

## HY21 Financial Results



# 1H21 Highlights



**\$4.9bn AUM**

up 8.9% from 30 June 2020



**\$376m**

In acquisitions since 30 June 20



**28.6%**

Total shareholder return since listing



**\$40m<sup>1</sup>**

in Pro Forma available cash and no debt



**2.1 cps**

1H21 Core EPS



**5.0 cps<sup>2</sup>**

FY21 distribution guidance

Notes: Metrics as at 31 December 2020, unless otherwise stated

1. Primewest is the largest investor in Vitalharvest Freehold Trust with a 19.9% interest which is subject to a Scheme proposal from funds associated with Macquarie Group. In the event that the scheme proceeds, Primewest anticipates receiving a further \$45m in cash proceeds

2. Primewest maintains a target distribution pay-out ratio of between 60% and 95% of Operating Earnings and assumes no performance fees in FY21

# Overview of half-year results



## AUM Growth

- Primewest has continued to deliver strong AUM growth with \$376 million of new AUM added over 1H21
- AUM increased to \$4.9 billion at 31 December 2020
- A further \$165 million under contract and \$48 million in due diligence



## New Initiatives

- Daily Needs Institutional Mandate increased from \$300 million to \$930 million
- Primewest Bespoke AUM increased by \$125 million since 30 June 2020
- Primewest Property Income Fund ("PPIF"), an open ended, retail investment trust launched with \$61 million in assets acquired or under contract
- The mandate of the existing Primewest Agricultural Trust No. 1 ("PAF") will be expanded from \$100 million to \$350 million, with \$40 million of assets in due diligence



## Equity Raising

- Primewest completed an institutional placement of \$60 million at \$1.27 per security
- The majority of the proceeds will fund \$40 million in cornerstone investments in PPIF and PAF



## FY21 Results and Guidance

- 1H21 Operating EPS of 2.1 cents per security
- FY21 distribution guidance of 5.0 cents per security<sup>1</sup>
- Following the cornerstone investments in PPIF and PAF, Primewest will have an additional \$40 million in cash to provide underwriting capacity for new funds<sup>2</sup>

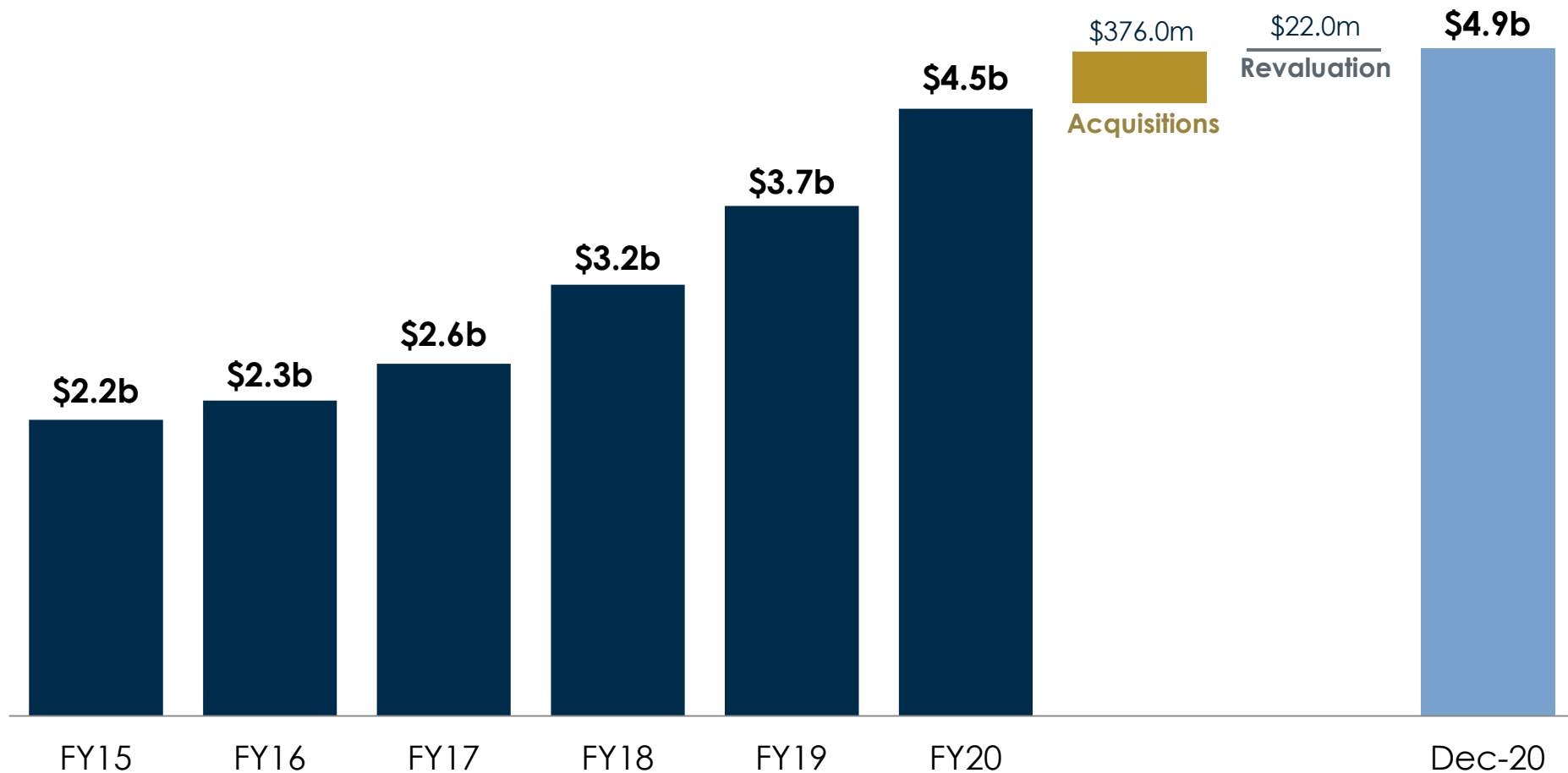
Note:

1. Primewest maintains a target distribution pay-out ratio of between 60% and 95% of Operating Earnings and assumes no performance fees in FY21

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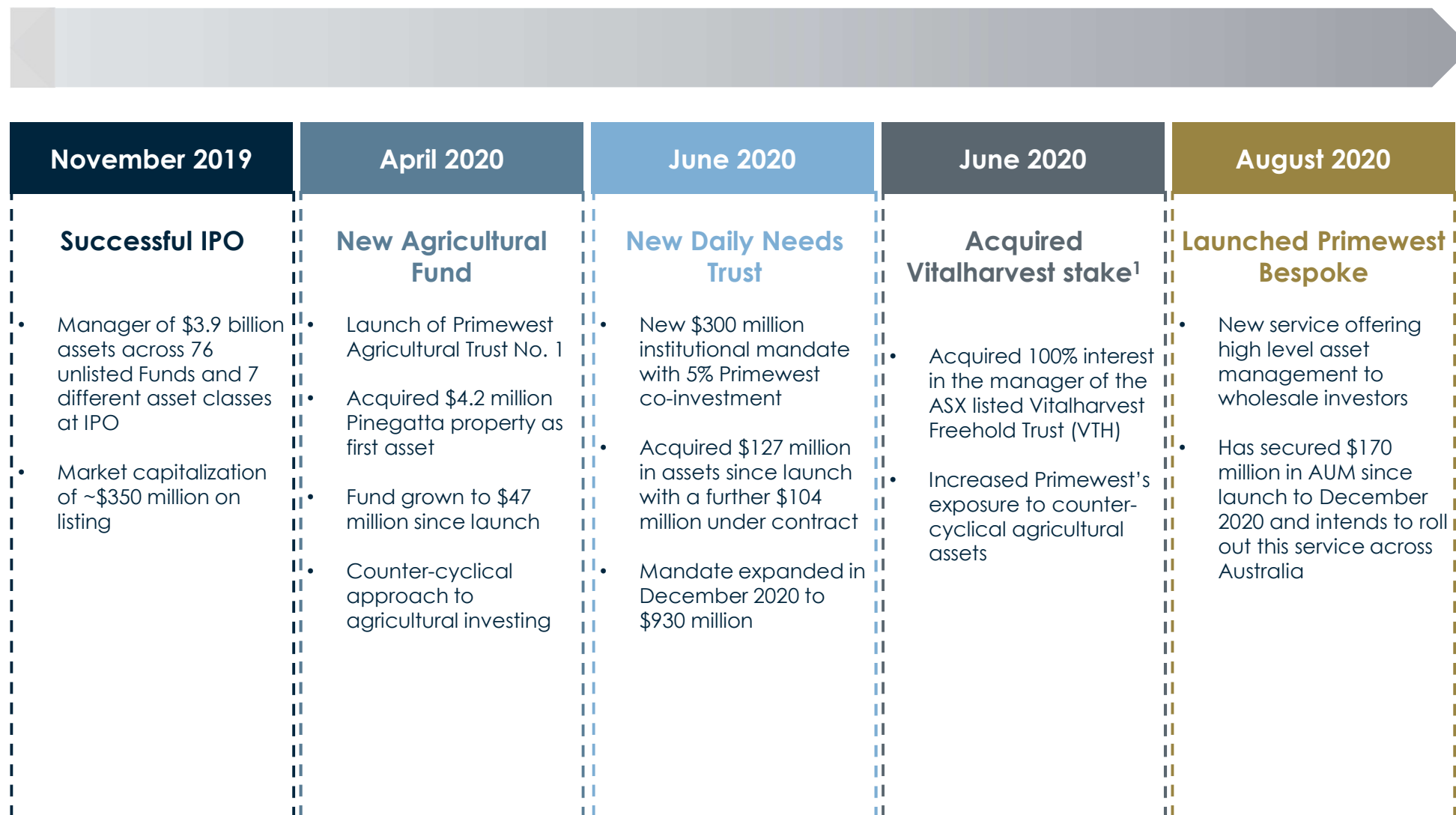
# FY21 AUM growth

Primewest has delivered continuous AUM growth reflecting a CAGR of 15.9% from FY15 to 31 December 2020



# Primewest success since IPO

Value delivered to Primewest securityholders following a period of high transaction activity



Note:  
 1. As per 17 November 2020 ASX Announcement, Primewest entered into a facilitation deed with Macquarie Group to support the acquisition of all of the issued units in Vitalharvest Freehold Trust for \$1.00 per unit

# New Initiatives

Primewest Agricultural fund (“PAF”)	
<b>Overview</b>	<ul style="list-style-type: none"> <li>• Targets high quality agricultural assets with strong tenant covenants</li> <li>• Positioned to benefit from the tailwinds in the Australian agricultural sector</li> <li>• Potential for ASX listing</li> </ul>
<b>Portfolio</b>	<ul style="list-style-type: none"> <li>• Counter-cyclical Agricultural investment</li> <li>• Expansion of existing mandate which currently has \$47 million in assets</li> <li>• Target size increased to \$350 million AUM (from \$100 million)</li> </ul>
<b>Forecast Return</b>	<ul style="list-style-type: none"> <li>• 7.0% p.a. target cash distribution<sup>1</sup></li> <li>• 0.50% p.a. management fee</li> </ul>
<b>Key metrics</b>	<ul style="list-style-type: none"> <li>• Target WALE of &gt; 10 years</li> <li>• Target gearing of 40%</li> </ul>

Primewest Property Income Fund (“PPIF”)	
<b>Overview</b>	<ul style="list-style-type: none"> <li>• Diversified portfolio of property assets targeting consistent monthly income</li> <li>• Open ended fund with liquidity provisions</li> <li>• Registered investment scheme available to retail investors</li> </ul>
<b>Portfolio</b>	<ul style="list-style-type: none"> <li>• \$61 million in assets under contract</li> <li>• Direct / Unlisted property (85%), AREITs (10%) and cash (5%)</li> <li>• Target size \$150 million in assets over the next 12 months</li> </ul>
<b>Forecast Return</b>	<ul style="list-style-type: none"> <li>• 5.5% p.a. target cash distribution<sup>2</sup></li> <li>• 0.80% p.a. management fee</li> </ul>
<b>Key metrics</b>	<ul style="list-style-type: none"> <li>• Target WALE of 5.0 years</li> <li>• Target gearing of 35 -50%</li> </ul>



# Financial Results



# Core Earnings Per Security

(\$m)

	1H21	Pro forma 1H20 <sup>(1)</sup>	Variance \$
Total revenue	16.3	15.0	1.3
Corporate expenses	7.0	5.9	1.1
EBITDA	9.3	9.1	0.2
Investment income	0.6	0.1	0.5
Tax	2.4	2.5	(0.1)
<b>Operating earnings after tax</b>	<b><u>7.5</u></b>	<b><u>6.7</u></b>	0.8
<b>Per security</b>	<b><u>2.1c</u></b>	<b><u>2.0c</u></b>	

Revenue breakdown follows on next slide, current half affected by timing of acquisitions compared to prior year

Expenses increased to support strategic growth initiatives including

- Institutional mandate
- A-REIT
- Retail fund
- Internalisation of property management

(1) Refer to Section 4 of the IPO Offer Document dated 21 October 2019 for the basis of pro forma presentation



# Funds Management Revenue breakdown

(\$m)

	1H21	Proforma 1H20 <sup>(1)</sup>	
Asset management fees	11.0	8.7	Growth in AUM and valuation increases
Property services fees	3.5	3.1	Continued strength in leasing, development and finance fees
Transaction fees	1.8	3.2	Timing of acquisitions compared to prior year
<b>Total</b>	<b><u>16.3</u></b>	<b><u>15.0</u></b>	

No performance fees were earned in the period.

(1) Refer to Section 4 of the IPO Offer Document dated 21 October 2019 for the basis of proforma presentation

# Balance Sheet

(\$m)

	31 Dec 2020	30 June 2020
Cash	39.3	54.1
Assets held for sale (Vitalharvest)	46.2	5.7
Financial assets	11.3	9.3
Other assets	2.9	8.4
Intangibles	122.3	133.4
<b>Total assets</b>	<b><u>222.0</u></b>	<b><u>221.4</u></b>
Trade payables	0.9	1.9
Dividend payable	7.3	-
Provisions	3.9	3.4
Lease liabilities	1.2	1.4
<b>Total liabilities</b>	<b><u>13.3</u></b>	<b><u>6.7</u></b>
<b>Net Assets</b>	<b><u>208.7</u></b>	<b><u>214.7</u></b>
NTA per security	<u>\$.22</u>	<u>\$.23</u>

- Strong cash position enhanced by \$60 million equity placement and Vitalharvest transaction proceeds
- Co-investment in Daily Needs Mandate increased \$2.0 million
- Interim distribution of 2.1c declared and paid 11 February 2021



# Overview of Primewest



# Overview of Primewest

Primewest is one of Australia's leading real estate funds management businesses

A\$4.9bn AUM						
	Commercial	Industrial	Daily Needs Retail ("DNR")	Large format retail ("LFR")	Agriculture	Other
AUM	A\$1.7bn	A\$0.6bn	A\$1.0bn	A\$1.0bn	A\$0.3bn	A\$0.3bn
	Office assets located across Perth, Brisbane, Melbourne	Industrial sites in well established locations in Perth, Brisbane, Sydney, Adelaide and Melbourne	23 Coles or Woolworths anchored centres across Perth, Adelaide and regional Australia	Large footprint and high traffic properties anchored by ASX listed covenants across Australia	Agriculture assets under long term leases to established operators across Australia	Comprises retail, hotel and land syndicates in the US and Western Australia

## Selected Assets



1 Forrest Place, Perth



600 Ranford Rd, Forrestdale



Fairview Green Shopping Centre, Adelaide



Auburn Mega Mall, Sydney



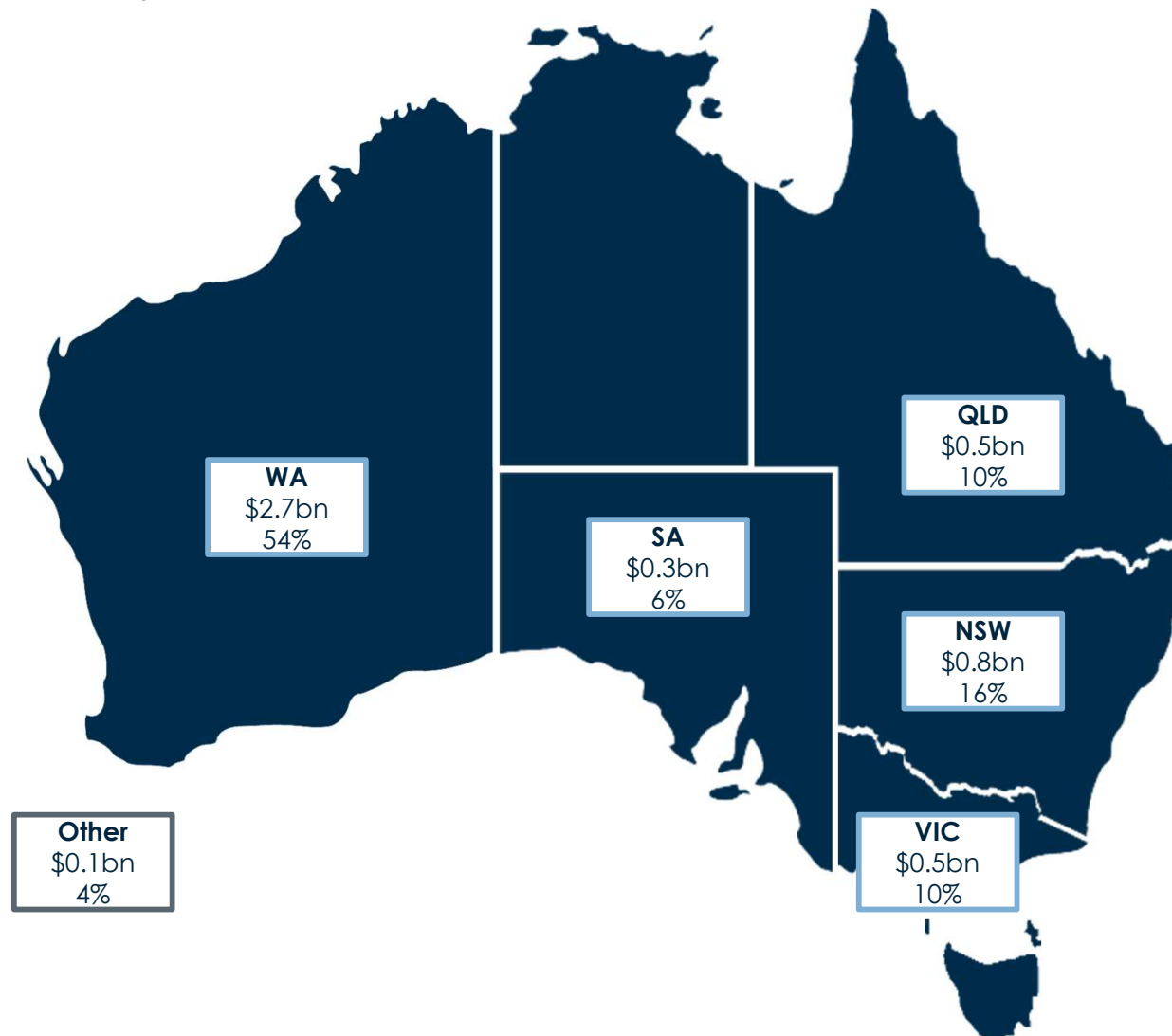
Lamattina Celery Farm, Regional VIC



Esplanade Hotel, Fremantle

# Assets under management

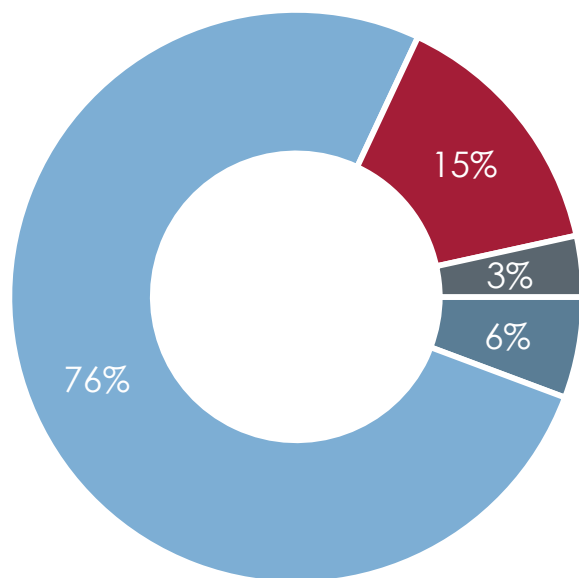
Primewest funds are diversified by geography and asset class, contributing to a lower correlation to specific market and asset class risks



# AUM type and sector diversification

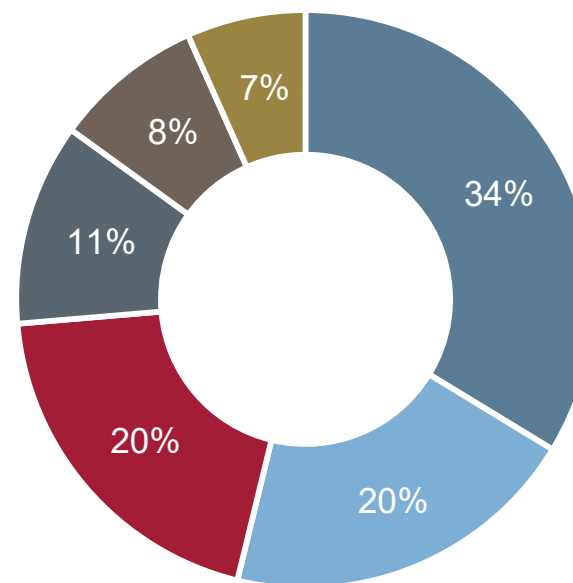
Primewest manages assets across numerous funds that are diversified by sector

AUM Fund Type<sup>1,2</sup>



■ Listed ■ Syndicate ■ Mandate ■ Bespoke

Sector split<sup>1</sup>



■ Commercial ■ DNR ■ LFR ■ Industrial ■ Other ■ Agriculture

Notes:

1. By value as at 31 December 2020

2. Bespoke refers to Primewest's new offering of 3rd party asset management services, Syndicates include unlisted funds such as Primewest Agricultural Fund, Mandates refer to institutional mandates

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