23 October 2023

ASX Announcement

2023 ANNUAL GENERAL MEETING | REGION GROUP (ASX: RGN)

Attached are the following presentations which will be presented on Monday, 23 October 2023 at the 2023 Annual General Meeting:

- Chair's address and presentation to the meeting; and
- CEO's address and presentation to the meeting.

This document has been authorised to be released to the ASX by the Company Secretary of RGN.

ENDS

Media, Institutional investor and analysts, contact:

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Security holders should contact the RGN Information Line on 1300 318 976 (or +61 1300 318 976 from outside Australia) with any queries.

Chair's Address (slide 3)

My presentation today will cover the following:

- Region's financial performance;
- Region's strategy and outlook; and
- a report on governance matters.

Financial performance (slide 4)

Our commitment to our security holders, is to deliver secure and sustainable earnings and distributions, which grow over time.

(slide 5)

Notwithstanding the macroeconomic conditions during FY23, of increased interest rates and rising inflation, Region was able to maintain FY23 Adjusted Funds from Operations per Security, of 15.3 cents which was the same as FY22.

Region achieved strong top line operational performance including 4.3% comparable NOI growth which was up from 3.3% in FY22 and mitigated the markedly increased interest rates during FY23 with our weighted average cost of debt increase to 3.4% from 2.5% in the prior year.

Early in FY23, Region improved and strengthened our balance sheet by acquiring five assets for $180 million and divesting Carrara Shopping Centre for $23.5 million which was 2.2% above book value. We also divested our last investment in CQR and raised $86.9 million of equity through the DRP.

Despite the challenges faced by the high interest environment, our financial earnings for FY23 include:

- Adjusted Funds from Operations or AFFO was $173.9 million, up 2.6% compared to FY22;
- FY23 distributions to security holders totalled 15.2 cents per security, which was the same as FY22, our equal highest annual distribution since our IPO in 2012.

FY23 also included a fair value loss on the revaluation of investment properties of $264.1 million resulting in us making an accounting loss overall. This was largely reflective of a softening of our weighted average cap rate from 5.43% to 5.85% and also significantly reversed the valuation gain of $354 million in FY22 when our cap rates tightened from 5.9% to 5.43%. Our Net Tangible Assets at 30 June 2023 of $2.55 per security is now similar to our Net Tangible Assets at 30 June 2021 of $2.52 per security.

(slide 6)

Unfortunately, the increasing cost of debt and rising cost of living have created challenges for Region and our REIT peers, which has negatively impacted our security price. Our total security holder return over the 3 years to 30 September 2023 has been 7.3% which has underperformed the ASX A-REIT index by 5.1%.

(slide 7)

I'll now turn to our Strategy and outlook.

Our focus is serving our local communities for their everyday needs.

(slide 8)

This remains unchanged for FY24, with our core strategy being to generate sustainable Net Operating Income from our core business. We will do this by:

- driving increased rental income;
- leveraging our scale to maintain controllable property and other expenses;
- investing more in enhancing our existing assets and actively managing our centres to ensure we have sustainable specialty tenants which provide predominately non-discretionary goods and services;
- partnering with our anchor tenants to drive turnover rent; and
- implementing our ESG initiatives to solidify our “Essentially Local” brand within communities and continuing on our path toward net zero (scope 1 and scope 2) by FY30.

We continue to partner with our supermarket anchor tenants to provide convenient, local supermarket offerings, including last mile logistics. We believe in the near to medium term, we will benefit from inflation through increased turnover rent from our anchor tenants and increased affordability of rent for specialty tenants as their sales increase. However, we expect that the rapidly rising rates and inflationary costs will still pose as a challenge.

We are also reviewing our management cost base to reflect the current business requirements and focus.

Above all, the Board remains committed to our key objective, which is to deliver secure and sustainable earnings and distributions, which grow over time.

And importantly we believe we have the right management team to deliver that outcome to security holders.

Growth initiatives (slide 9)

Previously Region's strategy for earnings growth was to focus on acquisitions. Over the past year, we have seen a growing price expectation gap between vendors and purchasers, which has seen a price expectation not at the level needed to generate accretion of earnings.

Instead, Region is considering a capital recycling program which will see the potential divestments of Region's lower value, tighter yielding properties where there is still a demand from private investors.

We are also committed to growth in our portfolio earnings by focusing on adding value and reinvesting in our existing assets. For example, we will focus on ambience upgrades and refurbishments, e-commerce deals with our supermarket partners to drive online sales, developing pad sites and progressing our sustainability initiatives.

Our joint venture with Singaporen sovereign wealth fund GIC, a globally recognised partner, is known as the Metro Fund. The Metro Fund continues to offer growth over the medium to longer term, by providing us access to metropolitan neighbourhoods, while growing asset-light management fee income. But in the current market conditions we see a hiatus as both ourselves and GIC evaluate the higher interest rate environment and cap rates available.

Capital Management

Our balance sheet is strong. At 30 June 2023, our gearing was 31.3% and we had $385.7 million of cash and undrawn facilities available. Our only debt expiry in FY24 is a $225 million medium term note, which is significantly less than our current undrawn facilities. After expiry of the medium term note, our next debt expiry is not until December 2025.

At June 2023 we were hedged at 79.7% and have since increased our hedging for FY24 to 90% to further protect our earnings from increasing interest rates.

Governance Matters (slide 10)

i. Sustainability Strategy

Anthony will report on our current sustainability strategy, but I particularly wanted to acknowledge the progress made in the last twelve months.

We have made significant progress towards meeting our sustainability commitments including, most notably moving to net zero by FY30 (scope 1 and scope 2).

We completed the installation of solar panels at nine of our properties, with a further 14.9 mega watts of solar installed or under construction in 24 centres, which is ahead of our target of 10 mega watts.

The Board strongly supports our sustainability strategy which discharges our responsibilities to society, but also strengthens our business and delivers good outcomes for security holders. To highlight this, we have now introduced the reduction of scope 1 and 2 emissions in the executive short term incentive plan for FY23 and FY24.

Our sustainability strategy has been well received by the market, from both institutional and retail investors, analysts, proxy advisors, and from the communities we serve.

ii. The Board

As foreshadowed at our 2022 AGM, we appointed Antoinette Milis, also known as Toni, to the Region Board in December last year.

Toni's most recent role was Executive – Build to Rent and Affordable Housing in Australia at Lendlease. The Board is certainly benefiting from the vast property skills and experience that Toni brings, and subject to her election today, we look forward to Toni's continued contribution to the Board.

On 27 September 2023, Region announced to the ASX that Mark Fleming has resigned as an Executive Director of the Region Board effective 26 September 2023, and Chief Operating Officer of Region Group, which will be effective 24 December 2023. Mark has made a significant contribution to Region's growth and its strong financial performance, and has also been a valued and respected member of our Board since his appointment in 2015.

As a consequence of Mark's resignation, Resolutions 2 and 7 have been withdrawn from the agenda of this AGM.

Finally, on behalf of your Board and management team, I thank you all for your continuing support.

I will now hand over to Anthony.

CEO's Address (slide 11)

Good afternoon, Ladies and Gentlemen. My name is Anthony Mellowes, and I am the Chief Executive Officer of Region Group (**RGN**).

This afternoon I will run through some of our key achievements for FY23 and update our outlook for FY24.

i. FY23 Highlights (slide 12)

I will now take you through some of the key highlights for the financial year ended 30 June 2023 and towards the end of my presentation, the outlook for RGN for FY24.

- We delivered Funds from Operations of 16.9 cents per security, a decrease of 2.6% on the prior financial year.
- Distribution paid to security holders was 15.2 cents per security, representing a payout ratio of 99.7% of Adjusted Funds From Operations (AFFO).
- Our total Funds from Operations was $192.5 million for the year which was a slight decrease of 0.1% on the prior year. Our statutory loss after tax was $123.6 million, with the main driver being the unrealised $264.1 million reduction in property valuations which was a decrease of 125.4% on the prior year.
- Our gearing as at 30 June 2023 was 31.3%, which is at the lower end of our target range of 30-40%.
- Our NTA at 30 June 2023 was $2.55, down by 3.8% as compared to 31 December 2022, with a portfolio weighted average cap rate of 5.85%.

- Our portfolio occupancy was 97.8%. Specialty vacancy remained stable at 5.0% which is consistent with the prior period.

- During FY23 we acquired 5 centres for $180 million. We divested 1 centre and our remaining interest in CQR realising proceeds of $50.2 million.

ii. Optimising the Core Business (slide 13)

- Whilst we are seeing inflation and interest costs impacting consumer confidence, we are also seeing this being partially mitigated by the high employment and household savings levels.

- Our convenience-based centres demonstrated their resilience with comparable moving annual turnover growth being 4.5% total portfolio sales growth vs 3.6% at 31 December 2022 and 1.3% at 30 June 2022.

- The location of our centres away from mainland central business districts means that our tenants continue to benefit from our customers staying and shopping local with the Group's purpose of "Supporting better communities through life's essentials" remaining relevant.

- Our supermarkets are performing well. We recorded 3.4% sales growth in FY23 compared to 2.4% in FY22. We now have 59 anchor tenants in turnover rent which includes 51 supermarkets, 4 Kmart, 1 Big W and 3 Dan Murphy's with collections increasing on the prior year.

- Additionally, our specialty tenants demonstrated remarkable resilience this year, with sales growth of 7.5%, productivity increased by 4.8% and occupancy costs remaining stable at 8.7% across the portfolio.

- Another consequence of our tenants' strong sales growth was the positive rental reversions we were able to achieve in FY23, with leasing spreads increasing to 3.7%. We are confident of continuing to achieve rental growth into the future on account of our rents being low compared to our peers.

- We are continuing to make significant progress towards our Sustainability strategy, which was launched in FY21. We have invested a total of $29.5 million and generated a 17% reduction in greenhouse gas emissions calculated on a like-for-like basis.

Performance of our Tenants (slide 14)

i. Performance of our anchor tenants

We receive approximately 48% of our total rent from supermarkets and major tenants which is primarily Woolworths, Coles and Wesfarmers. Highlights from this year include:

- supermarket sales growth of 3.4%, up from 2.4% in FY22;
- our discount department store sales growth increased to 9.4% compared to negative 6.1% in FY22;
- 51 of our supermarkets are in turnover rent, more than the 41 for FY22 which has contributed to the increase in our turnover rent.

ii. Online retail trends

In recognition of the importance of our anchor tenants we are partnering with Woolworths and Coles in facilitating click n collect and drive-through convenience opportunities. We have seen the store-based fulfilment model emerge as the predominant model for online grocery fulfilment in local communities across Australia. Our positioning within those local communities means that our properties are being utilised by Woolworths and Coles for both pick-up and home delivery. Online sales are included in 96% of our supermarket turnover rent calculations and as these supermarket sales grow, we will be well positioned for future turnover growth.

iii. Specialty Tenants

Our specialty tenants remain resilient and showed remarkable strength in FY23.

Key highlights include:

- sales were up 7.5% in FY23 compared to 0.4% in FY22. This increase was led by our non-discretionary or essential specialty categories including medical and beauty services, food and liquor, and retail services which represent 36% of our rent, achieving sales growth of 8.2%;
- the discretionary categories also achieved strong sales growth of 7.1% in FY23;
- sales productivity of our specialty tenants has improved from $9,865 to $10,342 per square metre and gross rent increased from $793 per square metre to $818 per square metre. Occupancy costs remain at 8.7% which is one of the lowest in the sector.

The strong trading performance of our tenants has led to an all-time high of rent collection with arrears from specialty tenants at only 1.3% of gross annualised specialty income.

Further, in the near to medium term these strong productivity metrics saw our leasing team complete a record 393 leasing deals, including a 3.7% average uplift in rent. Occupancy across our portfolio is 97.8% which is similar to the past two financial years.

Sustainability Strategy (slide 15)

We are proud of our achievements to-date but also recognise that Sustainability extends beyond environmental impacts and we are committed to social responsibility and the well-being of our employees, tenants, customers and local communities. Within our Sustainability strategy, we are continuing to target six key areas where we can have maximum impact, being:

- Energy & Carbon;
- Water & Waste;
- Climate Risk;
- Essentially Local;
- Health & Wellbeing; and
- Diversity & Inclusion.

(slide 16)

The key highlights for FY23 are:

1. **Energy & Carbon** – we have spent approximately $5.8 million on installing solar PV generation representing 5.3 mega watts of new solar PV capacity and 17% reduction in greenhouse gas emissions in scope 1 and 2 from a FY20 baseline calculated on a like-for-like basis excluding acquisitions and disposals.
2. **Climate Risk** – 7 asset climate change impact assessments completed.
3. **Diversity & Inclusion** – 40:40:20 gender balance maintained.
4. **TCFD** – we continue to work towards TCFD alignment.
5. **Energy Rating** – 5.5 Star NABERs rating maintained for our Corporate Head Office.

6. **Sponsorship** – 128 children supported through our partnership with The Smith Family. We have facilitated 555 Stronger Communities events or initiatives up from 337 in FY22.

(slide 17)

Our progress in FY24 includes:

1. **Climate Risk** - implementation of an additional 10 Community Resilience Action Plans at high-risk centres.
2. **Energy & Carbon** - commencement of construction of Solar PV at 5 sites which will add 1.2MW to our Solar PV rollout when complete.
3. **Essentially Local** – numerous events have been hosted at our centres including, "Coffee with a Cop", NAIDOC week events, craft groups, health and hearing checks. We have also renewed our partnership with The Smith Family.
4. **Diversity & Inclusion** - provision of a multi-faith space through the expansion of our corporate office.
5. **Health & Wellbeing** - provision of new collaboration, wellness and breakout areas through the expansion of our corporate office, we have hosted an R U OK? event and provided Vicarious Trauma training to the Operations team.

Core Strategy Unchanged (slide 18)

RGN's strategy of delivering defensive, resilient cash flows to support secure and growing long term distributions to our security holders has remained unchanged since we listed 11 years ago.

Key Priorities and Outlook (slide 19)

RGN will continue to deliver on its stated strategy in FY24, focusing on optimising our core business by:

- serving our local communities for their everyday needs;
- partnering with our supermarket anchors to improve their online offer;
- actively managing our centres to ensure that we have successful specialty tenants paying appropriate rents; and
- executing on our sustainability initiatives.

Our medium to long term strategy is to produce reliable and growing distributions to security holders however the short term challenges of rising interest rates on our interest expense and inflation on costs are significant.

Despite these challenges our balance sheet is strong. Our properties are trading well and continue to grow increasingly relevant for all Australian consumers.

The following slides are from our September 2023 quarterly update that we released to the ASX earlier today.

1. **Tenant Performance (slide 20)**

   Our non-discretionary tenants are driving resilient sales & low arrears. Supermarket Sales for the 12 months to 30 September 2023 are 4.2% above the prior year. Non-Discretionary specialty tenants have grown at 6.2% and our arrears is 1.3% which is consistent with 30 June 2023.

2. **Specialty Leasing Activity (slide 21)**

Specialty leasing activity has continued momentum in deal flow with positive leasing spreads continuing, particularly in our renewal leases at 4.7%. We have also achieved 4.3% average fixed rent reviews on our deals up from 3.8% in June 2023. And finally our portfolio occupancy has remained at 97.8%.

3. **Capital Recycling (slide 22)**

We have identified 10 assets circa $200 million that could be divested. We have already contracted Collingwood Park at book value at a cap rate of 5.25%. This week we will be commencing on-market campaigns for Leura and Drouin Shopping Centres.

The proceeds of these divestments will be initially used to pay down debt.

Finally with respect to our guidance for FY24, both of our FFO and AFFO targets of 15.6 and 13.7 cps will be maintained.

Thank you for your time this afternoon.

I will now hand back to Steve.

Region GROUP

Annual General Meeting Presentation

Monday, 23 October 2023

Essentially Local

Murray Bridge Marketplace, SA

Agenda

1. Chair's Address
2. CEO's Address
3. Formal Business
4. General Questions

Chair's Address

Steven Crane

1. Financial performance
2. Strategy and outlook
3. Governance matters

1. Financial performance

Chair's Address

Financial performance

Deliver secure and sustainable earnings and distributions, which grow over time

For the year ended 30 June 2023:

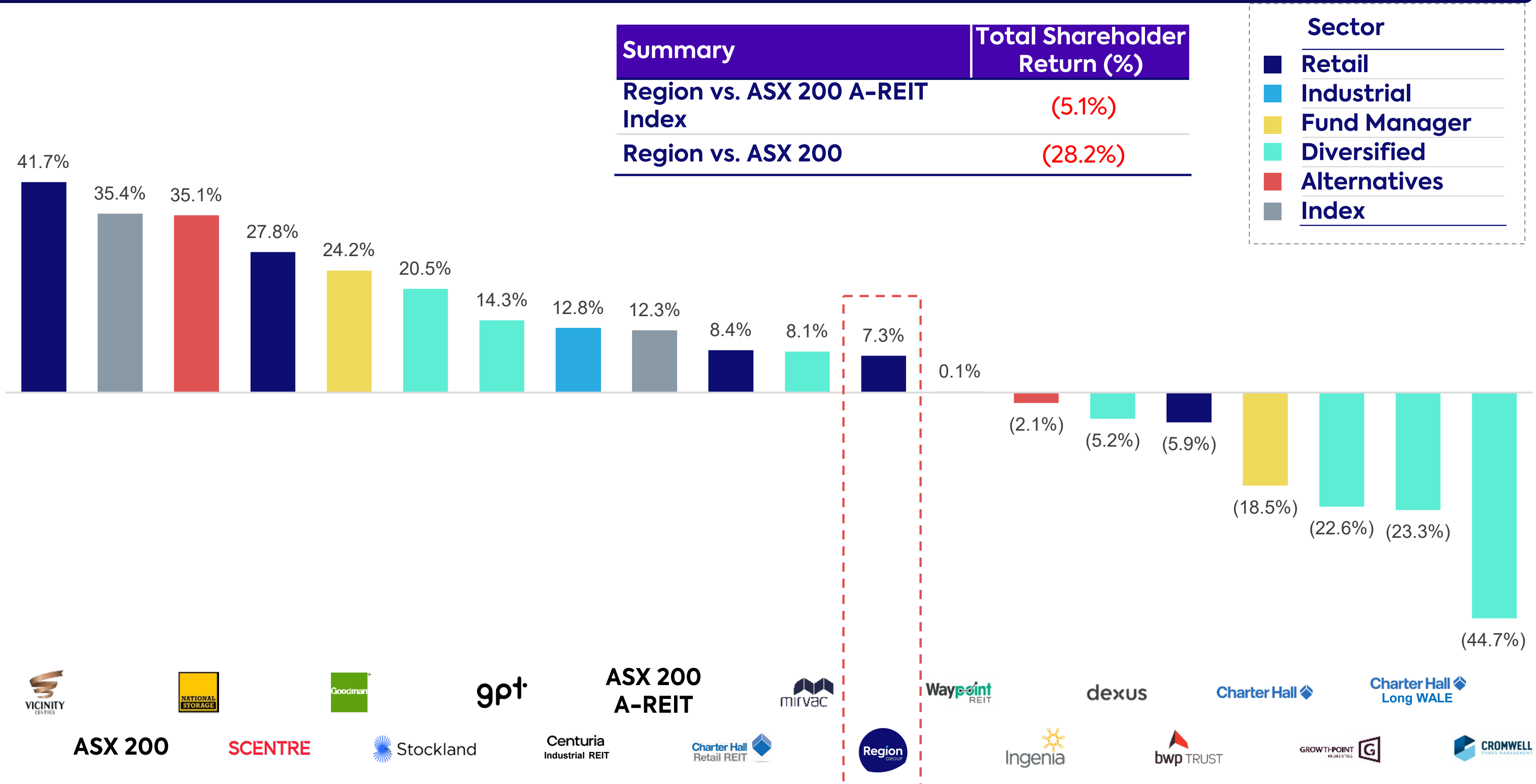
- FY23 AFFO of 15.3 cents per security, which was in line with FY22
- FY23 comparable NOI growth of 4.3%, up from 3.3% in FY22
- Weighted average cost of debt increased to 3.4%, up from 2.5% in FY22
- FY23 acquisitions of $180.0 million and one divestment for $23.5 million
- Divestment of our last stake in CQR
- Raised $86.9 million of equity through the DRP
- AFFO was $173.9 million, up 2.6% compared to FY22
- FY23 distributions totalled 15.2 cents per security
- NTA at 30 June 2023 of $2.55 per security

Total Shareholder Return – ASX 200 A-REIT Performance

Region delivered a total securityholder return of ~7% between 1 October 2020 and 30 September 2023, underperforming the ASX 200 A-REIT index by ~5%.

ASX 200 A-REIT Total Shareholder Return (%)

Summary	Total Shareholder Return (%)
Region vs. ASX 200 A-REIT Index	(5.1%)
Region vs. ASX 200	(28.2%)



Market Cap (A$bn)	7.7	n.a.	3.0	12.8	40.7	9.4	7.5	1.9	n.a.	1.8	8.4	2.3	1.5	1.7	7.9	2.2	4.5	1.7	2.3	1.0

Source: FactSet. Market data for period between 1 Oct 2020 and 30 Sep 2023. Market cap as at 30 Sep 2023.
Notes: Excludes groups which were not included in the ASX 200 A-REIT Index between 1 Oct 2020 and 30 Sep 2023.

2. Strategy and outlook

Chair's Address

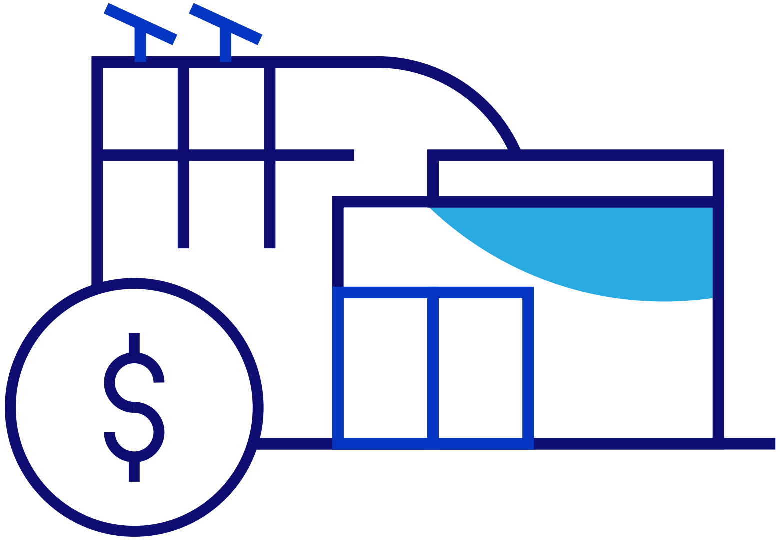
Key Priorities and outlook

Our focus is serving our local communities for their everyday needs

Focus on the core business

Generating sustainable NOI growth by:

- Driving increased rental income from our specialty and mini major tenants
- Leveraging our scale to minimise controllable property expenses as a percentage of property income over time
- Investing more in enhancing our existing assets
- Partnering with our anchor tenants to drive turnover rent
- Continuing on our path toward net zero (scope 1 and scope 2) by FY30
- Review of management cost base to reflect current business requirements and focus



Growth Initiatives and Capital Management

3. Governance Matters

Chair's Address

1. Sustainability
2. The Board

CEO's Address

Anthony Mellowes

1. Key achievements
2. Performance of our tenants
3. Sustainability
4. Outlook and quarterly update

Key achievements

FY23 Highlights

Financial Performance

Statutory net loss after tax	FFO per security	AFFO per security	Distribution per security
($123.6m)	16.9 cps	15.3 cps	15.2 cps
down by 125.4%[1]	down by 2.6%[1]	In line with FY22	Payout of 99.7%

Capital Management

Gearing	NTA per security	WACD[3]	Weighted average debt maturity
31.3%	$2.55	3.4% pa	4.4 yrs
down by 0.4%[2]	down by 3.8%[2]	0.9% increase[1]	

Portfolio Management

Portfolio occupancy	Specialty vacancy	Portfolio weighted average cap rate	Acquisitions	Divestments
97.8%	5.0%	5.85%	$180.0m	$50.2m

1. Compared to FY22
2. Compared to 31 December 2022
3. Weighted average cost of debt

Key achievements

Core portfolio continues to outperform

Optimising the core business

Defensive convenience based portfolio drives resilient operating performance

- 4.5% total portfolio sales growth (MAT)
- Supermarket MAT growth has steadily increased from 2.4% at 30 June 2022 to 3.4% at 30 June 2023
- 59 anchor tenants in turnover rent (51 supermarkets, 4 Kmart, 1 Big W and 3 Dan Murphy's)
- Specialty sales growth of 7.5% and sales productivity increased by 4.8%
- Occupancy costs remain stable at 8.7% across the portfolio
- Leasing spreads increased to 3.7%
- Sustainability investment of $29.5 million and generated 17% reduction in greenhouse gases[1.]

[1.] Calculated on a like for like basis excluding acquisitions and disposals.

Performance of our Tenants

Sales grew strongly across all tenant categories

Anchor tenants:

- Supermarket sales growth of 3.4%, up from 2.4% at 30 June 2022
- Discount Department Store sales growth increased to 9.4%
- 51 supermarkets in turnover rent which has contributed to the increase in our turnover rent

Online retail trends:

- Online sales are included in 96% of our supermarket turnover rent calculations

Specialty tenants:

- Sales were up 7.5% which was led by our non-discretionary or essential specialty categories
- Discretionary categories achieved strong sales growth of 7.1%
- Sales productivity has improved from $9,865 to $10,342 per square metre and gross rent increased from $793 to $818 per square metre
- Arrears at only 1.3% of gross annualised specialty income
- 393 leasing deals including a 3.7% average uplift

Region GROUP

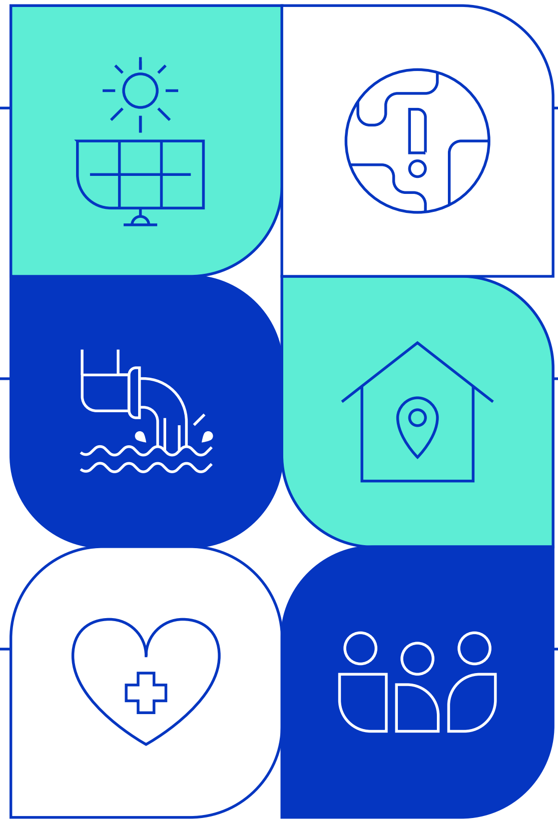
Sustainability Strategy

We are targeting our efforts in six key areas where we can have maximum impact[1]

Energy & Carbon
Achieve net zero carbon (scope 1 and 2 emissions) in our operations by FY30

Water & Waste
We believe in using and reusing all resources responsibly and efficiently

Health & Wellbeing
Continually improve health and wellbeing of employees



Climate Risk
We believe in being transparent and climate prepared

Essentially Local
Work together with The Smith Family to build strong, sustainable communities

Diversity & Inclusion
40:40:20 gender diversity target

1. See the RGN FY23 Sustainability Report for more information on all aspects of our Sustainability framework, results and governance

Sustainability Strategy

FY23 Highlights[1]

$5.8M
investment in solar PV generation, representing 5.3MW of new solar PV capacity

TCFD
continue to work towards TCFD alignment

17%
reduction in greenhouse gas emissions (scope 1 and 2) from FY20 baseline calculated on a like for like basis excluding acquisitions and disposals

5.5 Star
NABERS rating for our corporate office premise

7
asset climate change impact assessments completed

128
students supported through our partnership with The Smith Family

40:40:20
gender balance maintained (Non-Executive Directors and total employees)

555
Stronger Communities events or initiatives held (up from 337 in FY22)

40:40:20 Commitment at 30 June 2023

Non-Executive Directors	Number	%
Female	3	50%
Male	3	50%
Total	6	

All Staff	Number	%
Female	56	60%
Male	37	40%
Total	93	

1. See the RGN FY23 Sustainability Report for more information on all aspects of our Sustainability framework, results and governance

Sustainability Strategy
Progress in FY24

	Progress in FY24
Climate Risk	• Implemented an additional 10 Community Resilience Action Plans (disaster emergency actions with integration into community services) at high-risk centres
Energy & Carbon	• Commenced construction of Solar PV at 5 sites which will add 1.2MW to our Solar PV rollout when completed . Additionally, construction of 3.9MW is expected to commence by the end of FY24
Essentially Local	• Continued the "Coffee with a Cop" initiative at several centres • Hosted a variety of NAIDOC week events which included; Welcome to Country, dance performances, basket weaving and kids crafts • Whitsunday Shopping Centre hosted the Whitsunday Craft Group and Boomerang Bangs Group from July to September. The Groups were held in a vacant shop in the Centre and crafts were supplied to participants. • Health Screening Van and The Hearing Bus were hosted by several Centre's to support the community with free health and hearing checks • Renewed our corporate partnership with The Smith Family for an additional 3 years
Diversity & Inclusion	• Provided a multi-faith space through the expansion of our corporate office
Health & Wellbeing	• Provided new collaboration, wellness and breakout areas through the expansion of our corporate office • Hosted an R U OK? Event • Provided Vicarious Trauma training to the Operations team

Core Strategy Unchanged

Defensive, resilient cash flows to support secure and growing long term distributions to our security holders

Focus on convenience-based shopping centres

Weighted to non-discretionary retail segments

Growth opportunities

Long leases to quality anchor tenants

Appropriate capital structure

Key Priorities and Outlook

Strategy in FY24

Region will continue to deliver on its stated strategy in FY24, focusing on our core business by:

- serving our local communities for their everyday needs
- partnering with our supermarket anchors to improve their online offer
- actively managing our centres to ensure that we have successful specialty tenants paying appropriate rents
- executing on our sustainability initiatives

Tenant Performance

Non-discretionary tenants driving resilient sales and low arrears

4.2%
Supermarket MAT sales growth

6.2%
Non- discretionary specialty tenant MAT sales growth

1.3%
Arrears consistent with June 2023

Comparable Total Portfolio Sales Growth (%)

	Sept 2023 MAT growth[1]	Jun 2023 MAT growth[1]	Q1 FY24 vs Q1 FY23
Supermarkets	4.2%	3.4%	3.6%
Discount Department Stores	4.1%	9.4%	(0.7%)
Mini Majors	0.6%	2.2%	2.0%
Specialties	4.3%	7.5%	1.2%
Total	**4.1%**	**4.5%**	**2.8%**

Comparable Specialty Sales Growth (%)

	Sept 2023 MAT growth[1]	Jun 2023 MAT growth[1]	Q1 FY24 vs Q1 FY23
Non-discretionary	6.2%	8.2%	4.1%
Discretionary	1.7%	7.1%	(2.9%)
Total	**4.3%**	**7.5%**	**1.2%**

1. Moving annual turnover measures the growth in sales over the last 12 months compared to the previous 12-months. Includes comparable sales reporting tenants trading over 24 months

Specialty Leasing Activity

Continued momentum in deals with positive leasing spreads

	Renewals	New Leases	Total
Deals	52	55	107
Average uplift (%)	4.7%	(1.2%)	1.4%

Pakenham Central, VIC

107
Total deals completed in Q1 FY24

4.7%
Consistent leasing spreads from renewals

4.3%
Average fixed rent reviews on achieved deals

97.8%
Portfolio occupancy

Capital Recycling and Guidance

Capital Recycling

- 10 properties worth circa $200m identified for sale
  - Collingwood Park Shopping Centre (QLD) recently contracted for sale at book value with a cap rate of 5.25%
  - An on-market campaign will shortly be commencing for Leura Shopping Centre (NSW) and Drouin Central (VIC)
- Proceeds from these sales will initially be used to pay down debt. Further capital management initiatives are being considered

Earnings guidance

- FY24 guidance is maintained at:
  - FFO of 15.6 cps
  - AFFO of 13.7 cps
  - Target distribution payout ratio of approximately 100% of AFFO
- Guidance assumes:
  - No balance sheet acquisitions or growth in funds management platform
  - No material change in market conditions

Collingwood Park Shopping Centre, QLD