
ASX ANNOUNCEMENT

24 FEBRUARY 2025

GDI results for the period ended 31 December 2024

GDI¹ is pleased to release its financial results for the period ended 31 December 2024.

Key highlights during the period

- Leasing, renewing or signing Heads of Agreement for over 16,000sqm of lettable area² since 1 July 2024, continuing the leasing momentum from FY23 / FY24;
- FFO³ growth of 26% from the previous corresponding period, primarily driven by a 38% increase in Property FFO⁴;
- Achieved asset sales at a premium to valuation, with four assets in the Autoleague Portfolio (GDI No. 46 Property Trust) now sold or exchanged with premiums ranging from 2% to 23%;
- Net tangible asset (NTA) stable at \$1.19 per security following valuation increases for Westralia Square and WS2;
- Co-living JV continuing to perform in line with our return hurdles of a 20% FFO contribution on initial invested capital.

GDI's relentless focus on leasing has delivered another 16,000sqm of new leases or lease renewals in the period since 1 July 2025 across both the assets in the Property Division and Funds Business. The past leasing efforts are now delivering increased FFO, with Property FFO increasing 38% over the previous corresponding period.

The leasing efforts, combined with increasing market net effective rents, have also resulted in higher independent valuations for both Westralia Square (+\$16.0 million to \$395.0 million) and WS2 (+\$11.0 million to \$105.0 million). Westralia Square's valuation increase is notwithstanding a 0.375% increase in its capitalisation rate to 6.375%.

Financial outcomes

Funds From Operation per security

GDI's FFO per security for the period was 3.07 cents (December 23: 2.45 cents), primarily driven by increases in Property FFO. Property FFO for the period was \$25.4 million, a 38% increase from the previous corresponding period, with Westralia Square complex's contribution increasing \$+5.6 million to \$15.4 million, and Mill Green's contribution increasing \$1.1 million to \$7.9 million.

Offsetting these increases was a higher net interest expense (\$4.2 million), although in the prior corresponding period \$1.7 million of interest was capitalised.

Distribution

We were pleased to have determined a cash distribution of 2.50 cents per security⁵ for the period ended 31 December 2024, payable on 28 February 2025.

Gearing

GDI's balance sheet remains in a sound position with gearing of 34%. GDI remains well within its Syndicated Facility⁶ covenants, with a Loan to Value ratio of 41% (Covenant of 50.0%) and an Interest Cover ratio of 2.0X (Covenant of 1.5X).

GDI has drawn debt of \$361.3 million on its Syndicated Facility and undrawn debt of \$35.2 million.

NTA per security

Following revaluations of Westralia Square and WS2, and the two Perth CBD carparks, GDI's NTA per security is \$1.19, unchanged from 30 June 2024. The weighted average capitalisation rate of GDI's investment properties is now 6.7%, and the average value per square metre of lettable area in the office portfolio is \$8,293⁷.

Hedging

Through a combination of interest rate caps, swaps and callable swaps, 97% of the Syndicated Facility's current drawn debt is hedged to 30 June 2025, and 69% to 31 December 2025.

Outlook

GDI is focused on delivering on its strategy, which calls for more leasing to maximise the value of assets in both the Property Division and Funds Business. We will continue to monitor capital recycling opportunities, and are actively pursuing growth initiatives within the existing portfolio.

We confirm that it is our intent to pay a cash distribution of 5.00 cents per security for FY25, subject to no material change in circumstances or unforeseen events, noting that the cash distribution for the six-month period ended 31 December 2024 was 2.50 cents per security. We expect that a proportion of any cash distribution for the second half of FY25 will be paid out of capital.

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Authorised for release by David Williams, Company Secretary

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1. The stapled group comprising GDI Property Group Limited (ACN 166 479 189) and GDI Property Trust (ARSN 166 598 161) and their controlled entities.
 2. Includes 1 Adelaide Terrace, Perth (GDI No. 36 Perth CBD Office Trust).
 3. FFO is a Property Council of Australia definition which adjusts AIFRS net profit for non-cash changes in investment properties, non-cash impairment of goodwill, non-cash fair value adjustments to financial instruments, amortisation of incentives, straight-line adjustments and other unrealised one-off items. The FFO contribution from the Co-living JV is GDI's share of the joint venture's consolidated earnings before tax.
 4. Property FFO is the contribution to total FFO from the Property Division, pre corporate and administration expenses, and net interest.
 5. The distribution is payable out of capital.
 6. GDI's Syndicated Facility is secured by first registered mortgage over the wholly owned investment properties held by GDI and a registered GSA over the assets of GDI.
 7. Excluding \$1,000/sqm of value attributable to the public carpark at Westralia Square, comprising 357 car bays