



# Annual General Meeting Presentation

Tuesday, 15 October 2024

Essentially Local



Several stylized leaf shapes in various shades of blue (light blue, medium blue, and dark blue) are arranged on the left side of the slide, some as outlines and some as solid colors.

## Agenda

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

# Chair's Address

Steven Crane



1. Financial performance
2. Key priorities and outlook
3. Financial, value creation and growth opportunities
4. Governance matters

# Financial performance

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

## For the year ended 30 June 2024:

- AFFO of 13.6 cents per security, down from 15.3 cents per security in FY23
- Weighted average cost of debt increased to 4.3%, up from 3.4% in FY23
- Comparable NOI growth of 3.0%
- Distribution of \$159.2 million or 13.7 cents per security
- Divestment of \$177 million non-core, lower yielding properties
- Acquisition of Cooleman Court, ACT for \$74.0m
- Statutory profit of \$17.3 million



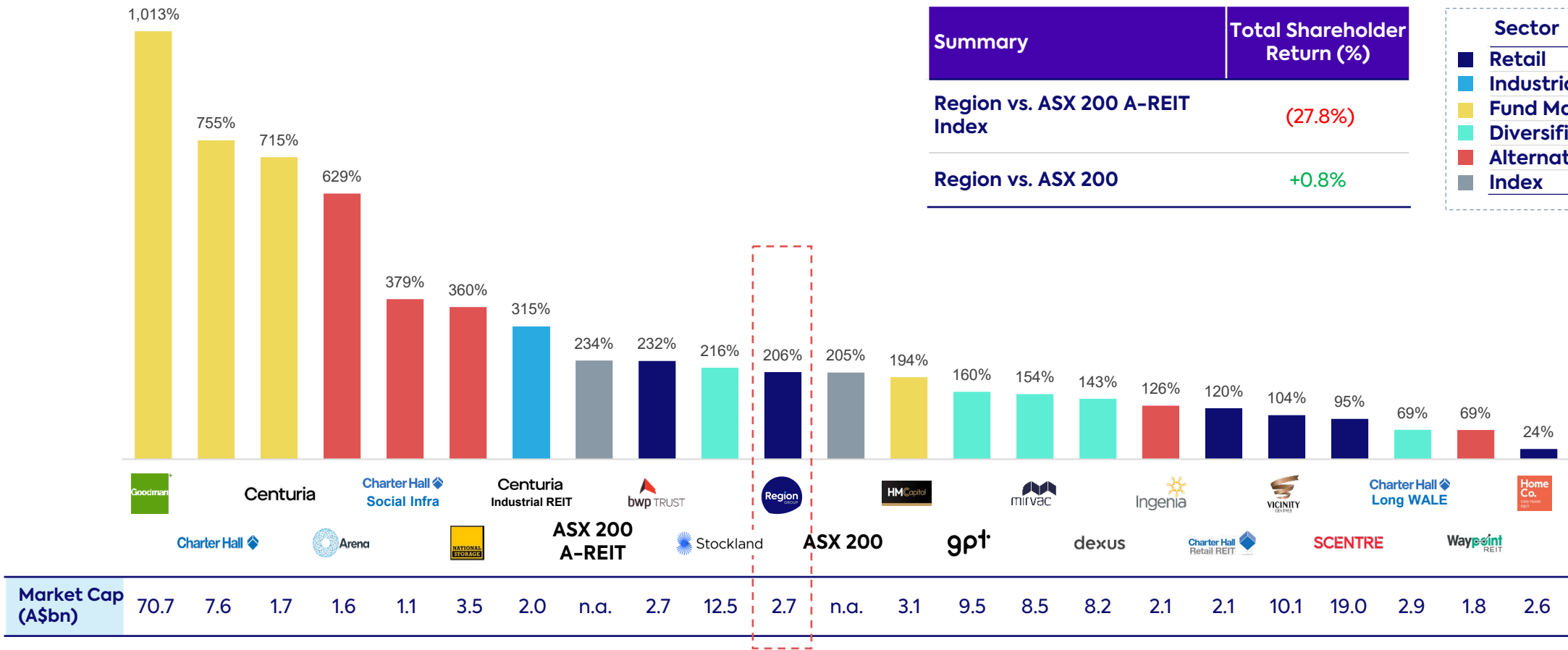
# Total Shareholder Return – ASX 200 A-REIT Performance

Region Group is the second best performing ASX 200 Retail A-REIT between 26 November 2012 and 30 September 2024 (~206%) on a total shareholder return basis

## ASX 200 A-REIT Total Shareholder Return (%)

Summary	Total Shareholder Return (%)
Region vs. ASX 200 A-REIT Index	(27.8%)
Region vs. ASX 200	+0.8%

Sector
Retail
Industrial
Fund Manager
Diversified
Alternatives
Index

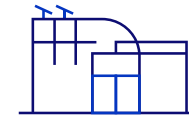


Source: FactSet. Market data for period between 26 November 2012 and 30 September 2024. Market cap as at 30 September 2024.

Notes: TSR for HMC commences from listing date 14-Oct-19, TSR for HDN commences from listing date 23-Nov-20, TSR for NSR commences from listing date of 19-Dec-13, TSR for CLW commences from listing date 8-Nov-16, TSR for WPR commences from listing date 3-Aug-16, TSR for ARF commences from listing date 13-Jun-13, TSR for INA commences from listing date 1-Jul-14, TSR for SCG commences from listing date 25-Jun-14, TSR for CIP commences from listing date 13-Dec-12.

## Our strategy

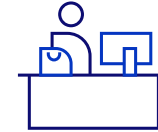
**Defensive,  
resilient cash flows  
to support secure  
and growing long  
term distributions  
to our security  
holders**



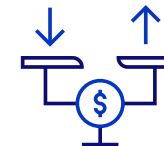
Focus on convenience-based retail centres



Weighted to non-discretionary retail segments



Long leases to quality anchor tenants



Optimise value through targeted reinvestment in the portfolio



Grow through deploying capital into accretive opportunities

# Key priorities and outlook

Our focus is serving our local communities for their everyday needs

## Operational

### Generating sustainable Net Operating Income growth by:

- Securing rental income growth from our specialty and mini major tenants
- Leveraging our scale to maintain controllable expenses
- Working with our supermarket tenants to strengthen their offering and generate turnover rent
- Investing into our existing assets to enhance the customer experience and drive tenant sales
- Continuing our path toward net zero (scope 1 and scope 2) by FY30



**Financial, value creation and growth opportunities**



# Governance Matters

## Chair's Address

# CEO's Address

Anthony Mellowes



1. FY24 Highlights
2. Portfolio overview
3. Operational performance
4. Sustainability
5. Key priorities and outlook

# FY24 Highlights

## Financial Performance

FFO per security

**15.4 cps**vs 16.9 cps<sup>1</sup>

AFFO per security

**13.6 cps**vs 15.3 cps<sup>1</sup>

Distribution per security

**13.7 cps**

101% payout of AFFO

Statutory net profit/(loss) after tax

**\$17.3m**vs (\$123.6m)<sup>1</sup>

## Operational Performance

Portfolio occupancy

**98.1%**

Record number of completed leasing deals

**552**

Average specialty leasing spreads

**4.0%**

Non-discretionary specialty MAT growth

**4.1%**

## Capital Management

Capital recycled<sup>2</sup>**\$176.7m**

into accretive opportunities

Liquidity

**\$262.4m**

cash and undrawn debt capacity

Pro forma gearing

**32.3%**

at lower end of target 30-40% range

WACD

**4.3% pa**

with 94.2% hedged debt

1. Compared to FY23

2. Capital recycled includes non-core properties divested since May 2023 and assets held for sale at 30 June 2024

# Portfolio overview as at 30 June 2024

99 retail properties under management  
including Metro Fund 1 centres

## Key

- Sub-regional
- Neighbourhood
- Metro Fund 1
- Sold - approaching settlement



# Operational performance as at 30 June 2024

## Resilient sales and record leasing

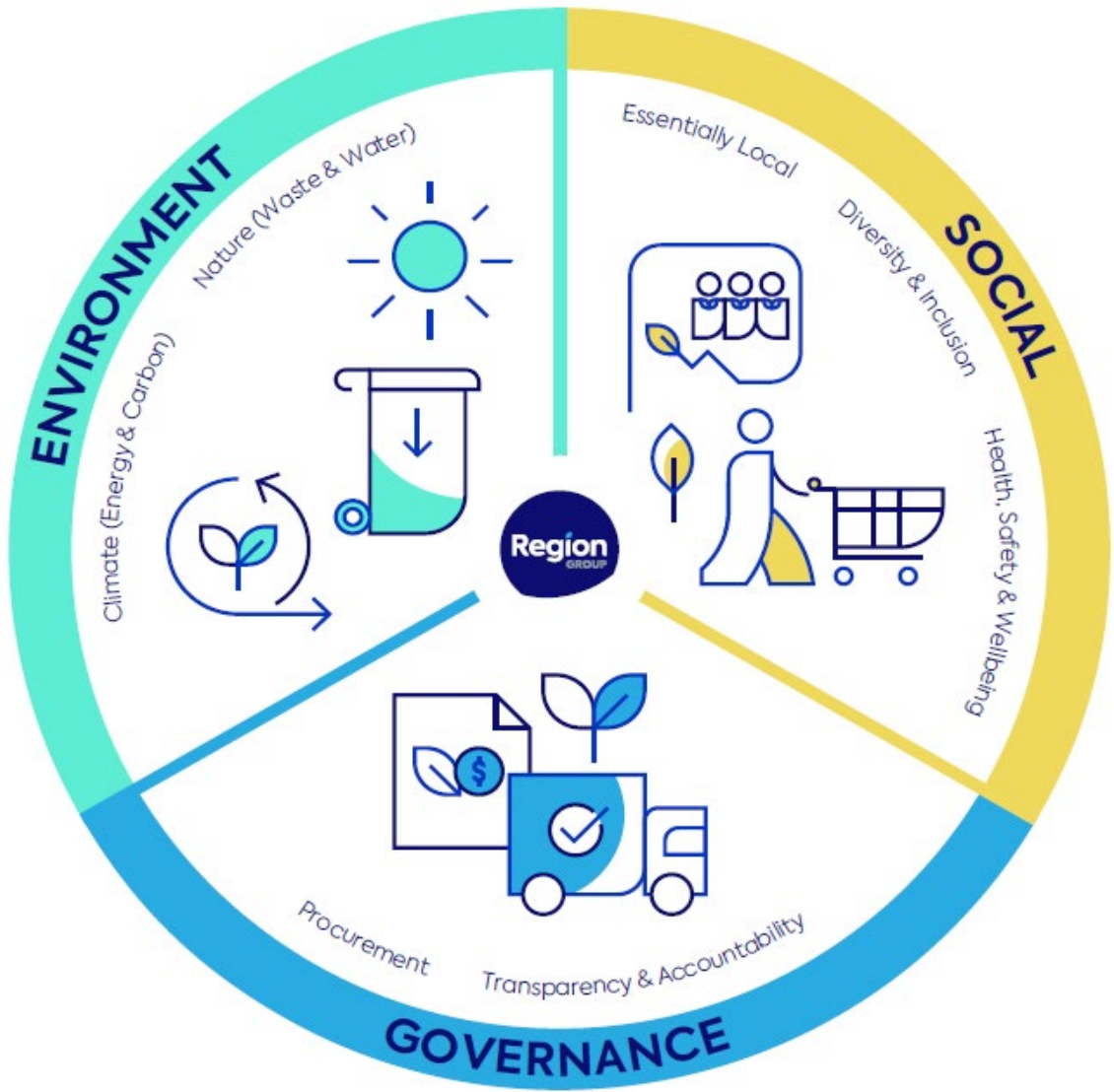
### Defensive convenience based portfolio drives resilient operating performance

- Total portfolio sales growth of 2.5%
- Supermarket sales growth of 3.0% with 50 anchor tenants in turnover rent
- Non-discretionary specialty sales growth of 4.1% with increased sales productivity of 4%
- Occupancy costs remain stable at 8.8%
- Tenant health remains sound with arrears at 1.0% of billings
- 552 leasing deals completed at an average 4.0% uplift
- Specialty vacancy improved from 5.0% to 4.7%
- Strong tenant retention of 83%

# Refreshed Sustainability Strategy

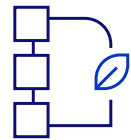
Introducing an increased focus on Governance, particularly Procurement and Transparency & Accountability

These pillars demonstrate Region Group’s values and commitment to deliver positive change.





# Key priorities and outlook



## Key priorities/ outlook

- Non-discretionary retail remains resilient with comparable NOI growth despite elevated expense growth
- Limited interest rate headwinds with 96% of debt hedged in FY25
- Balance sheet is supported with valuations stabilised and gearing at the lower end of our target range
- Continue to invest in our centres, maintain a disciplined approach to acquisitions and non-core divestments and explore funds management growth





# Formal Business

Pakenham Marketplace, VIC\*



Miami One, QLD\*



\*Artist renderings, subject to change

# Notice of Meeting





# Admission Cards


Members who have received a **YELLOW** admission card are:

- entitled to vote on Resolutions
- welcome to ask questions

Members who have received a **BLUE** admission card are:

- not entitled to vote
- welcome to ask questions

Visitors who have received a **RED** admission card are not entitled to vote or ask questions.



Region Group  
Annual General Meeting

Tuesday, 15 October 2024

SECURITY HOLDER / PROXYHOLDER  
ADMISSION / VOTING CARD


(This card provides admission to the meeting. Please retain this at all times.)

The Directors of Region RE Limited  
thank you for your attendance.

**POLL VOTING**


In a poll, please mark a box below to indicate your voting intention.

RESOLUTIONS	FOR	AGAINST	ABSTAIN
1. Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-election of Independent Director – Bet' Lang'lon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Re-election of Independent Director – Angus James	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Issue of Short Term Incentive Rights under the Executive Incentive Plan to the Chief Executive Officer, Anthony A. Holmes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Issue of Long Term Incentive Rights under the Executive Incentive Plan to the Chief Executive Officer, Anthony A. Holmes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



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\*If you, as the holder of a proxy, are not attending the meeting, your proxy must be  
entitled to vote on the resolutions proposed at the meeting.



Region Group  
Annual General Meeting


Tuesday, 15 October 2024

NON-VOTING SECURITY HOLDER ADMISSION CARD

(This card provides admission to the Meeting. Please retain this at all times.)

As a Non-Voting Security holder you are reminded that, while you are entitled to  
speak at this Meeting, you are not entitled to vote.

The Directors of Region RE Limited  
thank you for your attendance.



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Region Group  
Annual General Meeting

Tuesday, 15 October 2024

VISITOR ADMISSION CARD

Thank you for your interest in attending this meeting. As a visitor you are most  
welcome but are reminded that, as this is a Security holders' meeting, you are not  
entitled to speak or vote at this meeting.

# Open Poll

# Financial Statements and Reports



# Remuneration Report

## Resolution 1

### Adoption of the Remuneration Report

To consider and, if thought fit, to pass the following resolution as a non-binding ordinary resolution:

*‘That the Remuneration Report for the year ended 30 June 2024 be adopted.’*

*Voting exclusions apply*



# Resolution 1

Voting proxy statistics

	FOR	OPEN	AGAINST
Adoption of the Remuneration Report	805,214,261 96.11%	2,422,609 .29%	30,134,044 3.60%

# Election of Directors

## Resolution 2

### Re-election of Independent Director – Beth Laughton

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*‘That Beth Laughton, who retires and, being eligible, offers herself for re-election as a director of Region RE, be re-elected as a director of Region RE.’*



# Resolution 2

Voting proxy statistics

	FOR	OPEN	AGAINST
Re-election of Independent Director - Beth Laughton	802,822,143 94.76%	2,470,361 .29%	41,961,206 4.95%



## Resolution 3

### Re-election of Independent Director – Angus James

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*‘That Angus James, who retires and, being eligible, offers himself for re-election as a director of Region RE, be re-elected as a director of Region RE.’*



# Resolution 3

Voting proxy statistics

	FOR	OPEN	AGAINST
Re-election of Independent Director – Angus James	803,700,002 94.86%	2,483,593 .29%	41,068,522 4.85%

# Executive Incentive Plan

## Resolution 4

Issue of Short Term Incentive Rights under the Executive Incentive Plan to the Chief Executive Officer, Anthony Mellowes

To consider and, if thought fit, to pass the following as an ordinary resolution:

*‘That for all purposes, including the purposes of ASX Listing Rule 10.14, approval be given for:*

- (a) the grant to the Chief Executive Officer of Region RE, Anthony Mellowes, of 119,638 Rights as part of a short term incentive award under the Executive Incentive Plan; and*
- (b) the transfer or allocation of Stapled Securities to Anthony Mellowes upon vesting of the Rights described in paragraph (a) of this resolution.’*

*Voting exclusions apply*



# Resolution 4

Voting proxy statistics

Issue of Short Term Incentive Rights under the Executive Incentive Plan to the Chief Executive Officer, Anthony Mellowes	FOR	OPEN	AGAINST
	838,818,460 99.01%	2,477,625 .29%	5,895,967 .70%

## Resolution 5

Issue of Long Term Incentive Rights under the Executive Incentive Plan to the Chief Executive Officer, Anthony Mellowes

To consider and, if thought fit, to pass the following as an ordinary resolution:

*‘That for all purposes, including the purposes of ASX Listing Rule 10.14, approval be given for:*

- (a) the grant to the Chief Executive Officer of Region RE, Anthony Mellowes, of 667,749 Rights as part of a long term incentive award under the Executive Incentive Plan; and*
- (b) the transfer or allocation of Stapled Securities to Anthony Mellowes upon vesting of the Rights described in paragraph (a) of this resolution.’*

*Voting exclusions apply*





# Resolution 5

Voting proxy statistics

Issue of Long Term Incentive Rights under the Executive Incentive Plan to the Chief Executive Officer, Anthony Mellowes	FOR	OPEN	AGAINST
	820,854,969 97.96%	2,464,151 .30%	14,607,975 1.74%

# Close of Poll



## General Questions



# Meeting Close

Thank you