

APPENDIX 4D

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Half Year Report
For the period ended 31 December 2024

Name of Entity: Region Group (RGN)
Region Group comprises the stapled securities in two trusts, being Region Management Trust (ARSN 160 612 626) and its controlled entities and Region Retail Trust (ARSN 160 612 788) (collectively the Trusts). Region RE Limited (ABN 47 158 809 851; AFSL 426603) is the Responsible Entity for the Trusts.

For the period ended	6 months to 31 Dec 2024 \$m	6 months to 31 Dec 2023 \$m	Variance \$m	Variance %
Revenue from ordinary activities	191.9	190.1	1.8	0.9%
Net profit/(loss) from ordinary activities after tax attributable to members	81.8	(35.0)	116.8	333.7%
Net profit/(loss) for the period attributable to members	81.8	(35.0)	116.8	333.7%
Funds from Operations (FFO) ¹	87.9	87.9	-	-

Earnings and Distribution	6 months to 31 Dec 2024 cents per security	6 months to 31 Dec 2023 cents per security	Variance cents per security	Variance %
Basic earnings/(loss) per security	7.04	(3.02)	10.06	331.1%
Weighted average FFO per security ¹	7.56	7.59	(0.03)	(0.4%)
Interim distribution	6.70	6.70	-	-
Record Date for determining entitlement to distribution	31 Dec 2024	29 Dec 2023	NA	NA
Date on which distribution was paid	30 Jan 2025	29 Jan 2024	NA	NA
Amount per security of interim distribution franked	-	-	-	-

Net tangible assets	31 Dec 2024 \$ per security	31 Dec 2023 \$ per security	Variance \$ per security	Variance %
Net tangible assets per security	2.42	2.45	(0.03)	(1.2%)

¹Region Group reports net profit/(loss) attributable to security holders in accordance with International Financial Reporting Standards (IFRS). The Responsible Entity considers the Property Council of Australia's definition of Funds from Operations (FFO) to be a measure that reflects the underlying performance for the period.

Details of entities over which control has been gained or lost during the period:

None.

Details of any associates and Joint Venture entities required to be disclosed:

Region Group has a 20.0% interest in SCA Metro Convenience Shopping Centre Fund (Metro Fund 1) and Matrix Trust (Metro Fund 2). Refer to attached Interim Financial Report, note B2.

Audit

The accounts have been subject to a review report with an unqualified review report conclusion. Refer to attached Interim Financial Report.

Distribution Reinvestment Plan (DRP)

The Group has a Distribution Reinvestment Plan (DRP) under which security holders may elect to have all or part of their distribution entitlements satisfied by the issue of new securities rather than being paid in cash. The DRP was suspended for the interim distribution declared on 10 December 2024 and paid on 30 January 2025.

Other significant information and commentary on results

See attached ASX announcement and materials referred to below.

For all other information required by Appendix 4D, please refer to the following attached documents:

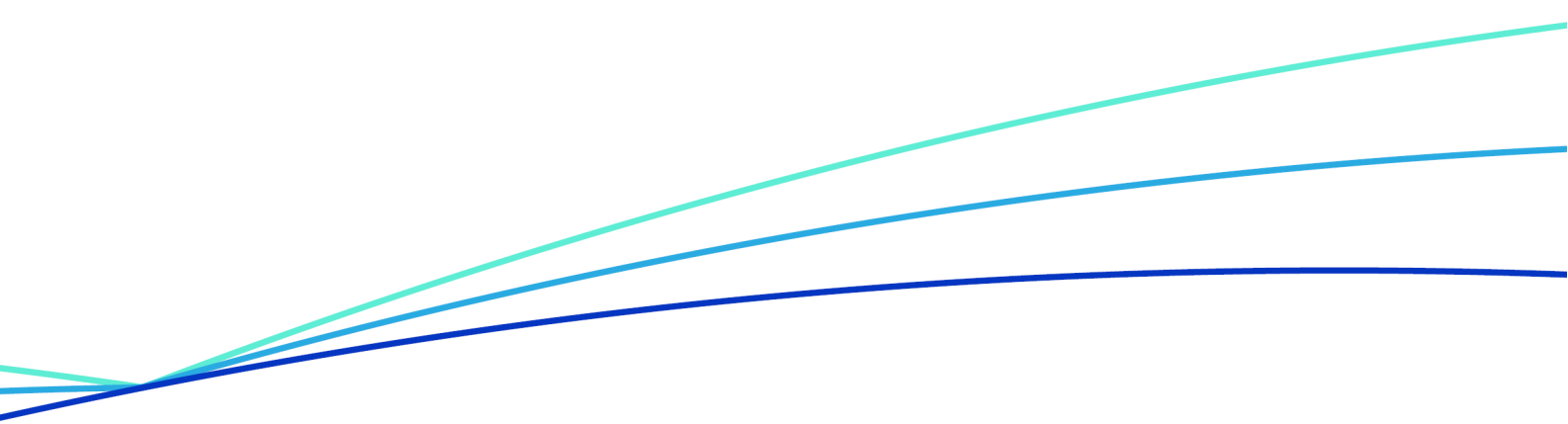
- Directors' report
- Interim Financial Report
- Results presentation

Erica Rees
Company Secretary
10 February 2025



Interim Financial Report

Half year ended 31 December 2024



Region Group comprises the stapled securities in two trusts, being Region Management Trust (ARSN 160 612 626) and its controlled entities and Region Retail Trust (ARSN 160 612 788). Region RE Limited (ABN 47 158 809 851, AFSL 426603) is the Responsible Entity for the Region Management Trust and the Region Retail Trust and is incorporated and domiciled in Australia. The registered office of Region RE Limited is Level 6, 50 Pitt Street, Sydney, New South Wales.

Directors' Report

Region Group (the Group) comprises the stapled securities of two trusts, being Region Management Trust (Management Trust) and its controlled entities and Region Retail Trust (Retail Trust) (collectively the Trusts).

Region RE Limited (Responsible Entity) is the Responsible Entity for the Trusts, which presents its report together with the Trust's Financial Statements for the half year ended 31 December 2024 and the auditor's report thereon.

The financial information for the Group is taken from the Interim Consolidated Financial Statements and notes.

1. Directors

The Directors of the Responsible Entity at any time during the half year and up to the date of this report are:

Mr Steven Crane	Non-Executive Director and Chair
Mr Michael Herring	Non-Executive Director
Mr Angus James	Non-Executive Director
Ms Beth Laughton	Non-Executive Director
Ms Antoinette Millis	Non-Executive Director
Ms Belinda Robson	Non-Executive Director
Ms Jane Lloyd	Non-Executive Director (from 12 November 2024)
Mr Anthony Mellows	Executive Director and CEO

The Company Secretary at any time during the half year and up to the date of this report was Ms Erica Rees.

2. Principal activities

The principal activity of the Group during the half year was investment in and management of convenience-based retail properties in Australia. The materials in this Directors' Report deal with the operational and financial review of the Group. Additional material is in the other ASX announcements released related to the Group's results for the half year ended 31 December 2024.

3. Investment property portfolio

At 31 December 2024 the investment property portfolio consisted of 88 convenience-based retail properties valued at \$4,319.7 million (30 June 2024: 89 shopping centres valued at \$4,282.3 million and three retail properties classified as held for sale valued at \$85.5 million).

Acquisition

In December 2024, the Group exchanged contracts to acquire Kallo Town Centre for \$64.5 million (excluding transaction expenses) which settled in January 2025. As at balance date, a deposit of \$6.5 million is included in current other assets on the Consolidated Balance Sheets.

Disposals

During the period, the Group completed the sale of the following properties for \$105.6 million of which \$85.5 million were classified as investment properties held for sale at 30 June 2024. Details of these properties are listed below.

Property	Settlement date	Sale price (\$m) ¹
Soda Factory	August 2024	42.0
Northgate Tamworth Shopping Centre	August 2024	18.3
Lillybrook Shopping Village	September 2024	25.2
East Warrnambool Shopping Centre	December 2024	20.1
		105.6

¹Excluding transaction expenses and settlement adjustments.

Revaluations

During the period, all investment properties were internally valued with over 25% of book value also independently valued. The weighted average market capitalisation rate (cap rate) of the portfolio at 31 December 2024 was 6.08% (30 June 2024: 6.07%).

The movement in the carrying value of investment properties during the period resulted from a 'like-for-like' valuation increase of \$39.9m; and development capital expenditure related to Stage 2 of Delacombe Town Centre and other centre repositioning projects of \$16.0 million.

4. Financial review

A summary of the Group and Retail Trust's results for the half year is set out below:

		Region Group		Retail Trust	
		31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Net profit/(loss) after tax	\$m	81.8	(35.0)	81.2	(35.6)
Basic earnings/(loss) per security	(cents per security)	7.04	(3.02)	6.98	(3.08)
Diluted earnings/(loss) per security	(cents per security)	7.00	(3.02)	6.95	(3.08)
Funds from operations	\$m	87.9	87.9	87.3	87.3
Funds from operations per security	(cents per security)	7.56	7.59	7.51	7.54
Adjusted funds from operations	\$m	77.6	77.5	77.0	76.9
Adjusted funds from operations per security	(cents per security)	6.68	6.70	6.62	6.64
Distributions paid and payable to security holders	\$m	77.9	77.8	77.9	77.8
Distributions per security	(cents per security)	6.70	6.70	6.70	6.70
Net tangible assets	(\$ per security)	2.42	2.45	2.41	2.43
Weighted average number of securities used as the denominator in calculating basic earnings per security	(millions of securities)	1,162.5	1,157.6	1,162.5	1,157.6
Weighted average number of securities used as the denominator in calculating diluted earnings per security	(millions of securities)	1,168.4	1,157.6	1,168.4	1,157.6

Funds from operations and adjusted funds from operations

The Group reports statutory net profit/(loss) after tax attributable to security holders in accordance with International Financial Reporting Standards (IFRS). The Responsible Entity considers the non-IFRS measure and Property Council of Australia's (PCA) definition of Funds from Operations (FFO) and Adjusted Funds from Operations (AFFO) to be measures

that better reflect the underlying performance of the Group. AFFO is an important indicator of the underlying operating earnings and is the basis of the distribution during the respective period. FFO and AFFO reflect a statutory profit/(loss) which have been adjusted for unrealised and non-recurring items.

	Region Group		Retail Trust	
	31 Dec 2024 \$m	31 Dec 2023 \$m	31 Dec 2024 \$m	31 Dec 2023 \$m
Net profit/(loss) after tax (statutory)	81.8	(35.0)	81.2	(35.6)
<i>Adjustments for specific non-cash items</i>				
Revaluation of investment properties	(7.9)	105.4	(7.9)	105.4
Net loss on financial instruments	1.5	3.7	1.5	3.7
Share of net loss from associates relating to non-cash items	0.1	2.2	0.1	2.2
Straight-lining of rental income and amortisation of lease incentives	6.8	6.8	6.8	6.8
Other non-cash items	1.5	0.9	1.5	0.9
<i>Other adjustments</i>				
Technology project expenses	2.2	3.4	2.2	3.4
Net insurance proceeds	-	(4.1)	-	(4.1)
Other expenses	1.9	4.6	1.9	4.6
Funds from Operations	87.9	87.9	87.3	87.3
Maintenance capital expenditure	(4.2)	(4.2)	(4.2)	(4.2)
Leasing incentives and costs	(6.1)	(6.2)	(6.1)	(6.2)
Adjusted Funds from Operations	77.6	77.5	77.0	76.9

5. Contributed equity

Distribution Reinvestment Plan (DRP)

The Group has a DRP under which security holders may elect to have their distribution entitlements satisfied by the issue of new securities at the time of the distribution payment rather than being paid in cash. The DRP was suspended for the distributions declared in June 2024 (paid in August 2024) and December 2024 (paid in January 2025).

Other equity issuance

During the half year 982,910 securities were issued in respect of executive compensation plans and 39,144 for employee compensation plans for nil consideration.

6. Significant changes and developments during the half year

Funds management

In late November 2024, the Group acquired a 20% ownership of Matrix Trust (Metro Fund 2), with the remaining 80% held by a global institutional investor. As part of the acquisition, Region was appointed as both the investment and property manager for six existing convenience-based retail properties valued at \$385.8 million.

Investment properties – acquisitions and disposals

Details of the acquisition and disposals during the period are detailed above.

Capital management – debt

Finance expenses remained stable, with the weighted average cost of debt being 4.3% for the half year ending 31 December 2024 (30 June 2024: 4.3%).

The cash and undrawn debt at 31 December 2024 is \$267.5 million with no debt expiries in FY25 and FY26. During the half year, the group extended the maturity of one debt facility with a notional value of \$50.0 million. The average debt facility maturity of the Group at 31 December 2024 was 4.5 years (30 June 2024: 4.9 years), with around 100% of the Group's debt being fixed or hedged (30 June 2024: 94.2%).

During the period, the Group, entered into various forward starting interest rate swaps and options to increase the groups hedging position from FY26 to FY29. The new derivatives increased the Group's hedging position by around 10% in FY26, 48% in FY27 and 33% in FY28 and FY29.

Gearing

The Group maintains its gearing levels within its target range of 30 – 40% with gearing of 32.8% at 31 December 2024 (30 June 2024: 32.9%).

7. Auditor's Independence Declaration

The Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001*(Cth) is set out on the following page.

8. Subsequent events

In January 2025, the Group acquired Kallo Town Centre for \$64.5 million (excluding transaction expenses).

In February 2025, the Group contracted to sell Warrnambool Shopping Centre for \$17.9 million with settlement expected in March 2025.

Since the end of the half year, the Directors of the Responsible Entity are not aware of any other matter or circumstance not otherwise dealt with in this report or the Interim Consolidated Financial Statements that has significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial periods.

9. Rounding of amounts

In accordance with Legislative Instrument 2016/191 issued by the Australian Securities and Investments Commission relating to the rounding off of amounts in the Financial Statements, amounts in the Financial Statements have been rounded to the nearest hundred thousand dollars in accordance with that Legislative Instrument, unless otherwise indicated.

This report is made in accordance with a resolution of the Directors.

A handwritten signature in black ink, appearing to read "Steven Crane".

Steven Crane

Chair

Sydney

10 February 2025

10 February 2025

The Board of Directors
Region RE Limited as Responsible Entity for
Region Management Trust and Region Retail Trust
Level 6, 50 Pitt Street,
Sydney NSW 2000

Dear Directors,

Auditor's Independence Declaration to Region Management Trust and Region Retail Trust

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the Directors of Region RE Limited as Responsible Entity for Region Management Trust and Region Retail Trust.

As lead audit partner for the review of the half-year financial reports of Region Group which comprises the stapled securities in two trusts being Region Management Trust and its controlled entities and Region Retail Trust ("Region Group") and Region Retail Trust for the half-year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- Any applicable code of professional conduct in relation to the review.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Yvonne van Wijk

Yvonne van Wijk
Partner
Chartered Accountants



Region Group – Interim Financial Report
Consolidated Statements of Comprehensive Income
For the half year ended 31 December 2024

	Notes	Region Group		Retail Trust	
		31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
		\$m	\$m	\$m	\$m
Income					
Rental income		163.9	159.0	163.9	159.0
Recoveries and recharge income		25.7	25.4	25.7	25.4
Funds management income		0.7	0.7	-	-
Fund-through development income		1.0	0.5	1.0	0.5
Insurance income		0.6	4.5	0.6	4.5
		<u>191.9</u>	<u>190.1</u>	<u>191.2</u>	<u>189.4</u>
Expenses					
Property expenses		(73.0)	(67.3)	(73.0)	(67.3)
Corporate expenses		(8.3)	(6.9)	(8.3)	(6.9)
Technology project expenses		(2.2)	(3.4)	(2.2)	(3.4)
		<u>108.4</u>	<u>112.5</u>	<u>107.7</u>	<u>111.8</u>
Other expenses		(1.9)	(4.6)	(1.9)	(4.6)
Interest income		0.6	0.4	0.6	0.4
Finance expenses		(32.2)	(32.3)	(32.2)	(32.3)
Net gain/(loss) including change in fair value through profit or loss					
- Investment properties	B1	7.9	(105.4)	7.9	(105.4)
- Derivatives		33.4	(13.2)	33.4	(13.2)
- Foreign exchange		(34.9)	9.5	(34.9)	9.5
- Share of profit/(loss) from associates	B2	0.6	(1.8)	0.6	(1.8)
Net profit/(loss) before tax		<u>81.9</u>	<u>(34.9)</u>	<u>81.2</u>	<u>(35.6)</u>
Tax		(0.1)	(0.1)	-	-
Net profit/(loss) after tax		<u>81.8</u>	<u>(35.0)</u>	<u>81.2</u>	<u>(35.6)</u>
Net profit / (loss) after tax and other comprehensive income		<u>81.8</u>	<u>(35.0)</u>	<u>81.2</u>	<u>(35.6)</u>
Net profit/(loss) after tax and other comprehensive income attributable to security holders of:					
Region Management Trust		0.6	0.6		
Region Retail Trust (non-controlling interest)		81.2	(35.6)		
Net profit/(loss) after tax and other comprehensive income		<u>81.8</u>	<u>(35.0)</u>		
Distributions per security (cents)	A2	6.70	6.70	6.70	6.70
Weighted average number of securities used as the denominator in calculating basic earnings per security below		1,162.5	1,157.6	1,162.5	1,157.6
Basic earnings/(loss) per security (cents)		7.04	(3.02)	6.98	(3.08)
Weighted average number of securities used as the denominator in calculating diluted earnings per security below		1,168.4	1,157.6	1,168.4	1,157.6
Diluted earnings/(loss) per security (cents)		7.00	(3.02)	6.95	(3.08)
Basic earnings per security (cents)					
Region Management Trust		0.06	0.06		
Diluted earnings per security (cents)					
Region Management Trust		0.05	0.06		

The above Consolidated Statements of Comprehensive Income should be read in conjunction with the accompanying notes.



Region Group – Interim Financial Report

Consolidated Balance Sheets

As at 31 December 2024

	Notes	Region Group		Retail Trust	
		31 Dec 2024 \$m	30 Jun 2024 \$m	31 Dec 2024 \$m	30 Jun 2024 \$m
Current assets					
Cash and cash equivalents		29.7	19.4	24.0	18.1
Receivables	D1	28.0	21.1	27.0	19.5
Derivative financial instruments	C2	7.3	15.4	7.3	15.4
Other assets		12.0	6.2	11.5	5.5
		<u>77.0</u>	<u>62.1</u>	<u>69.8</u>	<u>58.5</u>
Investment property classified as held for sale		-	85.5	-	85.5
Total current assets		<u>77.0</u>	<u>147.6</u>	<u>69.8</u>	<u>144.0</u>
Non-current assets					
Investment properties	B1	4,319.7	4,282.3	4,319.7	4,282.3
Derivative financial instruments	C2	117.9	84.4	117.9	84.4
Investment in associates	B2	62.1	24.7	62.1	24.7
Other assets		12.3	12.9	5.6	5.6
		<u>4,512.0</u>	<u>4,404.3</u>	<u>4,505.3</u>	<u>4,397.0</u>
Total non-current assets		<u>4,512.0</u>	<u>4,404.3</u>	<u>4,505.3</u>	<u>4,397.0</u>
Total assets		<u>4,589.0</u>	<u>4,551.9</u>	<u>4,575.1</u>	<u>4,541.0</u>
Current liabilities					
Trade and other payables		52.1	48.0	61.6	60.6
Distribution payable	A2	77.9	81.4	77.9	81.4
Derivative financial instruments	C2	6.3	13.6	6.3	13.6
Provisions		3.1	3.7	-	-
		<u>139.4</u>	<u>146.7</u>	<u>145.8</u>	<u>155.6</u>
Total current liabilities		<u>139.4</u>	<u>146.7</u>	<u>145.8</u>	<u>155.6</u>
Non-current liabilities					
Interest bearing liabilities	C1	1,606.0	1,565.4	1,606.0	1,565.4
Derivative financial instruments	C2	12.1	12.8	12.1	12.8
Provisions		0.1	0.1	-	-
Other liabilities		12.3	12.4	6.8	6.8
		<u>1,630.5</u>	<u>1,590.7</u>	<u>1,624.9</u>	<u>1,585.0</u>
Total non-current liabilities		<u>1,630.5</u>	<u>1,590.7</u>	<u>1,624.9</u>	<u>1,585.0</u>
Total liabilities		<u>1,769.9</u>	<u>1,737.4</u>	<u>1,770.7</u>	<u>1,740.6</u>
Net assets		<u>2,819.1</u>	<u>2,814.5</u>	<u>2,804.4</u>	<u>2,800.4</u>
Equity					
Contributed equity	C3	11.0	11.0	2,182.8	2,182.8
Reserves		-	-	14.3	13.6
Accumulated profit		3.7	3.1	607.3	604.0
Non-controlling interest		2,804.4	2,800.4	-	-
		<u>2,819.1</u>	<u>2,814.5</u>	<u>2,804.4</u>	<u>2,800.4</u>
Total equity		<u>2,819.1</u>	<u>2,814.5</u>	<u>2,804.4</u>	<u>2,800.4</u>

The above Consolidated Balance Sheets should be read in conjunction with the accompanying notes.



Region Group – Interim Financial Report
Consolidated Statements of Changes in Equity
For the half year ended 31 December 2024

	Notes	Region Group				Total equity \$m
		Contributed equity \$m	Accumulated profit \$m	Attributable to owners of parent \$m	Non-controlling interests \$m	
Balance at 1 July 2024		11.0	3.1	14.1	2,800.4	2,814.5
Net profit after tax and other comprehensive income for the period		-	0.6	0.6	81.2	81.8
Total comprehensive income for the period		-	0.6	0.6	81.2	81.8
Transactions with security holders in their capacity as equity holders:						
Employee share based payments		-	-	-	0.7	0.7
Distributions paid and payable	A2	-	-	-	(77.9)	(77.9)
		-	-	-	(77.2)	(77.2)
Balance at 31 December 2024		11.0	3.7	14.7	2,804.4	2,819.1
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Balance at 1 July 2023		10.8	2.7	13.5	2,914.5	2,928.0
Net profit/(loss) after tax and other comprehensive income for the period		-	0.6	0.6	(35.6)	(35.0)
Total comprehensive income/(loss) for the period		-	0.6	0.6	(35.6)	(35.0)
Transactions with security holders in their capacity as equity holders:						
Equity issued	C3	0.2	-	0.2	26.6	26.8
Costs associated with equity raising	C3	-	-	-	(0.1)	(0.1)
Employee share based payments		-	-	-	0.1	0.1
Distributions paid and payable	A2	-	-	-	(77.8)	(77.8)
		0.2	-	0.2	(51.2)	(51.0)
Balance at 31 December 2023		11.0	3.3	14.3	2,827.7	2,842.0

The above Consolidated Statements of Changes in Equity should be read in conjunction with the accompanying notes.



Region Group – Interim Financial Report
Consolidated Statements of Changes in Equity
For the half year ended 31 December 2024

		Retail Trust			
		Contributed equity	Share based payments reserve	Accumulated profit/(loss)	Total equity
Notes	\$m	\$m	\$m	\$m	\$m
Balance at 1 July 2024		2,182.8	13.6	604.0	2,800.4
Net profit after tax and other comprehensive income for the period		-	-	81.2	81.2
Total comprehensive income for the period		-	-	81.2	81.2
Transactions with security holders in their capacity as equity holders:					
Employee share based payments		-	0.7	-	0.7
A2	Distributions paid and payable	-	-	(77.9)	(77.9)
		-	0.7	(77.9)	(77.2)
Balance at 31 December 2024		2,182.8	14.3	607.3	2,804.4
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Balance at 1 July 2023		2,156.3	11.9	746.3	2,914.5
Net loss after tax and other comprehensive income for the period		-	-	(35.6)	(35.6)
Total comprehensive loss for the period		-	-	(35.6)	(35.6)
Transactions with security holders in their capacity as equity holders:					
C3	Equity issued	26.6	-	-	26.6
C3	Costs associated with equity raising	(0.1)	-	-	(0.1)
Employee share based payments		-	0.1	-	0.1
A2	Distributions paid and payable	-	-	(77.8)	(77.8)
		26.5	0.1	(77.8)	(51.2)
Balance at 31 December 2023		2,182.8	12.0	632.9	2,827.7

The above Consolidated Statements of Changes in Equity should be read in conjunction with the accompanying notes.



Region Group – Interim Financial Report
Consolidated Statements of Cash Flows
For the half year ended 31 December 2024

	Notes	Region Group		Retail Trust	
		31 Dec 2024 \$m	31 Dec 2023 \$m	31 Dec 2024 \$m	31 Dec 2023 \$m
Cash flows from operating activities					
Property and other income received		224.6	203.0	223.6	202.6
Insurance proceeds		0.6	4.5	0.6	4.5
Property expenses paid		(80.6)	(75.8)	(80.6)	(75.8)
Corporate expenses paid		(10.2)	(12.7)	(14.3)	(16.0)
Interest received		0.6	0.4	0.6	0.4
Finance expenses paid		(34.7)	(27.8)	(34.7)	(27.8)
Other expenses paid		(2.1)	(4.0)	(2.1)	(4.0)
Taxes and GST paid		(15.4)	(11.0)	(14.7)	(9.6)
Net cash flow from operating activities		82.8	76.6	78.4	74.3
Cash flows from investing activities					
Payments for investment properties purchased and capital expenditure		(61.7)	(42.5)	(61.7)	(39.9)
Proceeds from investment properties sold		102.2	32.2	102.2	32.2
Investment in associates	B2	(36.8)	-	(36.8)	-
Net cash flow from investing activities		3.7	(10.3)	3.7	(7.7)
Cash flow from financing activities					
Proceeds from equity raising	C3	-	26.8	-	26.6
Costs associated with equity raising	C3	-	(0.1)	-	(0.1)
Proceeds from borrowings		91.0	153.0	91.0	153.0
Repayment of borrowings		(85.8)	(171.0)	(85.8)	(171.0)
Distributions paid	A2	(81.4)	(88.5)	(81.4)	(88.5)
Net cash flow from financing activities		(76.2)	(79.8)	(76.2)	(80.0)
Net change in cash held		10.3	(13.5)	5.9	(13.4)
Cash at the beginning of the period		19.4	23.8	18.1	22.6
Cash at the end of the period		29.7	10.3	24.0	9.2

The above Consolidated Statements of Cash Flows should be read in conjunction with the accompanying notes.

About this report

The Interim Financial Statements of Region Group (the Group) comprise the Interim Consolidated Financial Statements of Region Management Trust (Management Trust) (ARSN 160 612 626) and its controlled entities and Region Retail Trust (Retail Trust) (ARSN 160 612 788) (collectively the Trusts).

The notes to these Interim Consolidated Financial Statements include additional information which is required to understand the operations, performance and financial position of the Group. They are organised in four key sections:

- **Group performance** — provides key metrics used to define financial performance
- **Investment assets** — explains the structure of the investment asset portfolio
- **Capital structure** — outlines how the Group manages its capital structure and various financial risks
- **Other disclosure items** — provides other information that is relevant in understanding the financial statements and that must be disclosed to comply with Australian Accounting Standards and other regulatory pronouncements

<p>Group performance</p> <p>A1 Income</p> <p>A2 Distributions paid and payable</p>	<p>Investment assets</p> <p>B1 Investment properties</p> <p>B2 Investment in associates</p>
<p>Capital structure</p> <p>C1 Interest bearing liabilities and liquidity</p> <p>C2 Derivatives and other financial instruments</p> <p>C3 Contributed equity</p>	<p>Other disclosure items</p> <p>D1 Working capital and other</p> <p>D2 Subsequent events</p> <p>D3 Corporate information</p> <p>D4 Other significant accounting policies</p>

Critical accounting estimates

The preparation of the Interim Consolidated Financial Statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. Management may also be required to make judgements, estimates and assumptions that affect the application of accounting policies and the reported assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The significant judgements and estimates used in the preparation of these Interim Consolidated Financial Statements are:

- Fair value estimation — Note B1 valuation of investment properties and Note C2 valuation of financial instruments

Group performance

This section provides additional information on the key financial metrics used to define the results and performance of the Group including income and distributions paid and payable.

A1 Income

Segment reporting

Segment information is presented on the same basis as that used for internal reporting purposes with the Group and Retail Trust operating within one segment being convenience-based retail centres located in Australia.

For the purposes of segment reporting, \$50.8 million in rental income (31 December 2023: \$49.8 million) was from Woolworths Limited and its affiliates. Further, \$19.0 million in rental income (31 December 2023: \$19.4 million) was from Coles Limited and its affiliates.

A2 Distributions paid and payable

Distributions are recognised in the reporting period in which they are declared, determined or publicly recommended by the Directors. Where such distributions have not been paid at reporting date, they are recognised as a distribution payable per the Management Trust and Retail Trust constitutions.

	Cents per security	Total amount \$m	Date of payment
2025 Region Group & Retail Trust			
Interim distribution	6.70	77.9	30 January 2025
2024 Region Group & Retail Trust			
Interim distribution	6.70	77.8	29 January 2024
Final distribution	7.00	81.4	30 August 2024
	13.70	159.2	

Investment assets

B1 Investment properties

Investment properties comprise interests in land and buildings held for long term rental yields and includes properties that are under development for future use as investment properties. At each reporting date, the carrying values of the investment properties are assessed by the Directors and the fair value is adjusted as appropriate.

Investment properties under development are classified as an investment property and stated at fair value at each reporting date. Fair value is assessed with reference to reliable estimates of future cash flows, status of the development and the associated risk profile.

Lease incentives such as cash, rent-free periods, lessee or lessor owned fit outs may be provided to lessees to enter into an operating lease. Leasing fees may also be paid for the negotiation of leases. These incentives and leasing fees are capitalised to the investment property and are amortised on a straight-line basis over the lesser of the term of the lease and the useful life of the fit out, as a reduction of rental income. The carrying amounts of the lease incentives and leasing fees are reflected in the fair value of investment properties.

Reconciliation of carrying amount of the investment properties

	Region Group & Retail Trust	
	31 Dec 2024 \$m	30 Jun 2024 \$m
Movement in total investment properties		
Opening balance	4,282.3	4,411.6
Acquisitions at cost (including transaction expenses)	-	91.5
Disposals	(20.1)	(67.7)
Reclassification to assets held for sale	-	(85.5)
Capital expenditure, rental straight-lining and amortisation	49.6	55.7
Net fair value movement recognised in total comprehensive income	7.9	(123.3)
Closing balance	4,319.7	4,282.3

Investment properties

Property Type	Market Cap rate ¹		Discount rate ²		Net operating income		Fair value	
	31 Dec 24	30 Jun 24	31 Dec 24	30 Jun 24	31 Dec 24	30 Jun 24	31 Dec 24	30 Jun 24
	%	%	%	%	\$m	\$m	\$m	\$m
Sub-regional retail properties	6.00 – 7.25	6.00 – 7.25	6.50 – 7.75	6.50 – 7.75	4.8 – 10.1	4.8 – 9.8	1,203.2	1,183.4
Neighbourhood retail properties	5.00 – 7.50	5.00 – 7.50	5.50 – 8.00	5.50 – 7.75	0.6 – 7.7	0.5 – 7.7	3,116.5	3,098.9
Total investment properties							4,319.7	4,282.3

¹Market capitalisation rate (Cap rate): the approximate return represented by income produced by an investment property, expressed as a percentage.

²Discount rate: A rate of return used to convert a future monetary sum or cash flow into present value.

Estimate – Valuation of investment properties

Critical judgements are made in respect of the fair value of investment properties, including properties under development. The fair value of these investments is reviewed regularly with reference to independent valuations, recent transactions and market conditions existing at the reporting date, using generally accepted market practices.

The major critical assumption relates to the market capitalisation rate. Other assumptions that are typically of lesser importance include consideration of the discount rate, property type, location and tenancy profile together with tenant sales and other matters such as market rents, current rents including possible rent reversion, lease expiry profile including vacancy, capital expenditure and potential climate-related risk factors. If there is any change in these assumptions or economic conditions, the fair value of the investment properties may differ.

B2 Investment in associates

Judgements are made in assessing whether an investee entity is controlled or subject to significant influence or joint control. These judgements include an assessment of the nature, extent and financial effects of the Group's interest in joint arrangements and associates, including the nature and effects of its contractual relationship with the entity or with other investors. Associates are entities over which the Group has significant influence but not control.

Investments in associates are accounted for in the Consolidated Balance Sheet by using the equity method of accounting after initially being recognised at cost. Under the equity accounting method, the Group's share of the associates' post acquisition net profit after income tax expense is recognised in the Consolidated Statements of Comprehensive Income. Distributions received or receivable from associates are recognised as a reduction of the carrying amount of the investment.

The Group's investment in associates at 31 December 2024 relates to its 20.0% interest in SCA Metro Convenience Shopping Centre Fund (Metro Fund 1) and Matrix Trust (Metro Fund 2) (30 June 2024: 20.0% interest in Metro Fund 1).

	Region Group & Retail Trust	
	31 Dec 2024 \$m	30 Jun 2024 \$m
Movement in investment in associates		
Opening balance	24.7	28.5
Acquisition of equity accounted investment	36.8	-
Share of profit/(loss) after income tax	0.6	(3.8)
Closing balance	62.1	24.7

Capital structure

The Group's activities expose it to numerous financial risks such as market risk, credit risk and liquidity risk. This section explains how the Group utilises its Risk Management Framework to reduce volatility from these external factors.

C1 Interest bearing liabilities and liquidity

Borrowings are initially recognised at fair value, net of transaction costs incurred, and subsequently measured at amortised cost. Any difference between the borrowings (net of transaction costs) and the redemption amount is recognised in profit and loss over the term of the borrowing using the effective interest method. Upfront borrowing fees paid are capitalised and expensed over the term of the borrowing.

	Region Group & Retail Trust	
	31 Dec 2024 \$m	30 Jun 2024 \$m
Bank and syndicated facilities - unsecured		
- AU\$ denominated	477.0	471.8
AU\$ Medium Term Note (AU\$ MTN) - unsecured		
- AU\$ denominated	600.0	600.0
US Notes – unsecured		
- US\$ denominated (converted to AU\$)	484.8	449.9
- AU\$ denominated	50.0	50.0
Total unsecured debt outstanding	1,611.8	1,571.7
- Less: unamortised borrowing fees, AU\$ MTN discount and premium	(5.8)	(6.3)
Interest bearing liabilities (Non-current)	1,606.0	1,565.4

Bank and syndicated facilities – unsecured

To reduce liquidity risk, the Group has in place bank and syndicated debt facilities including revolving facilities. All debt facilities are unsecured and are available for general corporate and working capital purposes.

At 31 December 2024, in addition to the unsecured bank facilities drawn above, \$10.2 million was used to support bank guarantees (30 June 2024: \$10.2 million). \$10.0 million of the bank guarantees assist with the Group's obligations under the Australian Financial Services Licence granted to the Group.



The financing capacity available to the Group under the bank and syndicated debt facilities, including cash and cash equivalents, is in the following table.

	Region Group	
	31 Dec 2024 \$m	30 Jun 2024 \$m
Bank and syndicated debt facilities		
Committed debt facilities available	725.0	725.0
Less: amounts drawn	(477.0)	(471.8)
Less: amounts utilised for bank guarantee	(10.2)	(10.2)
Net financing facilities available	237.8	243.0
Add: cash and cash equivalents	29.7	19.4
Financing capacity available	267.5	262.4

The financing capacity available is identical for the Retail Trust except for cash at bank which is \$24.0 million (30 June 2024: \$18.1 million) resulting in financing available of \$261.8 million (30 June 2024: 261.1 million).

AU\$ Medium Term Notes (AU\$ MTN) – unsecured

The Group has issued unsecured AU\$ MTN with a face value of \$600.0 million. Details of these notes are below.

AU\$ MTN	Tranche	Issue date	Maturity	Tenor at issue (years)	Coupon	Face value \$m	Issue consideration \$m	Discount / (premium) on issue \$m
Series 3	Tranche 1	Sep-20	Sep-30	10.0	3.25%	30.0	29.8	0.2
Series 4	Tranche 1	Sep-20	Sep-35	15.0	3.50%	20.0	19.8	0.2
Series 5	Tranche 1	Sep-21	Sep-29	8.0	2.45%	250.0	249.2	0.8
Series 6	Tranche 1	Mar-24	Mar-31	7.0	5.55%	300.0	299.2	0.8
						600.0	299.2	2.0

The discount or premium with respect to each tranche is amortised from the issue date to the maturity.

US Notes – unsecured

The Group has issued unsecured US Notes with a face value of US\$300.0 million and AU\$50.0 million. The principal and coupon obligations of the US dollar denominated notes have been fully economically swapped back to Australian dollars such that the Group has no exposure to any foreign currency risk. Details of these notes and their economically swapped values at 31 December 2024 are below.



Issue date	Maturity	US\$ value	Economic hedged FX rate	AU\$ economically hedged value	31 Dec 2024 FX rate	31 Dec 2024 Book value
US\$ denominated notes						
Aug-14	Aug-27	100.0	0.9387	106.5	0.6188	161.6
Sep-18	Sep-28	30.0	0.7604	39.4	0.6188	48.5
Aug-14	Aug-29	50.0	0.9387	53.3	0.6188	80.8
Sep-18	Sep-31	70.0	0.7604	92.1	0.6188	113.1
Sep-18	Sep-33	50.0	0.7604	65.8	0.6188	80.8
Total US\$ denominated notes		300.0		357.1		484.8
AU\$ denominated notes						
Aug-14	Aug-29			50.0		50.0
Total AU\$ denominated notes				50.0		50.0
Total US Notes				407.1		534.8

Debt covenants

The Group is required to comply with certain financial covenants or obligations in respect of the interest bearing liabilities. The main financial covenants or obligations that are common across the interest bearing liabilities are summarised as follows:

- Interest cover ratio (EBITDA (with adjustments) to net interest expense) is more than 2.00 times
- Gearing ratio (interest bearing liabilities net of cash and cash equivalents and cross currency interest rate swaps divided by total tangible assets net of cash and cash equivalents and derivatives) does not exceed 50%
- Priority indebtedness ratio (priority debt to total tangible assets) does not exceed 10%
- Aggregate of the total tangible assets held by the Obligors (Retail Trust) represents not less than 90% of the total tangible assets of the Group

The Group was in compliance with all of the financial covenants and obligations during the period ended 31 December 2024.

C2 Derivative and other financial instruments

Derivative financial instruments

The fair values of interest rate and cross currency derivatives are determined using a generally accepted pricing model based on discounted cash flow analysis using assumptions supported by observable market rates. The following table represents financial assets and liabilities that were measured and recognised at fair value:



	Region Group & Retail Trust	
	31 Dec 2024	30 June 2024
	\$m	\$m
Current assets		
Interest rate swap contracts	7.3	15.4
	<u>7.3</u>	<u>15.4</u>
Non-current assets		
Interest rate swap contracts	5.9	9.5
Interest rate option contracts	2.0	-
Cross currency interest rate swap contracts	110.0	74.9
	<u>117.9</u>	<u>84.4</u>
Current liabilities		
Interest rate swap contracts	1.1	6.1
Cross currency interest rate swap contracts	5.2	7.5
	<u>6.3</u>	<u>13.6</u>
Non-current liabilities		
Interest rate swap contracts	12.1	12.8
	<u>12.1</u>	<u>12.8</u>

Estimate – Valuation of derivative financial instruments

The fair value of derivatives assets and liabilities is based on assumptions of future events and involves significant estimates. Values may differ in future reporting periods due to the passing of time, market volatility and / or changes in market rates including interest rates and foreign exchange rates.

Interest rate swaps and cross currency interest rate swaps

Cross currency interest rate swaps are taken out to economically hedge the foreign currency exposure of US dollar denominated Notes issued by the Group (refer Note C1). The cross currency interest rate swaps are fair valued separately to the US Notes. The foreign currency principal and interest amounts payable on the US\$ denominated US Notes have been fully hedged economically to floating Australian interest rates by the use of cross currency interest rate swaps.

The interest rate swaps are used to hedge Australian dollar denominated floating financing facilities.

Movements in the market value of the interest rate and cross currency interest rate swaps are included in the Group's Consolidated Statements of Comprehensive Income through changes in fair value.

The US Notes and AU\$ MTNs carrying value is their amortised cost. The fair value of the US Notes and AU\$ MTNs can be different to their carrying value. The fair value takes into account movements in the underlying base interest rates and credit spreads for similar financial instruments, including extrapolated yield curves over the tenor of the notes. The amortised cost and fair value of the US Notes and AU\$ MTN is below.



	Region Group	
	31 Dec 2024	30 Jun 2024
	\$m	\$m
Amortised cost		
US Notes	534.8	499.9
AU\$ MTN	600.0	600.0
	1,134.8	1,099.9
Fair Value		
US Notes	512.8	465.0
AU\$ MTN	559.0	550.2
	1,071.8	1,015.2

The carrying amounts of all other financial assets and liabilities are recognised at the amortised value which approximates their fair value.

Fair value hierarchy

The different levels of financial instruments carried at fair value by the valuation method have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

For financial instruments not quoted in active markets, the Group uses valuation techniques such as present value, comparison to similar instruments for which market observable prices exist and other relevant models used by market participants. These valuation techniques use both observable and unobservable market inputs.

Interest rate derivatives are financial instruments that use valuation techniques with only observable market inputs and are classified as Level 2 instruments.

There were no transfers between levels during the half year.

C3 Contributed equity

Contributed equity

	Region Group		Retail Trust	
	31 Dec 2024 \$m	30 Jun 2024 \$m	31 Dec 2024 \$m	30 Jun 2024 \$m
Contributed equity ¹	2,234.9	2,234.9	2,223.7	2,223.7
Issue costs	(41.1)	(41.1)	(40.9)	(40.9)
	<u>2,193.8</u>	<u>2,193.8</u>	<u>2,182.8</u>	<u>2,182.8</u>

¹ Contributed equity has been aggregated to include both Management Trust and Retail Trust

	Management Trust		Retail Trust	
	31 Dec 2024 \$m	30 Jun 2024 \$m	31 Dec 2024 \$m	30 Jun 2024 \$m
Opening balance	11.0	10.8	2,182.8	2,156.3
Equity raised through Distribution Reinvestment Plan – August 2023	-	0.2	-	26.6
Equity raising costs	-	-	-	(0.1)
Closing balance	<u>11.0</u>	<u>11.0</u>	<u>2,182.8</u>	<u>2,182.8</u>
Balance at the end of the period is attributable to security holders of:				
Region Management Trust	11.0	11.0		
Region Retail Trust	2,182.8	2,182.8		
	<u>2,193.8</u>	<u>2,193.8</u>		

Securities on issue

	Region Group & Retail Trust	
	31 Dec 2024 No. of securities	30 Jun 2024 No. of securities
Opening balance	1,161,828,648	1,148,893,991
Equity issued for executive security-based compensation arrangements – 25 August 2023	-	1,122,025
Equity raised through Distribution Reinvestment Plan – 31 August 2023	-	11,781,444
Equity issued for employee security-based compensation arrangements – 19 December 2023	-	31,188
Equity issued for executive security-based compensation arrangements – 29 August 2024	982,910	-
Equity issued for employee security-based compensation arrangements – 18 December 2024	39,144	-
Closing balance	<u>1,162,850,702</u>	<u>1,161,828,648</u>

As long as the Management Trust and Retail Trust remain stapled, the number of securities in each of the Management Trust and Retail Trust is equal and the security holders are identical.

Other disclosure items

D1 Working capital and other

Receivables

Trade and other receivables are carried at original invoice amount, less Expected Credit Loss (ECL), and are usually due within 30 days. Collectability of trade and other receivables is reviewed on an ongoing basis. Individual debts that are determined to be uncollectable are written off when identified.

The Group uses the simplified approach for determining ECL whereby the outstanding receivables balance is analysed, and the provision is determined by applying default percentages adjusted for other current observable data. Under the simplified approach, the loss allowance for trade receivables is measured at an amount equal to lifetime ECL. In some instances, specific loss provisions are raised against individual receivables where additional information has come to the Group's attention impacting the assessment of recoverability of that debtor. Loss allowances for receivables are deducted from the gross carrying amount of the asset.

The ECL is based on management estimates of probability of the recoverability of rental income invoiced. Should the actual results differ, the credit loss will change and the difference will be included in the following period.

	Region Group		Retail Trust	
	31 Dec 2024 \$m	30 Jun 2024 \$m	31 Dec 2024 \$m	30 Jun 2024 \$m
Rental income receivables	5.7	4.1	5.7	4.1
Other rental income receivables	0.8	0.6	0.8	0.6
Gross rental income receivables	6.5	4.7	6.5	4.7
Rental income deferrals ¹	1.1	1.3	1.1	1.3
Rental income receivables and deferrals	7.6	6.0	7.6	6.0
Allowance for ECL	(1.9)	(1.7)	(1.9)	(1.7)
Net rental income receivables and deferrals	5.7	4.3	5.7	4.3
Accrued rental income receivables ²	18.0	13.0	18.0	13.0
Other receivables	4.3	3.8	3.3	2.2
Total receivables	28.0	21.1	27.0	19.5

¹ Rental income deferrals granted as part of COVID-19 that have not yet been invoiced and have been specifically provided for.

² Accrued rental income includes turnover rent and direct recoveries which have not yet been invoiced. Given the nature of these items and history of collectability, no ECL provision has been provided.

Capital commitments

Estimated capital expenditure committed at balance sheet date but not provided for:

	Region Group & Retail Trust	
	31 Dec 2024 \$m	30 Jun 2024 \$m
Capital commitments	63.0	17.0

Capital commitments at 31 December 2024 include \$58.0 million related to the acquisition of Kallo Town Centre for \$64.5 million (excluding transaction expenses). Contracts were exchanged in December 2024 with settlement completed in January 2025. Included in the Consolidated Balance Sheets as current other assets is \$6.5 million which represents a deposit in relation to this acquisition.



In July 2023, the Group acquired land adjacent to the existing Delacombe Town Centre investment property for \$15.0 million (excluding transaction expenses) and entered into a Development Management Agreement, which involves the construction of an online sales fulfilment facility with an estimated completion costs of \$31.5 million. The remaining costs to complete the development at 31 December 2024 is \$5.0 million (30 June 2024: \$17.0 million).

D2 Subsequent events

In January 2025, the Group acquired Kallo Town Centre for \$64.5 million (excluding transaction expenses).

In February 2025, the Group contracted to sell Warrnambool Shopping Centre for \$17.9 million with settlement expected in March 2025.

Since the end of the period, the Directors of the Responsible Entity are not aware of any other matter or circumstance not otherwise dealt with in this report or the Consolidated Financial Statements which has significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial periods.

D3 Corporate information

Region Group (the Group) comprises the stapled securities of two trusts which are Australian managed investment schemes, being Region Management Trust (Management Trust) (ARSN 160 612 626) and Region Retail Trust (Retail Trust) (ARSN 160 612 788).

Region RE Limited (ABN 47 158 809 851; AFSL 426603) (Responsible Entity) is the Responsible Entity for the Management Trust and Retail Trust. The registered office of Region RE Limited is Level 6, 50 Pitt Street, Sydney, New South Wales.

The Directors of the Responsible Entity have authorised the Interim Financial Statements for issue on 10 February 2025.

D4 Other significant accounting policies

Basis of preparation

In accordance with AASB 3 Business Combinations, the stapling arrangement discussed above is regarded as a business combination and Region Management Trust has been identified as the Parent for preparing Consolidated Financial Statements.

These Interim Consolidated Financial Statements are combined Financial Statements and accompanying Notes of both Region Group and the Region Retail Trust. The Interim Consolidated Financial Statements have been presented in Australian dollars, the Groups' functional currency, unless otherwise stated.

Historical cost convention

The Interim Consolidation Financial Statements have been prepared on the basis of historical cost, except for certain non-current assets and financial instruments that are measured at fair value.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent, unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.



Going concern

These Interim Consolidated Financial Statements are prepared on a going concern basis. In reaching this position, it has considered that the Group and Retail Trust are in a net current asset deficiency position of \$62.4 million and \$76.0 million respectively. At 31 December 2024, the Group and Retail Trust have the ability to drawdown sufficient funds to pay the current liabilities and the capital commitments (refer to Note D1), having available cash and cash equivalents and undrawn debt facilities of \$267.5 million and \$261.8 million respectively.

Statement of compliance

The half year Financial Statements is a General Purpose Financial Statement that has been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards Board (AASB) 134 Interim Financial Reporting. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting. The half year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

For the purposes of preparing the Financial Statements, the Group is a for-profit entity.

Application of new and revised Accounting Standards

The Group and the Retail Trust have applied amendments to AASBs issued by the Australian Accounting Standards Board (AASB) which are mandatorily effective for an accounting period that begins on or after 1 July 2024, and therefore relevant for the current period. The application of these amendments does not have any material impact on the disclosures, or the amounts recognised in the Group's Financial Statements.

The accounting policies adopted by the Group are consistent with those of the previous financial year.



In the opinion of the Directors of Region RE Limited, the Responsible Entity of Region Management Trust and Region Retail Trust (Retail Trust):

(a) The Interim Consolidated Financial Statements and notes, of Region Management Trust and its controlled entities, including Region Retail Trust, (the Group), set out on pages 6 to 22 are in accordance with the Corporations Act 2001, including:

(i) Giving a true and fair view of the Group's and the Retail Trust's financial position at 31 December 2024 and of their performance, for the half year ended 31 December 2024; and

(ii) Complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Regulations 2001*;

(b) There are reasonable grounds to believe that both the Group and the Retail Trust will be able to pay their debts as and when they become due and payable.

Note D4 confirms that the Financial Statements comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declaration in a form similar to that referred to by Section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer for the half year ended 31 December 2024.

Signed in accordance with a resolution of the Directors.

A handwritten signature in black ink, appearing to read "Steven Crane", written in a cursive style.

Steven Crane

Chair

Sydney

10 February 2025

Independent Auditor's Review Report to the stapled security holders of Region Management Trust and Region Retail Trust

Conclusion

We have reviewed the half-year financial report of:

- Region Group which consists of the stapled securities in two trusts being Region Management Trust and Region Retail Trust and their controlled entities (Region Group) which comprises the consolidated balance sheet as at 31 December 2024, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year then ended, notes to the financial statements, including material accounting policy information and other explanatory information and the directors' declaration;
- Region Retail Trust and its controlled entities ("Region Retail Trust") which comprises the consolidated balance sheet as at 31 December 2024, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year then ended, notes to the financial statements, including material accounting policy information 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 accompanying half-year financial reports of Region Group and Region Retail Trust do not comply with the *Corporations Act 2001*, including:

- Giving a true and fair view of Region Group and Region Retail Trust's financial positions as at 31 December 2024 and performance for the half-year ended on that date; and
- 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*. 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 Region Group and Region Retail 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.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of Region RE Limited (the "directors") as Responsible Entity of Region Management Trust and Region Retail Trust (the "Responsible Entity"), would be in the same terms if given to the directors as at the time of this auditor's review report.

Directors' Responsibilities for the Half-year Financial Report

The directors of the Company 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 gives a true and fair view and 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 Region Group and Region Retail Trust's financial positions as at 31 December 2024 and 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.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Yvonne van Wijk

Yvonne van Wijk
Partner
Chartered Accountants
Sydney, 10 February 2025