

2 March 2023

SALE OF BOX HILL OFFICE BUILDING

GARDA has entered an unconditional contract to sell 436 Elgar Road, Box Hill for \$40.3 million.

Settlement is scheduled to occur on 3 April 2023 and the net sale proceeds will be used to reduce GARDA's drawn debt to \$214.8 million. GARDA's debt facility limit will remain at \$290.0 million.

The sale price of \$40.3 million represents a 5.9% initial yield and a 14% discount to book value of \$47.0 million. Box Hill was valued at \$18.5 million on a 9.0% capitalisation rate at the time of the GDF IPO in July 2015.

Following the sale, GARDA's pro-forma:

- gearing reduces to 31.2% (from 34.6%); and
- NTA per security reduces to \$1.98 (from \$2.01).

FY23 distribution guidance remains unchanged at approximately 110% FFO.

Commenting on the sale, Matthew Madsen, Executive Chairman, noted: "the sale of Box Hill is consistent with GARDA's asset recycling program. Ultimately the capital from the sale of this mature asset will be applied to GARDA's substantial industrial development pipeline which provides a compelling yield on cost".

GARDA has also recently launched a campaign to divest 67 Noosa Street, Heathwood and 1-9 Kellar St, Berrinba, which have a combined book value of approximately \$32.0 million.

– END –

Authorised for release by: Matthew Madsen (Executive Chairman)

For more information please contact:

Paul Brown

Head of Treasury and Investor Relations
GARDA Property Group
Phone: 07 3002 5362
pbrown@gardaproperty.com.au