

CARINDALE PROPERTY TRUST: Appendix 4D  
 (ASX Code: CDP) ARSN 093 261 744  
 Half Year Report under ASX listing rule 4.2A  
 For the half year ended 31 December 2021  
 (previous corresponding period being the half year ended 31 December 2020)

Results for announcement to the market

			31-Dec-21	31-Dec-20
Revenue (\$'000)	up	4.9%	26,261	25,042
Profit attributable to members of the Trust (\$'000)	up	34.5%	14,058	10,454
Funds from operations (FFO) attributable to members of the Trust (\$'000)	up	16.6%	12,907	11,070
FFO per unit attributable to members of the Trust (cents per unit) <sup>(i)</sup>	up	15.2%	18.22	15.81

<sup>(i)</sup> In calculating the FFO per unit, 70,857,533 (31 December 2020: 70,000,000) weighted average units was used.

Distributions for Carindale Property Trust

	Cents per unit
Interim distribution to be paid on 28 February 2022 <sup>(ii)</sup>	12.50
Previous corresponding period	11.50

<sup>(ii)</sup> The number of units entitled to distributions on the record date, 31 December 2021 was 71,282,814.

The distribution per unit has been determined by reference to the number of units on issue at the record date. The record date for determining entitlements to the distribution for the six-month period to 31 December 2021 was 31 December 2021. The distribution will be paid on 28 February 2022 (February 2022 Distribution).

The Trust's distribution reinvestment plan (DRP) will be in operation for the six-month distribution payable for the February 2022 Distribution. An election to participate in the DRP for the February 2022 Distribution must be received by 5.00pm (Sydney time) on 17 February 2022.

The price of units to be issued under the DRP is \$4.566.

Units issued under the DRP for the February 2022 Distribution will rank equally with existing units on issue. The issue date will be 28 February 2022.

Details of the full year components of distributions will be provided in the Annual Tax Statements which will be sent to members in September 2022.

Commentary and analysis on the results for the half year end can be found in the announcement dated 15 February 2022 released to the ASX. The additional information required to comply with listing rule 4.2A.3 is contained in the attached half year report.

# Carindale Property Trust Half-Year Report

For the half-year ended 31 December 2021

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Scentre Management Limited ABN 41 001 670 579

AFS Licence 230329 as responsible entity of

Carindale Property Trust ARSN 093 261 744

**Carindale**

CARINDALE PROPERTY TRUST  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	31 Dec 21	31 Dec 20
	\$'000	\$'000
Revenue		
Property revenue	26,261	25,042
Expenses		
Property expenses and outgoings	(7,719)	(7,802)
Expected credit charge relating to COVID-19	(50)	(412)
	<u>(7,769)</u>	<u>(8,214)</u>
Net property income	18,492	16,828
Other expenses		
Manager's service charge	(2,268)	(2,236)
Other costs	(237)	(181)
	<u>(2,505)</u>	<u>(2,417)</u>
Interest income	8	9
Financing costs	(3,548)	(3,838)
Net fair value gain on interest rate derivatives	3,636	981
Property revaluation	(2,025)	(1,109)
Net profit attributable to members of the Trust	14,058	10,454
Total comprehensive income attributable to members of the Trust	14,058	10,454
	cents	cents
Basic earnings per unit	19.84	14.93
Diluted earnings per unit	19.84	14.93

CARINDALE PROPERTY TRUST  
BALANCE SHEET  
AS AT 31 DECEMBER 2021

	Note	31 Dec 21 \$'000	30 Jun 21 \$'000
<b>Current assets</b>			
Cash and cash equivalents		5,151	2,408
Trade and other receivables	3	2,936	2,928
Prepayments and deferred costs		593	421
<b>Total current assets</b>		<b>8,680</b>	<b>5,757</b>
<b>Non current assets</b>			
Trade and other receivables	3	11	13
Investment properties	2	750,056	750,059
Prepayments and deferred costs		65	277
Derivative assets		763	-
<b>Total non current assets</b>		<b>750,895</b>	<b>750,349</b>
<b>Total assets</b>		<b>759,575</b>	<b>756,106</b>
<b>Current liabilities</b>			
Trade and other payables		17,891	14,258
Derivative liabilities		282	210
<b>Total current liabilities</b>		<b>18,173</b>	<b>14,468</b>
<b>Non current liabilities</b>			
Interest bearing liabilities	4	262,556	270,559
Derivative liabilities		1,795	4,741
<b>Total non current liabilities</b>		<b>264,351</b>	<b>275,300</b>
<b>Total liabilities</b>		<b>282,524</b>	<b>289,768</b>
<b>Net assets</b>		<b>477,051</b>	<b>466,338</b>
<b>Equity attributable to members of the Trust</b>			
Contributed equity		193,499	187,934
Reserves		19,739	15,742
Retained profits		263,813	262,662
<b>Total equity attributable to members of the Trust</b>		<b>477,051</b>	<b>466,338</b>

CARINDALE PROPERTY TRUST  
 STATEMENT OF CHANGES IN EQUITY  
 FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	Contributed		Retained	31 Dec 21	Contributed		Retained	31 Dec 20
	equity	Reserves	profits	Total	equity	Reserves	profits	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Changes in equity attributable to members of the Trust								
Balance at the beginning of the period, as reported	187,934	15,742	262,662	466,338	187,934	8,283	246,805	443,022
- Profit after tax for the period	-	-	14,058	14,058	-	-	10,454	10,454
- Amount transferred to other reserves	-	3,997	(3,997)	-	-	3,020	(3,020)	-
Transactions with owners in their capacity as owners:								
- Movement in contributed equity <sup>(i)</sup>	5,565	-	-	5,565	-	-	-	-
- Distributions paid or provided for	-	-	(8,910)	(8,910)	-	-	(8,050)	(8,050)
Closing balance of equity attributable to members of the Trust	193,499	19,739	263,813	477,051	187,934	11,303	246,189	445,426

<sup>(i)</sup> On 24 June 2021, the Trust announced that a DRP will be in operation for the six-month distribution payable for the period to 30 June 2021 and this was paid on 31 August 2021. The movement in contributed equity for the half-year ended 31 December 2021 comprised 1,282,814 units issued under the DRP at \$4.338 cents per unit on 31 August 2021.

CARINDALE PROPERTY TRUST  
CASH FLOW STATEMENT  
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	31 Dec 21 \$'000	31 Dec 20 \$'000
Cash flows from operating activities		
Receipts in the course of operations (including Goods and Services Tax (GST))	30,123	28,540
Payments in the course of operations (including GST)	(9,149)	(9,038)
GST paid	(1,697)	(1,615)
Payments of financing costs	(3,354)	(3,621)
Interest received	8	9
Net cash inflow from operating activities	15,931	14,275
Cash flows from investing activities		
Capital expenditure on property investments	(2,703)	(6,610)
Financing costs capitalised to qualifying development projects and construction in progress	-	(135)
Net cash outflow from investing activities	(2,703)	(6,745)
Cash flows from financing activities		
Repayment of interest bearing liabilities	(8,000)	(8,000)
Distribution paid to members	(2,485)	-
Net cash outflow from financing activities	(10,485)	(8,000)
Net increase/(decrease) in cash and cash equivalents held	2,743	(470)
Add: opening cash and cash equivalents brought forward	2,408	4,818
Cash and cash equivalents at the end of the period	5,151	4,348

CARINDALE PROPERTY TRUST  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

NOTE 1 BASIS OF PREPARATION OF THE HALF YEAR REPORT

This half year report is for the six month period 31 December 2021 (Financial Period). The half year report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Trust as the full financial report. The half year report should be read in conjunction with the annual financial report of the Trust for the year ended 30 June 2021.

It is also recommended that the half-year financial report be considered together with any public announcements made by the Trust during the Financial Period in accordance with the continuous disclosure obligations under the Corporations Act 2001 (Cth).

(a) Corporate information

This report of Carindale Property Trust (Trust) for the Financial Period was approved in accordance with a resolution of the Board of Directors of Scentre Management Limited (Directors) as responsible entity of the Trust (Responsible Entity).

The nature of the operations and principal activities of the Trust are described in the Directors' Report.

(b) Impact of the COVID-19 pandemic

On 11 March 2020, the World Health Organisation declared the outbreak of the COVID-19 virus a pandemic. Both Queensland and other Australian states and territories experienced an outbreak, and the Queensland Government implemented a number of measures, including significant restrictions on people movement and activity. Since March 2020, the Queensland government and other state governments have applied varying levels of restrictions depending on the scale and severity of outbreaks.

Additional disclosures relating to the impact of the COVID-19 pandemic on the Trust's operations and financial performance are discussed in Note 2: Investment properties, Note 3: Trade and other receivables, and in section 1 Review and Results of Operations of the Directors' Report.

(c) Going concern

This half year report has been prepared on a going concern basis. In making this assessment, the Directors have considered:

- the Trust's ability to meet its financial obligations over the next twelve months, using cash flow sensitivity analysis and having regard to debt maturities, funding requirements, operating cash earnings and available financing facilities; and
- the Trust's ability to meet its financial covenants over the next twelve months, assuming various scenarios for the potential impact of the COVID-19 pandemic.

(d) Statement of Compliance

This half year report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001 (Cth) and AASB 134 Interim Financial Reporting. The accounting policies adopted are consistent with those of the previous financial year except that the Trust has adopted the following new or amended standards which became applicable on 1 July 2021.

– **AASB 2020-8 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform Phase 2**

This standard amends AASB 9 Financial Instruments, AASB 139 Financial Instruments: Recognition and Measurement, AASB 7 Financial Instruments: Disclosures, AASB 4 Insurance Contracts and AASB 16 Leases to address issues that arise during the reform of an interest rate benchmark (IBOR), including the replacement of one benchmark with an alternative one. A number of temporary reliefs are provided for hedging relationships that are directly affected by the interest rate benchmark reform. These amendments have no impact on the consolidated financial statements as the Trust does not have any interest rate hedge relationships nor exposures to interest rates that are dependent on IBORs.

The Trust continues to manage the transition of certain IBORs to alternative benchmark rates. Any impact on the valuation of derivatives is expected to be immaterial.

For the Financial Period, the adoption of these amended standards and interpretation had no impact on the financial statements of the Trust.

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Trust for the half-year ended 31 December 2021. The impact of these new standards (to the extent relevant to the Trust) and interpretations is as follows:

– **AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective from 1 January 2022)**

This amends AASB 10 Consolidated Financial Statements and AASB 128 Investments in Associates and Joint Ventures to address an inconsistency between the requirements of AASB 10 and AASB 128 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. This amendment is not expected to have a significant impact on the financial statements on application.

CARINDALE PROPERTY TRUST  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

NOTE 1 BASIS OF PREPARATION OF THE HALF YEAR REPORT (Continued)

- AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments (effective from 1 January 2022)

This amends (to the extent relevant to the Trust):

- (i) AASB 9 Financial Instruments to clarify the fees an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability;
- (ii) AASB 3 Business Combinations to update a reference to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations; and
- (iii) AASB 137 Provisions, Contingent Liabilities and Contingent Assets to specify the costs that an entity includes when assessing whether a contract will be loss-making.

These amendments are not expected to have a significant impact on the financial statements on application.

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Noncurrent (effective from 1 January 2023)

This amends AASB 101 Presentation of Financial Statements to clarify the requirements for classifying liabilities as current or non-current. This amendment is not expected to have a significant impact on the financial statements on application.

- AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective from 1 January 2023)

This amends AASB 112 Income Taxes to clarify the accounting for deferred tax on transactions that at the time of the transaction give rise to equal taxable and deductible temporary differences. This amendment is not expected to have a significant impact on the financial statements on application.

- AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates (effective from 1 January 2023)

This amends:

- (i) AASB 7 Financial Instruments: Disclosures, to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements;
- (ii) AASB 101 Presentation of Financial Statements, to require entities to disclose their material accounting policy information rather than their significant accounting policies;
- (iii) AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates;
- (iv) AASB 134 Interim Financial Reporting, to identify material accounting policy information as a component of a complete set of financial statements; and
- (v) AASB Practice Statement 2 Making Materiality Judgements, to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

These amendments are not expected to have a significant impact on the financial statements on application.

(e) Basis of Accounting

This half year report has been prepared on a historical cost basis, except for investment properties and derivative financial instruments that have been measured at fair value.

This half year report is presented in Australian dollars.



CARINDALE PROPERTY TRUST  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	31 Dec 21	30 Jun 21
	\$'000	\$'000
NOTE 2 INVESTMENT PROPERTIES		
Shopping centre investment	750,056	750,059
	750,056	750,059

The Trust's shopping centre investment comprising Westfield Carindale and Millennium Boulevard Office and Retail Centre has been independently valued as at 30 June 2021. The valuation of the Trust's 50% interest is \$750.1 million with a capitalisation rate of 5.00% and a discount rate of 6.00%. This valuation was conducted by CBRE Valuations Pty Limited in accordance with guidelines set by the International Valuation Standards Council. The key assumptions in determining the valuation of the Trust's interest in Westfield Carindale are the estimated capitalisation rate and net operating income. Significant movements in each of these assumptions in isolation would result in a higher/(lower) fair value. As of 31 December 2021, the Trust's interest in Westfield Carindale has been assessed by the Directors at \$750.1 million with a capitalisation rate of 5.00% as approximating fair value.

Impact of the COVID-19 pandemic

The COVID-19 pandemic and the regulatory response has impacted the Trust's operations as well those of its tenants. The ongoing pandemic impacts our ability to determine the key judgements and assumptions used in the property valuation. The Income Capitalisation approach and the Discounted Cash Flow approach are used to arrive at a range of valuation outcomes, from which a best estimate of fair value is derived at a point in time. The key assumptions and estimates used in these valuation approaches which have been impacted by COVID-19 include:

- forecast future income, based on the location, type and quality of the property, which are supported by the terms of any existing leases, other contracts or external evidence such as current market rents for similar properties;
- lease assumptions based on current and expected future market conditions after expiry of any current lease;
- the capitalisation rate and discount rate derived from recent comparable market transactions; and
- the impact of government support on tenants and rental schemes giving rise to rent deferrals, rent waivers, and eviction moratoriums.

CARINDALE PROPERTY TRUST  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	31 Dec 21 \$'000	30 Jun 21 \$'000
<b>NOTE 3 TRADE AND OTHER RECEIVABLES</b>		
Current		
Trade debtors	2,500	2,556
Other receivables	436	372
	<b>2,936</b>	<b>2,928</b>
Non current		
Trade debtors	11	13
<b>Total trade and other receivables</b>	<b>2,947</b>	<b>2,941</b>
(a) Trade and other receivables comprise:		
Trade and other receivables	7,131	7,872
Expected credit loss allowance	(4,184)	(4,931)
<b>Total trade and other receivables</b>	<b>2,947</b>	<b>2,941</b>

Impact of the COVID-19 pandemic

The first few months of the pandemic and the intermittent government restrictions on people movement and activity has caused many of the Trust's retailers to be adversely impacted, resulting in loss of revenue impacting many tenants' financial position. High levels of government assistance cushioned broader economic impacts to unemployment, business performance and consumer confidence. During the Financial Period net cash inflow from operating activities increased 11.6% compared to the previous corresponding period. However, as the COVID-19 pandemic is ongoing, uncertainties remain over its extent, duration and consequential economic and business impacts which affects management's ability to reliably determine key judgements, estimates and assumptions used in determining expected credit loss. The expected credit loss allowance was based on available information pertaining to conditions that existed at balance date.

In April 2020, the Australian Government issued the Code of Conduct for small to medium sized retailers, which mandated a framework for temporary lease arrangements to reduce cash rent in proportion to the retailers' revenue impact during the pandemic period. During that period, various governments in Australia have extended and/or amended legislated COVID-19 rent relief schemes for commercial tenants to provide further financial assistance. The Trust has also worked with retail partners that are not subject to the code on a case-by-case basis to determine appropriate ways to assist with their cash flow issues.

In determining the expected credit loss allowance, management have considered the expected rental abatements and the additional credit risk associated with tenants. The expected rental abatements are based on management's expectations of the level of rental abatements that will be provided to tenants. The level of expected rental abatements has been determined after discussions and agreements with tenants. Where abatements have not been agreed with tenants, estimates have been made giving reference to outcomes with similar retailers. Management has taken into account security deposits received from tenants generally in the form of bank guarantees, which can be called upon if the tenant is in default under the terms of the lease contract. Trade debtors also include GST which is fully recoverable from the relevant tax authorities where the debt is not paid and therefore the GST amount is excluded from the loss allowance.

For trade debtors and receivables outstanding at balance date in excess of the expected rental abatements, management have assessed that there is an increased level of credit risk on the collection of these balances. Rather than primarily applying historical loss rates, the assumptions used in estimating lifetime expected credit loss include the following:

- the extent and duration of the pandemic;
- the effectiveness of government policies in response to the pandemic;
- the credit quality of tenants based on shared credit risk characteristics (e.g. size, industry, aging);
- future economic conditions which are based on forward looking information such as economic growth and inflation; and
- consumer and business sentiment.

CARINDALE PROPERTY TRUST  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	31 Dec 21 \$'000	30 Jun 21 \$'000
<b>NOTE 4 INTEREST BEARING LIABILITIES</b>		
Non current		
Secured bank loans	262,500	270,500
Lease liabilities – ground leases	56	59
	<b>262,556</b>	<b>270,559</b>

The maturity profile in respect of the interest bearing liabilities is set out below:

	31 Dec 21 \$'000	30 Jun 21 \$'000
Due within one year	5	5
Due between one and five years	262,520	270,520
Due after five years	31	34
	<b>262,556</b>	<b>270,559</b>

The Trust has a \$300 million floating interest rate syndicated facility. Drawings under this facility are secured by a registered mortgage over the Trust's interest in Westfield Carindale and a fixed and floating charge over all assets and undertakings of the Trust. The facility is subject to negative pledge arrangements and matures in the first half of calendar year 2023.

**NOTE 5 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES**

Set out below is a comparison by category of carrying amounts and fair values of all the Trust's financial instruments.

	Fair value Hierarchy	Fair value		Carrying amount	
		31 Dec 21 \$'000	30 Jun 21 \$'000	31 Dec 21 \$'000	30 Jun 21 \$'000
<b>Assets</b>					
Cash and cash equivalents		5,151	2,408	5,151	2,408
Trade and other receivables <sup>(i)</sup>		2,947	2,941	2,947	2,941
Derivative assets <sup>(ii)</sup>	Level 2	763	-	763	-
<b>Liabilities</b>					
Trade and other payables <sup>(i)</sup>		17,891	14,258	17,891	14,258
Interest bearing liabilities <sup>(ii)</sup>					
- Floating rate debt	Level 2	262,500	270,500	262,500	270,500
- Finance lease	Level 2	56	59	56	59
Derivative liabilities <sup>(ii)</sup>	Level 2	2,077	4,951	2,077	4,951

<sup>(i)</sup> These financial assets and liabilities are not subject to interest rate risk and the fair value approximates carrying amount.

<sup>(ii)</sup> These financial assets and liabilities are subject to interest rate and market risks, the basis of determining the fair value is set out in the fair value hierarchy below.

**Determination of fair value**

The Trust uses the following hierarchy for determining and disclosing the fair value of a financial instrument. The valuation techniques comprise:

Level 1: the fair value is calculated using quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: the fair value is estimated using inputs other than quoted prices that are observable, either directly (as prices) or indirectly (derived from prices).

Level 3: the fair value is estimated using inputs that are not based on observable market data.

In assessing the fair value of the Trust's financial instruments, consideration is given to the available market data and if the market for a financial instrument changes then the valuation technique applied will change accordingly.

During the Financial Period, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

Investment properties are considered Level 3.

CARINDALE PROPERTY TRUST  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	31 Dec 21 Units	30 Jun 21 Units
<b>NOTE 6 TRUST UNITS</b>		
Number of units on issue		
Balance at the beginning of the year	70,000,000	70,000,000
Units issued under the DRP	1,282,814	-
Balance at the end of the year	71,282,814	70,000,000

	31 Dec 21 \$'000	31 Dec 20 \$'000
<b>NOTE 7 DISTRIBUTIONS PAID AND PAYABLE TO MEMBERS</b>		
<b>(a) Current/prior period distribution payable/paid to members</b>		
Interim distribution payable to members:		
- Ordinary units: 12.50 cents per unit	8,910	
Distribution in respect of the 6 months to 31 December 2020		
- Ordinary units: 11.50 cents per unit		8,050
	8,910	8,050
<b>(b) Distributions paid to members</b>		
Distribution in respect of the 6 months to 30 June 2021		
- Ordinary units: 11.50 cents per unit	8,050	
Distribution in respect of the 6 months to 30 June 2020		
- Ordinary units: nil		-
	8,050	-

**NOTE 8 SEGMENT INFORMATION**

The Trust operates in one operating segment, being the ownership of an interest in one shopping centre in Brisbane, Australia.

**NOTE 9 SUBSEQUENT EVENTS**

No event has occurred since the end of the period which would significantly affect the operations of the Trust.

**NOTE 10 OTHER SIGNIFICANT ACCOUNTING POLICIES**

**(a) Rounding**

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts shown in this financial report have, unless otherwise indicated, been rounded to the nearest thousand dollars, unless otherwise indicated. Amounts shown as 0.0 represent amounts less than \$500 that have been rounded down.

CARINDALE PROPERTY TRUST  
DIRECTORS' DECLARATION

The Directors of Scentre Management Limited, the Responsible Entity of Carindale Property Trust (Trust) declare that:

- (a) in the Directors' opinion, there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable; and
- (b) in the Directors' opinion, the Financial Statements and notes thereto are in accordance with the Corporations Act 2001, including:
  - (i) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
  - (ii) giving a true and fair view of the financial position of the Trust as at 31 December 2021 and the performance of the Trust for the half-year ended on that date in accordance with section 305 of the Corporations Act 2001.

Made on 15 February 2022 in accordance with a resolution of the Board of Directors.



Brian Schwartz AM  
Chair



Michael Ihlein  
Director

## Independent Auditor's Review Report to the Members of Carindale Property Trust

### Conclusion

We have reviewed the accompanying half year report of Carindale Property Trust (the Trust), which comprises the balance sheet as at 31 December 2021, statement of comprehensive income, statement of changes in equity and cash flow statement for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half year report of the Trust does not comply with the Corporations Act 2001, including:

- (i) giving a true and fair view of the Trust's financial position as at 31 December 2021 and of its financial performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity (ASRE 2410). Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Half-year Financial Report section of our report. We are independent of the Trust 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

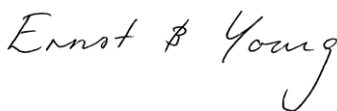
### Directors' Responsibilities for the Half Year Report

The directors of Scentre Management Limited, the Responsible Entity of the Trust, are responsible for the preparation of the half year report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half year report that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibilities for the Review of the Half Year Report

Our responsibility is to express a conclusion on the half year report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half year report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Trust's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

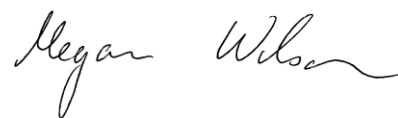
A review of a half year report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Ernst & Young

Sydney

15 February 2022



Megan Wilson  
Partner

Liability limited by a scheme approved under  
Professional Standards Legislation

CARINDALE PROPERTY TRUST  
 DIRECTORS' REPORT  
 FOR THE HALF YEAR ENDED 31 DECEMBER 2021

The Directors of Scentre Management Limited (Responsible Entity), the responsible entity of Carindale Property Trust (Trust) submit the following report for the half-year ended 31 December 2021 (Financial Period).

REVIEW AND RESULTS OF OPERATIONS

*Operating environment*

The Trust is a single property trust which owns 50% of Westfield Carindale, located in the suburb of Carindale in Brisbane. The centre, a premier retail destination, is approximately 12 kilometres south east of the Brisbane CBD.

Annual retail sales were \$890 million, an increase of 6.0% compared to 2020, and in line with pre-pandemic levels. Westfield Carindale has seen strong demand for space, with occupancy increasing to 99.0% at 31 December 2021.

As at 31 December 2021, the centre was valued at \$1,500.2 million (Trust share \$750.1 million), in line with the independent valuation at 30 June 2021.

*Financial results*

The Trust's net property income for the Financial Period was \$18.5 million representing a 9.9% increase from the previous period.

Funds from operations (FFO), which excludes tenant allowances amortisation and unrealised fair value adjustments of \$1.2 million, was \$12.9 million, up 16.6% for the Financial Period. Profit attributable to members of the Trust of \$14.1 million, an increase of 34.5% for the Financial Period.

The Trust collected \$30.1 million of cash, achieving net operating cash flow of \$15.9 million for the 6-month period, up 11.6% on the prior corresponding period.

These results are pleasing and reflect the underlying strength of Westfield Carindale and the initiatives we have undertaken in recent years. Our focus has been curating a great customer experience and destination. In the last two years we upgraded and reformatted David Jones enabling us to introduce Kmart and other key brands our customers want.

The net tangible asset backing as at 31 December 2021 was \$6.69 per unit.

The Trust has a secured loan facility. As at 31 December 2021, borrowings were \$262.5 million with a gearing of 35.0%.

	31 Dec 21	31 Dec 20
	\$'000	\$'000
Profit after tax, funds from operations and distribution for the period <sup>(i)</sup>		
Net property income	18,492	16,828
Manager's service charge	(2,268)	(2,236)
Overheads	(237)	(181)
Net fair value gain on interest rate derivatives	3,636	981
Net financing costs	(3,540)	(3,829)
Property revaluation	(2,025)	(1,109)
Profit attributable to members of the Trust	14,058	10,454
Adjustments:		
- Property revaluation	2,025	1,109
- Tenant allowances amortised	531	513
- Straightlining of rent	(71)	(25)
- Net fair value gain on interest rate derivatives	(3,636)	(981)
FFO	12,907	11,070
Amount transferred to other reserves	(3,997)	(3,020)
Distributable Amount	8,910	8,050
	cents	cents
FFO per unit	18.22	15.81
Distributable Amount per unit	12.50	11.50

<sup>(i)</sup> The Trust's measure of FFO is based upon the National Association of Real Estate Investment Trusts' (NAREIT, a US industry body) definition, adjusted to reflect the Trust's profit/(loss) reported in accordance with the Australian Accounting Standards and International Financial Reporting Standards. FFO is a non-statutory reporting measure and has not been audited.

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PRINCIPAL ACTIVITY

The principal activity of the Trust during the Financial Period was the long term ownership of a 50% interest in Westfield Carindale shopping centre.

There were no significant changes to the nature of the principal activity of the Trust or the state of affairs of the Trust during the Financial Period.

STRATEGY AND OUTLOOK

Subject to no material change in the operating environment, the Trust expects to distribute at least 25.0 cents per unit for the year ending 30 June 2022, consistent with previous guidance.

DISTRIBUTION

The distribution for the Financial Period is \$8.91 million or 12.50 cents per unit, in line with guidance. The distribution will be paid to members on 28 February 2022.

The pricing period for the Distribution Reinvestment Plan (DRP) ended on 11 February 2022. The issue price of units to be issued under the DRP is \$4.566.

THE DIRECTORS

The following Directors served on the Board of the Responsible Entity during the Financial Period: Mr Brian Schwartz AM (Chair), Mr Peter Allen, Ms Ilana Atlas, Mr Andrew Harnos, Mr Michael Ihlein, Ms Carolyn Kay, Mr Steven Leigh, Mr Guy Russo, Ms Margaret Seale and Mr Michael Wilkins.

On 17 December 2021, the Group announced the appointment of Catherine Brenner to the Board effective 1 March 2022. Ms Brenner will be an independent non-executive Director.

AUDITOR'S INDEPENDENCE DECLARATION

The Directors have obtained the following independence declaration from the auditors, Ernst & Young.



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**Auditor's Independence Declaration to the Directors of Scentre Management Limited,**  
the Responsible Entity of Carindale Property Trust

As lead auditor for the review of the financial report of Carindale Property Trust for the half-year ended 31 December 2021, 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 review;
- (b) No contraventions of any applicable code of professional conduct in relation to the review; and
- (c) No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

Ernst & Young

Sydney  
15 February 2022

Megan Wilson  
Partner



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ASIC Disclosures

Rounding

Pursuant to ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts shown in the financial statements have been rounded to the nearest thousand dollars, unless otherwise indicated. Amounts shown as 0.0 represent amounts less than \$500 that have been rounded down.

Synchronisation of Financial Year

The Trust is a consolidated entity of each of Scentre Group Trust 1 and Scentre Group Limited. By orders dated 21 November 2001 and 27 June 2005 respectively made by the Australian Securities and Investment Commission, the directors of the Company, as responsible entity of Scentre Group Trust 1 and Scentre Group Limited have been relieved of compliance with the requirement to ensure that the financial year of the Trust coincides with the financial year of Scentre Group Trust 1 and Scentre Group Limited.

This report is made in accordance with a resolution of the Board of Directors of the Responsible Entity and is signed for and on behalf of the Directors.



Brian Schwartz AM  
Chair  
15 February 2022



Michael Ihlein  
Director

## DIRECTORY

### *CARINDALE PROPERTY TRUST*

ABN 29 192 934 520

ARSN 093 261 744

### *RESPONSIBLE ENTITY*

Scentre Management Limited

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AFS Licence 230329

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### *SECRETARIES*

Maureen T McGrath

Paul F Giugni

### *AUDITORS*

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### *INVESTOR INFORMATION*

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### *UNIT REGISTRY*

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### *LISTINGS*

ASX - CDP