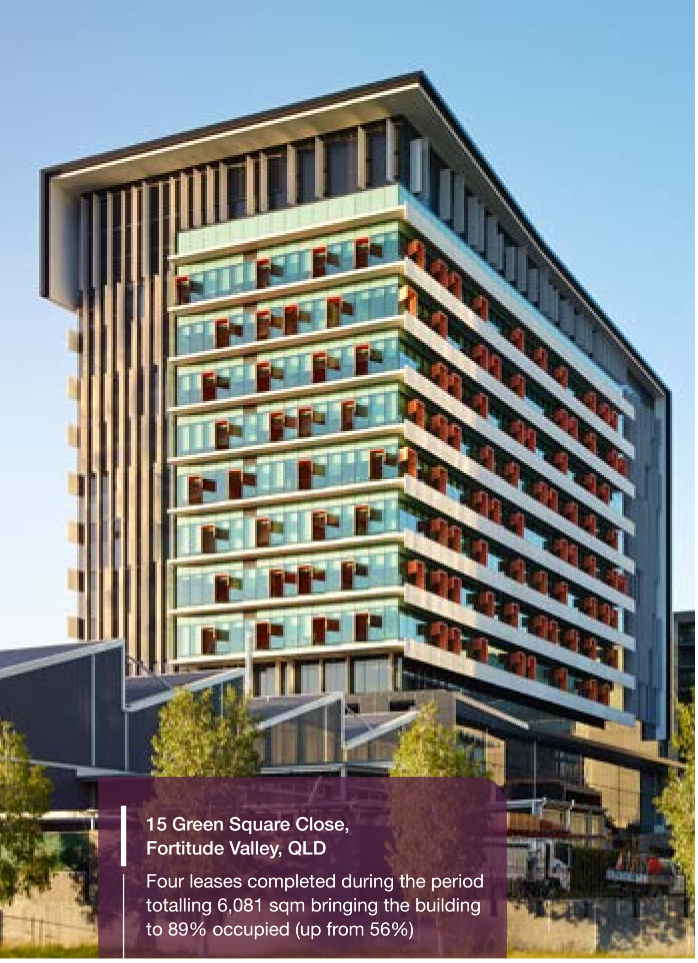
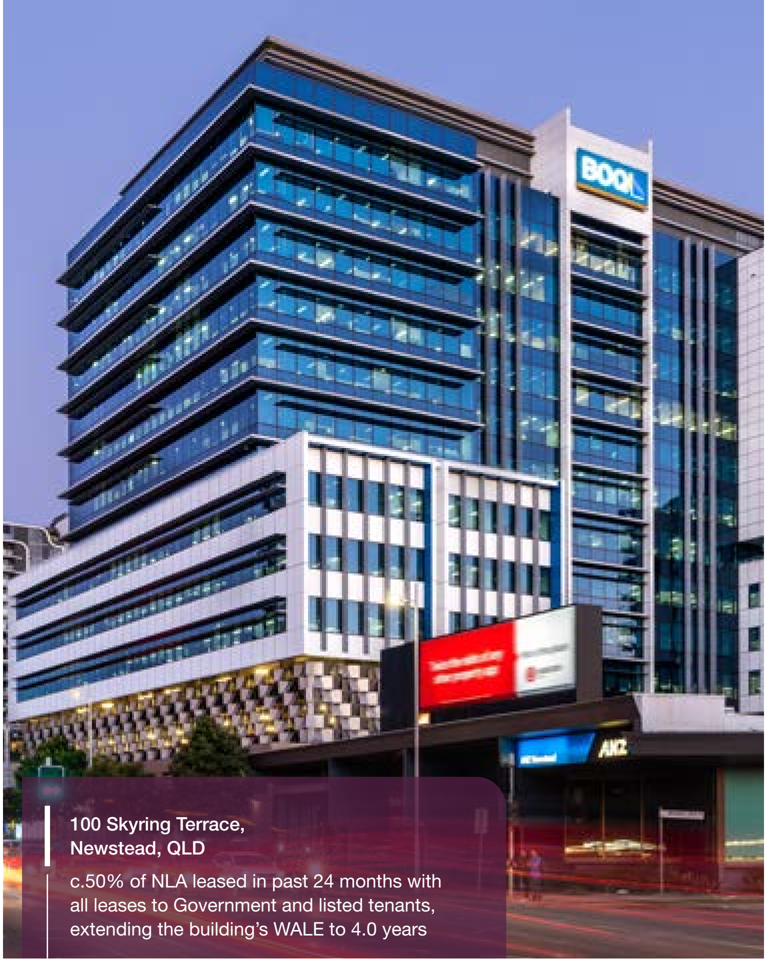
1. Real Estate Australia Industry January 2024 benchmark provided by Culture Amp's platform.
2. Tenant engagement survey conducted by property research specialists Brickfields.



15 Green Square Close,
Fortitude Valley, QLD

Four leases completed during the period totalling 6,081 sqm bringing the building to 89% occupied (up from 56%)



100 Skyring Terrace,
Newstead, QLD

c.50% of NLA leased in past 24 months with all leases to Government and listed tenants, extending the building's WALE to 4.0 years

SW1 Precinct, South Brisbane, QLD
(4 offices plus underground car park)

4,527 sqm leased during the period across 11 deals with an average term of 7.3 years. Average occupancy across the assets now 91% (up from 88% at 30 June 2023).

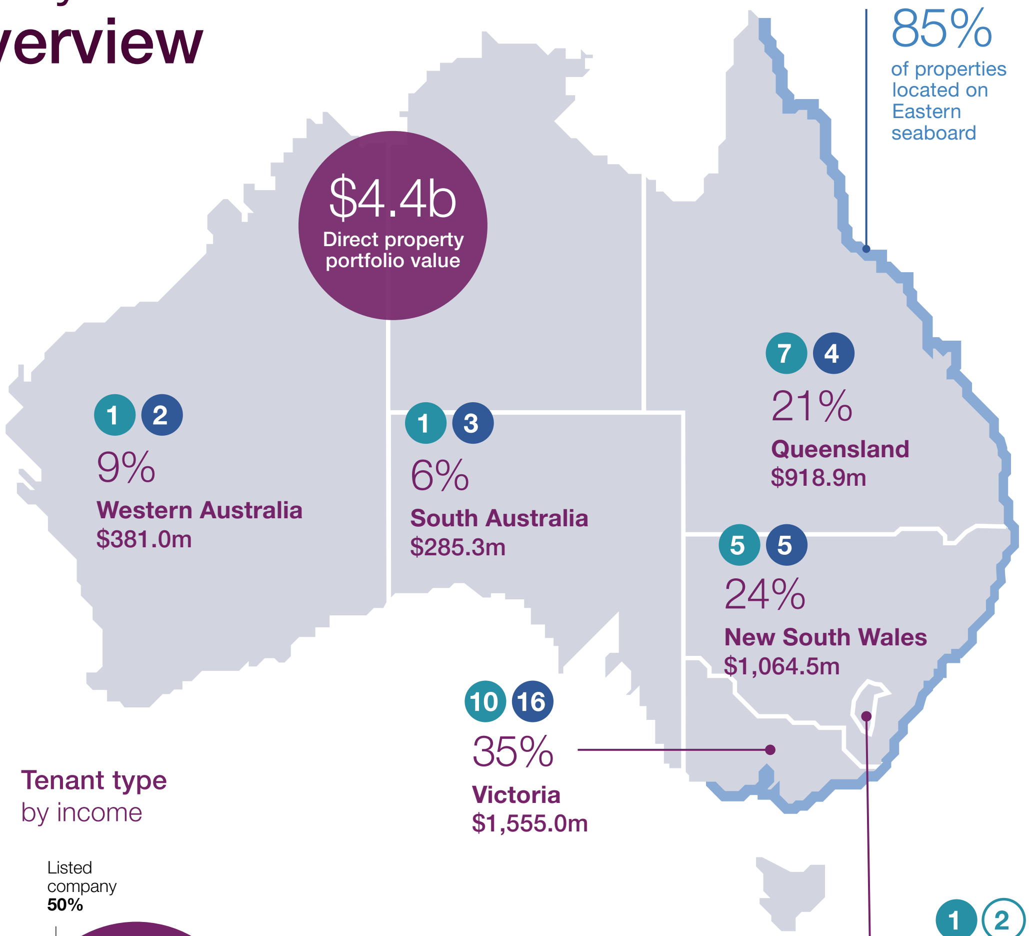
Brisbane fringe portfolio

Total asset value (7 assets)	Lettable area	Average occupancy
$628.0m	78,595 sqm	93%

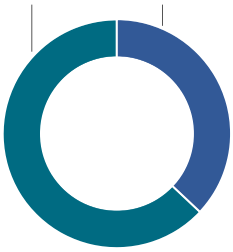
Direct property **portfolio overview**

Geographic diversity
by property value

- Office metropolitan properties
- Office CBD properties
- Industrial properties



Sector diversity
by value

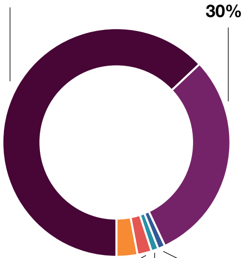


Tenant type
by income

30 industrial assets

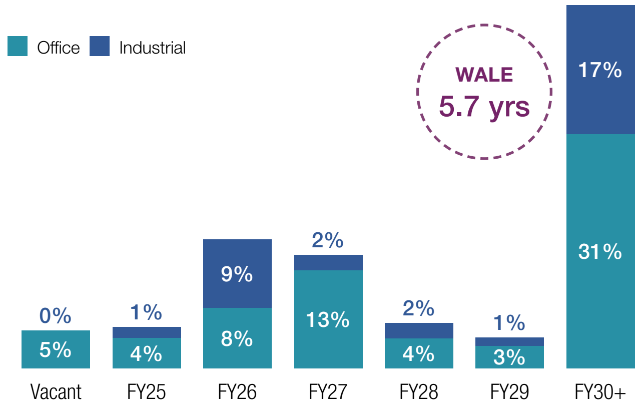
27 office assets

Tenant use
by income



Annual rent review type
by income

Portfolio lease expiry
per financial year, by total portfolio income, as at 30 June 2024



20 Colquhoun Road, Perth Airport, WA

Value: $225.0m
Lettable area: 80,374 sqm
WALE: 1.3 years
Major tenant: Woolworths

Hugh Edwards Dr & Tarlton Cr, Perth Airport, WA

Value: $72.5m
Lettable area: 32,018 sqm
WALE: 3.7 years
Major tenant: Mainfreight

Hugh Edwards Drive & Tarlton Crescent, Perth Airport, WA (4 industrial properties)

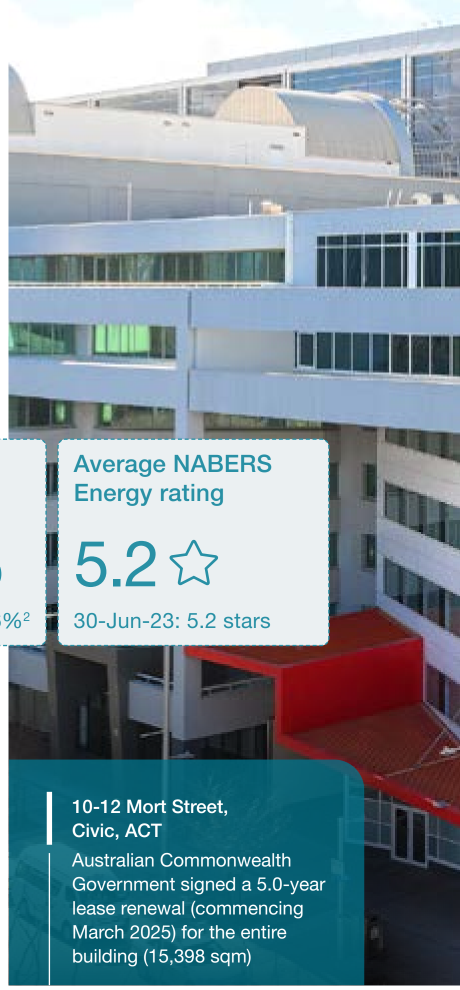
Completed two leases at 58 Tarlton Crescent during FY24 – a 6.0-year lease extension to Railtrain Group for 3,359 sqm and a new 5.0-year lease to Djinda Produce across 1,013 sqm

Perth Airport portfolio

Total value	Occupancy	Lettable area
$297.5m	100%	112,392 sqm

Our **office portfolio**

Portfolio occupancy	Office portfolio value	WALE	WACR	WARR[1]	Average NABERS Energy rating
92%	$2.8b	6.1 yrs	6.5%	3.5%	5.2 ☆
30-Jun-23: 90%	30-Jun-23: $3.1b	30-Jun-23: 6.3 yrs	30-Jun-23: 5.7%	30-Jun-23: 3.6%[2]	30-Jun-23: 5.2 stars



10-12 Mort Street, Civic, ACT
Australian Commonwealth Government signed a 5.0-year lease renewal (commencing March 2025) for the entire building (15,398 sqm)

A modern A-grade portfolio located predominantly across the eastern seaboard in key fringe and metro locations with high green credentials and c.40% of income derived from Government tenants. Ranked #1 in landlord satisfaction relative to 11 peers[3].

Portfolio overview

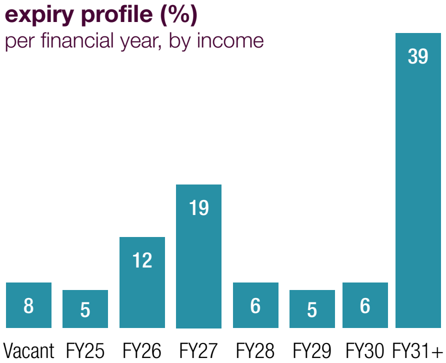
Our direct office portfolio, which represents 63% of our total property portfolio by value, consists of 27 high-quality office properties with a total lettable area of 348,822 sqm. Tenant retention in FY24 was 62% compared with 61% in FY23.

Leasing

The Group executed 44 leases for 46,834 sqm of space in FY24, representing 12.5% of office portfolio income. The weighted average lease term of the new leases was 6.4 years with a weighted annual rent review of 3.6%.

Major leases included the renewal of 15,398 sqm at 10-12 Mort Street, Canberra, ACT with the Australian Commonwealth Government for another 5 years and the National Heavy Vehicle Regulator at 100 Skyring Terrace, Newstead, QLD for a period of 10.6 years across 4,328 sqm. The Group remains focused on filling a major vacancy in the portfolio at 5 Murray Rose Avenue, Sydney Olympic Park, NSW, where over 10,500 sqm of space remains available. Of the 44 leases signed, 32 were new and the remainder were renewals. Average incentives across the leases signed in FY24 was 23%.

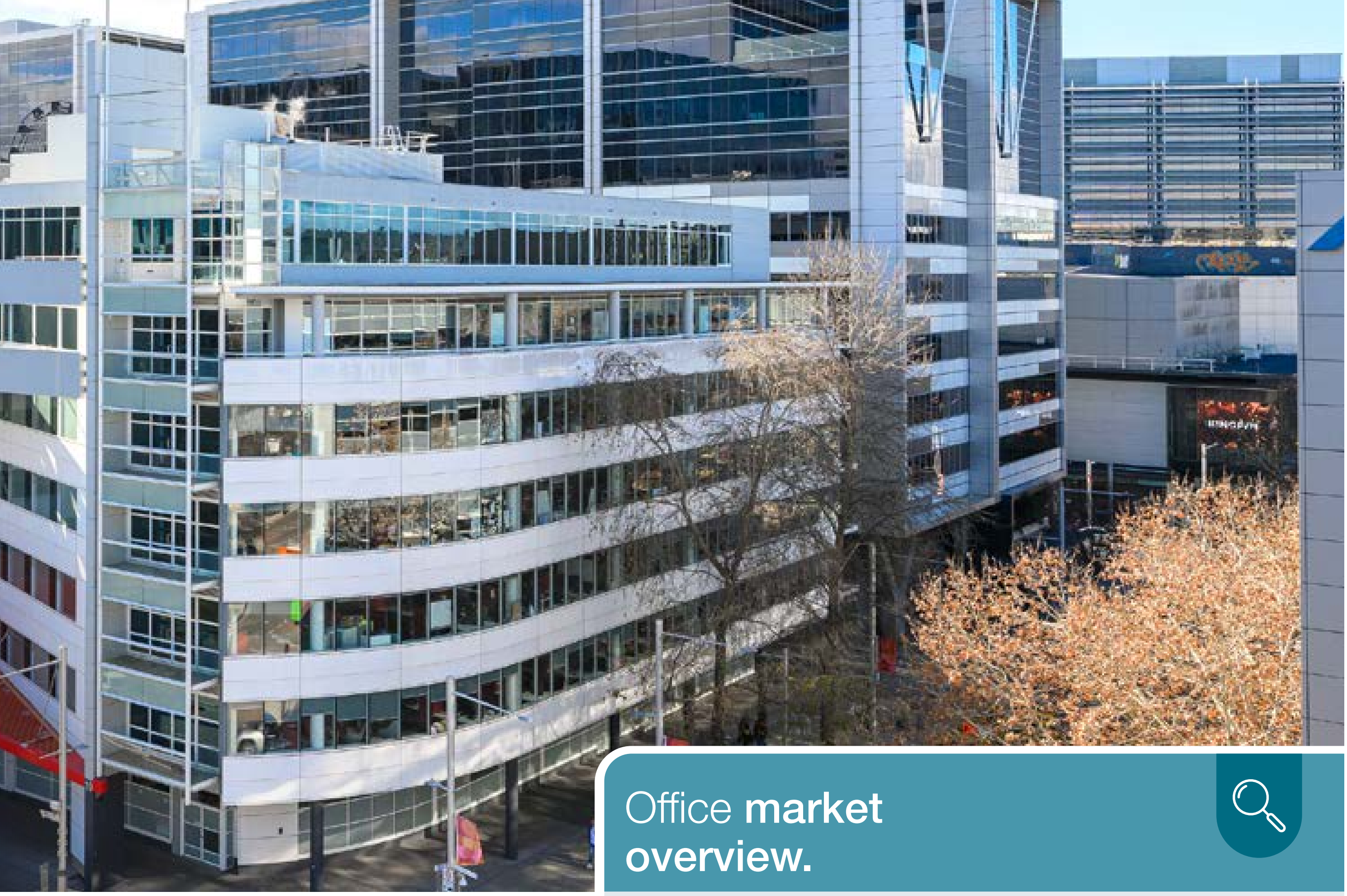
Office portfolio lease expiry profile (%)
per financial year, by income



Top ten office tenants as at 30 June 2024	% portfolio income	WALE (yrs)
Australian Commonwealth Government	12	3.5
NSW Government (Police)	12	20.5
Country Road Group	5	7.9
VIC Government	5	7.6
Bunnings Warehouse	4	5.9
Bank of Queensland	3	2.6
ANZ Banking Group	3	1.7
Samsung Electronics	3	2.7
Fox Sports	3	6.5
Jacobs Group	3	2.3
Total / weighted Average	**53**	**8.2**
Balance of portfolio[4]	47	3.8
Total portfolio	**100**	**6.1**

33-39 Richmond Road, Keswick, SA
The South Australian Government signed a new 10.0-year lease commencing July 2024 for a total of 4,771 sqm

1. Assumes CPI change of 3.8% per annum as per ABS release at June 2024.
2. Assumes CPI change of 6.0% per annum as per ABS release at June 2023.
3. Tenant engagement survey conducted by property research specialists Brickfields.
4. Includes vacancies.



Office market overview.

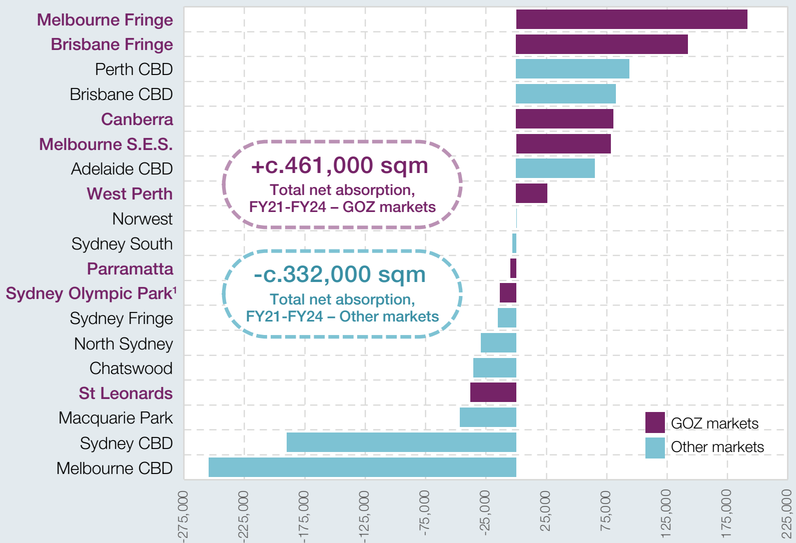
Market observations

Australian office markets continue to be impacted by higher vacancy rates, particularly in the Melbourne and Sydney markets. Transaction activity remains below historical averages, however toward the end of FY24, several large transactions were completed, indicating a degree of price discovery in office markets.

Vacancy remains elevated in most markets, though modest face rent growth of c.4% occurred across the Group's office markets over the year. The Brisbane fringe market recorded 10% effective rent growth, the Group retains over 20% of its office portfolio in this market. Positive net absorption of c.68,000 sqm was recorded across the Group's markets vs the national which was negative c.45,000 sqm. The Group completed c.47,000 sqm of leasing in FY24, up from c.32,000 sqm in FY23.

Net absorption – GOZ markets vs other markets

FY21-FY24 (sqm)



Source: JLL

1. Includes Rhodes

Our **industrial portfolio**

Portfolio occupancy	Industrial portfolio value	WALE	WACR	WARR[1]
100%	$1.6b	4.9 yrs	6.0%	3.2%
30-Jun-23: 100%	30-Jun-23: $1.7b	30-Jun-23: 5.4 yrs	30-Jun-23: 5.4%	30-Jun-23: 3.7%[2]

A modern logistics and warehouse portfolio with c.70% of assets located on the eastern seaboard close to transport hubs and urban population centres underpinned by quality tenants such as Woolworths and Australia Post.

Portfolio overview

Our industrial portfolio comprises 30 modern industrial properties which represent 37% of Growthpoint's total property portfolio by value. Tenant retention in FY24 was 66% compared with 64% in FY23.

Leasing

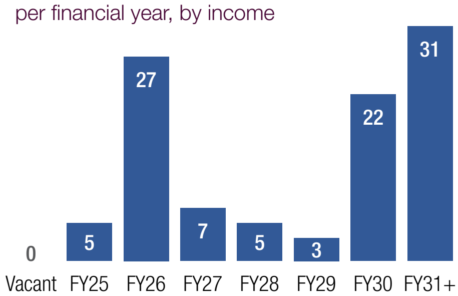
The Group executed six leases totalling 60,794 sqm of space in FY24, representing 7.9% of industrial portfolio income. The weighted average lease term of the new leases was 6.0 years with a weighted annual rent review of 3.7%. Overall leasing activity remained strong, with demand originating from the transport/logistics and warehousing sectors. Of the six leases signed in FY24, three were with new tenants and the remainder were renewals. Average incentives on new leases and renewals increased from c.10 to 15%, whilst re-leasing spreads were 31%.[3]

The Group was pleased to renew Laminex for 5 years at 130 Sharps Rd, Melbourne Airport. This was the largest industrial lease the Group executed in FY24 totalling over 28,000 sqm. The Group also welcomed TSS Sensitive Freight as a new tenant at 9-21 Kimpton Way, Altona, Victoria for a 10-year term for 13,625 sqm.

Divestments

During the first half, the Group completed the sale of 1-3 Pope Court, Beverley, SA with an entity associated with the current tenant, Aluminium Specialties Group (AS Group Properties Pty Ltd). The Group achieved a gross sale price of $35.0 million, c.15% above the 30 June 2023 book value, representing an unlevered internal rate of return of c.12% since being purchased in 2015 for $20.8 million.

Industrial portfolio lease expiry profile (%)
per financial year, by income



Top ten industrial tenants as at 30 June 2024	% portfolio income	WALE (yrs)
Woolworths	38	5.7
Linfox	12	1.6
Australia Post	6	7.0
101 Warehousing	3	5.3
Brown & Watson International	3	9.1
Laminex Group	3	6.0
The Workwear Group	2	3.0
Eagers Automotive	2	8.6
Symbion	2	7.5
Autocare Services	2	6.3
Total / weighted Average	**73**	**5.4**
Balance of portfolio[4]	27	3.5
Total portfolio	**100**	**4.9**

130 Sharps Road, Melbourne Airport, VIC
Long-term tenant, Laminex, renewed their lease for 5.0 years across 28,100 sqm

9-21 Kimpton Way, Altona VIC (3 warehouses)
New tenant, TSS Sensitive Freight signed a 10-year term across 13,625 sqm

1. Assumes CPI change of 3.8% per annum as per ABS release at June 2024.
2. Assumes CPI change of 6.0% per annum as per ABS release at June 2023.
3. Net effective basis relative to prior passing rent.
4. Includes vacancies.

Industrial **market overview.**

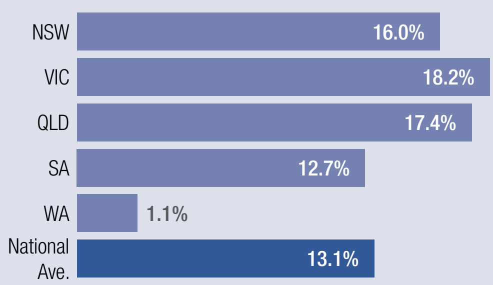
Market observations

Industrial rents across Australia continued to trend upwards in FY24, driven by ongoing demand-supply imbalance that has left most markets with limited relocation options for occupiers. This was driven largely by the persistent low availability of warehouse space in the leasing market. Incentives are trending upwards in most markets, but from a low base.

Vacancy increased slightly from a record low of 0.6% in June 2023 to 1.9% in June 2024.

Rent growth continued over the year, with most markets recording double-digit growth in face rents, but at slower levels relative to 2023. Investors remain attracted to prime and secondary grade investments, particularly those which provide near term positive rent reversion opportunities (i.e. short-medium WALE assets).

Industrial prime net face rent growth (%)
12 months to 30 June 2024



Source: JLL

Funds management overview

$1.6 billion of third-party assets under management for wholesale syndicates and institutional investors

Investor composition
by value, as at 30 June 2024

The funds management business currently invests in office, retail and mixed-use properties in Sydney, Brisbane and Adelaide via closed-end funds. The business has a 30-year track record of investing through multiple cycles and an extensive network advantage.

In the current cycle, we have taken a disciplined approach to capital market transactions given the challenging environment. During the period, the Group extended the term of several funds representing c.25% of total FUM, preserving value for investors. We completed the sale of Taylors House for c.$87 million, achieving a levered IRR of 11% over the 7-year fund term.

Our focus remains on driving growth in FUM across multiple channels, targeting industrial, office and retail sectors across a range of investor styles and appetites.

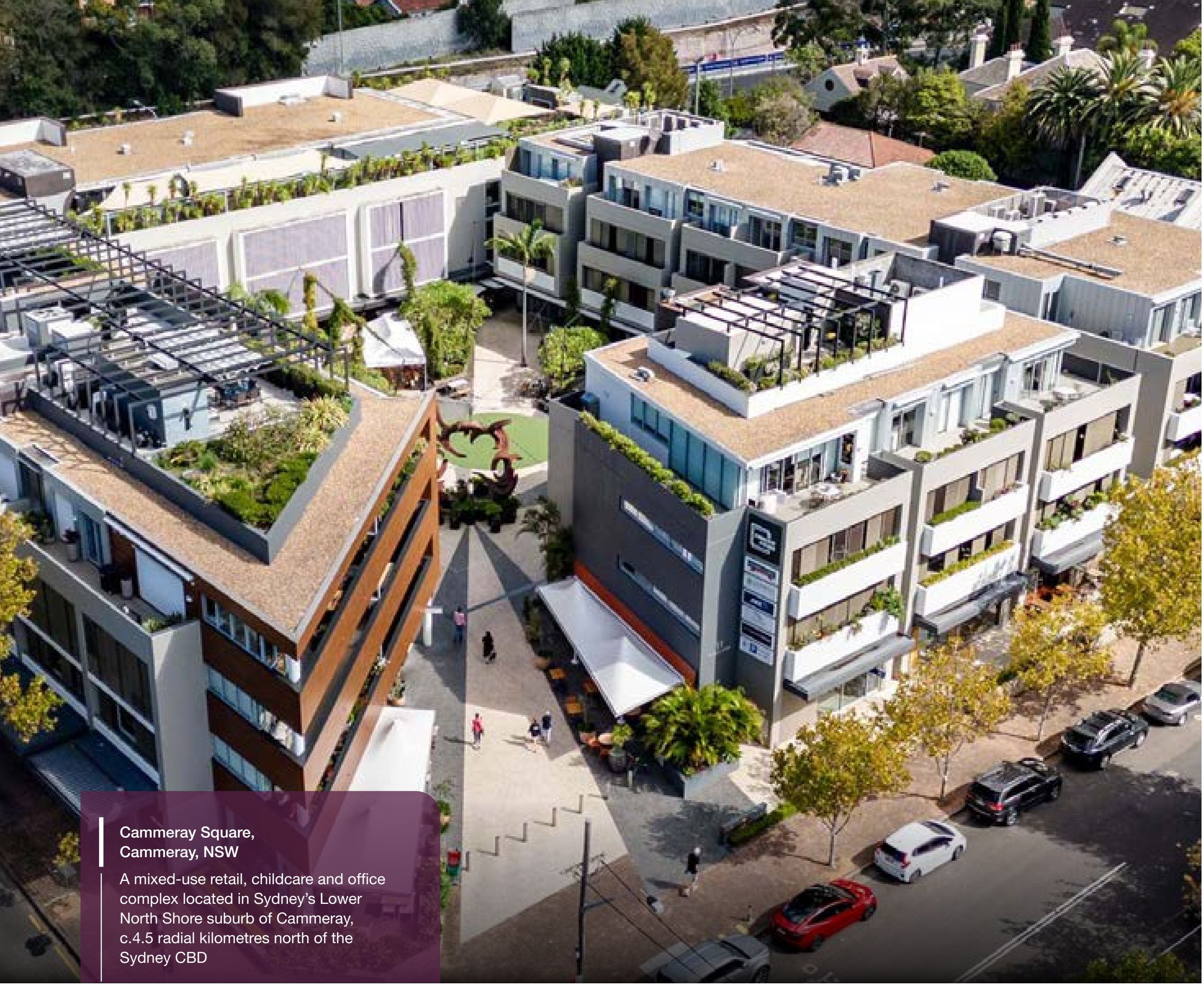
Asset type and location
as at 30 June 2024

Case study: Fund completion

Gross sale price	IRR (levered)
c.$87m	11% Over the 7-year fund term

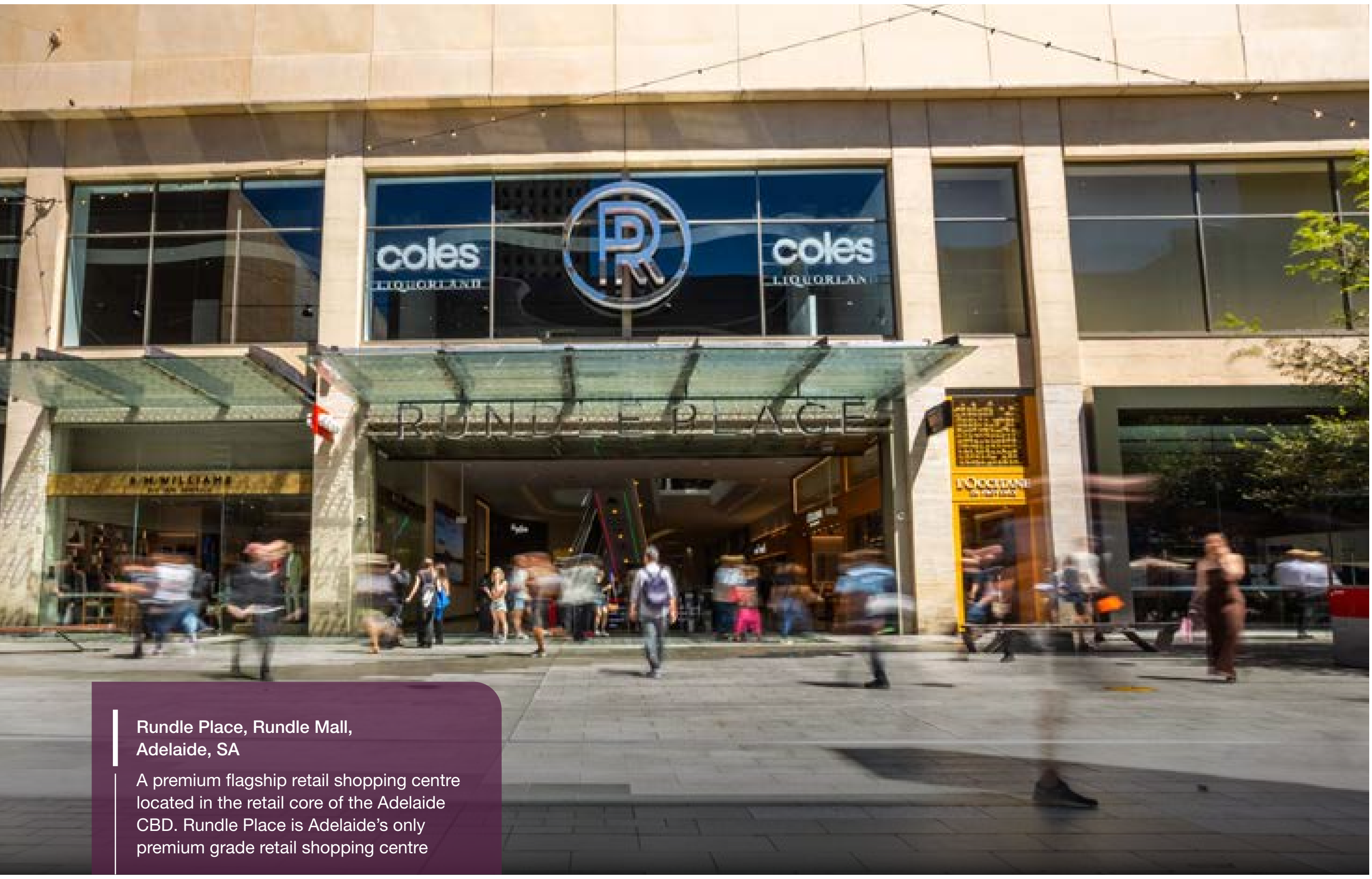
Taylors House, 965 Bourke Street, Waterloo, NSW

Sold in October 2023 following an extensive marketing campaign. Settled in January 2024.



Cammeray Square, Cammeray, NSW

A mixed-use retail, childcare and office complex located in Sydney's Lower North Shore suburb of Cammeray, c.4.5 radial kilometres north of the Sydney CBD



Rundle Place, Rundle Mall, Adelaide, SA

A premium flagship retail shopping centre located in the retail core of the Adelaide CBD. Rundle Place is Adelaide's only premium grade retail shopping centre

FY24 **sustainability performance**

Growthpoint's **2024 Sustainability report** will be published in early October at growthpoint.com.au/sustainability

Environment

Average NABERS Energy rating

5.2 ☆

with 100% of eligible office portfolio rated

Average NABERS Water rating

4.9 ☆

with 100% of eligible office portfolio rated

Average NABERS Indoor Environment rating

4.8 ☆

with 100% of eligible office portfolio rated

Economic

$1.0b

of existing debt now converted to sustainability linked loans (SLLs), exceeding all targets leading to interest margin reductions

People

Employee engagement score

75%

placing the Group 5 percentage points above the January 2024 Real Estate Australia industry benchmark[1]

Gender diversity (all employees)[2]

44% 56%

Tenant customer satisfaction rating (CSAT)[3]

75%

FY23: 77%

Governance

GRESB REAL ESTATE sector leader 2023[4]

84
100

Member of
Dow Jones Sustainability Indices
Powered by the S&P Global CSA

1. Employee engagement survey conducted by the Culture Amp platform.
2. Excludes casual and contract employees.
3. Tenant engagement survey conducted by property research specialists Brickfields.
4. Overall Regional Sector Leader – Diversified – Office/Industrial.

Our pathway to **Net Zero 2025**[1]

Completed

FY21

- ☑ **Announced target of net zero emissions by 2025**
- ☑ **Carbon intensity:** 39kg CO2-e /sqm[2]

FY22

- ☑ **Completed three solar installations** (combined capacity: 259 kW, total portfolio solar: 10 assets)
- ☑ **Developed an energy procurement strategy** to secure our medium-term energy needs
- ☑ **Carbon intensity:** 34kg CO2-e /sqm[2]

FY23

- ☑ **Executed our renewable energy strategy**, including locking in GreenPower for the next five years
- ☑ **Commenced electrification feasibility assessments** for three commercial assets
- ☑ **Chiller upgrade projects** delivered at three assets
- ☑ **Carbon intensity:** 28kg CO2-e /sqm[2]

FY24

- ☑ **Completed six onsite solar installations** (capacity: 376kW, total portfolio solar: 16 assets)
- ☑ **Increased GreenPower** coverage to c.50% of electricity needs
- ☑ Developed our **carbon offset strategy**
- ☑ **Commenced electrification feasibility assessments** for a further three commercial assets
- ☑ **Carbon intensity target:** 12kg[2,3] CO2-e /sqm

In progress

FY25

- ☐ Targeting **two onsite solar installation** for the office portfolio
- ☐ **Increase GreenPower coverage** to supply c.75% of our electricity needs
- ☐ **Electrification feasibility assessments** for four commercial assets
- ☐ **Carbon intensity target:** 7kg[2] CO2-e /sqm

1 July 2025

Expected target achievement

1. Directly owned office assets and corporate activities.
2. Market-based carbon intensity.
3. Pending audit as part of FY24 sustainability reporting.

Operating and financial review
Governance
Financial report
Additional information

Financial performance

Funds from operations (FFO)	Distributions	NTA per security
23.9 cps	19.3 cps	$3.45
FY23: 26.8 cps	30-Jun-23: 21.4 cps	30-Jun-23: $4.00

The Group's performance in FY24 reflects the underlying strength of the portfolio. Growthpoint delivered FFO of 23.9 cps, above guidance. Distributions to Securityholders were in line with guidance of 19.3 cps, representing a payout ratio of 80.7%, consistent with the Board's target payout ratio of between 75% and 85%.

Excluding the net decline in lease surrender payments from FY23 to FY24 of c.$14.5 million, like-for-like property FFO was up 2.3%. FFO performance reflects the lower net property income received during the period due to the sale of 333 Ann Street, Brisbane, QLD (Nov 22) and 1-3 Pope Court, Beverley, SA (Oct 23) and lower surrender payments received in FY24 relative to FY23.

The Group's portfolio value decreased by 8.5% representing a fair value reduction of $424.3 million and on a like-for like basis declined by 7.9% or $380.2 million at 30 June 2024. NTA declined by 13.8% to $3.45 per security relative to 30 June 2023. The Group impaired the goodwill associated with its funds management business by $26.6 million. The impairment primarily relates to changed economic conditions affecting the funds management sector since acquisition, leading to revised FUM growth assumptions.

Capital expenditure (capex)		FY24	FY23
Total portfolio capex	*$m*	**30.4**	22.1
Total average property portfolio value	*$m*	**4,779.1**	5,227.1
Capital expenditure to average property portfolio value	*%*	**0.64**	0.42

Capital expenditure

Maintenance capital expenditure increased to $30.4 million, from $22.1 million in FY23 and has increased as a percentage of the total directly owned property portfolio at 0.64% relative to FY23. Capital expenditure was slightly higher than the Group's guidance range of between 0.3% and 0.6% of average property value and largely reflects the decline in the Group's direct property portfolio during FY24. The Group expects to remain towards the upper end of its guidance range over the short to medium term.

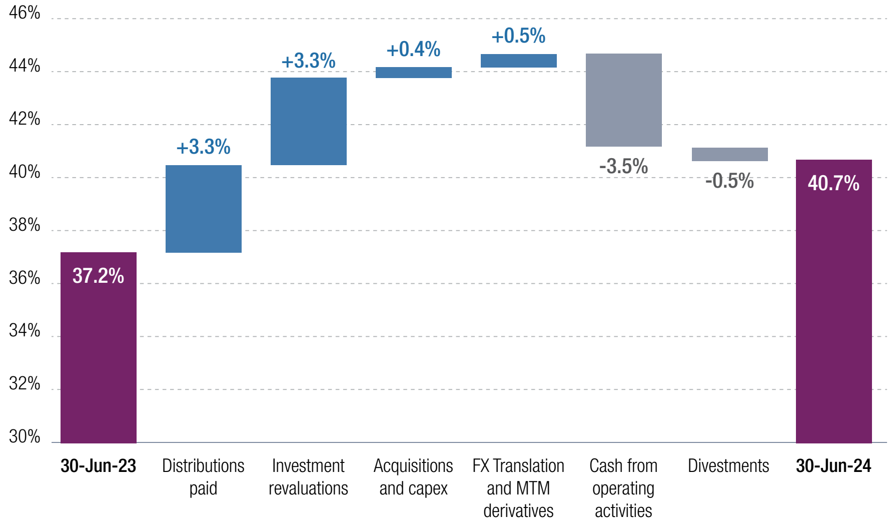
Capital Management

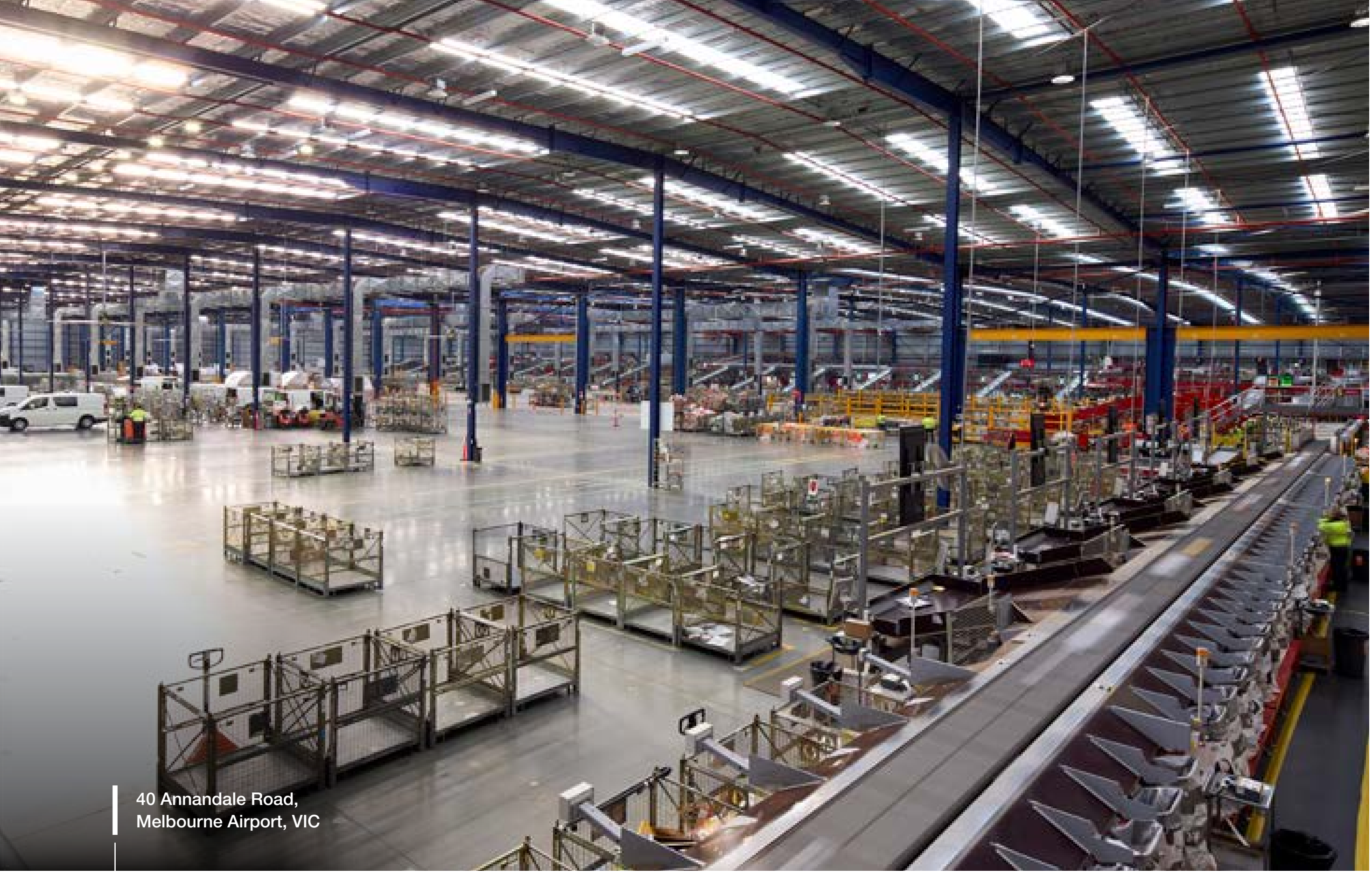
During the financial year Growthpoint refinanced and extended $470 million of bank debt facilities on favourable terms, c.20% of total bank debt facilities. As at 30 June 2024, the weighted average remaining term to maturity is 3.0 years.

The Group converted $500 million of existing debt facilities into a sustainability linked loan (SLL), bringing the total amount of SLL's on issue to $1,020 million. Interest margin reductions have been achieved as the Group exceeded all targets which are tied to sustainability related KPIs.

The Group also executed new interest rate swaps with a face value of $395 million, at an average fixed rate of 3.7% of which, $180 million, have a forward start date in FY25.

Gearing movement
for the 12 months ended 30 June 2024





40 Annandale Road,
Melbourne Airport, VIC

Stress testing covenants

Growthpoint has three main debt and lending covenants which are regularly stress tested

LVR <60%

42.6%

To breach this covenant, Growthpoint's cap rate would need to rise by 259 bps[1]

ICR >1.6x

2.8x

To breach this covenant, NPI would need to fall by 42.9%[1]

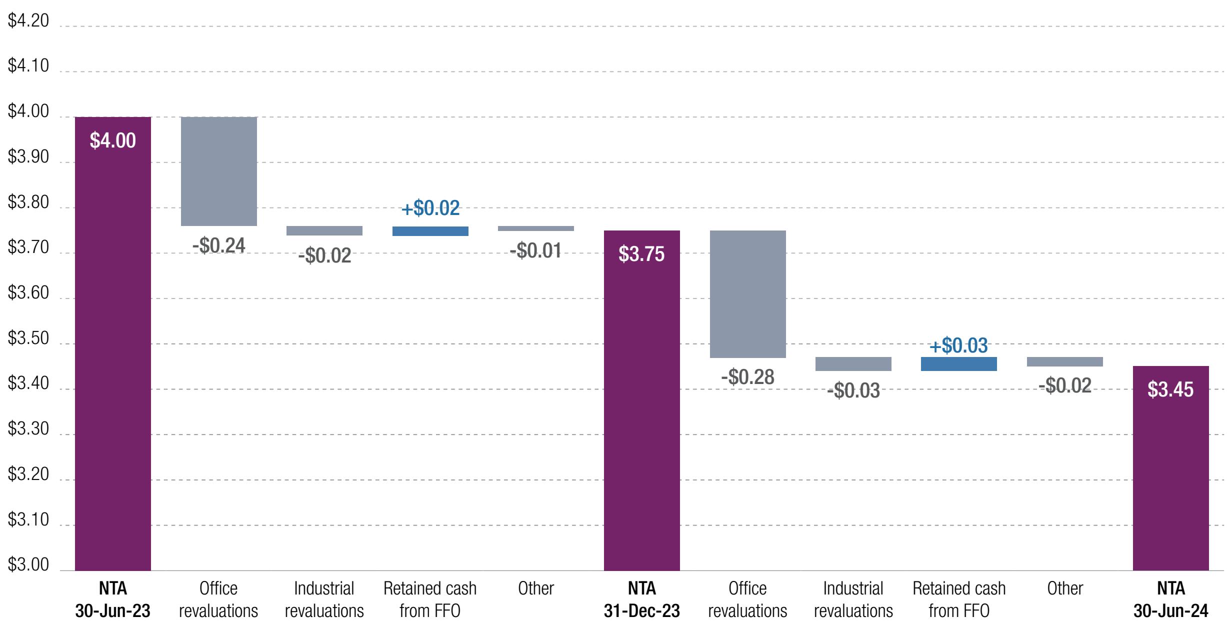
% property secured >85%

96.7%

1. As at 30 June 2024. For illustrative purposes only. Assumes no change to other inputs that may impact the calculation of this metric.

Movements in NTA per security

for the 12 months ended 30 June 2024



Financial performance

Key debt metrics and changes during FY24		30 June 2024	30 June 2023	Change
Gross assets	*$m*	**4,764.9**	5,210.8	(445.9)
Interest bearing liabilities	*$m*	**1,923.8**	1,918.7	5.1
Total debt facilities	*$m*	**2,223.3**	2,226.3	(3.0)
Undrawn debt	*$m*	**293.0**	300.0	(7.0)
Gearing	*%*	**40.7**	37.2	3.5
Weighted average cost of debt (based on drawn debt)	*%*	**4.8**	4.6	0.2
Weighted average debt maturity	*years*	**3.0**	3.4	(0.4)
Annual ICR / covenant ICR	*times*	**2.8 / 1.6**	3.4 / 1.6	(0.6) / -
Actual LVR / covenant LVR	*%*	**42.6 / 60**	38.7 / 60	3.9 / -
Weighted average fixed debt maturity	*years*	**2.5**	2.9	(0.4)
% of debt fixed	*%*	**74.5**	70.5	4.0
Debt providers	*no.*	**22**	22	–

Funds from operations

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

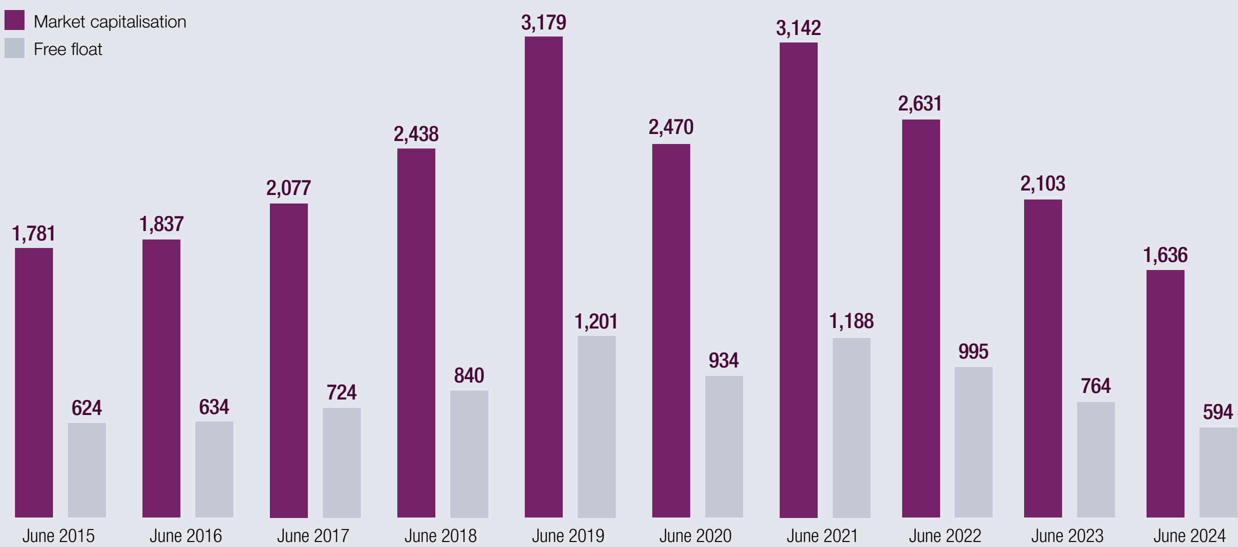
The following table reconciles statutory profit to FFO and reports distributions paid to Securityholders.

Reconciliation of profit after tax to FFO	FY24	FY23	Change	Change
	$m	*$m*	*$m*	*%*
Loss after tax	**(298.2)**	**(245.6)**	**(52.6)**	**21.4**
Adjustment for non-FFO items:				
- Straight line adjustment to property revenue	**(10.2)**	(12.6)	2.4	
- Net loss in fair value of investment properties	**424.3**	388.4	35.9	
- Net (gain) / loss in fair value of investment in securities	**(11.5)**	6.2	(17.7)	
- Net loss in fair value of derivatives	**16.4**	1.1	15.3	
- Net (gain) / loss on exchange rate translation of interest-bearing liabilities	**(3.0)**	14.8	(17.8)	
- Amortisation of incentives and leasing costs	**40.0**	39.3	0.7	
- Amortisation of intangible assets	**1.1**	1.7	(0.6)	
- Goodwill impairment	**26.6**	8.8	17.8	
- Deferred tax benefit	**(5.4)**	(5.1)	(0.3)	
- Other	**0.3**	7.8	(7.5)	
FFO	**180.4**	**204.8**	**(24.4)**	**(11.9)**

10-year **financial performance** summary

As at 30 June		2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Financial performance											
Profit for the period	$m	**(298.2)**	(245.6)	459.2	553.2	272.1	375.3	357.7	278.1	219.4	283.0
Financial position											
Total assets (at 30 June)	$m	**4,764.9**	5,210.8	5,499.8	4,777.8	4,500.7	4,117.9	3,474.6	3,328.4	2,879.6	2,407.1
Total equity (at 30 June)	$m	**2,611.7**	3,054.3	3,519.9	3,221.4	2,822.6	2,546.5	2,157.0	1,901.5	1,522.4	1,411.5
Securityholder value											
Basic earnings per security	¢	**(39.6)**	(32.1)	59.5	71.7	35.3	52.9	53.5	42.7	38.1	50.4
Funds from operations per security	¢	**23.9**	26.8	27.7	25.7	25.6	25.1	25.0	25.5	22.9	21.8
Distributions per security	¢	**19.3**	21.4	20.8	20.0	21.8	23.0	22.2	21.5	20.5	19.7
Total securityholder return	%	**(15.5)**	(12.0)	(11.7)	34.0	(17.7)	21.0	22.3	6.3	7.4	36.4
Return on equity	%	**(8.9)**	(7.6)	14.3	19.7	10.8	16.9	18.5	18.6	13.5	23.9
Gearing (at 30 June)	%	**40.7**	37.2	31.6	27.9	32.2	34.3	33.9	38.5	41.2	36.3
NTA per security (at 30 June)	$	**3.45**	4.00	4.56	4.17	3.65	3.52	3.19	2.88	2.61	2.48
Market capitalisation (at 30 June)	$m	**1,636.2**	2,102.9	2,631.4	3,141.5	2,469.9	3,178.6	2,438.1	2,076.6	1,836.8	1,781.1

Market capitalisation and free float ($m)



Board of Directors

Andrew Fay

BAgEc (Hons), A Fin | Independent Chair

Term of office

Andrew was appointed as a Director of the Board in December 2022 and Chair in March 2023.

Professional experience

Andrew is an experienced company director across ASX listed, private and regulated entities. He has over 30 years' experience in financial services, including investments, funds, property, and infrastructure management. Senior executive roles included Chief Executive Officer and Chief Investment Officer of Deutsche Asset Management (Australia) as well as Regional Chief Investment Officer (Asia Pacific) for the broader Deutsche Asset Management group. Prior to Deutsche Asset Management, he held senior executive roles at AMP Capital, and from 1998 to 2006 was a member of the Investment Board Committee of the Financial Services Council.

Andrew was formerly a non-executive Director of Pendal Group Limited, Spark Infrastructure RE Limited, South Australian and Victorian Power Networks, Gateway Lifestyle Group, Deputy Chair of Cromwell Property Group and an alternate Director for Dexus Property Group.

Other directorships and positions

Andrew is currently a non-executive Director of Integral Diagnostics Limited, National Cardiac Pty Limited and Utilities of Australia Pty Limited (Trustee of Utilities Trust of Australia).

Board Committee Membership

- Nomination, Remuneration and HR Committee

Ross Lees

MAppFin, BBus (Prop Econ) | Chief Executive Officer and Managing Director

Term of office

Ross was appointed as Chief Executive Officer and Managing Director and to the Board in May 2024.

Professional experience

Ross has over 20 years of real estate investment management experience and a deep understanding of commercial property markets, funds management, asset management, mergers and acquisitions and equity capital markets.

He has previously held senior leadership positions at Centuria Capital, Dexus, LOGOS and Stockland.

Ross holds a Masters of Applied Finance from Macquarie University and a Bachelor of Business (Property Economics) from Western Sydney University. Ross has also had active involvement with both the Property Council of Australia and the Property Funds Association.

Board Committee Membership

- Investment Committee

Estienne de Klerk

BCom (Industrial Psych), BCom (Hons) (Marketing), BCom (Hons) (Accounting), CA (SA) | Director

Term of office

Estienne was appointed as a Director of the Board in August 2009.

Professional experience

Estienne has 27 years of experience in banking and property investment. He has held senior roles at Growthpoint Properties Limited for over 21 years, with responsibility for mergers, acquisitions, capital raisings and operating service divisions.

Estienne is a past-President of the South African Property Owners Association.

Other directorships and positions

Estienne is currently Growthpoint Properties Limited's Chief Executive Officer: South Africa. He is also a Director of V&A Waterfront Holdings and Chairman of the SA REIT Association.

Estienne is not considered independent due to his position at Growthpoint Properties Limited.

Board Committee Membership

- Chair – Investment Committee

Deborah Page AM

BEc FAICD FCA | Independent Director

Term of office

Deborah was appointed as a Director of the Board in March 2021.

Professional experience

Deborah has extensive executive experience, having held senior financial and operational roles at a number of leading Australian companies, across the property, financial services, technology and legal sectors. Prior to this, she was a partner at Touche Ross/ KPMG Peat Marwick.

Deborah was formerly Chair of Pendal Group Limited and Investa Office Fund, and a former non-executive Director of Investa Property Group, GBST Holdings Limited, Australian Renewable Fuels Limited and Service Stream Limited.

Other directorships and positions

Deborah is currently a non-executive Director of Magellan Financial Group Limited, Brickworks Limited and The Star Entertainment Group Limited, and is a member of the Takeovers Panel.

Board Committee Membership

- Chair - Audit, Risk and Compliance Committee
- Investment Committee

Other Directors during the period

- **Grant Jackson,** Independent Director – retired 16 November 2023
- **Timothy Collyer**, Managing Director – retired 20 May 2024

Norbert Sasse

BCom (Hons) (Acc), CA (SA) | Director

Term of office

Norbert was appointed as a Director of the Board in August 2009.

Professional experience

Norbert has over 27 years of experience in corporate finance dealing with listings, delistings, mergers, acquisitions and capital raisings, and over 20 years of experience in the listed property market.

Other directorships and positions

Norbert is the Group Chief Executive Officer and a Director of Growthpoint Properties Limited. He is also a Director of V&A Waterfront Holdings, Capital & Regional plc and Globalworth Real Estate Investments Limited.

Norbert is not considered independent due to his position at Growthpoint Properties Limited.

Board Committee Membership

– Nomination, Remuneration and HR Committee

Josephine Sukkar AM

BSc (Hons), Grad Dip Ed | Independent Director

Term of office

Josephine was appointed as a Director in October 2017.

Professional experience

Josephine is co-owner and Principal of construction company Buildcorp, founded 34 years ago with her husband Tony. She is a professional company director, a Fellow of the University of Sydney and a Member of the Order of Australia.

Josephine was formerly the Chair of the Australian Sports Commission, Chair of the Sport Diplomacy Advisory Council (DFAT), Chair of the Australian Women's Rugby Union, a member of the Nominations Committee of Rugby Australia and the Australian Rugby Foundation, a Non-Executive Director of The Trust Company, the Property Council of Australia, Opera Australia, the Centenary Institute of Medical Research, the Parramatta Park Trust and the YWCA NSW.

Other directorships and positions

Josephine is currently a Non-Executive Director of Washington H. Soul Pattinson and the Green Building Council of Australia. She is a Trustee of the Australian Museum Trust and Chair of the Buildcorp Foundation.

Board Committee Membership

– Chair – Nomination, Remuneration and HR Committee

Michelle Tierney

GAICD BA (Journalism & Comm), PgDip (Bus Admin), MBA | Independent Director

Term of office

Michelle was appointed as a Director of the Board in April 2023.

Professional experience

Michelle is an experienced senior executive and board member across ASX and NZX organisations respectively. She has over 20 years of executive experience in the property and funds management industry having held senior executive, funds management and property roles with National Australia Bank and The GPT Group. Prior to her appointment, Michelle was Chief Operating Officer for Region Group (formerly SCA Property Group).

Michelle was formerly an executive Director of SCA Unlisted Retail Fund RE Limited and served as alternate Director of the Shopping Centre Council of Australia.

Other directorships and positions

Michelle is currently a non-executive Director of Stride Property Group (ASX: SPG), Peet Limited (ASX: PPC) and Uniting NSW.ACT. Michelle is also a Director of Cotton Research and Development Corporation, an Australian Commonwealth Government entity under the Primary Industries Research and Development (PIRD) Act.

Board Committee Membership

– Audit, Risk and Compliance Committee

– Investment Committee

Panico Theocharides

B.Com (Hons (Acc)), CA (SA) | Director

Term of office

Panico was appointed as a Director of the Board in April 2023.

Professional experience

Panico has over 20 years of executive leadership experience in listed real estate investment trusts and the investment banking advisory industries. He has held senior financial and operational roles at Investec and Sasfin Bank, and was previously Joint CEO of Annuity Properties Limited and CEO of Annuity Asset Managers and Annuity Property Managers.

Panico was formerly a non-executive Director of Transcend Residential Property Fund Limited and a non-executive Director and Chair of the Investment Committees of two Westbrooke Group property funds (Westbrooke Alternative Tourism Property Fund and Westbrooke Student Accommodation Property Fund).

Other directorships and positions

Panico is currently Group Head of Investments at Growthpoint Properties Limited and is a member of its Executive Committee. He also serves as a non-executive Director of Capital & Regional plc and Globalworth Real Estate Investments Limited.

Panico is not considered independent due to his position at Growthpoint Properties Limited.

Board Committee Membership

– Audit, Risk and Compliance Committee

Executive Management Team

Ross Lees

MAppFin, BBus (Prop Econ) | Chief Executive Officer and Managing Director

Ross joined Growthpoint in 2024 as Chief Executive Officer and Managing Director.

Ross has over 20 years of real estate investment management experience and a deep understanding of commercial property markets, funds management, asset management, mergers and acquisitions and equity capital markets.

He has previously held senior leadership positions at Centuria Capital, Dexus, LOGOS and Stockland.

Ross holds a Masters of Applied Finance from Macquarie University and a Bachelor of Business (Property Economics) from Western Sydney University. Ross has also had active involvement with both the Property Council of Australia and the Property Funds Association.

Dion Andrews

BBus, FCCA, GAICD – Chief Financial Officer

Dion joined Growthpoint in 2009 as Financial Controller. He was appointed Chief Financial Officer in 2011.

Dion is a Chartered Accountant, with over 22 years of experience in financial roles in Melbourne and London.

Dion joined Growthpoint from MacarthurCook, a listed property funds group, where he held a senior finance position.

Michael Green

BBus (Prop), GAICD – Chief Investment Officer

Michael joined Growthpoint in 2009 and has been a member of the Executive Team for over a decade. He has held several executive leadership roles and is currently Chief Investment Officer.

Michael has over 23 years of experience in listed and unlisted property fund management, property investment and development, both in Australia and Europe.

Prior to joining Growthpoint, Michael was based in London and was Transaction Manager for Cordea Savills.

Jacqueline Jovanovski

LLB (Hons), BA, GradDipApp (CorporateGov), FGIA FCG (CS, CGP) – Chief Operating Officer

Jacquee joined Growthpoint as Chief Operating Officer in 2019. As part of this role, Jacquee is also Growthpoint's General Counsel and Company Secretary.

Previously, Jacquee held a number of senior positions at Vicinity Centres, most recently Company Secretary and Head of Compliance.

Prior to joining Vicinity Centres, Jacquee was a lawyer with legal firms Minter Ellison, Linklaters and Herbert Smith Freehills, in Melbourne and London.

Sam Sproats

B.Fin Admin, GAICD – Executive Director, Funds Management

Sam joined Growthpoint in 2022 and leads the Group's funds management business.

Sam has over 29 years of experience in real estate funds management, project delivery and asset management. Sam joined the Executive Management Team on the completion of the acquisition of Fortius Funds Management Pty Ltd by Growthpoint in September 2022.

Prior to joining Growthpoint, Sam was Chief Executive Officer and Executive Director of Fortius, holding senior executive positions since joining in 1998.

4 Broadcast Way, Artarmon, NSW

State of the art EOTF completed during the second half including secure bike storage, shower and changing facilities and ample locker storage

Risk management

The Board has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has an Audit, Risk and Compliance Committee (ARCC), which is responsible for oversight of the framework and how management monitor compliance with the Group's risk management policies and procedures.

Refer to the Group's **2024 Corporate Governance Statement** for more details on the Group's risk management framework.

growthpoint.com.au/corporate-governance

Management provides regular reports to the ARCC in relation to the risks facing Growthpoint. The ARCC reviews the adequacy of the risk management framework in relation to the risks faced by Growthpoint and its operations and makes appropriate recommendations to the Board. The ARCC also reports regularly to the Board on its activities. A separate risk register for Growthpoint's funds management business is maintained and reported to the Growthpoint Investment Management Pty Ltd (GIM) board (a wholly owned subsidiary of Growthpoint, which oversees the governance of the unlisted managed funds) on a semi-annual basis.

Risk management policies are established to identify and analyse the risks faced by Growthpoint to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training, standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The following table outlines the material business risks that could impact Growthpoint's achievement of its strategic and financial objectives and summarises how we are managing these risks:

Material business risk	How Growthpoint is responding
Strategy and reputation	
Financial performance Not meeting financial performance expectations due to a variety of risks and factors, could impact our reputation, stakeholder and investor confidence, the value of our portfolio and our ability to pay or grow distributions. Loss of funds management income or inability to grow the funds management business due to reduced investor sentiment, ability to attract new capital partners and impact of adverse market conditions. Risk factors that could impact our financial performance include macroeconomic impacts, rising interest rates, high inflation and low or negative growth and an increase in capital expenditure and incentives paid.	We continually monitor the economic, financial and property markets to ensure that all business decisions, acquisitions and disposals are supported by thorough research. As our earnings are predominately derived from rental income, we look to protect this by maintaining high occupancy rates across our property portfolio through active asset management and tenant engagement. Across the directly owned portfolio, we currently have an occupancy rate of 95%, a WALE of 5.7 years and a high proportion of fixed annual rent increases. To ensure security of income, we carefully select our tenants and as a result our assets are predominately leased to government, listed organisations and large private companies. We also limit development risk. We only develop properties in our portfolio to meet our tenants' requirements or to maximise the property's value and will only acquire properties under construction when there are material leases in place. We have a structured and proactive approach to maintaining services across the portfolio. This not only ensures that we are providing reliable services and conditions at each asset but also allows us to proactively manage and budget capital expenditure. This process is closely managed and regularly reviewed in conjunction with lifecycle reporting to ensure that financial and operational forecasts remain relevant. Our funds management team actively engages with existing investors and potential capital partners with regard to investment opportunities and regularly reviews performance of our managed funds. We adopt and implement prudent capital management practices. This includes maintaining sufficient liquidity, holding a percentage of fixed debt in accordance with our Treasury Management Policy (74.5% as at 30 June 2024) and have a weighted average debt maturity of 3 years.

Material business risk	How Growthpoint is responding
Physical assets	
Property portfolio The value of our directly owned property portfolio could decrease based on new sales evidence, change in valuers' assumptions, the quality of tenant base, the quality of our property assets, the investment decisions we make, tenant demand, external economic factors and the term of our ground lease tenancies.	We have a resilient and high-green credentialed portfolio comprised of high-quality and modern commercial real estate properties, predominately leased to government, listed organisations or large private companies. Our directly owned portfolio exposure is limited to office (primarily metropolitan) and industrial property sectors and is geographically diversified to mitigate the risk of localised valuation impacts. We may also seek to co-invest in funds in other sectors where accretive investment opportunities present as part of growing our funds management business. We continually monitor and look to improve the quality of our directly owned portfolio. This may involve buying and selling properties at the right time of the property cycle or investing in our existing properties to add value to our portfolio. Detailed due diligence is also undertaken for all investment proposals, with an Investment Committee established by the Board to consider investment proposals by Growthpoint over a certain monetary threshold.
Leasing risk An inability to lease our assets in line with asset management plans and forecasts or prolonged material portfolio vacancies due to weakened tenancy demand.	We focus on proactively engaging with our tenants to understand their tenancy requirements, so that we can best position Growthpoint's assets to meet their changing needs and exceed their expectations. Through this active asset management and tenant engagement we endeavour to minimise vacancy and exposure to high incentives.
Structural changes due to disruptive industries and trends Remote working, innovative competitors in the market and building obsolescence can impact on our current and future operations.	Our portfolio and the industry are continually monitored through active research, industry market briefings and developments and overseas trends. We monitor the potential impacts of the increase of automation and how it affects our industrial portfolio. We continue to monitor whether a shift to more flexible working arrangements could lead to a reduction in demand for office space over the long term. To date, there continues to be good demand for our offices, with strong environmental credentials, primarily located in metropolitan markets, from existing and potential tenants, with significant leasing activity in FY24, totalling 46,834 sqm or 12.5% of our office portfolio income.
Finance and economics	
Access to capital markets Continuous access to debt, equity markets and third party investor capital is important to the sustainability and growth of our business. If our ability to obtain capital is constrained (e.g. due to global credit markets contraction) it may lead to increased costs of financing and our strategic objectives not being met, including growing our funds management business.	Support from our banking partners is dependent on their financial covenants being met. We regularly stress test these covenants. As at 30 June 2024, Growthpoint was well within all its debt covenant limits. We also maintain an investment grade credit rating of Baa2. We exercise prudent capital management, spread our debt expiries to minimise short term impacts and our balance sheet gearing is currently at the midpoint of our target range of 35% to 45%. Growthpoint also maintains strong relationships with its equity investors, through its investor relations program. We actively engage with existing or new third party capital partners to understand their needs and develop strategies to ensure ongoing satisfaction, with the view to repeat or new investments to grow our funds under management, investment returns and revenue.

Risk management

Material business risk	How Growthpoint is responding
Operations, and people and culture	
Data, information and cyber security Cyber security attacks could potentially interrupt business operations and lead to a loss in productivity and loss of business records, which could cause reputational or financial damage.	We have a dedicated team that oversees our IT systems and regularly conduct penetration testing of our IT systems. We also have a Business Continuity Plan which includes a Disaster Recovery Plan and provide training and education to our employees, to assist in reducing the risk and impact of any cyber security attack. We test our plans at least annually to ensure currency, enhance our preparedness and minimise the impact of any incidents. The most recent test of our Business Continuity Plan involved the full Board and Management team and included a simulation of a cyber security data breach. In 2024, we implemented a new General information Security policy to strengthen our cyber security maturity and subscribed to additional cyber security measures with our IT managed service provider. We engage external specialists to review our cyber security framework including cyber vulnerabilities and provide assurance on our controls environment. We undertake IT security risk assessments of new key suppliers or suppliers of key IT platforms and annually review the business continuity and disaster recovery arrangements of existing key suppliers to minimise the impacts of third-party providers outages on our business.
People and culture The loss of key personnel, particularly in the current environment of low unemployment, can result in a productivity downturn, an increase in operating costs and place a greater burden on remaining employees. Not having the right team size with the right skills may also adversely affect productivity and the achievement of our strategic objectives.	Our remuneration framework is based on attracting and retaining suitability qualified and experienced employees and is tailored to reward high performance. We seek to foster a diverse and inclusive workplace culture where we celebrate our successes. We undertake annual employee engagement surveys to identify areas for improvement, which we act upon. We also undertake regular workforce planning to ensure that we have the right team size, skills and experience to support our business. Professional development programs are tailored for individuals based on their career goals and plans and we conduct an active wellness program focussing on employee health and wellbeing.
Legal and regulatory	
Legal, compliance and regulatory Non-compliance of laws or our AFSL or changes in legislation, government policies or regulatory environment that may impact the business, increase the costs of compliance and its operations, lead to reputational damage or impact its financial performance.	Our compliance culture is guided by our policies and procedures to ensure that we operate within regulatory requirements. Team members receive regular training on their compliance obligations, and we have an internal compliance and legal team that ensures that new and updated regulatory requirements are communicated throughout the business and actioned.

Material business risk	How Growthpoint is responding
Environment and social sustainability	
Environmental sustainability and climate change Inability to deliver on our environmental strategy could result in poor asset performance, negative reputation impacts and hamper our ability to raise capital.	Our Sustainability Framework builds on our previous commitment to achieve net zero carbon emissions by July 2025. We invest in assets with strong environmental credentials and seek to improve the resilience of physical assets via the implementation of adaption plans to mitigate impacts of physical changes in climate and investing in energy and building management systems. As a demonstration of our commitment to environmental stewardship and responsible business practices, over $1 billion of our debt funding is in the form of sustainability linked loans where interest margin reductions are tied to the successful achievement of sustainability KPIs and targets. Additionally, we have undertaken a detailed physical climate risk assessment, with plans to further strengthen our understanding of, and response to, climate risks in the coming years.
Social sustainability Failure to comply with relevant legislation and have a positive social impact in the communities in which we operate could result in damage to our reputation and relationship with stakeholders and erode our social licence to operate.	We have published modern slavery statements that detail our approach to identifying and managing modern slavery risks in our supply chain. In conjunction with a specialist consultant, we have previously undertaken a deep dive risk assessment of our supply chain. In addition, we have provided modern slavery training to staff and the Board. Via our Community Program we continue to sponsor and support a range of community and social causes.

Growthpoint's FY24 Sustainability report (due for release in early October 2024) will provide an overview of Growthpoint's approach to managing the risks and opportunities of climate change. The report will be available via our website at **growthpoint.com.au/sustainability**

Remuneration Report

Josephine Sukkar AM
Independent Director, Chair – Nomination, Remuneration and Human Resources Committee

On behalf of the Board, I am pleased to present the Group's FY24 Remuneration Report for the financial year ended 30 June 2024. This report sets out Growthpoint's approach to remuneration for its Executive Key Management Personnel (KMP) and the link between strategy, performance, reward and remuneration outcomes. It also provides an overview of our approach for FY25. The remuneration policy and framework apply to the Executive Management Team (EMT), which the Executive KMP form part of.

In FY24, the Nomination, Remuneration and Human Resources Committee (NRHRC) remained focused on remuneration settings that attract top talent and drive strong performance, while ensuring reward outcomes are aligned with the expectations of Securityholders.

FY24 summary

In FY24, Growthpoint delivered funds from operations (FFO) of 23.9 cents per security (cps), ahead of original guidance of 22.5 to 23.1 cps, as well as upgraded guidance of 23.2 to 23.6 cps. Distributions were 19.3 cps, in line with guidance. Despite this, Growthpoint underperformed the S&P/ASX 200 REIT Accumulation Index, in line with other REITs with significant office exposure.

In addition to the financial achievements, the Board was pleased with the EMT's non-financial short-term incentive (STI) achievements over the year.

Growthpoint continued to deliver sustainable outcomes including maintaining high portfolio average NABERS ratings, increasing our GRESB score and procuring 50% of our green power needs. Growthpoint also issued a further $500 million of sustainability-linked loans, bringing the total to $1.02 billion, leading to interest margin reductions.

The annual employee engagement survey results demonstrate the EMT's focus on building on our positive, performance-driven culture. In FY24 we achieved an employee engagement score of 75%, slightly up from our FY23 score of 74% and higher than the property sector benchmark of 70%[1].

Growthpoint scored 7.8/10 in its annual landlord satisfaction survey, demonstrating strong engagement with its tenants.[2] This result ranks Growthpoint as industry leaders on landlord satisfaction ahead of the benchmarked peer group average rating of 6.9. The Group also maintained an industry leader ranking for landlord customer satisfaction in office (1st) and industrial (2nd) vs. the benchmarked peer group for the third year in a row.

FY24 remuneration outcomes

1. The EMT's FY24 STI opportunity comprised of 60% financial criteria (of which 45% was linked to FFO performance versus budget and 15% linked to growth in funds under management) and 40% non-financial criteria.
2. For the FFO linked financial target, the EMT was required to deliver a minimum FFO of 22.4 cps. The EMT outperformed the financial target, delivering FFO of 23.9 cps. The FUM growth target was not achieved, due to a combination of limited activity across the sector and our disciplined approach to capital market transactions.
3. The non-financial criteria component was a combination of individual and common KPIs relating to strategic positioning, leadership, culture, ESG and customer. The Board assessed a 71% achievement of this component for the former Managing Director (Timothy Collyer), with the other Executive KMPs achieving between 71% to 80%.
4. Overall, the Board has assessed the former Managing Director's (Timothy Collyer) FY24 STI award as 63.1% of his maximum opportunity, with the other Executive KMP between 63.1% and 66.3%.
5. In line with the Group's remuneration policy, the NRHRC will complete its assessment of the long-term incentive (LTI) award in October 2024 for the LTI plan with a performance period of 1 July 2021 to 30 June 2024.
6. The LTI award assesses the Group's TSR and return on equity (ROE) performance relative to the constituents of the S&P/ASX A-REIT 200 REIT Index over the three years (each with a 50% weighting). The TSR tranche has been assessed and has not been met, resulting in a 0% vesting outcome.

1. Real Estate Australia Industry January 2024 benchmark provided by Culture Amp's platform.
2. Tenant engagement survey conducted by property research specialists Brickfields.

7. The ROE tranche will be assessed once the required information from all the Index members becomes available, anticipated to be around September 2024.

FY25 remuneration framework

During FY24, the NRHRC reviewed the remuneration framework to ensure it remains fit for purpose and incentivises the EMT to achieve the Group's objectives over the short and long term.

Following the review, the Board has determined that the:

1. FY25 LTI opportunity structure will remain the same as FY24, however the comparator group for the FY25 LTI Plan will be the S&P/ASX A-REIT 300 Index (excluding Goodman Group[1]) following the Group's exit from the S&P/ASX 200 in December 2023; and
2. FY25 STI structure will be largely consistent with FY24, other than the form of the STI award will revert to two-thirds cash and one-third deferred equity which vest over two years. For the FY24 year, it was 80% cash, 20% deferred equity. The financial measures will be based on Group FFO per security targets and funds management growth for the financial year. The non-financial criteria were reviewed to ensure enhanced alignment with the Group's key strategic priorities.

Other matters

In early FY24, the Board approved new gender diversity targets. The new targets include adopting 40:40:20 gender representation for our senior management in addition to our workforce generally and maintaining a Board gender diversity target of at least 30% female with an aspiration of achieving 40% over the longer term. In FY24, Growthpoint had a 43.6% female workforce and 37.5% female representation on the Board.

In November 2023, we farewelled independent non-executive director Grant Jackson who retired from the Board. We thank him for his contribution and wish him the very best for the future. The NRHRC is leading the search process for a new independent director to fill this vacancy which is well progressed.

Finally, the Board would like to welcome Ross Lees as the new CEO and Managing Director and thank former Managing Director Tim Collyer for his leadership of the Group since 2009.

We hope that you find the following report transparent and informative, and welcome your feedback. The Board remains committed to ensuring that the EMT are rewarded for the right outcomes and their remuneration is aligned with the long-term interests of securityholders.

Josephine Sukkar AM
Chair – Nomination, Remuneration and Human Resources Committee

1. The Board has determined that excluding the Goodman Group continues to be appropriate given its large index weighting (c.40%) and the high proportion of earnings derived from development activities.

What's **inside**

Who this report covers

This report covers KMP, comprising certain members of the Executive Management Team (Executive KMP) and Non-Executive Directors.

Executive KMP

- **Ross Lees** - Chief Executive Officer and Managing Director (appointed effective 20 May 2024)
- **Timothy Collyer** – former Managing Director (ceased being KMP effective 20 May 2024)[1]
- **Dion Andrews** - Chief Financial Officer and Company Secretary
- **Michael Green** - Chief Investment Officer
- **Jacqueline (Jacquee) Jovanovski** - Chief Operating Officer and Company Secretary

Non-Executive Directors

- **Andrew Fay** - Independent Chair of the Board and Director
- **Deborah Page AM** - Independent Director
- **Estienne de Klerk** - Director
- **Grant Jackson** - Independent Director (retired effective 16 November 2023)
- **Josephine Sukkar AM** - Independent Director
- **Michelle Tierney** - Independent Director
- **Norbert Sasse** - Director
- **Panico Theocharides** – Director

1. Timothy Collyer ceased being KMP upon the appointment of the new Chief Executive Officer and Managing Director and upon his retirement as a Director of the Company on 20 May 2024. He continued to have transitional duties and was employed by the Group until 15 July 2024. He is referred to in the remuneration report as the former Managing Director.

About the remuneration report

The Directors present this 'Remuneration Report' for the Group for the year ended 30 June 2024. This report summarises key compensation policies and provides detailed information on the compensation for Directors and other Key Management Personnel (KMP).

The specific remuneration arrangements described in this report apply to the Executive KMP as defined in AASB 124. The report has been prepared in accordance with section 300A of the *Corporations Act 2001* (Cth) and has been audited.

Growthpoint's remuneration practices outlined in this report comply with best practice governance guidelines, as per ASX Corporate Governance Principles and Recommendations (4th edition).

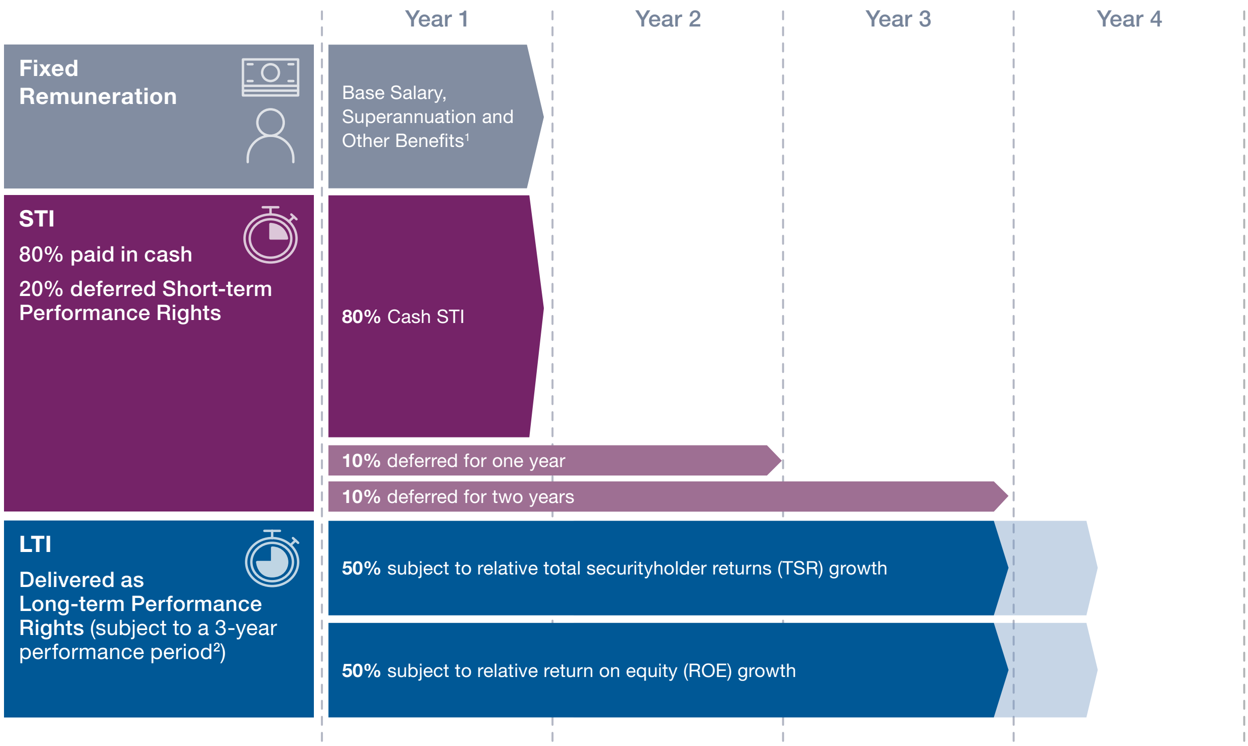
FY24 Executive KMP remuneration policy and framework

Components of FY24 remuneration

Fixed Remuneration (including applicable superannuation and other benefits)	Set at a level to attract and retain suitably qualified and experienced persons in each respective role and tailored to encourage overall performance of the Group, which is in the best interests of all Securityholders.	
Short-term incentives (STI)	If specified performance criteria are met, eligibility of each Executive KMP to receive an STI bonus payable as 80% cash and 20% as deferred short-term incentive performance rights (STI Performance Rights) in respect of each financial year, other than for the former Managing Director, who will receive 100% cash as determined by the Board as he retired and will not be an employee when the FY24 deferred STI Performance Rights will be granted (a requirement of the Growthpoint Employee Incentive Plan).	39 Current year (FY24) 46 Next year (FY25)
Long-term incentives (LTI)	LTI under which, upon meeting specified performance criteria, each Executive KMP is eligible to receive securities in the Group over time to help align Executive KMP's interests with those of Securityholders.	42 Current year (FY24) 47 Next year (FY25)

Executive KMP Remuneration delivery FY24

Executive KMP remuneration is structured to link rewards to individual performance and the execution of the Group's strategy to sustainably grow distributions and long-term capital growth. This leads to the creation of Securityholder value.



1. Other Benefits comprise insurance arrangements and non-monetary benefits provided to Executive KMP.
2. The measurement period finishes on 30 June 2026 with any vesting in early FY27.

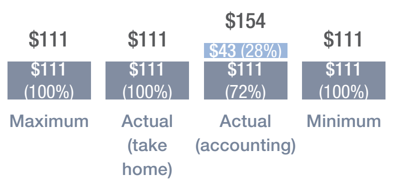
Remuneration report

Executive KMP Remuneration mix FY24 ($000)

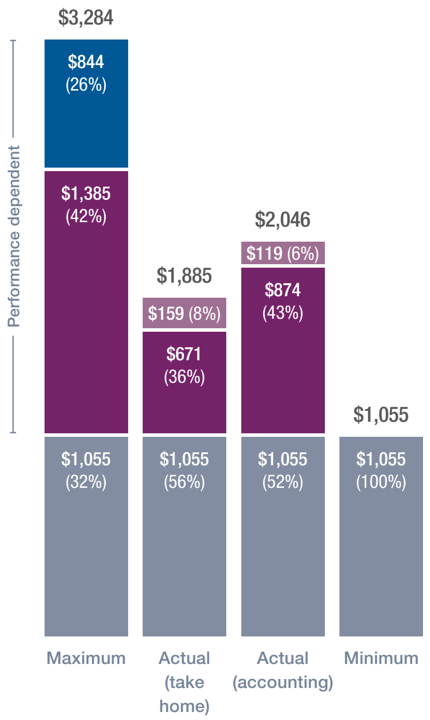
Fixed Remuneration | STI - Cash | STI - Deferred | LTI | Sign on awards

Chief Executive Officer & Managing Director

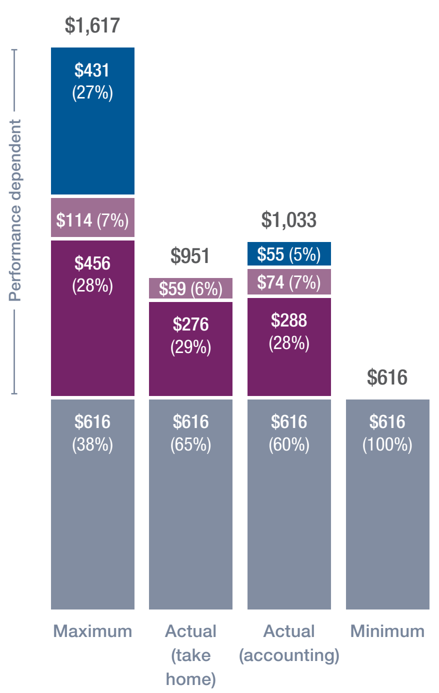
(Commenced 20 May 2024)



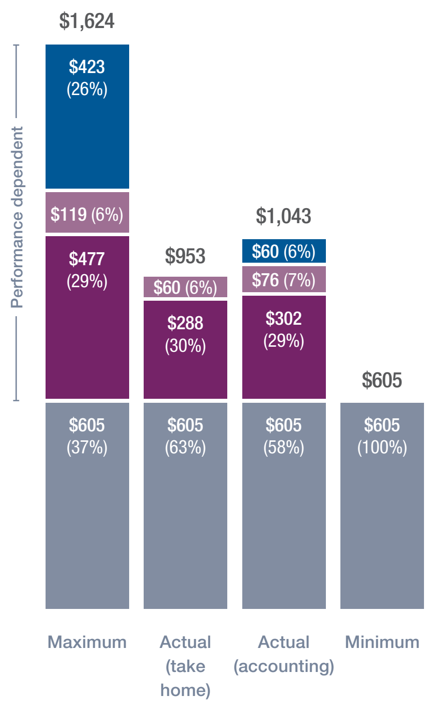
Former Managing Director



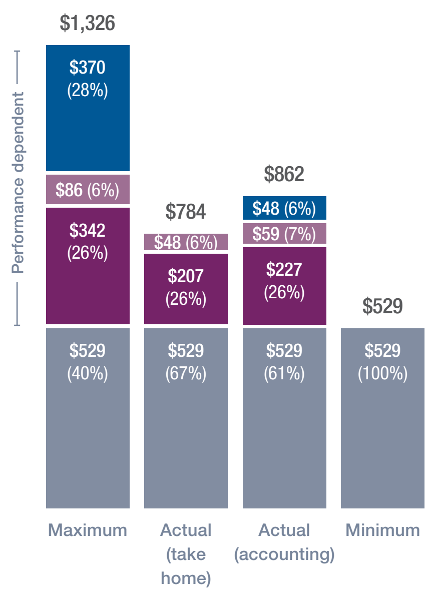
Chief Financial Officer



Chief Investment Officer



Chief Operating Officer



Operating and financial review
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Additional information

Principles of remuneration for Executive KMP

1. Executive KMP should receive total remuneration at market rates for similar roles within the ASX A-REIT sector and ASX listed companies of similar size (measured by market capitalisation), complexity, workload and relative financial metrics versus the Group's peers.
2. The total remuneration for Executive KMP should be set at a level to attract and retain suitably qualified and experienced persons in each respective role and tailored to encourage overall performance of the Group which is in the best interests of all Securityholders.
3. Executive KMP are not eligible for any additional fees for additional roles within the Group such as acting as an officer of the Company or being a responsible manager under any of the Group's AFSLs.
4. From 1 July 2018, the Committee implemented a Minimum Securityholding Requirement (MSR) for KMP (refer to page 49 for details of KMP's current holdings and details of the MSR).
5. Executive KMP's participation under any incentive plan will be in accordance with the plan rules and grant terms from time to time (refer to page 52 for further information).

Total Executive KMP remuneration (Take home basis)

The following table presents the actual remuneration received by Executive KMP during FY24. This voluntary disclosure is provided to increase transparency and includes:

- Salary and other benefits received during FY24
- FY23 cash STI received during FY24, and
- The value of securities that vested during FY24 (being tranche 2 of the FY22 STI deferred equity and tranche 1 of the FY23 STI deferred equity).

The actual remuneration presented in this table is distinct from the total Executive KMP remuneration (accounting basis) presented further below, which is calculated in accordance with statutory obligations and accounting standards and is therefore recognised in the Statement of Comprehensive Income during FY24. These amounts can differ to the amounts actually received. The numbers in the total Executive KMP remuneration (accounting basis) include accounting values for current and prior years' LTI grants which have not been (or may not be) received, as they are dependent on performance hurdles and service conditions being met.

	Salary and other benefits[1]	Cash STI	Value of deferred STI rights vested[2]	Value of LTI rights vested[2]	TOTAL	% of remuneration performance-based
	$	$	$	$	$	%
Ross Lees – Chief Executive Officer and Managing Director	110,593	-	-	-	110,593	0%
Timothy Collyer – former Managing Director[3]	1,055,369	671,233	158,785	-	1,885,388	44%
Dion Andrews – Chief Financial Officer	616,255	275,526	59,013	-	950,795	35%
Michael Green – Chief Investment Officer	604,714	288,257	59,983	-	952,954	37%
Jacquee Jovanovski – Chief Operating Officer	528,773	207,205	48,404	-	784,382	33%
Total	**2,915,085**	**1,442,221**	**326,186**	**-**	**4,683,493**	**38%**

1 Salary and Other Benefits comprises base salary, superannuation, insurance arrangements and non-monetary benefits.
2 Based on market price at the time of vesting.
3. Timothy Collyer ceased being KMP from 20 May 2024, as such only his base remuneration until this date has been included, however the value of his deferred STI that vested on 28 June 2024 has been provided.

Remuneration report

Total Executive KMP remuneration (accounting basis)

	Short-term benefits					Long-term benefits		Security-based payments				
	Base salary	STI cash award	Performance rights cash distribution	Annual leave[1]	Non-Monetary benefits[2]	Super-annuation benefits	Long service leave[1]	Sign on awards expense[3]	Deferred STI Plan expense	LTI Plan expense	Total	S300A (1) (e) (i) proportion of remuneration performance related
	$	$	$	$	$	$	$		$	$	$	%
Ross Lees – Chief Executive Officer and Managing Director												
FY24	**105,947**	**-**	**-**	**6,155**	**2,363**	**2,283**	**126**	**43,320**	**-**	**-**	**160,194**	**27%**
FY23	-	-	-	-	-	-	-	-	-	-	-	-
Timothy Collyer – former Managing Director[4]												
FY24	**1,025,381**	**874,171**[5]	**9,298**	**(23,397)**	**5,776**	**24,212**	**27,460**	**-**	**119,372**	**(3,244)**	**2,059,030**	**49%**
FY23	1,123,510	656,586	19,794	41,674	-	27,500	8,939	-	246,513	458,501	2,583,017	53%
Dion Andrews – Chief Financial Officer												
FY24	**588,755**	**287,678**	**4,465**	**15,101**	**-**	**27,500**	**17,088**	**-**	**73,517**	**55,408**	**1,069,512**	**39%**
FY23	564,347	270,092	6,987	12,570	-	27,500	18,715	-	90,159	202,517	1,192,887	48%
Michael Green – Chief Investment Officer												
FY24	**577,235**	**302,317**	**4,594**	**23,912**	**-**	**27,479**	**(27,955)**	**-**	**76,091**	**60,359**	**1,044,031**	**42%**
FY23	592,056	282,737	6,987	1,940	-	27,500	23,274	-	91,215	204,870	1,230,579	48%
Jacquee Jovanovski – Chief Operating Officer												
FY24	**501,273**	**226,628**	**3,534**	**(2,535)**	**-**	**27,500**	**10,895**	**-**	**58,556**	**48,384**	**874,234**	**39%**
FY23	480,228	202,741	5,983	5,946	-	27,500	2,515	-	74,818	168,136	967,867	47%
Total												
FY24	**2,798,591**	**1,690,793**	**21,892**	**19,235**	**8,139**	**108,974**	**27,614**	**43,320**	**327,535**	**160,907**	**5,207,001**	**43%**
FY23	2,760,141	1,412,156	39,751	62,130	-	110,000	53,443	-	502,705	1,034,024	5,974,350	50%

1. The accounting value of leave movements may be negative, for example, where an Executive KMP's annual leave balance decreases as a result of taking more than the leave they accrue during the current year.
2. Non-monetary benefits include wellbeing arrangements and car parking paid by the Group on behalf of the Executive KMP.
3. Ross Lees will participate in a one-off sign on award to replace forgone incentives with his previous employer. The award is conditional on Growthpoint receiving approval from its Securityholders at the 2024 Annual General Meeting. The number of performance rights to be granted has been determined by dividing the $800,000 face value of the sign on award, split into two equal tranches, by the 10-day volume weighted average price (VWAP) of Growthpoint stapled securities for the period immediately prior to his start date of 20 May 2024, being $2.41. The first tranche of the award will vest into Growthpoint stapled securities on or around 20 May 2025 and 20 May 2026 in two equal portions, subject to continued employment and behaviour consistent with the Group's values and policies. The second tranche of the award will vest into Growthpoint stapled securities on or around 20 May 2026, 20 May 2027, 20 May 2028 and 20 May 2029 in four equal portions, subject to continued employment and behaviour consistent with the Group's values and policies, as well as satisfactory development and execution of the Group's strategy as agreed by the Board. The sign on awards expense presented in the table records the fair value of the award expensed in the relevant financial year and does not represent actual awards that will vest to Ross Lees.
4. Timothy Collyer ceased being KMP from 20 May 2024, as such only his remuneration until this date has been included. His security-based payments expenses recorded in the table include the impact of an expense acceleration following his service period reducing to his end date on 15 July 2024, as well as the impact of LTI Plan performance rights lapsing on a pro-rata basis based on the relevant performance period served, which has contributed to the LTI Plan expense being negative.
5. The FY24 STI cash award of $874,171 represents 100% cash as determined by the Board as he retired and will not be an employee when the FY24 deferred STI Performance Rights will be granted. The FY23 the STI Award was 80% cash and 20% deferred equity.

FY24 short-term incentives (STI)

Performance criteria for Executive KMP STI for current year (FY24)

The STI provides Executive KMP with the opportunity to receive cash and equity[1] based on a one-year performance period following an assessment against specified financial and non-financial performance conditions. For FY24 the maximum STI opportunity for the former Managing Director's total fixed remuneration (TFR) was 117.5%, 94.0% for the Chief Investment Officer and Chief Financial Officer and 82.25% for the Chief Operating Officer. The Chief Executive Officer and Managing Director was not eligible for the FY24 STI given his start date.

STI Plan and Performance Criteria

For each financial year the Committee, in consultation with the Chief Executive Officer and Managing Director[2] and with assistance from remuneration consultants if required, recommends to the Board the performance targets and reward levels for Executive KMP STIs in respect of the relevant year. The STI criteria is then set by the Board.

For FY24, the STI was comprised of financial and non-financial criteria, namely;

a) Financial criteria – 60% of total

All of the Executive KMP were subject to the same financial criteria which was based upon achieving budgeted FFO per security (45% of the 60% financial criteria component) and third-party funds under management (FUM) growth (15% of the 60% financial criteria component), with the opportunity for outperformance of up to 129% of the FFO financial criteria component via a stretch target of 23.85 cps (4.8% ahead of budget) and up to 129% via a stretch target of $502 million of FUM growth (123% above budget target).

An FFO target range was chosen because it demonstrates the closest correlation to Securityholder value creation (measured by total Securityholder return). A FUM growth target range was chosen as FUM growth is a key strategic growth area for the Group.

b) Non-financial criteria – 40% of total

The non-financial criteria for the Executive KMP were based upon measures relating to the performance criteria set by the Committee and approved by the Board, with some common measures relating to leadership, strategic positioning, culture, ESG and customer and criteria applicable to the Executive KMP's individual role and responsibilities. Achievement of this component is capped at 100%.

The non-financial measures were chosen as they represent the key drivers for the short-term success of the business and for implementing strategies to drive long term securityholder value.

The non-financial measures for the former Managing Director are set out in the table on pages 40-41.

STI assessment

The Committee undertakes a half year and end of financial year performance review of the Executive KMP's achievement against the financial and non-financial criteria to recommend the STI award payable. Any award of a STI to Executive KMP requires Board approval. Cash STI payments are made the following financial year in which they were earned[1].

The Board has ultimate discretion to apply judgement or make adjustments when approving the performance outcomes of the Executive KMP's STI award for FY24. Although the Group achieved an FFO of 23.9 cps in FY24 (a 129% achievement for the FFO financial criteria component), the Board made a downward adjustment to this outcome, resulting in a 102% achievement for the FFO financial criteria component.

1. As noted on page 35, the Board has determined that the former Managing Director will be paid his FY24 STI award in cash as he retired and will not be an employee when the FY24 STI deferred equity will be granted (which is a requirement of the Growthpoint Employee Incentive Plan).
2. For the FY25 year and onwards. Prior to this, it was the former Managing Director.

Remuneration report

The former Managing Director's performance criteria, achievements and outcomes for his FY24 STI opportunity are reflected below.

Criteria	Weighting	Strategic objectives	Result	Performance detail
Financial **60%**	45%	**FFO per Security targets** set by the Board: – 22.76 cps (budget) = 25% achievement – Increase to a maximum of 129% (stretch target) earned at 23.85 cps	45.7%	FFO budget exceeded: 23.9 cps. 102% of financial component awarded post FFO downward adjustment as per page 39.
	15%	**FUM growth targets** set by the Board: – $225 million new FUM (budget target) = 45% achievement – Increase to a maximum of 129% (stretch target) earned at $502 million new FUM	0.0%	FUM target was not achieved.
Total Financial	60%		45.7%	
Non-Financial **40%**		**Leadership, strategic positioning and culture**		
	20%	– Smooth transition to successor and embed a positive team culture within Growthpoint, measured by employee engagement survey results – Strategic plan for the positioning and growth of the funds management business	14.7%	Positive FY24 employee engagement score (conducted with the Culture Amp platform) of 75%, compared to the Real Estate Australia industry January 2024 benchmark of 70% and Growthpoint's FY23 engagement score of 74%. Survey responses included 98% of employees recommending Growthpoint as a great place to work and 88% of employees are proud to work for Growthpoint. Successful planning and transition to the new Chief Executive Officer and Managing Director. Plan developed.
		Environmental, Social and Governance (ESG)		
	5%	– Maintain high ESG ratings measured against FY23 results for GRESB and NABERS	5.0%	Maintained portfolio average NABERS Energy rating[1] of 5.2 stars (FY23: 5.2 stars) and maintained its ranking in the top 10 for Energy in the NABERS Sustainable Portfolio Index 2024 (SPI) (6th place in 2024 and equal 7th in 2023). Portfolio average NABERS Water rating[2] slightly reduced to 4.9 stars (FY23: 5.1 stars), however the Group maintained its SPI performance of 4th (also 4th in 2023). Continued improvement of our portfolio average NABERS Indoor Environment rating[3], which increased to 4.8 stars (FY23: 4.5 stars). Growthpoint continued to see its strong performance reflected in ESG benchmarks during FY24. Its GRESB score increased to 84 (FY23: 81), its highest achievement to date and maintained Overall Regional Sector Leader – Diversified – Office/Industrial position for three years in a row. Growthpoint was also recognised for its sustainability performance with inclusion in the Dow Jones Sustainability Index (DJSI) for the first time.

1. 100% of eligible, owned on balance sheet office assets rated.
2. 100% of eligible, owned on balance sheet office assets rated. Recycled water not included.
3. 100% of eligible, owned on balance sheet office assets rated.

Criteria	Weighting	Strategic objectives	Result	Performance detail
		Environmental, Social and Governance (ESG) (cont)		
	5%	– Progress towards Net Zero Target[1] by 2025 and develop strategies for post 2025	4.0%	Progress has been made with respect to the Group's Net Zero Target. Key actions have included increasing the quantity of offsite renewable energy (GreenPower) to 50% coverage of our base building electricity needs for our operationally controlled office portfolio and completing six onsite solar installations across our office portfolio. Growthpoint has undertaken a gap analysis of our preparedness to meet proposed mandatory climate-related disclosure standards, called the Australian Sustainability Reporting Standards (ASRS). Key actions commenced include undertaking an internal review of climate governance and assessing risks associated with physical changes to the climate.
		Customer satisfaction		
	5%	– Maintain high levels of customer satisfaction, measured by reference to FY23 tenant and investor surveys	3.7%	Positive direct feedback and external survey results on the Group's engagement with tenants and investors. Continued positive customer satisfaction results from our tenants, with a score of 75 (FY23: 77) for balance sheet assets (scored out of 100) and 72 for funds managed assets (FY23: 71). Positive landlord satisfaction result for balance sheet assets of 7.8 (out of 10) (FY23: 8) compared to 6.9 (FY23: 7.1) for the industry benchmark. Maintained industry leader ranking for landlord customer satisfaction in office (first) and industrial (second) vs. a benchmarked peer group for balance sheet assets for three years in a row. Positive feedback on the Group's performance and management from direct investor and analyst meetings, asset tours and conferences. Positive results from externally conducted investor perception study, with a slight reduction in the overall average score on prior year but still maintained a favourable and higher score vs. a leading peer company. Management Responsiveness and Accessibility, Management Discussion and Analysis, Disclosure and Transparency and Investment Attractiveness were the highest ranking categories in the survey. Strengthened digital engagement from FY23, with LinkedIn followers up c.28%, engagement of c.14% and increased website traffic.
	5%	– Level of re-investment by existing clients in new funds launched	1.0%	Reinvestment as part of fund extensions approved by unitholders.
Total non-financial	40%		28.4%	For total results for the former Managing Director and other Executive KMP, see table below.

Executive KMP financial and non-financial performance achievements were as follows:

	Financial	Non-Financial	Total of target STI opportunity	Total of maximum STI opportunity
Weighting	*60%*	*40%*	*100%*	
Timothy Collyer – former Managing Director	45.7%	28.4%	74.1%	63.1%
Dion Andrews – Chief Financial Officer	45.7%	28.4%	74.1%	63.1%
Michael Green – Chief Investment Officer	45.7%	28.7%	74.4%	63.4%
Jacquee Jovanovski – Chief Operating Officer	45.7%	32.1%	77.8%	66.3%

1. Net zero 2025 target across 100% owned on balance sheet operationally controlled office assets and corporate activities.

Remuneration report

Results of FY24 STI

The table below shows the maximum in cash and STI Performance Rights that each Executive KMP could earn for FY24, and the actual results achieved. The Chief Executive Officer and Managing Director was not eligible for the FY24 STI given his start date.

	Maximum for FY24				Result for FY24			
Names	Total	Cash	Short-term Performance Rights[1]		Total	Cash	Short-term Performance Rights[1]	
	$	$	$	No.	$	$	$	No.
Timothy Collyer – former Managing Director[2]	1,384,569	1,384,569	-	-	874,171	874,171	-	-
Dion Andrews – Chief Financial Officer	569,553	455,643	113,911	52,252	359,597	287,678	71,919	32,990
Michael Green – Chief Investment Officer	596,219	476,975	119,244	54,699	377,896	302,317	75,579	34,669
Jacquee Jovanovski – Chief Operating Officer	427,528	342,023	85,506	39,222	283,285	226,628	56,657	25,989
Total	**2,977,870**	**2,659,209**	**318,660**	**146,173**	**1,894,949**	**1,690,793**	**204,156**	**93,648**

FY24 long-term incentives (LTI)

The Group has had an Employee Incentives Plan (the Plan) in place for Executive KMP and certain other employees since 2011. The Plan is designed to link employees' remuneration with the long-term goals and performance of the Group with the aim of consistently increasing total securityholder return.

All securities or LTI Performance Rights issued under the LTI are issued on a zero-exercise price basis.

LTI performance measures

The performance measures for the LTI are reviewed in advance of each financial year by the Committee and the Board. The performance measures for FY24 are set out below. Compared to the FY22 and FY23 LTI plans on foot, the relevant comparator group for the FY24 LTI plan excludes Goodman Group due to its size and its global operations, with the remaining companies in the S&P/ASX A-REIT 200 Accumulation Index predominantly with Australian operations.

The performance measurement periods for the FY22, FY23 and FY24 LTI plans are the three years to 30 June 2024, 30 June 2025 and 30 June 2026 respectively. For these plans, 100% of the maximum opportunity in the form of granted LTI Performance Rights may vest into Growthpoint stapled securities subject to the performance measures being met. The performance measures for the FY24 LTI plan are relative total securityholder return and relative return on equity, with the two, equally weighted:

1. The number of Short-term Incentive Performance Rights was derived by dividing the actual dollar value by the volume weighted average price (VWAP) of Growthpoint stapled securities over the first 10 trading days in FY25, rounded down to the nearest whole Performance Right, being $2.18. The actual number of Short-term Incentive Performance Rights earned by Executive KMP will be split into two equal tranches with the first tranche vesting into stapled securities on 30 June 2025 and the second tranche vesting on 30 June 2026, as long as the individual has not had their employment terminated for cause or submitted their resignation (other than for death, ill health or disability) prior to conversion date.
2. The Board has determined that the former Managing Director will be paid his FY24 STI 100% in cash as he retired from the Group on 15 July 2024 and therefore he will not be an employee when the FY24 STI deferred equity is granted (which is a requirement of the Growthpoint Employee Incentive Plan). Despite ceasing to be KMP on 20 May 2024, his cash STI payment due in August 2024 is disclosed.

Total securityholder return (TSR)

50%

TSR is defined as being the amount of dividends/distributions paid/payable by Growthpoint Properties Australia during the measurement period and the change in the price at which Growthpoint stapled securities are traded between the beginning and the end of the measurement period.

TSR is benchmarked relative to the S&P/ASX A-REIT 200 Accumulation Index (excluding Goodman Group)[1] over the three-year performance period as set out in the following vesting schedule:

Growthpoint Properties Australia's TSR rank in the relevant comparator group	% of TSR component of LTI Performance Rights that vest
Below the 50th percentile	Nil
At the 50th percentile	50%
Between 50th and 75th percentile	Straight line pro rata vesting between 50% and 100% (i.e. plus 2% for each percentile above the 50th percentile)
At or above 75th percentile	100%

Return on equity (ROE)

50%

ROE measures the total return on equity employed and takes into account both capital appreciation of the assets of Growthpoint Properties Australia and cash distributions of income. The return will be calculated on the starting NTA per Growthpoint stapled security and includes the change in NTA per Growthpoint stapled security over the measurement period plus the distribution made as a return on the starting NTA per stapled security.

ROE is benchmarked relative to the ROEs of constituents of the S&P/ASX A-REIT 200 Index (excluding Goodman Group)[1] over the three-year performance period as set out in the following vesting schedule:

Growthpoint Properties Australia's ROE	% of ROE component of LTI Performance Rights that vest
Below benchmark return	Nil
Achievement of benchmark	50%
Between 1% and 2% above the bench-mark	Straight line pro rata vesting between 50% and 100%
At 2% or more above benchmark	100%

LTI Maximum

The maximum LTI opportunity for the FY24 financial year is 80% of TFR for the former Managing Director[2] and 70% of TFR for the other Executive KMP (other than the new Chief Executive Officer and Managing Director, who was not eligible for the FY24 LTI opportunity given his start date).

LTI Minimum

The Committee may determine that no grant will be made under the LTI plan.

LTI Rights Granted

The number of LTI Performance Rights granted for the FY24 year is based on the VWAP of Growthpoint's securities over the first 10 trading days of the three-year performance period (being $2.80) and rounded down to the nearest whole LTI Performance Right.

LTI Achievement

The LTI performance results and vesting outcomes, being the percentage of granted LTI Performance Rights in each tranche that shall successfully vest, are independently calculated by Grant Thornton and reviewed by the Committee after the conclusion of the performance period. Any rights that successfully vest are subsequently converted to issued stapled securities and any rights that fail to vest subsequently lapse.

1. For both Performance Conditions, the Board has the discretion to adjust the comparator group to take into account events including, but not limited to, de-listings, takeovers, and mergers or de-mergers that might occur during the measurement period, or where it is no longer meaningful to include a company within the comparator group.
2. Noting that the FY24 LTI Performance Rights and FY23 LTI Performance Rights granted to the former Managing Director were subsequently pro-rated lapsed, based on the portion of the three-year performance period that he served.

Remuneration report

The table below reports the LTI achievement outcomes for the FY21 LTI Plan, covering the performance period of 1 July 2020 to 30 June 2023, and the outcome for the TSR performance condition of the FY22 LTI Plan, covering the performance period of 1 July 2021 to 30 June 2024, noting that the ROE performance condition will be assessed once the required information for all the comparator group members becomes available.

	ROE Tranche			TSR Tranche		
Plan	**Growthpoint**	**Benchmark**	**Vesting outcome**	**Growthpoint**	**Percentile**	**Vesting outcome**
FY21 LTI Plan	26.6%	39.9%	0.0%	6.6%	13.7%	0.0%
FY22 LTI Plan	TBD	TBD	TBD	(31.6%)	0.0%	0.0%

ASX Listing Rules

In accordance with ASX Listing Rule 10.14, the issue of any stapled securities or the granting of performance rights to the Chief Executive Officer and Managing Director is subject to Securityholder approval.

FY24 LTI Plan details

The table below shows LTI grants made during the year for the FY24 LTI Plan, subject to performance conditions over the three-year performance period ending 30 June 2026. Accounting standards require the valuation of the grants be recognised over the performance period. The minimum value of the grant to participants is nil if the vesting conditions are not met. The fair value reported was calculated at the time of the grant and amortised in accordance with the accounting standard requirements. No performance rights were granted to the current Chief Executive Officer and Managing Director during the year for the FY24 LTI Plan given his start date.

Plan participants		**LTI max as a % of remuneration**	**Performance measure**	**Number of performance rights granted**	**Fair value per performance right**	**Total estimated fair value**
		%		*No.*	*$*	*$*
Timothy Collyer – former Managing Director[1]			TSR	167,670	0.550	92,219
			ROE	167,670	1.883	315,723
	Total	**80**		**335,340**		**407,941**
Dion Andrews – Chief Financial Officer			TSR	75,803	0.550	41,692
			ROE	75,803	1.883	142,737
	Total	**70**		**151,606**		**184,429**
Michael Green – Chief Investment Officer			TSR	79,352	0.550	43,644
			ROE	79,352	1.883	149,420
	Total	**70**		**158,704**		**193,063**
Jacquee Jovanovski – Chief Operating Officer			TSR	65,029	0.550	35,766
			ROE	65,029	1.883	122,450
	Total	**70**		**130,058**		**158,216**

1. The former Managing Director is a good leaver for the purposes of the FY23 and FY24 LTI Plans. In accordance with the terms of that plan, the number of FY23 and FY24 LTI Performance Rights granted to him were pro-rated to 110,043 following his cessation of employment, based on the portion of the three-year performance period he served. These rights left on foot will be performance tested in the ordinary course.

Key inputs used in valuing LTI Performance Rights were as follows:

Grant date	16-Nov-23
TSR performance start date	1-Jul-23
TSR expiry date	30-Jun-26
Share price at issue date	$2.35
Exercise price	–
Expected life (years)	2.8
Volatility	25%
Risk free interest rate	4.12%
Distribution yield	8.25%

The fair value is determined by Grant Thornton using a Monte-Carlo simulation for the relative TSR component and a Binomial methodology for the relative ROE component.

Hedging of performance rights by Executive KMP

Under the Group's Securities Trading Policy, persons eligible to be granted securities as part of their remuneration are prohibited from entering a transaction if the transaction effectively operates to hedge or limit the economic risk of securities allocated under the incentive plan during the period those securities remain unvested or subject to restrictions under the terms of the plan.

Details of Performance Rights that vested to Executive KMP in FY24

Plan identification	Value of securities issued on conversion of performance rights	Number of securities issued on conversion of performance rights	Value of performance rights still to vest[1]	% of plan that vested during FY23
	$	*No.*	*$*	*%*
Timothy Collyer – former Managing Director				
FY23 Deferred STI Plan	50,311	23,185	N/A	50
FY22 Deferred STI Plan	108,474	49,988	N/A	50
FY21 LTI Plan[2]		-	N/A	0
Sub-total	**158,785**	**73,173**	**N/A**	
Dion Andrews – Chief Financial Officer				
FY23 Deferred STI Plan	20,695	9,537	N/A	50
FY22 Deferred STI Plan	38,318	17,658	N/A	50
FY21 LTI Plan[2]	-	-	N/A	0
Sub-total	**59,013**	**27,195**	**N/A**	
Michael Green – Chief Investment Officer				
FY23 Deferred STI Plan	21,665	9,984	N/A	50
FY22 Deferred STI Plan	38,318	17,658	N/A	50
FY21 LTI Plan[2]	-	-	N/A	0
Sub-total	**59,983**	**27,642**	**N/A**	
Jacquee Jovanovski – Chief Operating Officer				
FY23 Deferred STI Plan	15,535	7,159	N/A	50
FY22 Deferred STI Plan	32,869	15,147	N/A	50
FY21 LTI Plan[2]	-	-	N/A	0
Sub-total	**48,404**	**22,306**	**N/A**	
Total	**326,186**	**150,316**	**N/A**	

No performance rights vested to the current Chief Executive Officer and Managing Director during the year.

1 Actual value will depend upon the security price at the time of vesting.
2. Performance measurement period ended on 30 June 2023. Performance measures were not achieved and the Performance Rights have lapsed.

Remuneration report

Movements in number of Performance Rights held by Executive KMP during FY24

STI performance rights

Plan participants	Balance at 1 July 2023	Rights granted	Rights lapsed	Rights vested	Balance at 30 June 2024
	No.	*No.*	*No.*	*No.*	*No.*
Ross Lees – Chief Executive Officer and Managing Director	-	-	-	-	-
Timothy Collyer – former Managing Director	96,357	-	-	(73,173)	23,184
Dion Andrews – Chief Financial Officer	36,732	-	-	(27,195)	9,537
Michael Green – Chief Investment Officer	37,625	-	-	(27,642)	9,983
Jacquee Jovanovski – Chief Operating Officer	29,464	-	-	(22,306)	7,158
Total	**200,178**	**-**	**-**	**(150,316)**	**49,862**

LTI performance rights

Plan participants	Balance at 1 July 2023	Rights granted	Rights lapsed	Rights vested	Balance at 30 June 2024
	No.	*No.*	*No.*	*No.*	*No.*
Ross Lees – Chief Executive Officer and Managing Director	-	-	-	-	-
Timothy Collyer – former Managing Director	714,893	335,340	(559,856)[1]	-	490,377
Dion Andrews – Chief Financial Officer	316,821	151,606	(106,382)	-	362,045
Michael Green – Chief Investment Officer	322,219	158,704	(106,382)	-	374,541
Jacquee Jovanovski – Chief Operating Officer	270,947	130,058	(90,425)	-	310,580
Total	**1,624,880**	**775,708**	**(863,045)**	**-**	**1,537,543**

FY25 Executive KMP incentive opportunities

STI opportunity

The structure for FY25 STI for Executive KMP will remain the same as FY24, split between financial measures (60%) (with a stretch arrangement allowing for an opportunity of up to 129% of the financial component) and non-financial measures (40%).

The financial measures will be based on Group FFO per security targets and for funds management growth approved by the Committee and Board for the financial year. The Chief Executive Officer and Managing Director's FY25 target STI opportunity is 100% of his FY25 TFR. With a stretch target, his maximum FY25 STI opportunity will be 117.5% of his FY25 TFR. The Chief Investment Officer and Chief Financial Officer's FY25 target STI opportunity is 80% of their FY25 TFR. With a stretch target, their maximum FY25 STI opportunity will be 94% of their FY25 TFR. The Chief Operating Officer's FY25 target STI opportunity is 70% of her FY25 TFR. With a stretch target, her maximum FY25 STI opportunity is 82.25% of her FY25 TFR.

The non-financial measures will be assessed across measures set by the Committee, with some common measures and others tailored to each Executive KMP's role and responsibilities, relating to:

- the execution of strategic priorities, innovation and process improvements;
- brand and leadership;
- people and culture;
- ESG; and
- Customer.

1. For the former Managing Director, 274,916 LTI performance rights for the FY23 and FY24 LTI plans have pro-rata lapsed based on the proportion of the respective three-year performance periods served until his end date on the 15 July 2024. The remainder of his FY23 and FY24 LTI performance rights will stay on foot (as a good leaver under those plans) and be tested after the end of the respective performance periods against the performance conditions set out in the original grant terms. The performance rights for the FY22 LTI plan, for which the former Managing Director served the entire performance period, will remain on foot and be tested around October 2024 against the performance conditions set out in the original grant terms. The outcome for the TSR performance condition of the FY22 LTI Plan is set out on page 44 and the ROE performance condition will be assessed once the required information for all the comparator group members becomes available.

An adjustment has been made to the terms of the FY25 STI, which will now be awarded as two thirds cash and one third deferred equity which vest over a two-year period. For the FY24 year, it was 80 percent cash, 20 percent deferred equity.

The Board has ultimate discretion to apply judgement or make adjustments when approving the final performance outcomes.

LTI opportunity

Following the review to the remuneration framework, the Board has determined that the appropriate comparator group for the FY25 LTI Plan is the S&P/ASX A-REIT 300 Index (excluding Goodman Group) following the Group becoming part of this Index from December 2023. The VWAP to be used to derive the number of Performance Rights to be granted under the FY25 LTI Plan will be the first 10 trading days after the FY25 full year results release (for the FY24 year, it was the first 10 trading days of that financial year). There are no other changes proposed to the LTI structure or performance conditions for FY25.

Non-Executive Directors' arrangements

There are currently seven Non-Executive Directors. An aggregate pool of $1,500,000 available for the remuneration of Non-Executive Directors was approved by Securityholders at the Company's Annual General Meeting in November 2022.

FY24 Remuneration paid and payable

The total remuneration paid to Non-Executive Directors for FY24 is listed on the following page.

Principles of remuneration for Non-Executive Directors

The principles of Non-Executive Director remuneration are:

1. Non-Executive Directors should receive total remuneration at market rates for equivalent positions at listed Australian entities of similar size (measured by market capitalisation), complexity and Non-Executive Director workload having regard to the industry in which the Group operates.
2. Fees are set at a level to attract and retain suitably qualified and experienced persons to the Board.
3. The Chair is entitled to a base annual fee and is not eligible for any additional fees for chairing or being a member of any Board committees.
4. All Non-Executive Directors other than the Chair are entitled to a base annual fee plus additional fees for being a Chair or a member of a committee.
5. All Non-Executive Directors' fees are paid on a base fee for the year rather than per meeting.
6. All Non-Executive Directors' fees are to be paid in cash and include superannuation where applicable.
7. Directors must comply with a Minimum Securityholding Requirement (MSR) (refer to page 49 for details of current holdings and details of the MSR).
8. Non-Executive Directors are not entitled to any termination or similar payments upon retirement or other departure from office.
9. In addition to remuneration, Non-Executive Directors may claim expenses such as travel and accommodation costs reasonably incurred in fulfilling their duties.
10. With the prior approval of the Chair, Non-Executive Directors may obtain independent advice at the Company's cost.

Remuneration report

FY24 Non-Executive Directors' Remuneration

	Period	Short-term Fees	Short-term Committee Fees	Post-employment Superannuation benefits	Total
		$	$	$	$
Andrew Fay – Board Chair (appointed as Director on 1 December 2022 and Chair on 1 March 2023)	**FY24**	**211,180**	**–**	**23,230**	**234,410**
	FY23	97,839	5,301	10,829	113,969
Estienne de Klerk (appointed 5 August 2009)	**FY24**	**119,900**	**14,025**	**–**	**133,925**
	FY23	119,900	13,695	–	133,595
Grant Jackson (retired 16 November 2023)	**FY24**	**40,991**	**10,756**	**5,692**	**57,439**
	FY23	108,507	28,471	14,382	151,360
Deborah Page AM (appointed 1 March 2021)	**FY24**	**108,018**	**31,613**	**15,359**	**154,990**
	FY23	108,507	31,756	14,727	154,990
Norbert Sasse (appointed 5 August 2009)	**FY24**	**119,900**	**13,530**	**–**	**133,430**
	FY23	119,900	26,813	–	146,713
Josephine Sukkar AM (appointed 1 October 2017)	**FY24**	**108,018**	**19,225**	**13,997**	**141,240**
	FY23	108,507	14,011	12,865	135,383
Panico Theocharides (appointed 1 April 2023)	**FY24**	**119,900**	**14,960**	**–**	**134,860**
	FY23	29,975	3,740	–	33,715
Michelle Tierney (appointed 1 April 2023)	**FY24**	**108,018**	**22,396**	**14,346**	**144,760**
	FY23	27,127	5,624	3,439	36,190
Geoff Tomlinson – Chair (retired 1 March 2023)	**FY24**	**–**	**–**	**–**	**–**
	FY23	142,240	–	14,935	157,175
Francois Marais (retired 17 November 2022)	**FY24**	**–**	**–**	**–**	**–**
	FY23	49,958	5,638	–	55,596
Total	**FY24**	**935,926**	**126,505**	**72,624**	**1,135,054**
	FY23	912,459	135,048	71,178	1,118,685

Non-Executive Directors' FY24 remuneration

The fees for FY24 are set out below (unchanged from FY23).

	Chair fee[1]	Member fee
Board	$234,410	$119,900
Audit, Risk & Compliance Committee	$25,190	$14,960
Nomination, Remuneration & HR Committee	$21,340	$13,530
Investment Committee	$16,500	$9,900

1 The Board Chair does not receive Committee fees.

Executive and Non-Executive KMP shareholdings

A Minimum Securityholding Requirement (MSR) exists for Executive KMP and Non-Executive Directors who are required to meet the MSR within four years from commencement of their employment or Directorship commencement, respectively[1] and must maintain compliance with the MSR as at end of each financial year thereafter. The MSR is as follows:

- Non-Executive Directors – 100% of their annual base Directors fees (and in respect of the Board Chair, equivalent to 100% of the Chair's annual base fee) in equivalent value of Growthpoint securities
- Chief Executive Officer and Managing Director – 100% of his annual TFR in equivalent value of Growthpoint securities, and
- Other Executive KMP – 50% of their annual TFR in equivalent value of Growthpoint securities.

For the purposes of determining compliance with the MSR, the value of Growthpoint securities is calculated at the higher of the acquisition/issue price or the closing price of Growthpoint securities at the end of the relevant financial year, multiplied by the holding.

The Growthpoint securities that count towards meeting the MSR are:

- Growthpoint securities owned by the individual Executive KMP or Non-Executive Director, and their spouse and associated entities, as defined in the Corporations Act 2001 (Cth); and
- Growthpoint securities owned through a company, trust or in a superannuation fund or otherwise held for the benefit of a person or entity referred to above.

For the avoidance of doubt, unvested rights/options do not count towards meeting the MSR.

There is a restriction on the sale of Growthpoint securities until the MSR is met, unless otherwise approved by the Board Chair or Committee Chair, which will not be unreasonably withheld where the disposal is requested to cover any tax liability which arises from the vesting of performance rights and the subsequent issuing of Growthpoint stapled securities unless it would be in breach of the Group's Securities Trading Policy.

The table below provides holdings for Executive KMP and Non-Executive Directors during the year.

Name	Holding as at 30 June 2023	Holding at time of becoming KMP	Securities granted as compensation	Securities acquired	Securities disposed	Holding at time of cessation of KMP	Holding as at 30 June 2024[2]
	No.		*No.*	*No.*	*No.*	*No*	*No.*
Andrew Fay[3]	59,000	–	–	42,000	–	–	101,000
Estienne de Klerk	1,833,857	–	–	41,600	–	–	1,875,457
Grant Jackson[3]	190,087	–	–	–	–	190,087	–
Deborah Page AM[3]	33,050	–	–	–	–	–	33,050
Norbert Sasse	1,656,460	–	–	–	–	–	1,656,460
Josephine Sukkar AM	50,000	–	–	–	–	–	50,000
Panico Theocharides[3]	–	–	–	33,000	–	–	33,000
Michelle Tierney[3]	–	–	–	49,000	–	–	49,000
Ross Lees[3]	–	60,000	–	–	–	–	60,000
Timothy Collyer[3]	1,541,855	–	–[4]	67,000	–	1,608,855	–
Dion Andrews	274,160	–	27,195	–	–	–	301,355
Michael Green	209,130	–	27,642	–	–	–	236,772
Jacquee Jovanovski	90,319	–	22,306	–	–	–	112,625

The MSR was met by KMP who were required to do so as at 30 June 2024.

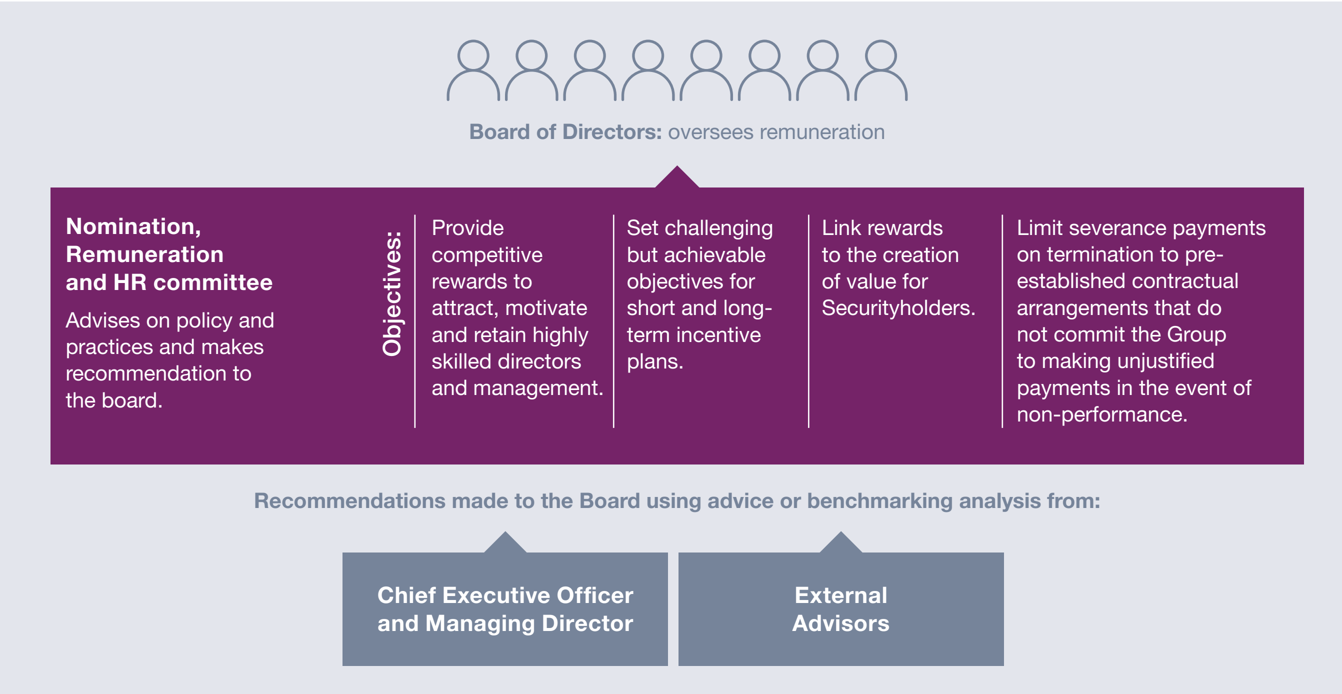
1. Executive KMP and Non-Executive Directors of Growthpoint as at 1 July 2018 had 4 years to meet the MSR.
2. For Executive KMP and Non-Executive Directors who are considered KMP as at 30 June 2024 only.
3. Not required to meet MSR as at 30 June 2024 as commenced employment or Directorship within the last four years, or ceased being KMP before 30 June 2024.
4. Timothy Collyer was granted 73,173 securities on vesting of performance rights under the FY22 Deferred STI Plan (tranche 2) and FY23 Deferred STI Plan (Tranche 1) on 28 June 2024, which was after he ceased being KMP on 20 May 2024.

Remuneration report

Remuneration policy and role of the Nomination, Remuneration and HR Committee.

The Committee advises the Board on compensation policies and practices generally and makes specific recommendations on compensation packages and other terms of engagement for Non-Executive Directors, Executive Directors and other senior executives. The Committee also periodically reviews the compensation arrangements for other employees.

How Governance and remuneration decisions are made



Committee members

The members of the Committee during the year and as at the date of this Report are:

- Josephine Sukkar AM (Committee Chair) – Independent, Non-Executive Director
- Norbert Sasse – Non-Executive Director
- Andrew Fay – Independent, Non-Executive Director and Chair of the Board

Delegated authority

The Committee operates under delegated authority from the Board. The duties of the Committee in relation to remuneration are to:

1. Recommend, for adoption by the Board, a remuneration package for the Chair of the Board and the other Directors on a not less than annual basis.
2. Recommend, for adoption by the Board, a remuneration package, including bonus incentives and related key performance indicators, for the Group's Executive Management Team both on appointment and on a not less than annual basis.
3. Review and approve, having regard to the most senior executive officer's recommendations, the remuneration packages for other Group employees on a not less than annual basis.
4. Approve, having regard to the most senior executive officer's recommendations, the bonus pool for non-Executive Management Team employees each year.
5. Make recommendations to the Board in relation to the introduction of, and amendments to, any employee share plan established by the Group and the employees who will be eligible to participate in the plan.

Impact of performance on Securityholders' wealth

In considering the Group's performance and benefits for Securityholders' wealth, the Committee has regard to the financial measures in the table below in respect of the five financial years ended 30 June 2024.

		2024	2023	2022	2021	2020
(Loss) / Profit attributable to the owners of the Group	*$m*	**(298.2)**	(245.6)	459.2	553.2	272.1
Dividends and distributions paid	*$m*	**145.5**	162.6	160.6	154.4	168.2
Distribution per stapled security	*$*	**0.193**	0.214	0.208	0.200	0.218
Closing stapled security price	*$*	**2.17**	2.79	3.41	4.07	3.20
Change in stapled security price	*$*	**(0.62)**	(0.62)	(0.66)	0.87	(0.92)
Total Securityholder return[1]	*%*	**(15.5)**	(12.0)	(11.7)	34.0	(17.7)
Return on equity	*%*	**(8.9)**	(7.6)	14.3	19.7	10.8

Remuneration consultants

The Committee engages external consultants from time to time to provide benchmarking remuneration services in relation to Executive KMP.

No remuneration recommendations were provided to the Committee by remuneration consultants in FY24.

Remuneration reviews

The Committee reviews the appropriate levels of remuneration for Executive KMP based on:

1. Remuneration surveys and trends.
2. Benchmarking against peers.
3. Recommendations from the Chief Executive Officer and Managing Director (excluding in relation to his own remuneration).

Executive Director Remuneration and Service Contract

There is currently only one Executive Director being the Chief Executive Officer and Managing Director, Ross Lees. Ross commenced in this position and as a Director of the Company on 20 May 2024. Timothy Collyer, former Managing Director, retired from being a Director of the Company effective 20 May 2024.

Remuneration paid and payable

The total remuneration paid or payable to the Chief Executive Officer and Managing Director for FY24 is listed on pages 36 to 38 of this report.

Service contract

The Chief Executive Officer and Managing Director has a contract of employment dated 6 March 2024 with Growthpoint that specifies the duties and obligations to be fulfilled by him in this role.

The Chief Executive Officer and Managing Director's employment continues until terminated by either party on six months' notice. Growthpoint may then require the Chief Executive Officer and Managing Director to serve out the notice period or may elect to pay him in lieu of working out some or all of the six months' notice period. The Group may summarily terminate Mr Lees' employment without notice in certain circumstances (including serious misconduct).

On termination as Chief Executive Officer and Managing Director, he must resign as a Director of any Group entity and he is restrained from a number of activities in competition with or to the detriment of the Group for a period of six months from the date of termination. Non-solicitation restraint provisions for a period of twelve months will also apply from the date of termination.

The Chief Executive Officer and Managing Director is also entitled to receive certain statutory entitlements on termination of employment including accrued annual and long service leave, together with any superannuation benefits and, if applicable, redundancy payments in accordance with a redundancy policy approved by the Committee.

1 Source UBS Investment Research.

Remuneration report

The Chief Executive Officer and Managing Director's employment arrangements also include an entitlement to participate in a one-off grant of equity (sign on award) with a face value of $800,000 to compensate for the loss of incentive opportunities from his previous employer. The sign on award will be granted in the form of performance rights under the Growthpoint Employee Incentive Plan rules and is subject to Securityholder approval at its 2024 Annual General Meeting. The first tranche of the award (face value of $400,000) will vest into Growthpoint stapled securities on or around 20 May 2025 and 20 May 2026 in two equal portions, subject to continued employment and behaviour consistent with the Group's values and policies. The second tranche of the award (face value of $400,000) will vest into Growthpoint stapled securities on or around 20 May 2026, 20 May 2027, 20 May 2028 and 20 May 2029 in four equal portions, subject to continued employment and behaviour consistent with the Group's values and policies, as well as satisfactory development and execution of the Group's strategy as agreed by the Board.

Principles of remuneration for the Chief Executive Officer and Managing Director

The principles of remuneration for the Chief Executive Officer and Managing Director are included as part of the Executive KMP principles listed on page 37.

Other service contracts

The service contracts for other Executive KMP are unlimited in term but can be terminated by the Executive KMP on three months' notice and by the Company immediately for cause and on six months' notice. The Group may elect to pay the other Executive KMP in lieu of some or all of this six-month notice period. The restraint of trade period for the other Executive KMP is six months from the date of termination.

Employees are also entitled to receive certain statutory entitlements on termination of employment including accrued annual and long service leave, together with any superannuation benefits and, if applicable, redundancy payments in accordance with a redundancy policy approved by the Committee.

Additional terms relating to LTI and STI performance rights issued to Executive KMP (based on terms for the FY24 grants)

Cessation of employment

Ceasing employment for cause or due to resignation

Where an Executive KMP's employment with Growthpoint Properties Australia is terminated for cause or ceases due to resignation (other than due to death, ill health or disability), all performance rights will lapse, unless the Board determines otherwise.

Ceasing employment for other reasons (good leaver)

If an Executive KMP's employment ceases at any time for any other reason (including due to death, ill health, disability, retirement or bona fide redundancy), a pro-rata of LTI performance rights (whether or not the applicable performance conditions and/or service condition has been satisfied) as at the date of cessation of employment will remain on foot based on the portion of the relevant performance period and remain subject to the terms of the offer of the performance rights, as though employment had not been ceased. In the case of STI performance rights, all performance rights as at the date of cessation of employment will remain on foot as though employment had not ceased. However, the Board retains a discretion to determine to vest or lapse some or all of the performance rights.

Takeover or Scheme

In summary, the Growthpoint Properties Australia Employee Incentive Plan Rules provide that in the event of each of:

- a takeover bid being recommended by the Board or becoming unconditional; and
- a scheme of arrangement, reconstruction or winding up of Growthpoint Properties Australia being put to members,

some or all performance rights may vest or may remain on foot at the Board's discretion. In the case of STI performance rights, if any of these events occur before the Board has exercised its discretion, the STI performance rights will vest.

Claw back

The Board has broad "clawback" powers to determine that performance rights lapse, stapled securities are forfeited, or that amounts are to be repaid in certain circumstances (for example, in the case of fraud or dishonesty).

Non-Executive and Executive KMP Reviews

Non-Executive Director reviews

The performance of the Board and individual Directors is regularly considered by the Chair who, from time to time, arranges Board meetings to specifically consider the function of the Board, the strategy of the Group and to hear any concerns/feedback from Directors. The Chair typically meets with each individual Director not less than once per year.

Board composition

The Board currently comprises Directors with extensive experience and expertise in property, funds management, capital markets/investment banking, finance/accounting and governance. Refer to pages 24 to 25 for full profiles of each Director.

Being a property company, the Board has expressed a particular desire to ensure it comprises Directors with extensive Australian commercial property knowledge and experience. The Board is eager to ensure that where Board members are replaced, the Board's overall level of property experience is not diminished. See Growthpoint's Corporate Governance Statement which outlines the current mix of skills represented on the Board, which includes extensive experience within the property industry.

Transitional services by the former Managing Director

The former Managing Director continued to provide transitional support services to the Chief Executive Officer and Managing Director until his retirement date on 15 July 2024.

Executive KMP Reviews

The Chief Executive Officer and Managing Director's performance will be formally considered annually by the Committee and based on this formal assessment, the Committee will make remuneration recommendations to the Board. In making its assessment, the Committee will consider, among other things, the Chief Executive Officer and Managing Director's performance and any remuneration benchmarking analysis it has obtained.

The Chief Executive Officer and Managing Director will review the performance of the other Executive KMP and make recommendations to the Committee on their remuneration based, in part, on their performance and any remuneration benchmarking analysis or remuneration survey information obtained.

Meetings of Directors (FY24)

All Non-Executive Directors have a standing invitation to attend all Board Committee meetings. The former Managing Director had, and the current Chief Executive Officer and Managing Director has, a standing invitation to attend all Board Committee meetings unless the members of the relevant Committee determined otherwise. The table below only reflects attendance of members of the Board Committees.

	Growthpoint Board		Audit, Risk and Compliance Committee		Nomination, Remuneration and HR Committee		Investment Committee	
Board member	eligible to attend	attended	eligible to attend	attended	eligible to attend	attended	eligible to attend	attended
A. Fay – Chair	7	7	–	–	6	6	–	–
R. Lees – Chief Executive Officer and Managing Director[1]	1	1	–	–	–	–	–	–
T. Collyer – former Managing Director[2]	6	6	–	–	–	–	–	–
E. de Klerk	7	7	–	–	–	–	–	–
G. Jackson[3]	3	3	2	2	–	–	–	–
D. Page AM	7	7	4	4	–	–	–	–
N. Sasse	7	7	–	–	6	6	–	–
J. Sukkar	7	7	–	–	6	6	–	–
P. Theocharides	7	7	4	4	–	–	–	–
M. Tierney	7	7	4	4	–	–	–	–

1. Appointed 20 May 2024.
2. Ceased being KMP 20 May 2024.
3. Retired 16 November 2023.

Additional information

Directors

The following persons were members of the Board of Growthpoint Properties Australia Limited (the Company) during the whole of FY24 and up to the date of this report, unless otherwise stated:

- Andrew Fay, Independent Chair
- Ross Lees, Chief Executive Officer and Managing Director (appointed effective 20 May 2024)
- Timothy Collyer, Managing Director (former) (retired effective 20 May 2024)
- Estienne de Klerk, Director
- Grant Jackson, Independent Director (retired effective 16 November 2023)
- Deborah Page AM, Independent Director
- Norbert Sasse, Director
- Josephine Sukkar AM, Independent Director
- Panico Theocharides, Director
- Michelle Tierney, Independent Director

Details of each Director's appointment, qualifications and experience, together with their recent directorships, are set out on pages 24 to 25 of this report. Information about their attendance at Board and Board Committee meetings held during FY24 is contained in the Remuneration Report on page 53 of this report.

Company Secretaries

Jacqueline (Jacquee) Jovanovski and Dion Andrews are the Company Secretaries of each member of the Group. Details of their qualifications and experience are set out on page 26 of this report.

Principal activities

The principal activities of the Group during the year continued to be property investment. During the year there were no significant changes in its state of affairs.

Review of operations and results

The Operating and Financial Review is contained on pages 3 to 23 of this report.

Indemnification and insurance of Directors, Officers and Auditor

The Company has entered into a Deed of Indemnity, Insurance and Access with each of its directors, Dion Andrews (Chief Financial Officer), Michael Green (Chief Investment Officer) and Jacqueline Jovanovski (Chief Operating Officer) providing these persons with an indemnity, to the fullest extent permitted by law, against all losses and liabilities incurred in their respective role for the Company. The Deeds also require the Company to grant the indemnified person with access to certain Company documents and insure the indemnified persons.

In compliance with the Deeds referred to above, the Company insured its Directors and officers against liability to third parties and for costs incurred in defending any legal proceedings that may be brought against them in their capacity as Directors or officers of the Group. This excludes a liability which arises out of a wilful breach of duty or improper use of inside information. The premium also insures the Company for any indemnity payments it may make to its Officers in respect of costs and liabilities incurred. Disclosure of the premium payable is prohibited under the conditions of the policy.

The Auditor is indemnified by the Group against claims from third parties arising from the provision of audit services except where prohibited by applicable law and professional regulations or due to the negligence, wrongful or wilful acts or omissions by the auditor.

Non-Audit services

During the FY24 year EY, the Group's auditor, did not provide any non-audit services to the Group. Accordingly, the Board has considered this and is satisfied that there has not been a compromise to the general standards of independence for auditors imposed by the Corporations Act 2001 (Cth).

Details of the amounts paid to EY for audit services provided during the year are set out below:

	FY24	FY23
	$	$
Audit and review of financial statements	391,700	392,000
Other regulatory audit services	91,128	85,970
Other non-audit services	–	105,000
Total paid to EY	**482,828**	**582,970**

Auditor's independence

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* (Cth) is set out on page 102.

Subsequent events

There have been no subsequent events from the end of the year to the date of this report likely to significantly affect the operations of the business, the results of those operations or the state of affairs of the Group in future financial years.

Environmental Regulations

As a property owner, the Group is subject to the normal environmental regulations of landowners within Australia. The Directors are not aware of any significant breaches during the year.

Rounding of amounts

All financial information presented is in Australian dollars and has been rounded to the nearest hundred thousand unless otherwise stated, in accordance with Australian Securities and Investments Commission Instrument 2016/191.

About the Directors' Report

The Directors' Report comprises pages 3 to 54 of this report except where referenced elsewhere.

This report was approved in accordance with a resolution of the Directors of Growthpoint Properties Australia Limited.

Andrew Fay, Chair
Growthpoint Properties Australia

22 August 2024

About the Financial Report

This report covers Growthpoint Properties Australia Limited and its controlled entities, Growthpoint Properties Australia Trust and its controlled entities, together being a stapled group. Growthpoint Properties Australia Limited is the Responsible Entity for Growthpoint Properties Australia Trust. The financial report is presented in Australian dollars.

Growthpoint Properties Australia Trust and its Responsible Entity, Growthpoint Properties Australia Limited, are both domiciled in Australia. The Responsible Entity's registered office and principal place of business is at Level 18, 101 Collins Street, Melbourne, Victoria, 3000, Australia.

A description of the nature of the stapled group's operations and its principal activities is included in the Directors' Report which is not part of the financial report.

The financial report was authorised for issue by the Directors on 22 August 2024.

References to 'the year' in this report refer to the year ended 30 June 2024 unless the context requires otherwise. References to 'balance date' in this report refer to 30 June 2024 unless the context requires otherwise.

Financial Report

Consolidated Statement of **Comprehensive Income**

For the year ended 30 June 2024

	Notes	2024	2023
		$m	*$m*
Revenue and other income			
Property revenue	2.1	313.7	325.3
Funds management revenue	2.1	8.0	7.6
Distributions from investments in securities	2.1	8.1	8.4
Interest income		2.6	1.4
Total revenue and other income		332.4	342.7
Expenses			
Property expenses	2.1	(55.2)	(52.3)
Borrowing costs	3.2	(92.9)	(81.8)
Other expenses		(31.7)	(32.7)
Depreciation and amortisation expenses		(6.8)	(6.7)
Impairment of goodwill	2.7	(26.6)	(8.8)
Total expenses		(213.2)	(182.3)
Other gains/losses			
Net loss in fair value of investment properties	2.2	(424.3)	(388.4)
Net gain/(loss) in fair value on sale of investment properties		4.4	(0.6)
Net gain/(loss) in fair value of investments in securities	2.3	11.5	(6.2)
Net loss in fair value of derivatives	3.4	(16.4)	(1.1)
Net gain/(loss) on exchange rate translation of interest-bearing liabilities	3.1	3.0	(14.8)
Net losses from other items		(421.8)	(411.1)
Loss before tax		**(302.6)**	**(250.7)**
Income tax benefit	4.1	4.4	5.1
Loss after tax		**(298.2)**	**(245.6)**
Other comprehensive income		-	-
Total comprehensive loss		**(298.2)**	**(245.6)**
Total comprehensive loss attributable to:			
Owners of the Trust		(264.8)	(229.2)
Owners of the Company		(33.4)	(16.4)
Total comprehensive loss		**(298.2)**	**(245.6)**
Earnings per security attributable to securityholders of the Group:			
Basic earnings per stapled security (cents)	3.9	(39.6)	(32.1)
Diluted earnings per stapled security (cents)	3.9	(39.6)	(32.1)

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

Consolidated Statement of **Financial Position**

As at 30 June 2024

	Notes	2024	2023
		$m	*$m*
Current assets			
Cash and cash equivalents	2.6	42.2	49.4
Receivables and other assets	2.4	16.3	10.8
Intangible assets	2.7	0.9	4.5
Derivative financial instruments	3.4	6.8	1.3
Current tax receivable	4.1	-	1.6
Total current assets		66.2	67.6
Non-current assets			
Investment properties	2.2	4,503.7	4,917.2
Investment in securities	2.3	140.9	129.5
Derivative financial instruments	3.4	39.9	56.4
Right-of-use assets		2.5	3.0
Plant and equipment		2.2	2.8
Intangible assets	2.7	6.3	33.7
Deferred tax assets	4.1	3.2	0.6
Total non-current assets		4,698.7	5,143.2
Total assets		**4,764.9**	**5,210.8**
Current liabilities			
Distribution payable to Securityholders	3.8	72.8	80.6
Trade and other liabilities	2.5	46.1	46.7
Current tax payable	4.1	0.7	-
Interest bearing liabilities	3.1	200.0	-
Lease liabilities	3.3	2.1	1.8
Deferred tax liabilities	4.1	-	3.5
Total current liabilities		321.7	132.6
Non-current liabilities			
Interest bearing liabilities	3.1	1,723.8	1,918.7
Lease liabilities	3.3	104.6	105.2
Derivative financial instruments	3.4	3.1	-
Total non-current liabilities		1,831.5	2,023.9
Total liabilities		**2,153.2**	**2,156.5**
Net assets		**2,611.7**	**3,054.3**
Equity			
Contributed equity	3.7	1,986.4	1,986.4
Reserves		16.9	15.8
Retained profits		608.4	1,052.1
Total equity		**2,611.7**	**3,054.3**

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

Consolidated Statement of **Changes in Equity**

For the year ended 30 June 2024

		Attributable to unitholders of the Trust (Parent entity)			Attributable to shareholders of the Company (other stapled entity)				
	Notes	Contri-buted equity	Retained profits	Total	Contri-buted equity	Reserves	Retained profits	Total	Total equity
		$m	*$m*	*$m*	*$m*	*$m*	*$m*	*$m*	*$m*
Equity as at 30 June 2023		1,917.2	1,070.5	2,987.7	69.2	15.8	(18.4)	66.6	3,054.3
Loss after tax		-	(264.8)	(264.8)			(33.4)	(33.4)	(298.2)
Other comprehensive income		-	-	-			-	-	-
Total comprehensive loss		-	(264.8)	(264.8)	-	-	(33.4)	(33.4)	(298.2)
Transactions with Securityholders in their capacity as Securityholders:									
Distributions provided or paid	3.8	-	(145.5)	(145.5)	-	-	-	-	(145.5)
Share-based payment transactions		-	-		-	1.1	-	1.1	1.1
Total transactions with Securityholders		-	(145.5)	(145.5)	-	1.1	-	1.1	(144.4)
Equity as at 30 June 2024		**1,917.2**	**660.2**	**2,577.4**	**69.2**	**16.9**	**(51.8)**	**34.3**	**2,611.7**
Equity as at 30 June 2022		1,976.0	1,462.3	3,438.3	70.5	13.1	(2.0)	81.6	3,519.9
Loss after tax		-	(229.2)	(229.2)	-	-	(16.4)	(16.4)	(245.6)
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive loss		-	(229.2)	(229.2)	-	-	(16.4)	(16.4)	(245.6)
Transactions with Securityholders in their capacity as Securityholders:									
Security buybacks		(58.8)	-	(58.8)	(1.3)	-	-	(1.3)	(60.1)
Distributions provided or paid	3.8	-	(162.6)	(162.6)	-	-	-	-	(162.6)
Share-based payment transactions		-	-		-	2.7	-	2.7	2.7
Total transactions with Securityholders		(58.8)	(162.6)	(221.4)	(1.3)	2.7	-	1.4	(220.0)
Equity as at 30 June 2023		**1,917.2**	**1,070.5**	**2,987.7**	**69.2**	**15.8**	**(18.4)**	**66.6**	**3,054.3**

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

Consolidated Statement of **Cash Flows**

For the year ended 30 June 2024

	Notes	**2024**	2023
		$m	*$m*
Cash flows from operating activities			
Cash receipts from customers		331.1	367.5
Cash payments to suppliers		(118.9)	(123.2)
Distributions from investment in securities		8.1	8.3
Borrowing costs		(90.3)	(76.1)
Interest received		2.6	1.4
Income tax received/(paid)		1.3	(1.9)
Net cash flows from operating activities	**2.6**	**133.9**	**176.0**
Cash flows from investing activities			
Receipts from sale of investment properties		38.2	128.7
Payments for investment properties		(27.4)	(190.6)
Payments for acquisition of business (net of cash acquired)		-	(49.7)
Loans to related parties		(3.6)	-
Other		-	(3.8)
Net cash flows from investing activities		**7.2**	**(115.4)**
Cash flows from financing activities			
Proceeds from external borrowings		153.0	428.0
Repayments of external borrowings		(146.0)	(264.5)
Payments for securities buy back		-	(60.1)
Repayments of lease liabilities		(1.9)	(1.4)
Distributions to Securityholders		(153.4)	(162.4)
Net cash flows from financing activities		**(148.3)**	**(60.4)**
Net cash flows		**(7.2)**	**0.2**
Cash and cash equivalents at the beginning of the year		49.4	49.2
Cash and cash equivalents at the end of the year		**42.2**	**49.4**

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

Notes to the Financial Statements

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

1.1 Basis of preparation

Reporting entity

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

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

In accordance with AASB 3 *Business Combinations*, the Trust is the parent entity and deemed acquirer of the Company in the stapling arrangement. This financial report includes consolidated financial statements for the Trust, comprising the Trust and its controlled entities and the Company and its controlled entities, for the year ended 30 June 2024. The Group is domiciled in Australia and its registered address is Level 18, 101 Collins Street, Melbourne, Victoria, 3000, Australia.

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

Net current asset deficiency

Net current asset deficiency is calculated as the difference between the Group's current assets and current liabilities. The Group reported a net current asset deficiency of $255.5 million as at 30 June 2024 (30 June 2023: $65.0 million) which is an expected outcome from its policy of using cash that is surplus to the Group's short term needs to repay debt facilities. The Group has unutilised debt facilities of $293.0 million (30 June 2023: $300.0 million) which can be drawn at short notice to meet its current obligations as they fall due. The Group has sufficient working capital and cashflows in order to fund all requirements arising from the net current asset deficiency. Accordingly, the Financial Report has been prepared on a going concern basis.

Statement of compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001* (Cth). The consolidated financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB).

The consolidated financial statements were authorised for issue by the Board on 22 August 2024.

Basis of measurement

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

Functional and presentation currency

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

1.1 Basis of preparation (continued)

Critical accounting estimates, assumptions and judgements

The preparation of financial statements in conformity with applicable accounting standards requires the Directors to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about estimates, assumptions and judgements that have the most significant risk of causing a material misstatement of amounts recognised in the consolidated financial statements is included in the following notes:

- Note 2.2 – Investment properties;
- Note 2.7 – Intangible assets;
- Note 3.4 – Derivative financial instruments; and
- Note 3.5 – Financial instrument fair value hierarchy.

Determination of fair values

Several of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. When applicable, information regarding the method of determining fair value and about the assumptions made in determining fair value is disclosed in the note specific to that asset or liability.

1.2 Material accounting policy information

Material accounting policy information applied by the Group in this financial report is disclosed in the relevant notes in grey shaded text.

1.3 Impact of new standards, amendments and interpretations

No new accounting standards, amendments or interpretations have come into effect for the year ended 30 June 2024 that materially affect the Group's operations or reporting requirements.

No other standards, amendments or interpretations published that come into effect in a future reporting period are expected to materially affect the Group's operations or reporting requirements.

Notes to the Financial Statements

Section 2: Operating results, assets and liabilities

2.1 Revenue and operating segment information

Revenue recognition

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

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

i) distinct – accounted for as separate performance obligations;

ii) not distinct – combined with other promised services until a distinct bundle is identified; or

iii) part of a series of distinct services that are substantially the same and have the same pattern of transfer to the customer.

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

Revenue is recognised over time if:

i) the customer simultaneously receives and consumes the benefits provided over the life of a contract as the services are performed;

ii) the customer controls the asset that the Group is creating or enhancing; or

iii) the Group's performance does not create an asset with an alternative use to the Group and has an enforceable right to payment for performance completed to date.

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

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

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

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

2.1 Revenue and operating segment information (continued)

Group earnings and operating segment results

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

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

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

			2024			2023
	Industrial	Office	**Total**	Industrial	Office	**Total**
	$m	*$m*	*$m*	*$m*	*$m*	*$m*
Segment items						
Property rental income	85.2	175.3	260.5	82.7	190.4	273.1
Revenue from services to tenants	15.5	27.5	43.0	14.9	24.7	39.6
Property revenue, excluding straight line lease adjustment	100.7	202.8	303.5	97.6	215.1	312.7
Property expenses[1]	(5.8)	(2.2)	(8.0)	(5.5)	(3.2)	(8.7)
Expense from services to tenants[2]	(17.4)	(36.5)	(53.9)	(15.0)	(33.1)	(48.1)
Net property income	**77.5**	**164.1**	**241.6**	**77.1**	**178.8**	**255.9**
Funds management revenue			8.0			7.6
Total segment revenue			**249.6**			**263.5**
Unallocated items – FFO adjustments						
Amortisation of incentives and leasing costs			40.0			39.3
Other expenses[3]			(32.3)			(30.1)
Distributions from investment in securities			8.1			8.4
Borrowing costs net of interest income[4]			(86.2)			(76.4)
FFO income tax benefit[5]			1.2			0.1
FFO			**180.4**			**204.8**
Distributions			145.5			162.6
Weighted average securities on issue (m)			753.9			764.4
FFO per stapled security (cents)			23.9			26.8
Distribution per stapled security (cents)			19.3			21.4

1. Property expenses in FFO include $6.7 million (2023: $4.5 million) of ground lease payments which are replaced with depreciation of right of use assets and interest expense associated with leases on the Consolidated Statement of Comprehensive Income.
2. Outgoings expenses from services to tenants includes $10.9 million (2023: $8.5 million) that was not recoverable under the terms of certain leases.
3. Other expenses in FFO of $32.5 million (2023: $30.1 million) excludes $0.4 million (2023: $2.8 million) in discontinued and non-FFO project costs and $0.1 million (2023: $0.6 million) expensed for the Fortius Funds Management acquisition related retention rights, and includes $0.9 million (2023: $0.8 million) rent payments for the Group's head offices at 101 Collins St, Melbourne and 88 Phillip St, Sydney which are replaced with depreciation of right of use assets and interest expense associated with lease liabilities on the Consolidated Statement of Comprehensive Income.
4. Borrowing costs are shown in segment reporting net of $2.6 million (2023: $1.4 million) interest income and exclude the $4.0 million (2023: $4.0 million) interest expense associated with ground lease liabilities which is included on the Consolidated Statement of Comprehensive Income.
5. FFO income tax benefit of $1.2 million excludes $2.2 million of non-operating tax expenses.

Notes to the Financial Statements

2.1 Revenue and operating segment information (continued)

Reconciliation of loss after tax to FFO

	2024	2023
	$m	*$m*
Loss after tax	**(298.2)**	**(245.6)**
Adjustments for non-FFO items		
- Straight line adjustment to property revenue	(10.2)	(12.6)
- Net loss in fair value of investment properties	424.3	388.4
- Net (gain)/loss in fair value of investment in securities	(11.5)	6.2
- Net loss in fair value of derivatives	16.4	1.1
- Net (gain)/loss on exchange rate translation of interest-bearing liabilities	(3.0)	14.8
- Amortisation of incentives and leasing costs	40.0	39.3
- Amortisation of intangible assets	1.1	1.7
- Goodwill impairment	26.6	8.8
- Deferred tax benefit	(5.4)	(5.1)
- Other	0.3	7.8
FFO	**180.4**	**204.8**

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

	2024	2023
	$m	*$m*
Property revenue from segments	**303.5**	**312.7**
- Straight line adjustment to property revenue	10.2	12.6
Property revenue as reported on the Consolidated Statement of Comprehensive Income	**313.7**	**325.3**

Major customer

Revenues from Woolworths Group Limited, in the Group's industrial segment represents $37.4 million or 12.3% (2023: $35.7 million or 11.4%) of the Group's property revenue from segments.

2.2 Investment properties

Investment properties

The Group's investment properties represent freehold and leasehold interest in land and buildings held for rental income and capital appreciation. Investment properties are initially measured at cost including transaction costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the entity and the cost of that capital expenditure can be measured reliably. All other costs are expensed in the Consolidated Statement of Comprehensive Income in the period incurred.

Subsequent to initial recognition, investment properties are measured at fair value. Directors revalue the property investments based on valuations determined internally or by external independent valuers on a periodic basis. The Group assesses at each balance date whether these valuations appropriately reflect the fair value of investment properties.

Any gains or losses arising from changes in fair value of the properties are recognised in the Consolidated Statement of Comprehensive Income in the period in which they arise.

Lease incentives and commissions

Any lease incentives provided to a tenant under the terms of a lease such as fit-outs or rent-free periods and any leasing commissions paid to agents on signing of lease agreements are recognised on balance sheet in investment property and subsequently amortised as a reduction of revenue on a straight-line basis over the term of the lease.

2.2 Investment properties (continued)

Determination of fair value

The fair value of the investment properties is determined either by Directors' valuations or a valuation performed by an external, independent valuer, with recognised professional qualifications and recent experience in the location and category of property being valued. Every property is valued externally at least once every financial year.

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

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

			Latest external valuation		Carrying amounts	
Industrial properties			Date	Valuation	**2024**	2023
				$m	*$m*	*$m*
Victoria						
3 Maker Place	Truganina	VIC	30-Jun-24	62.3	62.3	66.5
9-21 Kimpton Way	Altona	VIC	30-Jun-24	59.5	59.5	60.0
Lots 2, 3 & 4, 34-44 Raglan Street	Preston	VIC	31-Dec-23	58.0	58.5	54.3
1500 Ferntree Gully Road & 8 Henderson Road	Knoxfield	VIC	31-Dec-23	59.1	57.2	60.0
40 Annandale Road[1]	Melbourne Airport	VIC	30-Jun-24	42.5	42.5	44.4
120-132 Atlantic Drive	Keysborough	VIC	30-Jun-24	40.8	40.8	45.5
130 Sharps Road[1]	Melbourne Airport	VIC	30-Jun-24	28.7	28.7	27.4
20 Southern Court	Keysborough	VIC	31-Dec-23	28.2	27.5	29.3
120 Link Road[1]	Melbourne Airport	VIC	30-Jun-24	25.0	25.0	28.7
31 Garden Street	Kilsyth	VIC	30-Jun-24	21.7	21.7	22.0
6 Kingston Park Court	Knoxfield	VIC	30-Jun-24	19.5	19.5	18.8
3 Millennium Court	Knoxfield	VIC	30-Jun-24	19.4	19.4	19.8
19 Southern Court	Keysborough	VIC	31-Dec-23	15.2	15.1	16.1
101-111 South Centre Road[1]	Melbourne Airport	VIC	30-Jun-24	14.1	14.1	15.5
60 Annandale Road[1]	Melbourne Airport	VIC	30-Jun-24	14.1	14.1	15.0
75 Annandale Road[1]	Melbourne Airport	VIC	30-Jun-24	10.3	10.3	12.1
Queensland						
70 Distribution Street	Larapinta	QLD	31-Dec-23	255.0	255.0	255.0
13 Business Street	Yatala	QLD	31-Dec-23	19.0	19.0	18.6
5 & 7a Viola Place[1]	Brisbane Airport	QLD	31-Dec-23	13.5	13.0	13.4
3 Viola Place[1]	Brisbane Airport	QLD	31-Dec-23	4.1	3.9	4.2
Western Australia						
20 Colquhoun Road	Perth Airport	WA	30-Jun-24	225.0	225.0	216.0
58 Tarlton Crescent	Perth Airport	WA	30-Jun-24	24.5	24.5	20.8
2 Hugh Edwards Drive	Perth Airport	WA	30-Jun-24	23.3	23.3	24.3
10 Hugh Edwards Drive	Perth Airport	WA	30-Jun-24	13.5	13.5	14.0
36 Tarlton Crescent	Perth Airport	WA	30-Jun-24	11.3	11.3	11.3

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

Notes to the Financial Statements

2.2 Investment properties (continued)

Industrial properties			Latest external valuation Date	Valuation	Carrying amounts **2024**	2023
				$m	*$m*	*$m*
New South Wales						
27-49 Lenore Drive	Erskine Park	NSW	31-Dec-23	112.5	112.0	107.5
6-7 John Morphett Place	Erskine Park	NSW	30-Jun-24	84.0	84.0	82.8
51-65 Lenore Drive	Erskine Park	NSW	31-Dec-23	46.3	45.0	46.5
34 Reddalls Road	Kembla Grange	NSW	30-Jun-24	36.0	36.0	38.5
81 Derby Street	Silverwater	NSW	31-Dec-23	33.0	33.0	32.8
South Australia						
599 Main North Road	Gepps Cross	SA	31-Dec-23	200.0	192.0	216.0
1-3 Pope Court[1]	Beverley	SA	N/A	N/A	N/A	30.5
12-16 Butler Boulevard[2]	Adelaide Airport	SA	31-Dec-23	23.9	22.6	23.7
10 Butler Boulevard[2]	Adelaide Airport	SA	31-Dec-23	12.6	13.2	12.4
Total industrial properties				**1,655.8**	**1,642.4**	**1,703.5**

Office properties			Latest external valuation Date	Valuation	Carrying amounts **2024**	2023
				$m	*$m*	*$m*
Victoria						
75 Dorcas Street	South Melbourne	VIC	30-Jun-24	241.0	241.0	275.0
Building 3, 570 Swan Street	Richmond	VIC	30-Jun-24	165.0	165.0	190.0
165-169 Thomas Street	Dandenong	VIC	31-Dec-23	143.0	140.0	153.5
Building 2, 572-576 Swan Street	Richmond	VIC	30-Jun-24	108.0	108.0	125.0
109 Burwood Road	Hawthorn	VIC	30-Jun-24	108.0	108.0	116.5
141 Camberwell Road	Hawthorn East	VIC	31-Dec-23	102.0	99.5	111.0
Building B, 211 Wellington Road	Mulgrave	VIC	30-Jun-24	67.0	67.0	80.0
Building 1, 572-576 Swan Street	Richmond	VIC	30-Jun-24	65.7	65.7	72.0
Building C, 211 Wellington Road	Mulgrave	VIC	30-Jun-24	44.2	44.2	53.0
Car Park, 572-576 Swan Street	Richmond	VIC	31-Dec-23	0.5	0.5	0.7
Queensland						
100 Skyring Terrace	Newstead	QLD	30-Jun-24	212.0	212.0	227.5
15 Green Square Close	Fortitude Valley	QLD	31-Dec-23	122.5	120.0	130.0
104 Melbourne Street	South Brisbane	QLD	31-Dec-23	80.8	84.5	86.5
32 Cordelia Street	South Brisbane	QLD	31-Dec-23	77.0	73.5	80.5
52 Merivale Street	South Brisbane	QLD	30-Jun-24	68.0	68.0	73.0
100 Melbourne Street	South Brisbane	QLD	30-Jun-24	42.5	42.5	51.5
Car Park, 32 Cordelia Street & 52 Merivale Street	South Brisbane	QLD	30-Jun-24	27.5	27.5	35.8
South Australia						
33-39 Richmond Road	Keswick	SA	30-Jun-24	57.5	57.5	71.0

1. Divested in October 2023.
2. Held under leasehold; right-of-use asset recognised on ground lease.

2.2 Investment properties (continued)

Office properties			Latest external valuation Date	Valuation	Carrying amounts 2024	2023
				$m	$m	$m
New South Wales						
1 Charles Street	Parramatta	NSW	30-Jun-24	440.0	440.0	500.0
4 Broadcast Way	Artarmon	NSW	30-Jun-24	121.0	121.0	142.0
3 Murray Rose Avenue	Sydney Olympic Park	NSW	30-Jun-24	86.5	86.5	98.4
5 Murray Rose Avenue	Sydney Olympic Park	NSW	30-Jun-24	67.0	67.0	81.6
11 Murray Rose Avenue	Sydney Olympic Park	NSW	30-Jun-24	40.0	40.0	49.0
Australian Capital Territory						
10-12 Mort Street	Canberra	ACT	30-Jun-24	82.5	82.5	74.0
2-6 Bowes Street	Canberra	ACT	30-Jun-24	67.8	67.8	79.0
255 London Circuit	Canberra	ACT	30-Jun-24	60.5	60.5	74.5
Western Australia						
836 Wellington Road	West Perth	WA	30-Jun-24	83.5	83.5	92.0
Total office properties				**2,781.0**	**2,773.2**	**3,122.7**
Total portfolio at fair value				**4,436.7**	**4,415.5**	**4,826.2**
Ground leases as right-of-use assets					88.2	91.0
Total investment properties carrying amount					**4,503.7**	**4,917.2**

Valuation process

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

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

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

At 30 June 2024, 38 investment properties representing approximately 69% (by value) of the portfolio were independently valued by external valuers at eight valuation firms being JLL, Savills, Knight Frank, m3property, CBRE, Cushman & Wakefield, Colliers and Urbis. Fair values for the remaining 19 investment properties were based solely on Directors' internal valuations.

Valuation methodology

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

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

Notes to the Financial Statements

2.2 Investment properties (continued)

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

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

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

Industrial	2024	2023
Discount rate	6.8%-7.8%	6.0%-7.3%
Terminal yield	5.4%-11.6%	4.8%-11.0%
Capitalisation rate	5.3%-8.2%	4.5%-7.5%
Expected vacancy period	4-12 months	5-10 months
Rental growth rate	2.6%-3.9%	2.8%-3.9%

Office	2024	2023
Discount rate	6.6%-8.0%	5.8%-7.3%
Terminal yield	5.5%-8.0%	4.9%-7.1%
Capitalisation rate	5.0%-7.8%	4.3%-6.8%
Expected vacancy period	6-12 months	6-18 months
Rental growth rate	2.6%-3.6%	2.5%-3.7%

Discount Rates

As shown in the below table, over the twelve months to 30 June 2024 discount rates utilised in the valuation of the Group's property portfolio increased by approximately 79 basis points. Over the same time period, the implied property risk premium increased by approximately 51 basis points. The implied property risk premium is the difference between the weighted average discount rate and the 10-year Australian Government bond yield. The increase in the implied property risk premium is largely due to discount rates expanding at a greater rate relative to 10-year Australian Government bond yields.

	2024	2023
10-year Australian Government bond rate	4.31%	4.03%
Implied property risk premium	2.87%	2.36%
Weighted average 10-year discount rate used to value the Group's properties	7.18%	6.39%

Capitalisation Rates[1]

Office

A total of $8.2 billion of office investment sales were recorded nationally over the year to 30 June 2024 (1H $3.7 billion, 2H $4.5 billion) compared to $9.5 billion in FY23. Notably, more than 40% of transactions ($3.5 billion) occurred in the last quarter of FY24, representing the highest quarterly level since 2022. After several quarters of price discovery, buyer and seller expectations are more closely aligned leading to an increase in market activity. Notable transactions completed in Q4 include: 5 Martin Place Sydney, 367 Collins Street Melbourne, and 240 Queen Street Brisbane. Sales that occurred within the Group's markets, particularly those within the last quarter, provide reasonable guidance for the Group's office properties and revealed market capitalisation rate expansion. The weighted average capitalisation rate used to value the Group's office portfolio softened (increased) 81 basis points to 6.47% over the 12 months to 30 June 2024.

1. Transaction volume figures sourced from Cushman & Wakefield.

2.2 Investment properties (continued)

Industrial

A total of $7.0 billion of industrial investment sales were recorded nationally over the year to 30 June 2024 (1H $3.5 billion, 2H $3.5 billion) compared to $5.7 billion in FY23. The last quarter of the year saw an increase in sales volume with approximately 37% of total sales occurring (by value), aided by larger portfolio deals. Investors remain attracted to the sector given tight vacancy and above average rental growth. Notable transactions completed in Q4 include: a 12-asset Eastern seaboard portfolio for $780 million and the sale of a large unit estate in Sydney's outer north for circa $102 million. Sales that occurred within the Group's markets, particularly those within the last quarter, provide reasonable guidance for the Group's industrial properties and revealed market capitalisation rate expansion. The weighted average capitalisation rate used to value the Group's industrial portfolio softened (increased) 61 basis points to 6.00% over the 12 months to 30 June 2024.

Estimation of fair value

The fair value of investment property represents the price for which a property could be exchanged on the date of valuation, between knowledgeable, willing parties in an arm's length transaction. The best evidence of fair value is given by current prices in an active market for comparable property in terms of investment characteristics such as location, lettable area and land area, building characteristics, property condition, lease terms and rental income potential, amongst others.

The fair value of the Group's investment properties has been assessed having regard to market conditions at the reporting date. While this represents the best estimates of fair value as at the balance sheet date, typical valuation uncertainty means that if an investment property is sold in future the price achieved may be higher or lower than the most recent valuation, or higher or lower than the fair value recorded in the financial statements.

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

		Valuation input value		Impact on fair values	
Key valuation input	**Description**	**Jun-24**	Jun-23	Increase in the input	Decrease in the input
Market capitalisation rate	The rate at which the net market rental income is capitalised to determine the value of the property. The rate is determined with regard to market evidence and the prior external valuation. Used within the capitalisation method.	6.3%	5.6%	Decrease	Increase
Net market rent (per sqm)	The estimated amount for which a property, or space within a property, should lease between a lessor and a lessee on appropriate lease terms in an arm's length transaction. Used within both the capitalisation method and DCF method.	$287	$271	Increase	Decrease
Discount rate	The rate of return used to discount cash flows, payable or receivable in the future, into present value. The rate is determined with regard to market evidence and the prior external valuation. Used within the DCF method.	7.2%	6.4%	Decrease	Increase
Terminal capitalisation rate	The terminal capitalisation rate used to convert (capitalise) the future net market rental income at the end of the holding period into an indication of terminal value of the property. Used within the DCF method.	6.7%	6.0%	Decrease	Increase

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

Notes to the Financial Statements

2.2 Investment properties (continued)

Contractual obligations

The Group has an obligation to make available $6.0 million to the tenant at 1 Charles Street, Parramatta, New South Wales to spend on capital expenditure or refurbishment at the property. As at 30 June 2024, $4.6 million of refurbishment works had been carried out, leaving a balance of $1.4 million which is held as restricted cash (refer note 2.6). As part of the lease arrangements with the tenant in 2020, the Group also entered a refurbishment deed under which it will contribute up to $44.0 million of office fit out and building refurbishment works. As at 30 June 2024, the Group has made $16.9 million of contributions, leaving a balance of $27.1 million. To the extent the tenant does not utilise the balance on these works, it will be provided as a rent abatement spread over the remaining lease term which ends in 2044.

Leasing arrangements

Most of the investment properties are leased to tenants under non-cancellable, long-term leases with rent payable monthly. The minimum lease payments under these leases are receivable as follows:

	2024	2023
	$m	*$m*
Within one year	263.4	263.8
Later than one year but not later than five years	737.4	771.4
Later than five years	908.2	1,003.6
	1,909.0	2,038.8

The Group holds ten investment properties on a leasehold basis which are subject to annual ground rent payments. The minimum lease payments for these leases are presented in the table in note 3.3 Lease Liabilities.

Movement in investment properties' carrying amounts

	2024	2023
	$m	*$m*
Opening balance	**4,917.2**	**5,233.1**
Acquisitions and expansion capital expenditure	-	181.8
Maintenance capital expenditure	30.4	22.1
Lease incentives and leasing costs	42.6	29.5
Amortisation of lease incentives and leasing costs	(40.0)	(39.3)
Disposals	(29.6)	(130.4)
Straight-lining of revenue adjustment	10.2	12.6
Net movement in ground leases as leasehold asset	(2.8)	(3.8)
Net loss from fair value adjustments	(424.3)	(388.4)
Closing balance	**4,503.7**	**4,917.2**

2.3 Investment in securities

The Group's investments in securities consists of minority equity interests in listed Dexus Industria REIT and co-investments in the Group's managed property funds. Financial assets are initially recognised at cost, excluding transaction costs. Transaction costs are expensed as incurred in the Consolidated Statement of Comprehensive Income. Financial assets are subsequently measured at fair value with any realised or unrealised gains being recognised in the Consolidated Statement of Comprehensive Income in the period in which they arise.

Accounted for at fair value through profit and loss	**2024**	2023
	$m	*$m*
Listed		
Dexus Industria REIT[1]	138.3	126.5
Unlisted		
Co-investments in the Group's managed property funds[2]	2.6	3.0
Closing Balance	**140.9**	**129.5**

Movement in investment securities' carrying amounts

The following table represents the fair value movement in investments in securities for the year ended 30 June 2024.

	2024	2023
	$m	*$m*
Opening balance	**129.5**	**132.4**
Acquisitions	-	4.4
Disposals	(0.1)	(1.1)
Gain/(loss) in fair value	11.5	(6.2)
Closing balance	**140.9**	**129.5**

Determination of fair value

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

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

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

1. Fair value is at the last traded market price on the Australian Securities Exchange (ASX) as at the reporting date, which as at 30 June 2024 was $2.82 (30 June 2023: $2.58).
2. The fair value per security is the unit price for each fund, representing net asset value per unit as at 30 June 2024.

Notes to the Financial Statements

2.3 Investment in securities (continued)

Movement in investment in securities Level 3 fair value amounts

	2024	2023
	$m	*$m*
Opening balance	**3.0**	**-**
Additions (including from acquisition of business)	-	4.1
Disposals	(0.1)	(0.9)
Net movement from fair value adjustments	(0.3)	(0.2)
Closing balance	**2.6**	**3.0**

2.4 Receivables and other assets

Property revenue receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance under the expected credit loss (ECL) model. The amount of any impairment loss is recognised in the Consolidated Statement of Comprehensive Income within property revenue. Non-current trade receivables are discounted to present value based on the Group's incremental borrowing rate.

Collectability of property revenue receivables is reviewed on an ongoing basis. Property revenue receivables are generally due for settlement within 30 days. The Group often holds security deposits and/or bank guarantees from tenants in line with industry practice for leasing agreements. Receivables are written off when assessed to be uncollectable relative to the cost and effort required to further pursue collection.

Under its lifetime ECL model, the Group assesses the discounted cash flows expected to be received over the life of each receivable on a probability weighted basis. Any difference between this and the amounts contractually receivable is recognised as an allowance for credit losses. The assessment incorporates a provision matrix which assesses historic loss rates, relevant forward-looking macroeconomic indicators and, for significant individual tenant balances, relevant circumstances known about the tenant including liquidity risk, financial health and levels of engagement.

As at 30 June 2024, the Group had $6.7 million in property revenue receivables outstanding (30 June 2023: $1.1 million).

Of the current property revenue receivables balance $2.1 million was more than 30 days past its due date (30 June 2023: $0.8 million). As at 30 June 2024, the Group maintained $0.1 million allowance for ECL (30 June 2023: $0.2 million). During FY24, the Group incurred negligible credit losses (30 June 2023: $0.0 million).

Receivables and other assets are presented as follows:

	2024	2023
	$m	*$m*
Current		
Property revenue receivables	6.8	1.3
Allowance for expected credit losses	(0.1)	(0.2)
Divested investment property retention receivable	-	3.5
Distribution receivables	2.0	2.0
Prepayments	4.0	3.6
Related party receivable	3.6	-
Contract asset receivables – performance fees	-	0.6
Total current receivables and other assets	**16.3**	**10.8**

2.5 Trade and other liabilities

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

Trade and other liabilities are presented as follows:

	2024	2023
	$m	*$m*
Current		
Trade payables	1.4	1.9
Employee entitlements	2.2	2.7
GST payable	2.5	2.4
Accrued expenses	24.1	17.5
Unearned income	15.9	18.4
Other liability	-	1.1
Business combination variable consideration – performance fees	-	2.7
Total current trade and other liabilities	**46.1**	**46.7**

Determination of fair value

Performance fee earn-out liabilities are classified as variable consideration in the business combination. They have been designated on initial recognition to be treated at fair value through profit or loss. Movements in fair value during the period have been recognised in the Consolidated Statement of Comprehensive Income.

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

Key valuation inputs

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

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

Notes to the Financial Statements

2.5 Trade and other liabilities (continued)

Movement in business combination variable consideration fair value amounts

	2024	2023
	$m	*$m*
Opening balance	**2.7**	**-**
Business combination variable consideration	-	4.1
Additional consideration corresponding to contract asset receivable	-	0.6
Fair value adjustments	(2.7)	(2.0)
Closing balance	**-**	**2.7**

2.6 Cash flow information

Reconciliation of loss after tax to net cash inflow from operating activities	2024	2023
	$m	*$m*
Loss after tax	**(298.2)**	**(245.6)**
Net loss in fair value of investment properties	424.3	388.4
Net (gain)/loss on exchange rate translation of interest-bearing liabilities	(3.0)	14.8
Net (gain)/loss in fair value on sale of investment properties	(4.4)	0.6
Net (gain)/loss in fair value of investment in securities	(11.5)	6.2
Net loss in fair value of derivatives	16.4	1.1
Amortisation of borrowing costs	2.4	2.1
Depreciation of right of use assets	4.8	4.5
Depreciation of plant and equipment	0.8	0.6
Share based payments expense	1.1	2.7
Amortisation of intangible assets	1.1	1.7
Impairment of goodwill	26.6	8.8
Change in operating assets and liabilities:		
- (Increase)/decrease in lease incentives and leasing costs	(2.8)	10.0
- Increase in receivables	(17.0)	(11.0)
- (Increase)/decrease in prepayments	(3.1)	1.6
- Decrease in net deferred tax liabilities	(5.0)	(5.4)
- Increase/(decrease) in payables	1.4	(5.1)
Net cash inflow from operating activities	**133.9**	**176.0**

The Group held $1.4 million of restricted cash in trust as at 30 June 2024 (30 June 2023: $3.0 million) in relation to its role as custodian of the Charles Street Property Trust and these funds are not available for general use by the Group.

2.7 Intangible assets

Management rights

Management rights – base fees

Intangible assets that are acquired by the Group and have finite useful lives, are initially measured at fair value and then subsequently measured at initial value less accumulated amortisation and any accumulated impairment losses. Management rights – base fees are classified as current where the funds are expected to crystallise within 12 months.

Management rights – performance fees

Intangible assets acquired by the Group, for which there is a contractual obligation to forward any performance fee earned on existing funds during their current terms to the previous vendors net of income tax, have finite useful lives and are measured at fair value less any accumulated impairment losses. Management rights – performance fees are classified as current where the funds are expected to crystallise within 12 months.

Amortisation is calculated to expense the cost of intangible assets using the straight-line method over their estimated useful lives and is generally recognised in profit or loss. The estimated useful lives are calculated in line with the expected exit dates of each respective fund, which range from acquisition date through to April 2027. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if not appropriate.

Goodwill

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

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

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

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

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

Intangible assets are presented as follows:

	2024	2023
	$m	*$m*
Current		
Management rights – base fees	0.9	1.2
Management rights – performance fees	-	3.3
Total current intangible assets	**0.9**	**4.5**
Non-current		
Management rights – base fees	0.7	1.5
Goodwill	5.6	32.2
Total non-current intangible assets	**6.3**	**33.7**

Notes to the Financial Statements

2.7 Intangible assets (continued)

The following table represents the movement in intangible assets for the year ended 30 June 2024:

	2024	2023
	$m	*$m*
Management rights – base fees		
Opening balance	2.7	-
Acquisition through business combination	-	4.4
Amortisation	(1.1)	(1.7)
Closing balance	**1.6**	**2.7**
Management rights – performance fees		
Opening balance	3.3	-
Acquisition through business combination	-	5.9
Impairment[1]	(3.3)	(2.6)
Closing balance	**-**	**3.3**
Goodwill		
Opening balance	32.2	-
Acquisition through business combination	-	41.0
Impairment	(26.6)	(8.8)
Closing balance	**5.6**	**32.2**

Funds Management CGU – goodwill impairment assessment

Goodwill was attributed to the Group's Funds Management business as a single CGU. The goodwill carrying amount was tested for impairment as at 30 June 2024.

The carrying amount of assets attributable to the Funds Management CGU comprised goodwill of $32.2 million, management rights – base fees of $1.6 million and other net working capital of $2.2 million, totalling $36.0m.

The recoverable value of the Funds Management CGU was a value-in-use assessment of the five-year forecast of cash flows expected to be generated from the CGU and a Gordon Growth Model perpetuity growth rate, discounted to net present value (NPV).

The recoverable amount assessed of $9.4 million was lower than the carrying amount of $36.0 million, therefore an impairment of $26.6 million was recognised at 30 June 2024. This impairment is primarily from changed economic conditions affecting the funds management sector since acquisition leading to revised funds under management (FUM) growth assumptions.

Components of impairment recognised

	2024	2023
	$m	*$m*
Impairment from goodwill	26.6	8.8
Impairment management rights - performance fee intangibles	3.3	2.6
Corresponding reduction to business combination variable consideration – performance fees and associated deferred tax liabilities	(3.3)	(2.6)
Net impairment	**26.6**	**8.8**

1. The impairment of management rights – performance fees are offset by a reduction in its corresponding liability and associated deferred tax liabilities. Please refer to components of impairment recognised as per table on this page..

2.7 Intangible assets (continued)

Key valuation assumptions

The scale of new funds to be launched in future periods has been revised lower compared to the 30 June 2023 assessment given the changed economic conditions and lower transaction environment affecting the funds management business.

The other key assumptions used by management in the estimation of the recoverable amount are set out below:

		Input value		Impact on Value-in-use	
Key valuation assumption	Description	**Jun-24**	Jun-23	Increase in the input	Decrease in the input
Discount rate	The rate of return used to discount forecast cash flows into present value. The rate is determined with regard to market evidence, comprising the prevailing risk-free rate and a typical risk premium for a funds management business. The increase compared to June 2023 is due to the risk-free rate.	12.8%	12.5%	Decrease	Increase
Perpetuity growth rate	The perpetuity growth rate is incorporated into the Gordon Growth Model formula to estimate the terminal value. The rate is based on the Reserve Bank of Australia's long term target inflation range.	2.5%	2.5%	Increase	Decrease

Notes to the Financial Statements

Section 3: Capital structure and financing

3.1 Interest bearing liabilities

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Consolidated Statement of Comprehensive Income over the period of the borrowings using the effective interest method. Foreign denominated debt is translated at the balance date spot rate in accordance with AASB 121 *Effects of Changes in Foreign Exchange Rates,* with associated gains/losses recognised in the Consolidated Statement of Comprehensive Income. Borrowings with maturities greater than 1 year from balance date are classified as non-current liabilities.

The table below analyses the Group's interest bearing liabilities. The carrying amounts and fair values are reported in Australian dollars.

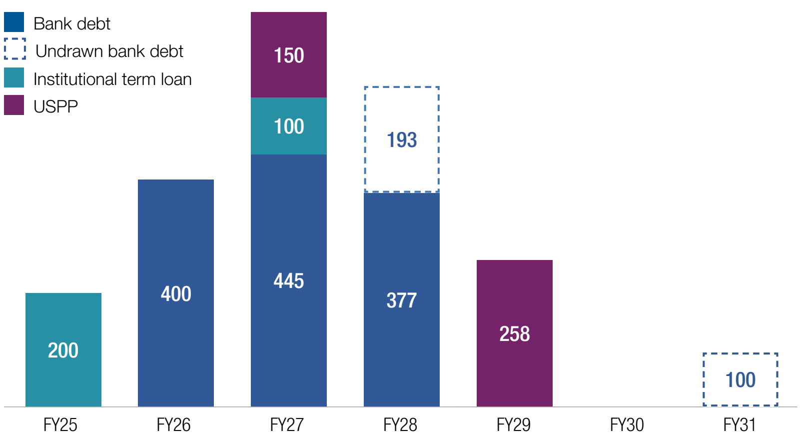
	30-Jun-24		30-Jun-23	
	Carrying amount	Fair value	Carrying amount	Fair value
	$m	*$m*	*$m*	*$m*
Current liabilities				
Loan notes	200.0	198.6	-	-
Total current liabilities	200.0	198.6	-	-
Non-current liabilities				
Bank loans	1,222.0	1,203.3	1,215.0	1,171.6
US Private Placement Notes[1]	408.3	388.8	411.3	380.3
Loan notes	100.0	94.9	300.0	286.8
Total non-current liabilities	1,730.3	1,687.0	1,926.3	1,838.7
Total Loans	**1,930.3**	**1,885.6**	**1,926.3**	**1,838.7**
Less: amortised upfront costs	(6.5)	-	(7.6)	-
Total Interest bearing liabilities	**1,923.8**	**1,885.6**	**1,918.7**	**1,838.7**
Undrawn facilities	293.0		300.0	

The difference between the carrying amounts and the fair values is due to:

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

The Group's debt maturity profile can be analysed as follows:

Group Debt maturity profile
As at 30 June 2024 ($ million)



1. USD denominated debt carrying amounts and fair values are reported in AUD at the 30 June 2024 spot rate of 0.67 (30 June 2023: 0.66).

3.1 Interest bearing liabilities (continued)

The Group made the following changes to interest bearing liabilities during the year:

- In November 2023, the Group extended two bank loan facilities totalling $150 million, by a further 3.2 years to new maturity dates in February 2028.
- In January 2024, the Group extended one bank loan facility of $100 million, by a further 4.7 years to a new maturity date in January 2031.
- In March 2024, the Group extended two bank loan facility totalling $220 million, by a further 1.4 years to new maturity dates in December 2027 and June 2028.
- During FY24, the Group converted $500 million of existing debt facilities into sustainability linked loans (SLLs) with interest margin reductions tied to the achievement of predetermined sustainability Key Performance Indicators (KPIs) and targets. This brings total amount of SLLs on issue to $1,020 million.
- The weighted average all-in interest rate on interest bearing liabilities (including bank margin and amortisation of upfront fees paid) at 30 June 2024 was 4.84% per annum (30 June 2023: 4.55% per annum). Refer to note 3.4 for details on interest rate and cross currency swaps.

Assets pledged as security

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

3.2 Borrowing costs

Borrowing costs are interest and other costs incurred in connection with interest bearing liabilities including derivatives, lease liabilities and the discounting of non-current receivables and recognised as expenses in the period in which they are incurred, except where they are incurred for the construction of any qualifying asset where they are capitalised during the period of time that is required to complete and prepare the asset for its intended use.

Borrowing costs can be analysed as follows:

	2024	2023
	$m	*$m*
Bank interest expense and charges	86.5	75.7
Amortisation of borrowing costs	2.4	2.1
Interest expense on lease liabilities	4.0	4.0
Total borrowing costs	**92.9**	**81.8**

Notes to the Financial Statements

3.3 Lease liabilities

The Group's minimum lease payments fall due as follows:

	2024	2023
	$m	*$m*
Ground Leases		
Not later than one year	5.0	4.8
Later than one but not more than five years	27.4	26.2
More than five years	131.7	135.3
Total	**164.1**	**166.3**
Head Office Leases		
Not later than one year	1.0	1.0
Later than one but not more than five years	1.8	2.3
Total	**2.8**	**3.3**
Total Leases		
Not later than one year	6.0	5.8
Later than one but not more than five years	29.2	28.5
More than five years	131.7	135.3
Total	**166.9**	**169.6**

3.4 Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument. The Group takes out certain derivative contracts as part of its financial risk management, however, it has elected not to designate these to qualify for hedge accounting under AASB 9 *Financial Instruments.* Changes in fair value of derivative instruments are recognised in the Consolidated Statement of Comprehensive Income.

Derivative financial instruments

Derivative financial instruments can be analysed as follows:

	2024	2023
	$m	*$m*
Derivative financial instrument contracts		
Total current derivative financial instrument assets	6.8	1.3
Total non-current derivative financial instrument assets	39.9	56.4
Total non-current derivative financial instrument liabilities	(3.1)	-
Total derivative financial instruments	**43.6**	**57.7**

Instruments used by the Group

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

Interest rate swap contracts

The Group uses interest rate swaps to economically hedge part of its floating rate borrowings to fixed rates. Interest rate swaps in effect at 30 June 2024 covered 65% (30 June 2023: 59%) of the floating rate borrowings outstanding. With total fixed interest rate borrowings of $1,436.0 million outstanding as at 30 June 2024 (30 June 2023: $1,357.5 million), the total fixed interest rate coverage of outstanding principal is 74% (30 June 2023: 70%).

During FY24, the Group entered into fifteen new interest rate swaps with total face value $395.0 million. Seven of these interest rate swaps, with total face value $180.0 million, have a forward starting date during FY25.

3.4 Derivative financial instruments (continued)

The average interest rate swap fixed interest rate at 30 June 2024 was 2.87% per annum[1] (30 June 2023: 2.07% per annum) and the variable interest rate (excluding bank margin) is 4.35% per annum (30 June 2023: 4.11% per annum) at balance date. See table below for further details of interest rate swaps in effect at 30 June 2024, grouped by year of maturity:

	FY25	FY26	FY27	FY28	FY29	Total
Interest rate swaps						
Notional ($m)[1]	225.0	205.0	240.0	275.0	135.0	**1,080.0**
Average fixed interest rate (%)	0.89	3.30	3.19	3.66	3.35	**2.87**

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

Extendable interest rate swap option contracts

During FY24, the Group entered into four sold option contracts, with total face value $90.0 million, where the counterparty has the right to extend existing interest rate swaps at its prevailing fixed interest rate for a further term of between two and three years. The average fixed interest rate of interest rate swap options is 3.62%. The weighted average term to maturity for the extendable interest rate swap option contracts as at 30 June 2024 is 2.5 years, prior to any further extension.

Cross currency swap and Cross currency interest rate swap contracts

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

Cross currency interest rate swaps

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

Cross currency swap

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

See table below for further details of these swaps, grouped by year of maturity:

	FY25	FY26	FY27	FY28	FY29	Total
Cross currency interest rate swaps						
Notional ($m)	-	-	130.3	-	52.1	**182.4**
Average fixed interest rate (%)	-	-	5.28	-	5.45	**5.33**
Cross currency swap						
Notional ($m)	-	-	-	-	161.0	**161.0**
3 months BBSW+ (%)	-	-	-	-	6.56	**6.56**

The weighted average term to maturity for the cross currency interest rate swaps and cross currency swap is 4.2 years.

Determination of fair value

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

1. Including forward starting interest rate swaps.

Notes to the Financial Statements

3.5 Financial instrument fair value hierarchy

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

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

	Notes	Level 1	Level 2	Level 3	Total
		$m	*$m*	*$m*	*$m*
30-Jun-24					
Investment in securities	2.3	138.3	-	2.6	140.9
Derivative financial assets	3.4	-	46.7	-	46.7
Derivative financial liabilities	3.4	-	(3.1)	-	(3.1)
Total financial instrument fair value		**138.3**	**43.6**	**2.6**	**184.5**
30-Jun-23					
Investment in securities	2.3	126.5	-	3.0	129.5
Derivative financial assets	3.4	-	57.7	-	57.7
Business combination variable consideration	2.5	-	-	(2.7)	(2.7)
Total financial instrument fair value		**126.5**	**57.7**	**0.3**	**184.5**

3.6 Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- credit risk;
- market risk (including interest rate risk); and
- liquidity risk.

This note presents information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital as well as relevant quantitative disclosure on risks.

Refer to the Group's 2024 Corporate Governance Statement for details about its overall risk management framework. Specific material risks faced by the business are also addressed in the Directors' report.

Financial instruments used by the Group

The Group's principal financial instruments are those used to raise finance for the Group's operations, comprising bank loans and loan notes (including USPP Notes). The Group has various other financial instruments such as cash and cash equivalents, receivables and payables, other assets and investments in securities which arise directly from its operations. The Group enters derivative transactions to manage both the interest rate and foreign exchange risks arising from its principal financial instruments.

It is the Group's policy that no speculative trading in financial instruments shall be undertaken. Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in the relevant note to the financial statements.

Credit risk

Credit risk is the risk that counterparties to a financial asset will fail to discharge their obligations, causing the Group to incur a financial loss.

For cash and current receivables, the maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivable.

The Group has significant derivative financial instruments held with four major Australian banks, NAB, WBC, ANZ and CBA, which are considered high quality financial institutions. At balance date, the fair value of these financial instruments is a net asset of the Group (refer to Note 3.4).

3.6 Financial risk management (continued)

The Group manages credit risk and the losses which could arise from default by ensuring that parties to contractual arrangements are of an appropriate credit rating, or do not show a history of defaults. Cash at bank is held with a major Australian bank.

Tenants for each of the properties held by the Group are assessed for creditworthiness before a new lease commences. This assessment is also undertaken where the Group acquires a tenanted property. If necessary, a new tenant will be required to provide lease security (such as personal, director or bank guarantees, a security deposit, letter of credit or some other form of security) before the tenancy is approved. Tenant receivables are monitored by property managers and the Group's asset managers on a monthly basis. If any amounts owing under a lease are overdue these are followed up for payment. Where payments are outstanding for a longer period than allowed under the lease, action to remedy the breach of the lease can be pursued, including legal action or the calling of security held by the Group under the lease in accordance with the terms of the lease, subject to any applicable restrictions at law. The Group assesses aged amounts for collectability based on various criterion in its ECL model and where applicable, raises an ECL allowance through profit or loss. Refer Note 2.4 for additional information on ECL allowances.

Fair values

The carrying values of the Group's financial assets and liabilities approximate their fair values except for interest-bearing liabilities as outlined in Note 3.1. Further information about the methods and assumptions adopted in determining fair values is disclosed in the relevant notes.

Market risk

Market risk is the risk that changes in market prices (such as foreign exchange rates, interest rates and equity prices) will affect the Group's income or the value of its holding of financial instruments.

A potential market risk to the Group arises from changes in interest rates. This relates to its floating debt facilities with a principal amount outstanding of $1,222.0 million at balance date (2023: $1,215.0 million) and a cross currency swap with a principal amount of $161.0 million at balance date (2023: $161.0 million).

The Group is party to derivative financial instruments in the normal course of business to hedge its exposure to fluctuations in interest rates.

The following table sets out the carrying amount of the financial instruments that are exposed to interest rate risk:

	Fixed/Floating	2024	2023
		$m	*$m*
Financial assets			
Cash and cash equivalents	Floating	42.2	49.4
Derivative financial instruments	Fixed/Floating	46.7	57.7
		88.9	107.1
Financial liabilities			
Derivative financial instruments	Fixed/Floating	3.1	-
Borrowing facilities	Fixed	535.9	537.5
Borrowing facilities – hedged	Fixed	900.0	820.0
Borrowing facilities – unhedged	Floating	494.4	568.8
		1,933.4	1,926.3

Derivative financial instruments – interest rate swaps

The Group is exposed to financial risk from movement in interest rates. To reduce its exposure to adverse fluctuations in interest rates, the Group uses interest rate swaps whereby the Group agrees with a bank to exchange at specified intervals, the difference between fixed rate and floating rate interest amounts calculated by reference to an agreed notional principal amount. Any amounts paid or received relating to interest rate swaps are recognised as adjustments to interest expense over the life of each swap contract, thereby adjusting the effective interest rate on the underlying obligations.

Notes to the Financial Statements

3.6 Financial risk management (continued)

Derivative financial instruments – cross currency swaps

The Group is exposed to financial risk from the movement in foreign exchange rates based on its USD $255.0 million denominated debt. To mitigate this exposure, the Group entered into cross currency swaps and cross currency interest rate swaps at inception of the USD denominated debt facilities, which convert USD denominated debt principal repayments and all future interest payments from USD to AUD, thereby eliminating its direct foreign currency exposure.

Sensitivity analysis – interest rate risk

The following sensitivity analysis is based on the interest rate risk exposures at balance date. At 30 June 2024, if interest rates had increased or decreased 100 basis points (bps), with all other variables held constant, profit and equity would be impacted as follows, noting that all USD interest payments have been converted into AUD through swaps:

	Profit after tax higher/(lower)	
	2024	2023
	$m	*$m*
+100 bps		
Cash and borrowings	(2.6)	(5.1)
Interest rate derivatives	22.9	18.8
Cross currency derivatives	(7.5)	(9.1)
	12.8	4.6
-100 bps		
Cash and borrowings	2.6	5.1
Interest rate derivatives	(23.7)	(19.5)
Cross currency derivatives	7.9	9.7
	(13.2)	(4.7)

These fair value gains or losses would be unrealised and non-cash unless the interest rate swaps were closed or sold.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its obligations in relation to investment activities or other operations of the Group. The Group manages its liquidity risk by ensuring that on a daily basis there is sufficient cash on hand or available loan facilities to meet the contractual obligations of financial liabilities as they fall due. The Board sets budgets to monitor cash flows. In addition, the Company, as an Australian Financial Services Licensee, is required to prepare a rolling 12-month cashflow projection for approval by the Directors. As at the balance date, the Group had cash and cash equivalents totalling $42.2 million (2023: $49.4 million) and undrawn debt facilities of $293.0 million (2023: $300.0 million).

3.6 Financial risk management (continued)

Maturities of financial liabilities

The maturity of financial liabilities (including trade and other payables, provision for distribution, derivative financial instruments and interest-bearing liabilities) at reporting date is shown below, based on the contractual terms of each liability in place at reporting date. The amounts disclosed are based on undiscounted cash flows, including interest payments based on variable rates at 30 June 2024.

	Carrying amount	Total contractual cashflows	6 months or less	6 to 12 months	1 to 5 years	More than 5 years
	$m	*$m*	*$m*	*$m*	*$m*	*$m*
2024						
Non-derivative financial liabilities						
Bank loans and loan notes	1,923.8	2,161.9	41.1	239.1	1,881.7	-
Lease liabilities	106.7	166.9	3.0	3.0	29.2	131.7
Trade and other liabilities	103.8	103.8	101.3	2.4	0.1	-
	2,134.3	2,432.6	145.4	244.5	1,911.0	131.7
Derivative financial liabilities						
Interest rate swaps used for hedging	3.1	-	-	-	-	-
	3.1	-	-	-	-	-
2023						
Non-derivative financial liabilities						
Bank loans and loan notes	1,918.7	2,208.6	40.8	40.8	1,854.6	272.4
Lease liabilities	107.0	169.6	2.9	2.9	28.5	135.3
Trade and other liabilities	107.1	107.1	104.6	1.3	1.2	-
	2,132.8	2,485.3	148.3	45.0	1,884.3	407.7

3.7 Contributed equity and reserves

Contributed equity

Stapled securities are classified as equity. Costs directly attributable to the issue of stapled securities are recognised as a deduction from equity, net of any tax effects.

Distributions and dividends

Provision is made for any distribution or dividend declared, determined or publicly recommended by the Directors on or before the end of the period but not distributed at the balance date.

Contributed Equity

Contributed equity can be analysed as follows:

	2024	**2024**	2023	2023
	No. (m)	*$m*	*No. (m)*	*$m*
Opening balance at 1 July	**753.7**	**1,986.4**	**771.7**	**2,046.5**
Securities issued through employee incentive plans	0.3	-	0.4	-
Securities bought back on market	-	-	(18.4)	(60.1)
Closing balance at 30 June	**754.0**	**1,986.4**	**753.7**	**1,986.4**

Notes to the Financial Statements

3.7 Contributed equity and reserves (continued)

Ordinary stapled securities

Ordinary stapled securities entitle the holder to vote at securityholder meetings in person or by proxy and to participate in dividends and distributions in proportion to the number of stapled securities held, subject to being on the register at the relevant record date.

Distribution reinvestment plan

The distribution reinvestment plan has remained suspended since the June 2018 distribution.

Capital risk management

The Group's objective when managing capital is to safeguard its ability to continue as a going concern, so that the Group can continue to provide returns for Securityholders, benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amounts of dividends and distributions paid to Securityholders, return capital to Securityholders, issue new securities or buy back securities, vary the level of borrowings and/or sell assets.

The Group holds an independent credit rating to aid it in accessing debt capital markets. In April 2024, Moody's confirmed the Group's independent credit rating of Baa2 on senior secured debt with a stable outlook.

Refer to Note 3.1 for capital management initiatives made by the Group for its debt facilities. The Group maintains undrawn debt facilities to aid in capital management.

The Group monitors capital by using several measures such as gearing, interest cover and loan to valuation ratios.

The Group has a target gearing range of 35% to 45%. At 30 June 2024, the gearing ratio was 40.7% (30 June 2023: 37.2%). The gearing ratios at 30 June 2024 and 30 June 2023 were calculated as follows:

	2024	2023
	$m	*$m*
Total interest-bearing liabilities less cash	1,881.6	1,869.3
Total assets less cash, right-of-use assets and intangibles	4,624.8	5,028.6
Gearing ratio	**40.7%**	**37.2%**

Nature and purpose of reserves

Share-based payments reserve

The share-based payments reserve comprises the cumulative fair value expensed in the Consolidated Statement of Comprehensive Income for performance rights issued, less any amounts transferred to equity upon vesting, or to retained profits upon forfeiture. Refer to Note 3.10 for more share-based payment information.

Deferred tax expense charged to equity

This reserve comprises deferred tax balances attributable to amounts that are also recognised directly in equity. Refer to Note 4.1 for further income tax information.

3.8 Distributions to Securityholders

Period for distribution	Distributions	Total stapled securities	Distributions per stapled security
	$m	*No. (m)*	*(cents)*
Half year to 31 December 2023	72.7	753.9	9.65
Half year to 30 June 2024	72.8	754.0	9.65
Total distributions for the year ended 30 June 2024	**145.5**		**19.3**
Half year to 31 December 2022	82.0	766.0	10.7
Half year to 30 June 2023	80.6	753.7	10.7
Total distributions for the year ended 30 June 2023	**162.6**		**21.4**

3.9 Earnings per stapled security (EPS)

Basic EPS is determined by dividing the profit after tax by the weighted average number of equivalent securities outstanding during the financial year.

Diluted EPS adjusts the figures used in the determination of basic EPS by including amounts unpaid on securities and the effect of all dilutive potential ordinary securities.

		2024	2023
Loss after tax of the Group	*$m*	(298.2)	(245.6)
Loss after tax of the Trust as parent entity	*$m*	(264.9)	(229.2)
Basic weighted average number of stapled securities on issue for the year	*No. (m)*	753.9	764.4
Adjustment for potential dilution from performance rights on issue[1]	*No. (m)*	3.4	3.0
Diluted weighted average number of stapled securities on issue for the year	*No. (m)*	757.3	767.4
EPS attributable to securityholders of the Group			
Basic EPS	*Cents*	(39.6)	(32.1)
Diluted EPS	*Cents*	(39.6)	(32.1)
EPS attributable to unitholders of the Trust as parent entity			
Basic EPS	*Cents*	(35.1)	(30.0)
Diluted EPS	*Cents*	(35.1)	(30.0)

3.10 Share-based payment arrangements

The fair value of share-based payment awards granted to employees is recognised as an expense over the period during which the services are performed. For market-based performance rights, the fair value is independently valued using a Monte Carlo simulation pricing model that takes into account the exercise price, the term of the rights, impact of dilution, stapled security price at grant date, expected price volatility of the underlying stapled security, expected dividend yield and the risk-free interest rate for the term of the rights and market vesting conditions. The impact of any non-market vesting conditions (for example, profitability, changes in net tangible assets) are excluded. For non-market-based performance rights, the fair value is independently valued using a Binomial pricing methodology. The amount recognised as an expense is adjusted to reflect the number of rights expected to vest. Details of valuations obtained during the year are reported on page 45 of the Remuneration Report within the Directors' Report.

At 30 June 2024, the Group had three security-based payment schemes in place (30 June 2023: three):

Deferred Short-term Incentive Performance Rights

Half of the Short-term Incentive (STI) Deferred Performance Rights granted to Executive Key Management Personnel (KMP) for STI plans on foot (FY24 and prior) vest after one year and the other half after two years. Further details of this plan are reported on pages 39-42 of the Remuneration Report.

Long-term Incentive Performance Rights

The Group has Long-term Incentive (LTI) Performance Rights plans in place for Executive Key Management personnel and other eligible employees. The plans are designed to align participating employees' remuneration with the long-term goals and performance of the Group and the maximisation of returns for its Securityholders. The measures for the plans are reviewed regularly by the Nomination, Remuneration and Human Resources Committee and/or the Board. Details of the various LTI Plans in place, applicable performance measures, fair value calculation methodologies and details are reported on pages 42-45 of the Remuneration Report.

1. Anti-dilutive due to loss position.

Notes to the Financial Statements

3.10 Share-based payment arrangements (continued)

Retention Rights

The Group granted Retention Rights to certain employees in August 2022, in relation to the Fortius Funds Management acquisition. The vesting of rights is subject to participants satisfying employment service conditions and therefore is non-market based. No Retention Rights were provided to KMP.

The table below shows the movement in rights under each type of security-based payment scheme:

	STI Performance Rights	LTI Performance Rights	Retention Rights	**Total**
	No.	*No.*	*No.*	*No.*
Rights outstanding at 30 June 2022	271,051	2,096,862	-	2,367,913
Rights granted	188,740	1,273,582	269,880	1,732,202
Rights lapsed	(72,484)	(416,880)	(19,602)	(508,966)
Rights vested to GOZ stapled securities[1]	(170,600)	(265,157)	-	(435,757)
Rights outstanding at 30 June 2023	**216,707**	**2,688,407**	**250,278**	**3,155,392**
Rights granted	-	1,687,753	-	1,687,753
Rights lapsed	-	(1,269,143)	(24,431)	(1,293,574)
Rights vested to GOZ stapled securities[2]	(158,581)	-	(134,940)	(293,521)
Rights outstanding at 30 June 2024	**58,126**	**3,107,017**	**90,907**	**3,256,050**

During the year, $1.1 million was expensed and recognised in the Company's security-based payments reserve (2023: $2.7 million).

1. In September 2022, 265,157 rights under the FY20 LTI plans were converted to Growthpoint stapled securities with a total value of $829,941.
2. In July 2023, 134,940 rights under the tranche 1 retention rights were converted to Growthpoint stapled securities with a total value of $369,736.

Section 4: Other notes

4.1 Income tax

Trusts

Property investments are held by the Trust for the purpose of earning rental income. Under current tax legislation, the Trust is not liable for income tax provided the taxable income of the Trust, including realised capital gains, is attributed in full to its securityholders each financial year. Securityholders are subject to income tax at their own marginal tax rates on amounts attributable to them.

Company and other taxable entities

For the Company and other taxable entities, income tax expense comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income. The Company and its wholly-owned controlled entities are in a tax consolidated group.

Current and deferred tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at reporting date, and any adjustment to tax payable in respect of prior years. Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates (and laws) that have been enacted or substantively enacted by balance date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax liabilities and assets - recognition

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets are reviewed each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax liabilities are recognised for all taxable temporary differences.

Net deferred tax assets or liabilities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities, when the deferred tax balances relate to the same taxation authority and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Tax relating to equity items

Current and deferred tax balances attributable to amounts recognised directly in equity are recognised directly in equity.

Adoption of Voluntary Tax Transparency Code

The Tax Transparency Code (TTC), a voluntary code, is a set of principles and minimum standards to guide medium and large businesses on public disclosure of tax information. The TTC recommends specified tax information be publicly disclosed to help educate the public about medium and large corporate compliance with Australia’s tax laws. Growthpoint has adopted the TTC and the required disclosures are contained in this note.

Notes to the Financial Statements

4.1 Income tax (continued)

Income tax expense

The tables below relate to income tax for the Group's income tax paying entities.

(a) Income tax expense:

	2024	2023
	$m	*$m*
Current tax (expense) / benefit	(1.0)	0.1
Deferred tax benefit	5.4	5.0
Income tax benefit in the Statement of Comprehensive Income	**4.4**	**5.1**

(b) Reconciliation of accounting profit to prima facie tax at 30%, statutory income tax expense reported and current tax expense:

	2024	2023
	$m	*$m*
Loss before income tax expense	(302.6)	(250.7)
Add: Trust loss not subject to tax	255.4	218.3
Loss subject to taxation in the Group's companies	(47.2)	(32.4)
Prima facie tax benefit at 30%	14.2	9.7
Tax effect of amounts not deductible / assessable in calculating income tax expense:		
Loss on sale	-	(0.1)
Impairment of intangible assets	(6.5)	(2.6)
Non-deductible expenses	-	(0.1)
Long-term employee benefits	(0.2)	(0.6)
Short-term employee benefits	(0.1)	(0.1)
Non-deductible project expenses	-	(0.7)
Non-trade liabilities	(2.8)	(0.4)
Other	(0.2)	-
Statutory income tax benefit	4.4	5.1
Deferred tax benefit (Refer section (d))	5.4	5.0
Current tax (expense) / benefit payable for the current year	(1.0)	0.1

(c) (i) Effective tax rates:

	2024	2023
	$m	*$m*
Loss subject to taxation	(47.2)	(32.4)
Statutory income tax benefit	4.4	5.1
Accounting and TTC Effective tax rate[1]	(9.3%)	(15.7%)

1. The group operates in Australia and has no offshore operations, therefore is subject solely to Australian income tax. The accounting effective tax rate was the same as the TTC effective tax rate in both the current and prior financial years.

4.1 Income tax (continued)

(c) (ii) Current income tax payable:

	2024	2023
	$m	*$m*
Income tax (receivable) / payable at beginning of financial year	(1.6)	0.4
Less: current tax refundable from acquisition	-	(0.1)
Less: income tax received / (paid) during the year	1.3	(1.9)
Add: Current tax expense	1.0	-
Current tax payable / (receivable)	0.7	(1.6)

(c) (iii) Deferred tax balances

	2024	2023
	$m	*$m*
Deferred tax assets	3.2	0.6
Deferred tax liabilities	-	(3.5)
Net deferred tax assets / (liabilities)	3.2	(2.9)

As at 30 June 2024, the Group had a franking credit balance of $6,937,878 (30 June 2023: $9,083,813).

(d) Reconciliation of deferred tax balances

	Opening balance 1 July 2023	Recognised in profit or loss	Other	**Balance 30 June 2024**
	$m	*$m*	*$m*	*$m*
Net deferred tax assets attributable to:				
Right-of-use assets	(0.9)	0.1	-	(0.8)
Lease liability	0.9	(0.1)	-	0.8
Plant and equipment	0.1	-	-	0.1
Other accrued expenses	0.1	-	-	0.1
Short-term employee benefits	1.1	0.1	-	1.2
Co-investments	0.3	-	-	0.3
Non-trade payables	0.4	0.4	-	0.8
Intangible assets	(2.0)	0.8	0.6	(0.6)
Recognised tax losses	0.7	(0.2)	0.1	0.6
Interest-bearing liabilities	-	4.3	-	4.3
Derivative financial instruments	-	(3.5)	-	(3.5)
Other	(0.1)	-	-	(0.1)
	0.6	1.9	0.7	3.2
Net deferred tax liabilities attributable to:				
Interest-bearing liabilities	5.2	(5.2)	-	-
Derivative financial instruments	(8.9)	8.9	-	-
Recognised tax losses	0.2	(0.2)	-	-
	(3.5)	3.5	-	-
Net total	**(2.9)**	**5.4**	**0.7**	**3.2**

Notes to the Financial Statements

4.1 Income tax (continued)

	Opening balance 1 July 2022	Acquired through business combination	Recognised in profit or loss	Balance 30 June 2023
	$m		*$m*	*$m*
Net deferred tax assets attributable to:				
Right-of-use assets	-	(0.2)	(0.7)	(0.9)
Lease liability	-	0.2	0.7	0.9
Plant and equipment	0.1	-	-	0.1
Other accrued expenses	0.1	-	-	0.1
Short-term employee benefits	0.8	-	0.3	1.1
Co-investments	-	0.3	-	0.3
Non-trade payables	0.4	0.3	(0.3)	0.4
Intangible assets	-	(2.5)	0.5	(2.0)
Recognised tax losses	-	0.7	-	0.7
Other	0.2	-	(0.3)	(0.1)
	1.6	(1.2)	0.2	0.6
Net deferred tax liabilities attributable to:				
Interest-bearing liabilities	0.7	-	4.5	5.2
Derivative financial instruments	(9.2)	-	0.3	(8.9)
Recognised tax losses	0.2	-	-	0.2
	(8.3)	-	4.8	(3.5)
Net total	**(6.7)**	**(1.2)**	**5.0**	**(2.9)**

4.2 Key Management Personnel (KMP) compensation

	2024	2023
	$	*$*
Short-term employee benefits	5,601,081	5,321,685
Other long-term employee benefits	27,614	53,443
Post-employment benefits	181,598	181,178
Security-based payments	531,762	1,536,729
Total KMP compensation	**6,342,055**	**7,093,035**

Individual Directors’ and KMP compensation disclosures

Information regarding individual Directors’ and Executive KMP compensation and equity instruments disclosure as required by Corporations Regulation 2M.3.03 is provided in the Remuneration Report.

Apart from the details disclosed in this note, no Director has entered a material contract with the Group since the end of the prior financial year and there were no material contracts involving Directors’ interests existing at year-end.

4.2 Key Management Personnel (KMP) compensation (continued)

Movements in securities

The movement in the number of ordinary stapled securities in the Group held directly, indirectly or beneficially, by Directors and Executive KMP including their related parties is as follows:

2024

Securityholder	Opening securities 1 July	Holding at time of becoming KMP	Securities granted as compensation[1]	Acquired securities	Disposed securities	Holding at time of cessation of KMP	Closing securities 30 June[2]
A. Fay	59,000	-	-	42,000	-	-	101,000
E. de Klerk	1,833,857	-	-	41,600	-	-	1,875,457
G. Jackson	190,087	-	-	-	-	190,087	-
D. Page AM	33,050	-	-	-	-	-	33,050
N. Sasse	1,656,460	-	-	-	-	-	1,656,460
J. Sukkar AM	50,000	-	-	-	-	-	50,000
P. Theocharides	-	-	-	33,000	-	-	33,000
M. Tierney	-	-	-	49,000	-	-	49,000
R. Lees	-	60,000	-	-	-	-	60,000
T. Collyer	1,541,855	-	-	67,000	-	1,608,855	-
D. Andrews	274,160	-	27,195	-	-	-	301,355
M. Green	209,130	-	27,642	-	-	-	236,772
J. Jovanovski	90,319	-	22,306	-	-	-	112,625

2023

Securityholder	Opening securities 1 July	Holding at time of becoming KMP	Securities granted as compensation	Acquired securities	Disposed securities	Holding at time of cessation of KMP	Closing securities 30 June[3]
A. Fay	-	-	-	59,000	-	-	59,000
E. de Klerk	1,802,857	-	-	31,000	-	-	1,833,857
G. Jackson	190,087	-	-	-	-	-	190,087
D. Page AM	30,050	-	-	3,000	-	-	33,050
F. Marais	144,284	-	-	-	-	144,284	-
N. Sasse	1,656,460	-	-	-	-	-	1,656,460
J. Sukkar AM	14,000	-	-	36,000	-	-	50,000
P. Theocharides	-	-	-	-	-	-	-
M. Tierney	-	-	-	-	-	-	-
G. Tomlinson	88,776	-	-	-	-	88,776	-
T. Collyer	1,364,246	-	177,609	-	-	-	1,541,855
D. Andrews	296,216	-	70,491	-	(92,547)	-	274,160
M. Green	138,639	-	70,491	-	-	-	209,130
J. Jovanovski	36,340	-	53,979	-	-	-	90,319

During the year to 30 June 2023, a total of 372,570 stapled securities with a total value at the time of vesting of $1,108,140 were issued to Executive KMP upon vesting of performance rights under employee incentive plans.

1. Timothy Collyer was granted 73,173 securities with a value at the time of vesting of $158,785 under the FY22 Deferred STI Plan (tranche 2) and FY23 Deferred STI Plan (Tranche 1) on 28 June 2024, which was after he ceased being KMP on 20 May 2024.
2. For Executive KMP and Non-Executive Directors who are considered KMP as at 30 June 2024 only.
3. For Executive KMP and Non-Executive Directors who are considered KMP as at 30 June 2023 only.

Notes to the Financial Statements

4.2 Key Management Personnel (KMP) compensation (continued)

KMP loans

The Group has not made, guaranteed or secured, directly or indirectly, any loans to any KMP or their personally related entities at any time during the reporting period.

4.3 Related party transactions

Responsible Entity

There has been no change to the Responsible Entity of the Trust, being the Company, since its appointment on 5 August 2009.

Responsible Entity's/Manager's fees and other transactions

Under the current stapled structure, the management of the Trust is internalised and no Responsible Entity or management fees are paid to external parties. No performance fee or other fees were paid or payable during the year.

Director transactions

A Director held a position in another entity that resulted in them having control or significant influence over the financial or operating policies of that entity. This entity transacted with the Group in the reporting period while the Director held office.

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

Director	Transaction	2024	2023
		$	$
G. Jackson[1]	Investment property valuation	69,520	82,445
G. Jackson[1]	Statutory and other valuation	7,150	6,050

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

Director	Transaction	2024	2023
		$	$
G. Jackson[1]	Investment property valuation	-	72,270

Transactions with significant securityholders

During the year there were no transactions with significant securityholders other than distributions to all Securityholders. There were no balances outstanding from transactions other than distributions with significant securityholders as at 30 June 2024 (2023: nil).

1. The Group used the valuation services of m3property, a company of which Mr Grant Jackson is a director, to independently value six properties (2023: sixteen), while they held office. Mr Jackson retired from the Board of the Company effective 16 November 2023. Amounts were billed based on normal market rates for such services and were due and payable under normal payment terms and Mr Jackson was not directly involved in the Group's engagement of m3property or the valuation of six properties.

4.3 Related party transactions (continued)

Related entity transactions

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

	30-Jun-24	30-Jun-23
	$m	*$m*
Funds management revenue from related entities	8.0	7.6
Distributions from investments in related entities	-	0.3
Capital return from investments in related entities	0.2	-
Interest income from related entities' loans	0.3	-

	30-Jun-24	30-Jun-23
	$m	*$m*
Funds management revenue receivable from related entities	2.6	2.1
Capital return receivable from investments in related entities	-	0.1
Loans receivable from related entities	3.6	-

4.4 Contingent liabilities

The Group has no contingent liabilities as at the date of this report (2023: nil).

4.5 Commitments

For details of commitments in relation to investment properties refer Note 2.2.

The Group has no other significant capital, lease or remuneration commitments in existence at reporting date which have not been recognised as liabilities in these financial statements (2023: nil).

4.6. Controlled entities

Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. Where control of an entity is obtained during a period, its results are included in the Consolidated Statement of Comprehensive Income from the date on which control commences. Where control of an entity ceases during a period its results are included only for that part of the period during which control existed. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expense arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Notes to the Financial Statements

4.6. Controlled entities (continued)

Controlled entities

The controlled entities of the Group during the year ended 30 June 2024 are listed below, all entities were domiciled in Australia.

- 11 Murray Rose Avenue Trust
- 1500 Ferntree Gully Road Property Trust
- 19 Southern Court Property Trust
- 20 Southern Court Property Trust
- 211 Wellington Road Property Trust
- 255 London Circuit Trust
- 3 Maker Place Trust
- 3 Millennium Court Property Trust
- 6 Kingston Park Court Property Trust
- 75 Dorcas Street Trust
- Ann Street Property Trust
- Artarmon Retail Centre TC Pty Ltd
- Atlantic Drive Property Trust
- Bowes Street Property Trust
- Broadmeadows Leasehold Trust
- Building 2 Richmond Property Trust
- Building C 211 Wellington Road Property Trust
- Camberwell Road Property Trust
- CB Property Trust
- Charles Street Property Trust
- Coolaroo Property Trust
- Derrimut Property Trust
- Drake Boulevard Property Trust
- Erskine Park Truck Trust
- Erskine Park Pharmaceutical Trust
- Erskine Park Warehouse Trust
- Fortius Allendale No. 3 Pty Ltd
- Fortius Allendale No.1 Pty Ltd
- Fortius Allendale No.2 Pty Ltd
- Fortius Asset Management Pty Ltd
- Fortius Barracks Pty Ltd
- Fortius Bourke Street Pty Limited
- Fortius Broadway No 1Pty Ltd
- Fortius Broadway No 2 Pty Ltd
- Fortius Cammeray Pty Ltd
- Fortius DC Pty Ltd
- Fortius Debt Capital Pty Ltd
- Fortius FAPT No. 1 Pty Ltd
- Fortius Grenfell No.1 Pty Ltd
- Fortius Grenfell No.2 Pty Ltd
- Fortius Grenfell No.3 Pty Ltd
- Fortius Heitman Barracks Pty Ltd
- Fortius Home HQ Holding Pty Ltd
- Fortius Home HQ Sub Entity Pty Ltd
- Fortius Investment Management Pty Ltd
- Fortius Investment Properties Pty Ltd
- Fortius Junction Fair Pty Ltd
- Fortius QS No.1 Pty Ltd
- Fortius QS No.2 Pty Ltd
- Fortius QS No.3 Pty Ltd
- Fortius Property Investment Management Australia Ltd
- Fortius Properties Pty Limited
- Fortius Rundle No 1 Pty Ltd
- Fortius Rundle No 2 Pty Ltd
- Fortius Rundle No 3 Pty Ltd
- Fortius Waterloo Pty Ltd
- Growthpoint Developments Pty Ltd
- Growthpoint Finance Pty Ltd
- Growthpoint Funds Management Limited
- Growthpoint Holding Trust No.1
- Growthpoint Hendra 1 Pty Ltd
- Growthpoint Hendra 2 Pty Ltd
- Growthpoint Investment Management Pty Ltd
- Growthpoint Metro Office Fund
- Growthpoint Nominees (Aust) 2 Pty Limited
- Growthpoint Nominees (Aust) 3 Pty Limited
- Growthpoint Nominees (Aust) 4 Pty Limited
- Growthpoint Nominees (Aust) Pty Limited
- Growthpoint Properties Australia Limited
- Kembla Grange Property Trust
- Kewlink East Trust
- Kilsyth 1 Property Trust
- Kilsyth 2 Property Trust
- Laverton Property Trust
- Lot S5 Property Trust
- Mort Street Property Trust
- New South Wales Property Trust
- New South Wales 2 Property Trust
- Newstead Property Trust
- Nundah Property Trust
- Pope Street Property Trust
- Preston 2 Property Trust
- Queensland Property Trust
- Rabinov Diversified Property Trust No. 2
- Rabinov Diversified Property Trust No. 3
- Rabinov Property Trust
- Ravenhall Property Trust
- Richmond Car Park Trust
- Rundle Car Park Leasing No 2 Pty Ltd
- Rundle Car Park Leasing Pty Ltd
- South Brisbane 1 Property Trust
- South Brisbane 2 Property Trust
- SW1 Car Park Property Trust
- Thomas Street Property Trust
- Wellington Street Property Trust
- Wholesale Industrial Property Fund
- William Angliss Drive Trust
- WorldPark Property Trust
- Yatala 1 Property Trust
- Yatala 2 Property Trust
- Yatala 3 Property Trust

4.7 Parent entity disclosures

The parent of the Group throughout the year was the Trust.

	2024	2023
	$m	*$m*
Financial position at year end		
Current assets	34.1	30.3
Total assets	4,724.4	5,129.3
Current liabilities	117.2	119.7
Total liabilities	2,147.0	2,141.6
Net assets	**2,577.4**	**2,987.7**
Equity comprising:		
Contributed equity	1,917.2	1,917.2
Retained profits	660.2	1,070.5
Total equity	**2,577.4**	**2,987.7**
Loss after tax	**(264.8)**	**(229.2)**
Total comprehensive loss	**(264.8)**	**(229.2)**

The contractual commitments of the parent entity are identical to those disclosed in Note 2.2. The parent entity has no contingent liabilities (2023: $nil).

4.8 Remuneration of auditors

The following fees were paid or payable for services provided by EY, the auditor of the Group, during the year. There were no non-audit services paid to auditors during the year.

	2024	2023
	$	*$*
Audit services - EY		
Audit and review of financial statements	391,700	392,000
Other regulatory audit services	91,128	85,970
Other non-audit services	-	105,000
Total paid to EY	**482,828**	**582,970**

4.9 Subsequent events

There have been no subsequent events from the end of the year to the date of this report likely to significantly affect the operations of the business, the results of those operations or the state of affairs of the Group in future financial years.

Consolidated Entity Disclosure Statement

Entity name	Entity Type	Body corporate country of incorporation	Body corporate % of share capital held	Australian resident or foreign resident	Country of tax residence
Artarmon Retail Centre TC Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius Allendale No. 3 Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius Allendale No.1 Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius Allendale No.2 Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius Asset Management Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius Barracks Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius Bourke Street Pty Limited	Body Corporate	Australia	100%	Australia	Australia
Fortius Broadway No 1Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius Broadway No 2 Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius Cammeray Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius DC Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius Debt Capital Pty Ltd	Body Corporate	Australia	65%	Australia	Australia
Fortius FAPT No. 1 Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius Grenfell No.1 Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius Grenfell No.2 Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius Grenfell No.3 Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius Heitman Barracks Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius Home HQ Holding Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius Home HQ Sub Entity Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius Investment Management Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius Investment Properties Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius Junction Fair Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius QS No.1 Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius QS No.2 Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius QS No.3 Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius Property Investment Management Australia Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius Properties Pty Limited	Body Corporate	Australia	100%	Australia	Australia
Fortius Rundle No 1 Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius Rundle No 2 Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius Rundle No 3 Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Fortius Waterloo Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Growthpoint Developments Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Growthpoint Finance Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Growthpoint Funds Management Limited[1]	Body Corporate	Australia	100%	Australia	Australia
Growthpoint Hendra 1 Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Growthpoint Hendra 2 Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Growthpoint Investment Management Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Growthpoint Nominees (Aust) 2 Pty Limited	Body Corporate	Australia	100%	Australia	Australia
Growthpoint Nominees (Aust) 3 Pty Limited[1]	Body Corporate	Australia	100%	Australia	Australia
Growthpoint Nominees (Aust) 4 Pty Limited[1]	Body Corporate	Australia	100%	Australia	Australia
Growthpoint Nominees (Aust) Pty Limited[1]	Body Corporate	Australia	100%	Australia	Australia
Growthpoint Properties Australia Limited	Body Corporate	Australia	100%	Australia	Australia
Growthpoint Properties Australia Trust	Trust	N/A	N/A	Australia	Australia

1. Trustee of a trust in the consolidated entity.

Entity name	Entity Type	Body corporate country of incorporation	Body corporate % of share capital held	Australian resident or foreign resident	Country of tax residence
Rundle Car Park Leasing No 2 Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
Rundle Car Park Leasing Pty Ltd	Body Corporate	Australia	100%	Australia	Australia
11 Murray Rose Avenue Trust	Trust	N/A	N/A	Australia	Australia
1500 Ferntree Gully Road Property Trust	Trust	N/A	N/A	Australia	Australia
19 Southern Court Property Trust	Trust	N/A	N/A	Australia	Australia
20 Southern Court Property Trust	Trust	N/A	N/A	Australia	Australia
211 Wellington Road Property Trust	Trust	N/A	N/A	Australia	Australia
255 London Circuit Trust	Trust	N/A	N/A	Australia	Australia
3 Maker Place Trust	Trust	N/A	N/A	Australia	Australia
3 Millennium Court Property Trust	Trust	N/A	N/A	Australia	Australia
6 Kingston Park Court Property Trust	Trust	N/A	N/A	Australia	Australia
75 Dorcas Street Trust	Trust	N/A	N/A	Australia	Australia
Ann Street Property Trust	Trust	N/A	N/A	Australia	Australia
Atlantic Drive Property Trust	Trust	N/A	N/A	Australia	Australia
Bowes Street Property Trust	Trust	N/A	N/A	Australia	Australia
Broadmeadows Leasehold Trust	Trust	N/A	N/A	Australia	Australia
Building 2 Richmond Property Trust	Trust	N/A	N/A	Australia	Australia
Building C 211 Wellington Road Property Trust	Trust	N/A	N/A	Australia	Australia
Camberwell Road Property Trust	Trust	N/A	N/A	Australia	Australia
CB Property Trust	Trust	N/A	N/A	Australia	Australia
Charles Street Property Trust	Trust	N/A	N/A	Australia	Australia
Coolaroo Property Trust	Trust	N/A	N/A	Australia	Australia
Derrimut Property Trust	Trust	N/A	N/A	Australia	Australia
Drake Boulevard Property Trust	Trust	N/A	N/A	Australia	Australia
Erskine Park Truck Trust	Trust	N/A	N/A	Australia	Australia
Erskine Park Pharmaceutical Trust	Trust	N/A	N/A	Australia	Australia
Erskine Park Warehouse Trust	Trust	N/A	N/A	Australia	Australia
Growthpoint Holding Trust No.1	Trust	N/A	N/A	Australia	Australia
Growthpoint Metro Office Fund	Trust	N/A	N/A	Australia	Australia
Kembla Grange Property Trust	Trust	N/A	N/A	Australia	Australia
Kewlink East Trust	Trust	N/A	N/A	Australia	Australia
Kilsyth 1 Property Trust	Trust	N/A	N/A	Australia	Australia
Kilsyth 2 Property Trust	Trust	N/A	N/A	Australia	Australia
Laverton Property Trust	Trust	N/A	N/A	Australia	Australia
Lot S5 Property Trust	Trust	N/A	N/A	Australia	Australia
Mort Street Property Trust	Trust	N/A	N/A	Australia	Australia
New South Wales Property Trust	Trust	N/A	N/A	Australia	Australia
New South Wales 2 Property Trust	Trust	N/A	N/A	Australia	Australia
Newstead Property Trust	Trust	N/A	N/A	Australia	Australia
Nundah Property Trust	Trust	N/A	N/A	Australia	Australia
Pope Street Property Trust	Trust	N/A	N/A	Australia	Australia
Preston 2 Property Trust	Trust	N/A	N/A	Australia	Australia
Queensland Property Trust	Trust	N/A	N/A	Australia	Australia

Consolidated Entity Disclosure Statement

Entity name	Entity Type	Body corporate country of incorporation	Body corporate % of share capital held	Australian resident or foreign resident	Country of tax residence
Rabinov Diversified Property Trust No. 2	Trust	N/A	N/A	Australia	Australia
Rabinov Diversified Property Trust No. 3	Trust	N/A	N/A	Australia	Australia
Rabinov Property Trust	Trust	N/A	N/A	Australia	Australia
Ravenhall Property Trust	Trust	N/A	N/A	Australia	Australia
Richmond Car Park Trust	Trust	N/A	N/A	Australia	Australia
South Brisbane 1 Property Trust	Trust	N/A	N/A	Australia	Australia
South Brisbane 2 Property Trust	Trust	N/A	N/A	Australia	Australia
SW1 Car Park Property Trust	Trust	N/A	N/A	Australia	Australia
Thomas Street Property Trust	Trust	N/A	N/A	Australia	Australia
Wellington Street Property Trust	Trust	N/A	N/A	Australia	Australia
Wholesale Industrial Property Fund	Trust	N/A	N/A	Australia	Australia
William Angliss Drive Trust	Trust	N/A	N/A	Australia	Australia
WorldPark Property Trust	Trust	N/A	N/A	Australia	Australia
Yatala 1 Property Trust	Trust	N/A	N/A	Australia	Australia
Yatala 2 Property Trust	Trust	N/A	N/A	Australia	Australia
Yatala 3 Property Trust	Trust	N/A	N/A	Australia	Australia

Directors' declaration

In the opinion of the Directors:

a) the attached Financial Statements and notes, and the Remuneration Report in the Directors' Report set out on pages 32 to 53 are in accordance with the *Corporations Act 2001* (Cth), including:

   i) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001* (Cth); and

   ii) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;

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

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

d) the consolidated entity disclosure statement set out on pages 98 to 100 required by section 295(3A) of the *Corporations Act 2001* (Cth) is true and correct.

The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* (Cth) from the Chief Executive Officer and Managing Director and Chief Financial Officer for the financial year ended 30 June 2024.

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

Andrew Fay
Chair
Growthpoint Properties Australia

22 August 2024

Auditor's independence declaration

Ernst & Young
8 Exhibition Street
Melbourne VIC 3000 Australia
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Fax: +61 3 8650 7777
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Auditor's Independence Declaration to the Directors of Growthpoint Properties Australia Limited, being the Responsible Entity of Growthpoint Properties Australia Trust

As lead auditor for the audit of the financial report of Growthpoint Properties Australia for the year ended 30 June 2024, I declare to the best of my knowledge and belief, there have been:

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

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

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

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

Ernst & Young

David Shewring
Partner
22 August 2024

Independent Auditor's report

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Independent auditor's report to the Stapled Security Holders of Growthpoint Properties Australia

Report on the audit of the financial report

Opinion

We have audited the financial report of Growthpoint Properties Australia Limited and Growthpoint Properties Australia Trust (collectively Growthpoint Properties Australia or the 'Group'), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2024 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Independent **Auditor's report**

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1. Investment Property Portfolio – Carrying Value and Revaluations

Why significant	How our audit addressed the key audit matter

The Group owns a portfolio of property assets with a carrying value of $4,503.7 million as at 30 June 2024, which represents 95% of total assets of the Group.
As outlined in Note 2.2, the property portfolio is carried at fair value, which is based upon valuations sourced from suitably qualified independent valuation experts and internal valuations on a periodic basis, based on market conditions existing at the reporting date.
The valuation of the property portfolio is based on a number of assumptions, such as capitalisation rates, discount rates and terminal yields, which require significant estimation and judgement. Minor adjustments to certain assumptions can lead to significant changes in the valuation of the office and industrial property assets.
The valuation of investment properties is inherently subjective given there are alternative assumptions and valuation methods that may result in a range of values. We have, therefore, considered this a key audit matter.
Note 2.2 of the financial report describes the accounting policy, overview of the valuation methodology, process for valuations (including the use of independent expert valuers and internal valuations), significant assumptions and the relative sensitivity of the valuation to changes in these assumptions in the determination of fair value of investment properties and how this has been considered by the directors in the preparation of the financial report at 30 June 2024.
	Our audit procedures included the following:
	▶ We discussed the following matters with management:
	  ▶ movements in the Group's investment property portfolio;
	  ▶ changes in the condition of each property including an understanding of key developments (including both tenancy and capital expenditure); and
	  ▶ controls in place relevant to the valuation process, both for internal director valuations, and independent external valuations.
	▶ In conjunction with our real estate valuation specialists, on a sample basis, we performed the following procedures:
	  ▶ Evaluated the key assumptions applied in both internal and external valuations, including rents, capitalisation rates and capital expenditure;
	  ▶ Compared the net income used in the valuations to the actual financial performance of the underlying properties. We performed tests of control over the tenancy schedules, which are used as source data in the property valuations;
	  ▶ Reviewed the portfolio of assets with reference to external market data and portfolio performance in order to identify and investigate items that were outside of our expectations;
	  ▶ Tested the mathematical accuracy of the adopted valuations;
	  ▶ Assessed the competence, qualifications and objectivity of the valuers; and
	  ▶ Evaluated the suitability of the valuation methodology across the portfolio.
	We have also considered whether the financial report disclosures are appropriate.

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2. Goodwill

Why significant	How our audit addressed the key audit matter
Goodwill impairment testing: The Group reviews the carrying amount of the goodwill acquired annually, or more frequently, if impairment indicators are present. The goodwill balance was tested for impairment at year-end applying a value-in-use model. The recoverable amount has been assessed at \$5.6 million which is lower than the carrying amount of \$32.2 million, therefore an impairment charge of \$26.6 million was recognised at 30 June 2024. The Group has disclosed in Note 2.7 to the consolidated financial report the assessment method, including the significant underlying assumptions and the results of the assessment. Goodwill impairment testing was considered a key audit matter due to the quantum of the balance and the significant judgements involved, including on future cashflows for goodwill impairment testing.	Our audit procedures included the following: ▶ Tested the mathematical accuracy of the value-in-use impairment model; ▶ Involving our valuation specialists, we assessed the key assumptions adopted in the forecast cash flows, including cash flows related to management and acquisition fees receivable from the funds; ▶ Assessed the Group's current year actual results in comparison to prior year forecasts to assess forecasting accuracy; ▶ Assessed the Group's assumptions for future funds under management (i.e., the forecast cash flows) in comparison to the actual new funds under management entered into in the current year; ▶ Assessed the Group's assumptions for annual and terminal growth rates in the discounted cash flow model in comparison to economic and industry forecasts; ▶ Assessed the adequacy of the estimated EBITDA rates utilised for calculation of future costs with reference to historical performance of the business; ▶ Involving our valuation specialists, considered earnings multiples of comparable businesses as a valuation cross check to the Group's determination of recoverable amount; ▶ Performed sensitivity analysis in respect of the assumptions noted above, to ascertain the extent of changes in those assumptions which either individually or collectively would materially impact the recoverable amount; and ▶ Assessed the adequacy of the Group's disclosures in the financial statements.

Independent **Auditor's report**

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Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's 2024 annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

a. The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and;

b. The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

i. The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii. The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

Building a better working world

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent **Auditor's report**

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Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Growthpoint Properties Australia for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

David Shewring
Partner
Melbourne
22 August 2024

Detailed **portfolio information**

Office portfolio

Address			Book Value	Valuer	Cap rate	Discount rate	Major tenant	WALE	Lettable area	Site area
			$m					*years*	*sqm*	*sqm*
75 Dorcas St	South Melbourne	VIC	241.0	JLL	6.25	7.00	ANZ Banking Group	4.5	28,284	9,632
Building 3, 570 Swan St	Richmond	VIC	165.0	CBRE	6.25	7.00	Bunnings Warehouse	5.6	19,334	8,525
165-169 Thomas St	Dandenong	VIC	140.0	Directors	6.00	6.75	VIC Government	7.5	15,071	2,502
Building 2, 572-576 Swan St	Richmond	VIC	108.0	JLL	6.50	7.00	Country Road Group	8.0	14,602	7,130
109 Burwood Rd	Hawthorn	VIC	108.0	m3property	6.25	7.25	Scope	3.9	12,388	3,529
141 Camberwell Rd	Hawthorn East	VIC	99.5	Directors	6.00	7.00	Miele	4.5	10,233	0
Building B, 211 Wellington Rd	Mulgrave	VIC	67.0	m3property	7.25	8.00	Monash University	1.8	12,780	11,040
Building 1, 572-576 Swan St	Richmond	VIC	65.6	JLL	6.50	7.00	Country Road Group	8.0	8,554	8,364
Building C, 211 Wellington Rd	Mulgrave	VIC	44.2	CBRE	7.75	8.00	Moderna	1.7	10,289	11,070
Car Park, 572-576 Swan St	Richmond	VIC	0.5	JLL	0.00	7.50	Country Road Group	2.9	0	3,756
100 Skyring Ter	Newstead	QLD	212.0	Colliers	6.88	7.00	Bank of Queensland	4.0	24,665	5,157
15 Green Square Cl	Fortitude Valley	QLD	120.0	Directors	7.25	7.75	Optus	2.9	16,523	2,519
104 Melbourne St	South Brisbane	QLD	84.5	Directors	7.27	7.75	Integrated Clinical Oncology Network	2.7	11,402	5,772
32 Cordelia St	South Brisbane	QLD	73.5	Directors	7.50	7.75	Jacobs Group	3.0	10,003	2,667
52 Merivale St	South Brisbane	QLD	68.0	C&W	7.50	7.75	Stantec Australia	3.1	9,405	2,331
100 Melbourne St	South Brisbane	QLD	42.5	m3property	7.25	7.75	Peabody Energy	0.7	6,597	3,158
Car Park, 32 Cordelia St & 52 Merivale St	South Brisbane	QLD	27.5	Knight Frank	6.75	7.75	Secure Parking	0.6	0	9,319
1 Charles St	Parramatta	NSW	440.0	Savills	5.00	6.63	NSW Government (Police)	20.5	32,356	6,460
4 Broadcast Way	Artarmon	NSW	121.0	m3property	6.50	7.50	Fox Sports	6.0	14,457	4,212
3 Murray Rose Ave	Sydney Olympic Park	NSW	86.5	CBRE	7.05	7.50	Samsung Electronics	2.7	13,423	3,980
5 Murray Rose Ave	Sydney Olympic Park	NSW	67.0	CBRE	7.30	7.63	Bridgestone Mining Solutions	0.7	12,269	3,826
11 Murray Rose Ave	Sydney Olympic Park	NSW	40.0	Savills	7.01	7.25	B2G Consortium	4.0	5,684	2,642
33-39 Richmond Rd	Keswick	SA	57.5	Savills	7.00	7.50	SA Government	6.1	11,589	4,169
10-12 Mort St	Civic	ACT	82.5	Savills	7.51	7.75	Commonwealth of Australia	5.7	15,398	3,064
2-6 Bowes St	Phillip	ACT	67.8	m3property	6.76	7.50	ACT Government	7.0	12,376	4,485
255 London Cct	Civic	ACT	60.5	Savills	6.76	7.25	Commonwealth of Australia	3.2	9,167	2,945
836 Wellington St	West Perth	WA	83.5	C&W	7.00	7.50	Commonwealth of Australia	2.6	11,973	4,304
			2773.1		**6.47**	**7.21**		**6.1**	**348,822**	**136,558**

Detailed **portfolio information**

Industrial portfolio

Address			Book Value	Valuer	Cap rate	Discount rate	Major tenant	WALE	Lettable area	Site area
			$m		*%*	*%*		*years*	*sqm*	*sqm*
3 Maker Pl	Truganina	VIC	62.3	Cushman & Wakefield	5.75	7.13	101 Warehousing	5.3	31,109	49,810
9-21 Kimpton Way	Altona	VIC	59.5	Savills	5.38	7.00	TSS Sensitive Freight	7.7	25,743	41,730
Lots 2, 3 & 4, 34-44 Raglan St	Preston	VIC	58.5	Directors	5.75	7.25	Paper Australia	1.5	27,978	42,280
1500 Ferntree Gully Rd & 8 Henderson Rd	Knoxfield	VIC	57.2	Directors	5.50	7.00	Brown & Watson International	7.7	21,186	40,844
40 Annandale Rd	Melbourne Airport	VIC	42.5	Savills	7.86	7.25	Australia Post	7.0	44,424	75,325
120-132 Atlantic Dr	Keysborough	VIC	40.8	C&W	5.50	7.00	Symbion	7.5	15,781	26,181
130 Sharps Rd	Melbourne Airport	VIC	28.7	Savills	8.13	7.25	Laminex Group	6.0	28,100	47,446
20 Southern Crt	Keysborough	VIC	27.5	Directors	5.50	7.25	S&S Management Co	1.5	11,437	19,210
120 Link Rd	Melbourne Airport	VIC	25.0	Savills	7.95	7.00	The Workwear Group	3.0	26,517	51,434
31 Garden St	Kilsyth	VIC	21.7	JLL	5.50	7.00	Cummins Filtration	4.4	8,919	17,610
6 Kingston Park Crt	Knoxfield	VIC	19.5	Urbis	5.25	7.00	Automotive Imports	3.1	7,677	12,795
3 Millennium Crt	Knoxfield	VIC	19.4	Urbis	5.25	7.00	Opal Packaging	1.7	8,040	14,750
19 Southern Crt	Keysborough	VIC	15.1	Directors	5.50	7.25	Wabtec Australia	2.8	6,455	11,650
101-111 South Centre Rd	Melbourne Airport	VIC	14.1	Savills	8.22	7.00	Direct Couriers	3.4	14,082	24,799
60 Annandale Rd	Melbourne Airport	VIC	14.1	Savills	8.13	7.25	Plantabl Packaging	6.4	16,274	34,726
75 Annandale Rd	Melbourne Airport	VIC	10.3	Savills	8.04	7.00	Unipart Group Australia	1.3	10,310	16,930
70 Distribution St	Larapinta	QLD	255.0	Directors	6.29	7.00	Woolworths	5.2	76,109	250,900
13 Business St	Yatala	QLD	19.0	Directors	6.00	7.25	Volo Modular	1.1	8,951	18,630
5 & 7A Viola Pl	Brisbane Airport	QLD	13.0	Directors	6.33	7.50	Eagers Automotive	8.6	14,726	35,166
3 Viola Pl	Brisbane Airport	QLD	3.9	Directors	7.05	7.50	Cargo Transport Systems	1.7	3,431	12,483
27-49 Lenore Dr	Erskine Park	NSW	112.0	Directors	5.50	7.25	Linfox	1.2	29,476	76,490
6-7 John Morphett Pl	Erskine Park	NSW	84.0	CBRE	6.00	7.50	Linfox	0.7	24,881	82,280
51-65 Lenore Dr	Erskine Park	NSW	45.0	Directors	5.25	7.25	Linfox	3.7	3,720	36,720
34 Reddalls Rd	Kembla Grange	NSW	36.0	JLL	6.00	7.38	Autocare Services	6.3	355	141,100
81 Derby St	Silverwater	NSW	33.0	Directors	5.38	7.00	IVE Group Australia	1.2	8,062	13,490
599 Main North Rd	Gepps Cross	SA	192.0	Directors	5.63	7.25	Woolworths	10.9	91,686	233,500
12-16 Butler Blvd	Adelaide Airport	SA	22.6	Directors	6.60	7.75	Australia Post	7.1	16,835	30,621
10 Butler Blvd	Adelaide Airport	SA	13.2	Directors	6.60	7.75	Team Global Express	5.6	8,461	16,100
20 Colquhoun Rd	Perth Airport	WA	225.0	JLL	5.85	6.75	Woolworths	1.3	80,374	193,936
Hugh Edwards Dr & Tarlton Cr	Perth Airport	WA	72.5	Savills	6.37	7.20	Mainfreight	3.7	32,018	57,617
			1642.4		**6.00**	**7.12**		**4.9**	**703,118**	**1,726,553**

Securityholder information

Top 20 legal Securityholders as at 5 August 2024

Rank	Name	Number of securities	% of issued capital
1	GROWTHPOINT PROPERTIES LIMITED	480,025,424	**63.66**
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	65,140,552	**8.64**
3	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	61,512,350	**8.16**
4	CITICORP NOMINEES PTY LIMITED	39,878,032	**5.29**
5	BNP PARIBAS NOMS PTY LTD	12,114,390	**1.61**
6	NATIONAL NOMINEES LIMITED	5,229,154	**0.69**
7	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	4,217,920	**0.56**
8	BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	3,622,049	**0.48**
9	RABINOV HOLDINGS PTY LTD	2,347,279	**0.31**
10	SHARON INVESTMENTS PTY LTD	2,255,779	**0.30**
11	ESTIENNE DE KLERK + KANDI DE KLERK	1,816,166	**0.24**
12	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	1,577,898	**0.21**
13	JONAERE PTY LTD <JDM LEGACY A/C>	1,410,000	**0.19**
14	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	1,145,537	**0.15**
15	MS KYLIE MAREE CECILIA THOMAS	1,144,332	**0.15**
16	SANDHURST TRUSTEES LTD <BERKHOLTS INVESTMENTS A/C>	1,061,695	**0.14**
17	CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	979,989	**0.13**
18	NEWECONOMY COM AU NOMINEES PTY LIMITED <900 ACCOUNT>	939,733	**0.12**
19	NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	752,702	**0.10**
20	GARRETT SMYTHE LTD	734,209	**0.10**
Sub total		**687,905,190**	**91.22**
Balance of register		66,196,112	**8.78**
Total issue capital		**754,101,302**	**100.00**

Substantial Securityholders as at 5 August 2024

Name	Number of securities	% of issued capital
Growthpoint Properties Limited	480,025,424	**63.66**

Securityholder information

Distribution of Securityholders as at 5 August 2024

Range	Total holders	Securities	% of securities
1 - 1,000	1,470	625,781	0.08
1,001 - 5,000	1,726	4,771,841	0.63
5,001 - 10,000	812	6,162,745	0.82
10,001 - 100,000	1,221	32,125,853	4.26
100,001 Over	116	710,415,082	94.21
Rounding			0.00
Total	**5,345**	**754,101,302**	**100.00**

Based on the 5 August 2024 closing price of $2.26, the number of Securityholders with less than a marketable parcel of 222 securities ($500) was 523 and they held a total of 31,209 Growthpoint securities.

Class of securities

Growthpoint has only one class of securities, ordinary securities, which are traded on the ASX.

Voting rights

Ordinary stapled securities entitle the holder to vote at securityholder meetings in person or by proxy and to participate in dividends and distributions in proportion to the number of stapled securities held, subject to being on the register at the relevant record date.

Securities restricted or subject to voluntary escrow

There are no securities that are restricted or currently held subject to voluntary escrow.

Glossary

ABS Australian Bureau of Statistics

ACT Australian Capital Territory, Australia

A-REIT Australian Real Estate Investment Trust

ASX Australian Securities Exchange

b Billion

bps Basis points

c. circa

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

C&W, Cushman & Wakefield An international professional services and property investment firm

DPS Distribution per security

EMT Growthpoint's Executive Management Team

ESG Environment, social and governance

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

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

ICR Interest coverage ratio

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 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

Payout ratio Distributions ($million) divided by FFO ($million)

Q Quarter

QLD Queensland, Australia

RBA Reserve Bank of Australia

REIT Real Estate Investment Trust

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

TSR or total securityholder return Change in security price plus distribution paid or payable for the relevant period

USPP United States Private Placement

VIC Victoria, Australia

WA Western Australia, Australia

WALE Weighted average lease expiry

Woolworths Woolworths Group Limited

yr Year

Contact details

Corporate Directory

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ASX

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

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Important information

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GROWTHPOINT
PROPERTIES AUSTRALIA