

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 2022
 (previous corresponding period being the half year ended 31 December 2021)

Results for announcement to the market

			31 Dec 22	31 Dec 21
Revenue (\$'000)	up	3.7%	27,240	26,261
Profit attributable to members of the Trust (\$'000)	down	60.5%	5,548	14,058
Operating cash flow per unit (cents per unit) ⁽ⁱ⁾	down	13.5%	19.45	22.48
Funds from operations (FFO) attributable to members of the Trust (\$'000)	up	0.6%	12,979	12,907
FFO per unit attributable to members of the Trust (cents per unit) ⁽ⁱ⁾	down	3.2%	17.63	18.22

⁽ⁱ⁾ In calculating the FFO and operating cash flow per unit, 73,623,441 (31 December 2021: 70,857,533) weighted average units was used.

Distributions for Carindale Property Trust

	Cents per unit
Interim distribution to be paid on 28 February 2023 ⁽ⁱⁱ⁾	13.125
Previous corresponding period	12.50

⁽ⁱⁱ⁾ The number of units entitled to distributions on the record date, 31 December 2022 was 74,118,089.

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 2022 was 30 December 2022. The distribution will be paid on 28 February 2023 (February 2023 Distribution).

The Trust's distribution reinvestment plan (DRP) will be in operation for the six-month distribution payable for the February 2023 Distribution. An election to participate in the DRP for the February 2023 Distribution must be received by 5.00pm (Sydney time) on 20 February 2023.

The price of units to be issued under the DRP is \$4.356.

Units issued under the DRP for the February 2023 Distribution will rank equally with existing units on issue. The issue date will be 28 February 2023.

Details of the full year components of distributions will be provided in the Annual Tax Statements which will be sent to members in September 2023.

Commentary and analysis on the results for the half year end can be found in the announcement dated 22 February 2023 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 2022

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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 2022

	31 Dec 22 \$'000	31 Dec 21 \$'000
Revenue		
Property revenue	27,240	26,261
Expenses		
Property expenses and outgoings	(7,730)	(7,719)
Expected credit charge relating to COVID-19	-	(50)
	(7,730)	(7,769)
Net property income	19,510	18,492
Other expenses		
Manager's service charge	(2,404)	(2,268)
Other costs	(154)	(237)
	(2,558)	(2,505)
Interest income	32	8
Financing costs	(4,423)	(3,548)
Net fair value gain on interest rate derivatives	930	3,636
Property revaluation	(7,943)	(2,025)
Net profit attributable to members of the Trust	5,548	14,058
Total comprehensive income attributable to members of the Trust	5,548	14,058
	cents	cents
Basic earnings per unit	7.54	19.84
Diluted earnings per unit	7.54	19.84

CARINDALE PROPERTY TRUST
BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	31 Dec 22 \$'000	30 Jun 22 \$'000
Current assets			
Cash and cash equivalents		1,688	3,854
Trade debtors and receivables	4	1,930	2,727
Prepayments and deferred costs		523	38
Derivative assets		163	-
Total current assets		4,304	6,619
Non current assets			
Trade and other receivables	4	-	1
Investment properties	3	785,052	785,054
Prepayments and deferred costs		133	143
Derivative assets		7,952	7,203
Total non current assets		793,137	792,401
Total assets		797,441	799,020
Current liabilities			
Trade and other payables		20,463	19,294
Derivative liabilities		-	17
Total current liabilities		20,463	19,311
Non current liabilities			
Interest bearing liabilities	5	248,052	253,054
Total non current liabilities		248,052	253,054
Total liabilities		268,515	272,365
Net assets		528,926	526,655
Equity attributable to members of the Trust			
Contributed equity		206,175	199,724
Reserves		26,819	23,568
Retained profits		295,932	303,363
Total equity attributable to members of the Trust		528,926	526,655

CARINDALE PROPERTY TRUST
 STATEMENT OF CHANGES IN EQUITY
 FOR THE HALF YEAR ENDED 31 DECEMBER 2022

	Contributed		Retained	31 Dec 22	Contributed		Retained	31 Dec 21
	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	199,724	23,568	303,363	526,655	187,934	15,742	262,662	466,338
- Profit after tax for the period	-	-	5,548	5,548	-	-	14,058	14,058
- Amount transferred to other reserves	-	3,251	(3,251)	-	-	3,997	(3,997)	-
Transactions with owners in their capacity as owners:								
- Movement in contributed equity ⁽ⁱ⁾	6,451	-	-	6,451	5,565	-	-	5,565
- Distributions paid or provided for	-	-	(9,728)	(9,728)	-	-	(8,910)	(8,910)
Closing balance of equity attributable to members of the Trust	206,175	26,819	295,932	528,926	193,499	19,739	263,813	477,051

⁽ⁱ⁾ On 24 June 2022, the Trust announced that a DRP will be in operation for the six-month distribution payable for the period to 30 June 2022 and this was paid on 31 August 2022. The movement in contributed equity for the half-year ended 31 December 2022 comprised 1,467,988 units issued under the DRP at \$4.406 cents per unit on 31 August 2022.

CARINDALE PROPERTY TRUST
CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2022

	31 Dec 22 \$'000	31 Dec 21 \$'000
<hr/>		
Cash flows from operating activities		
Receipts in the course of operations (including Goods and Services Tax (GST))	32,644	30,123
Payments in the course of operations (including GST)	(11,980)	(9,149)
GST paid	(2,004)	(1,697)
Payments of financing costs	(4,372)	(3,354)
Interest received	32	8
Net cash inflow from operating activities	14,320	15,931
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Cash flows from investing activities		
Capital expenditure on property investments	(8,856)	(2,703)
Net cash outflow from investing activities	(8,856)	(2,703)
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Cash flows from financing activities		
Repayment of borrowings	(5,500)	(8,000)
Proceeds from borrowings	500	-
Distribution paid to members	(2,630)	(2,485)
Net cash outflow from financing activities	(7,630)	(10,485)
<hr/>		
Net (decrease)/increase in cash and cash equivalents held	(2,166)	2,743
Add: opening cash and cash equivalents brought forward	3,854	2,408
Cash and cash equivalents at the end of the period	1,688	5,151

CARINDALE PROPERTY TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2022

NOTE 1 BASIS OF PREPARATION OF THE HALF YEAR REPORT

This half year report is for the six month period 31 December 2022 (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 2022.

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

Disclosures relating to the impact of the COVID-19 pandemic on the Trust's operations and financial performance are discussed in Note 4: Trade debtors and receivables.

(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 12 months, using cash flow sensitivity analysis and having regard to debt maturities, funding requirements, operating cash earnings and available financing facilities. At 31 December 2022, \$53.7 million (30 June 2022: \$50.9 million) of financing resources were available to the Trust which are sufficient to cover short term liabilities.

(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 2022.

- **AASB 2021-3 Amendments to Australian Accounting Standards – COVID-19 Related Rent Concessions beyond 30 June 2021** (effective for annual reporting periods beginning on or after 1 April 2021)
This amends AASB 16 Leases to extend the availability of the practical expedient for lessees to not account for COVID-19 related rent concessions as lease modifications by one year. This amendment did not have a significant impact on the financial statements on application.
- **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 did not have a significant impact on the financial statements on application.

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 2022. The impact of these new standards (to the extent relevant to the Trust) and interpretations is as follows:

- **AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non current** (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.

CARINDALE PROPERTY TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2022

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

- 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:

- 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;
- AASB 101 Presentation of Financial Statements, to require entities to disclose their material accounting policy information rather than their significant accounting policies;
- 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;
- AASB 134 Interim Financial Reporting, to identify material accounting policy information as a component of a complete set of financial statements; and
- 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.

- 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 2025)

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.

IFRS Sustainability Disclosure Standards exposure drafts

In March 2022, the International Sustainability Standards Board (ISSB) launched a consultation on its first two proposed IFRS Sustainability Disclosure Standards—IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures. The proposed standards, when finalised, would form a comprehensive global baseline of sustainability-related disclosures designed to meet the information needs of investors in assessing enterprise value. The ISSB met in January 2023 to redeliberate and consider comments it received on the proposed standards.

The Trust continues to assess the impact of climate-related risks and opportunities on its operations and financial performance including its impact on the Trust's investment property valuations. Independent valuations are generally prepared annually to assess the fair value of the Trust's shopping centre assets. These valuations are conducted in accordance with the guidelines and valuation principles as set by the International Valuation Standards Council and the Royal Institution of Chartered Surveyors (RICS).

In assessing for the implications of sustainability in property valuations under the RICS Valuation - Global Standards, consideration is given to matters such as (but is not limited to) environment, climate change and corporate responsibility that can or do impact on the valuation of an asset. This may include key environmental risks, such as flooding, energy efficiency, current and historic land use as well as matters of design, configuration, accessibility, legislation, management and fiscal considerations.

(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 2022

	31 Dec 22	31 Dec 21
	\$'000	\$'000
NOTE 2 SEGMENT REPORTING		
The Trust operates in one business segment, being the ownership of a shopping centre in Australia.		
Property revenue		
Shopping centre base rent and other property income ⁽ⁱ⁾	27,970	26,792
Amortisation of tenant allowances	(730)	(531)
	<u>27,240</u>	<u>26,261</u>

⁽ⁱ⁾ Includes recoveries of outgoings from lessees of \$3.4 million (2021: \$3.3 million).

	31 Dec 22	30 Jun 22
	\$'000	\$'000
NOTE 3 INVESTMENT PROPERTIES		
Shopping centre investment	785,052	785,054
	<u>785,052</u>	<u>785,054</u>

The Trust's shopping centre investment comprising Westfield Carindale and Millennium Boulevard Office and Retail Centre has been independently valued as at 30 June 2022. The valuation of the Trust's 50% interest is \$785.1 million with a capitalisation rate of 5.00% and a discount rate of 6.25%. 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 2022, the Trust's interest in Westfield Carindale has been assessed by the Directors at \$785.1 million with a capitalisation rate of 5.00% as approximating fair value.

Valuation inputs

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 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; and
- the capitalisation rate and discount rate derived from recent comparable market transactions.

CARINDALE PROPERTY TRUST
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE HALF YEAR ENDED 31 DECEMBER 2022

	31 Dec 22	30 Jun 22
	\$'000	\$'000
NOTE 4 TRADE DEBTORS AND RECEIVABLES		
Current		
Trade debtors	1,065	2,330
Receivables	865	397
	<u>1,930</u>	<u>2,727</u>
Non current		
Trade debtors	-	1
Total trade debtors and receivables	<u>1,930</u>	<u>2,728</u>
(a) Trade debtors and receivables comprise:		
Trade debtors	3,420	5,732
Receivables	1,621	968
	<u>5,041</u>	<u>6,700</u>
Expected credit loss allowance - receivables	(3,111)	(3,972)
Total trade debtors and receivables	<u>1,930</u>	<u>2,728</u>

Impact of the COVID-19 pandemic

The expected credit charge relating to COVID-19 is solely related to the COVID-19 pandemic and has been separately disclosed in the statement of comprehensive income to highlight its impact on the Trust's financial performance. The charge reflects 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.

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. In addition to 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 age of trade debtor balances;
- the credit quality of tenants based on shared credit risk characteristics (e.g. size and industry);
- future economic conditions which are based on forward looking information such as economic growth and inflation; and
- consumer and business sentiment.

In determining the expected credit loss allowance, 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 collected and therefore the GST amount is excluded from the loss allowance.

Trade debtors and receivables written-off include rent abated resulting from rent relief arrangements applicable to the COVID-19 pandemic period. The decrease in the expected credit loss allowance is primarily as a result of abatements credited against outstanding receivables.

At 31 December 2022, approximately 82% of trade debtors are aged greater than 90 days and the expected credit loss allowance is 69% of trade debtors. An increase or decrease of 5% in the expected credit loss rate (after adjusting for GST and bank guarantees) would result in an increase or decrease in expected credit loss allowance of \$116,300 respectively. At 30 June 2022, approximately 82% of trade debtors are aged greater than 90 days and the expected credit loss allowance is 59% of trade debtors. An increase or decrease of 5% in the expected credit loss rate (after adjusting for GST and bank guarantees) would result in an increase or decrease in expected credit loss allowance of \$192,300 respectively.

CARINDALE PROPERTY TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2022

	31 Dec 22	30 Jun 22
	\$'000	\$'000
NOTE 5 INTEREST BEARING LIABILITIES		
Non current		
Secured bank loans	248,000	253,000
Lease liabilities – ground leases	52	54
	248,052	253,054

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

Due within one year	5	5
Due between one and five years	248,020	253,020
Due after five years	27	29
	248,052	253,054

The Trust has a \$300 million secured 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 2027.

NOTE 6 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 22 \$'000	30 Jun 22 \$'000	31 Dec 22 \$'000	30 Jun 22 \$'000
Assets					
Cash and cash equivalents		1,688	3,854	1,688	3,854
Trade and other receivables ⁽ⁱ⁾		1,930	2,728	1,930	2,728
Derivative assets ⁽ⁱⁱ⁾	Level 2	8,115	7,203	8,115	7,203
Liabilities					
Trade and other payables ⁽ⁱ⁾		20,463	19,294	20,463	19,294
Interest bearing liabilities ⁽ⁱⁱ⁾					
- Floating rate debt	Level 2	248,000	253,000	248,000	253,000
- Finance lease	Level 2	52	54	52	54
Derivative liabilities ⁽ⁱⁱ⁾	Level 2	-	17	-	17

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

⁽ⁱⁱ⁾ 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 2022

	31 Dec 22	30 Jun 22
	Units	Units
NOTE 7 TRUST UNITS		
Number of units on issue		
Balance at the beginning of the year	72,650,101	70,000,000
Units issued under the DRP	1,467,988	2,650,101
Balance at the end of the year	74,118,089	72,650,101

	31 Dec 22	31 Dec 21
	\$'000	\$'000
NOTE 8 DISTRIBUTIONS PAID AND PAYABLE TO MEMBERS		
(a) Current/prior period distribution payable/paid to members		
Interim distribution payable to members:		
- Ordinary units: 13.125 cents per unit	9,728	
Distribution in respect of the 6 months to 31 December 2021		
- Ordinary units: 12.50 cents per unit		8,910
	9,728	8,910
(b) Distributions paid to members		
Distribution in respect of the 6 months to 30 June 2022		
- Ordinary units: 12.50 cents per unit	9,081	
Distribution in respect of the 6 months to 30 June 2021		
- Ordinary units: 11.50 cents per unit		8,050
	9,081	8,050

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 2022 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 22 February 2023 in accordance with a resolution of the Board of Directors.



Brian Schwartz AM
Chair



Michael Ihlein
Director



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

Conclusion

We have reviewed the accompanying half-year financial report of Carindale Property Trust (the Trust), which comprises the balance sheet as at 31 December 2022, 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 financial report of the Trust does not comply with the Corporations Act 2001, including:

- a. Giving a true and fair view of the Trust's financial position as at 31 December 2022 and of its financial performance for the half-year ended on that date; and
- b. 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 financial report

The directors of Scentre Management Limited, the Responsible Entity of the Trust, are responsible for the preparation of the half-year financial 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 financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial 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 financial 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 2022 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 financial 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

22 February 2023

Vida Virgo
Partner

Liability limited by a scheme approved under
Professional Standards Legislation

CARINDALE PROPERTY TRUST
 DIRECTORS' REPORT
 FOR THE HALF YEAR ENDED 31 DECEMBER 2022

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 2022 (Financial Period).

REVIEW AND RESULTS OF OPERATIONS

Operating environment

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

One of the city's leading retail and lifestyle destinations, Westfield Carindale is home to many of Australia's well-known retailers including David Jones, Myer, Kmart, Big W, Target, Coles, Woolworths, ALDI and Apple, as well as a host of premium fashion brands. An Event Cinemas complex and a range of other retailers including approximately 380 specialty stores complete the retail offer while the adjoining Carindale Home and Leisure Centre offers bulky goods retail.

Annual customer visitation to 31 December 2022 was 14.1 million, up 12.8% compared to 2021. The centre has now reached the annual retail sales mark of \$1.0 billion, an increase of 13.4% compared to 2021. As at 31 December 2022, the centre was 99.4% leased, up 70bps over the last six months.

As at 31 December 2022, the Trust's share of the centre was valued at \$785 million, in line with the independent valuation at 30 June 2022.

Financial results

The Trust's funds from operations (FFO) for the Financial Period was \$13.0 million, up 0.6% and statutory profit was \$5.5 million.

The Trust collected \$32.6 million of gross rent, achieving net operating cash flow of \$14.3 million for the Financial Period.

As at 31 December 2022, the net tangible assets of the Trust were \$7.14 per unit and gearing was 31.6%.

As at 31 December 2022, 75% of the Trust's interest rate exposure is hedged.

	31 Dec 22	31 Dec 21
	\$'000	\$'000
Profit after tax, funds from operations and distribution for the period ⁽ⁱ⁾		
Net property income	19,510	18,492
Manager's service charge	(2,404)	(2,268)
Overheads	(154)	(237)
Net fair value gain on interest rate derivatives	930	3,636
Net financing costs	(4,391)	(3,540)
Property revaluation	(7,943)	(2,025)
Profit attributable to members of the Trust	5,548	14,058
Adjustments:		
- Property revaluation	7,943	2,025
- Tenant allowances amortised	730	531
- Straightlining of rent	(150)	(71)
- Net fair value gain on interest rate derivatives	(930)	(3,636)
- Amortisation of modification loss on borrowing facility	(162)	-
FFO	12,979	12,907
Amount transferred to other reserves	(3,251)	(3,997)
Distributable amount	9,728	8,910
	cents	cents
FFO per unit	17.63	18.22
Distributable amount per unit	13.125	12.50

⁽ⁱ⁾ 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.

CARINDALE PROPERTY TRUST
 DIRECTORS' REPORT
 FOR THE HALF YEAR ENDED 31 DECEMBER 2022

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 26.25 cents per unit for the year ending 30 June 2023, representing growth of 5.0%.

DISTRIBUTION

The distribution for the Financial Period is \$9.728 million or 13.125 cents per unit, in line with guidance. The distribution will be paid to members on 28 February 2023.

The pricing period for the Distribution Reinvestment Plan (DRP) ended on 17 February 2023. The issue price of units to be issued under the DRP is \$4.356.

THE DIRECTORS

The Directors of the Responsible Entity during the Financial Period and to the date of this report are set out below.

Name	Appointed
Brian Schwartz ⁽ⁱ⁾	6 May 2009
Elliott Rusanow	1 October 2022
Ilana Atlas	28 May 2021
Catherine Brenner	1 March 2022
Andrew Harnos ⁽ⁱⁱ⁾	30 June 2014
Michael Ihlein	30 June 2014
Carolyn Kay	24 February 2016
Stephen McCann	1 November 2022
Guy Russo	1 September 2020
Margaret Seale	24 February 2016
Michael Wilkins AO	8 April 2020

Name	Appointed	Ceased to be a Director
Peter Allen	25 May 2011	30 September 2022

⁽ⁱ⁾ Scentre Management Limited is part of Scentre Group which was established on 30 June 2014. Prior to that date Scentre Management Limited formed part of the Westfield Group.

⁽ⁱⁱ⁾ On 17 October 2022, Scentre Group announced that Andrew Harnos will not stand for re-election at the Group's 2023 AGM and will retire from the Board of the Responsible Entity at the end of the meeting.

CARINDALE PROPERTY TRUST
DIRECTORS' REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2022

AUDITOR'S INDEPENDENCE DECLARATION

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



Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
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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 half-year financial report of Carindale Property Trust for the half-year ended 31 December 2022, 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

22 February 2023

Vida Virgo

Partner

Liability limited by a scheme approved under
Professional Standards Legislation

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

22 February 2023

Michael Ihlein

Director

DIRECTORY

CARINDALE PROPERTY TRUST

ABN 29 192 934 520

ARSN 093 261 744

RESPONSIBLE ENTITY

Scentre Management Limited

ABN 41 001 670 579

AFS Licence 230329

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Paul F Giugni

AUDITORS

Ernst & Young

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Facsimile +61 2 9358 7881

E-mail investor@scentregroup.com

Website www.carindalepropertytrust.com.au

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LISTINGS

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