

2024

FULL YEAR
RESULTS

Charter Hall Social
Infrastructure REIT

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Acknowledgement of Country

Charter Hall is proud to work with our customers and communities to invest in and create places on lands across Australia. We pay our respects to the traditional owners, their elders past and present, and value their care and custodianship of these lands.

Coming Together, 2021.

'Coming Together' is an artwork which is reflective of strength, resilience and nurturing partnerships.

Frances Belle Parker (Yaegl)



Agenda

1. Key Highlights and Strategy
2. Financial Performance
3. Portfolio Update
4. Outlook & Guidance
5. Additional Information

Cover: Emergency Command Centre, 33 Richmond Road, Keswick, Adelaide, SA
Left: TAFE Queensland, 209 Robina Town Centre Drive, Robina, QLD



1 Key Highlights and Strategy

Kids Club
Murrumbeena, VIC

Australia largest diversified ASX-listed social infrastructure REIT

FY22 EPU of 17.3 cpu, an 8.1% increase on FY21

Financial

EPU / DPU

17.3c / 17.2c

Increase of 8.1% / 9.6%¹ on FY21

Valuation Uplift²

\$269.4m

Increase of 19.4% from 30 June 2021

New Acquisitions

\$232.7m

High quality social infrastructure assets

Balance Sheet

Gross Assets

\$2.1bn

Increase of 35.0% from 30 June 2021

Investment Capacity

\$160m

NTA per Unit

\$4.08

Increase of 25.5% from 30 June 2021

Property Portfolio

WALE

14.3yrs

Occupancy

100%

Metropolitan Location³

80%

1. Exclusive of 4.0 cpu special distribution paid in FY21

2. Like-for-like valuation uplift – excludes acquisitions and developments completed in the year and assets held for sale.

3. By income

Our Strategy

Provide investors with secure income and capital growth through exposure to social infrastructure property



Enhancing income sustainability and resilience

- Improving the quality of tenants and leases within a diversified social infrastructure portfolio
- Targeting properties providing essential services underpinned by Government support



Targeting ongoing capital growth

- Focus on assets with the following attributes:
 - Modern assets with limited competition and low substitution risk, driving high tenant retention rates
 - Strategic locations with high underlying land values
 - Predominantly triple net lease structures with minimal capex leakage



Portfolio curation

- Active portfolio curation through acquisitions, developments and divestments
- Increased weighting to larger scale assets with high quality tenant covenants and divesting smaller non-core assets

Delivering on Strategy

\$232.7 million of acquisitions in diversified social infrastructure assets with superior tenants on long leases

Childcare

- 23¹ high quality childcare assets acquired for \$157.3 million with long leases on average of 14.0 years to premium operators including Goodstart, G8 Education and Only About Children
- 6 development assets completed with a total value of \$42.3 million and average leases of 16.7 years delivering valuation gains of \$8.6 million or 25%

Healthcare

- Acquisition of 2² strategically located healthcare assets for \$43.4 million within established metropolitan medical precincts on long leases to operators including ASX-listed Healius

Government / Tertiary Education

- Completion of the SA Emergency Command Centre (currently valued at \$87.2 million) leased to the South Australian Government on a 15-year lease
- Acquisition of a 50% interest² in a recently completed TAFE Queensland education campus acquired in a Gold Coast growth corridor with a 10-year lease (\$32.0 million investment)

Continued Portfolio Curation

- Divestment of 4³ non-core childcare assets with reduced WALE of 6.1 years for \$16.5 million, achieving 69% premium to prior valuation

1. 21 assets settled with remaining 2 assets to settle in HY23
2. Settlement of 50% interest in the TAFE Queensland and Wise Medical properties expected to occur in September 2022
3. 2 assets settled with remaining 2 assets to settle in HY23



Eden Academy, Bardonia, QLD



Healius Specialist Diagnostic Services, Heidelberg, VIC



TAFE Queensland & Wise Medical, Robina, QLD

CQE ESG Leadership

Partnering with tenant and investor customers to deliver meaningful change

Climate action

Focusing on onsite and offsite renewables

CQE operational performance:

- Partnered with the GBCA to **create Australia's first operational performance rating tool** for Social Infrastructure assets
- **GRESB:** Awarded a B rating for Public Disclosure measuring portfolio wide approach to ESG. Real Estate participant in 2022

Long term renewables

- CQE has participated in Charter Hall's Group-wide **7-year power purchase agreement (PPA)** signed with global renewable energy giant ENGIE where it has operational control of electricity procurement
- Charter Hall is **Foundational Clean Energy Partner** for three solar farms currently in development, in addition to an established wind farm
- Will provide **151GWh of wind and solar power** annually to 152 Charter Hall sites
- Direct investment in Australia's transition to a **clean energy future**

Achievements in FY22



Clean Energy

CQE has approved \$8.6m to provide solar solutions across its portfolio in partnership with tenants

CQE has 212KW of solar installed across its portfolio



Reduction in emissions¹

CQE has 100% renewable electricity powering 2 assets in operational control

Charter Hall has achieved 59% reduction in emissions¹ driven by 100% supply of renewable electricity to our workplaces, Office and Industrial sectors



Innovation in ESG performance

CQE partnered with the GBCA on the piloting a new Green Star Performance tool for Social Infrastructure

Focus areas in FY23+

ADVANCING NET
ZERO

100% net zero carbon emissions by 2030¹



Scope 3 emissions

CQE establishing Scope 3 Target aligned to Science Based Target initiative



Ongoing disclosure

Independent verification of ESG disclosure/data, aligned to the TCFD, Global Reporting Initiative, PRI, UNGC and DJSI

Willogoleche Wind Farm (ENGIE)

1. Scope 1 and Scope 2 emissions in operational control

CQE ESG Leadership

Partnering with tenant and investor customers to deliver meaningful change

Strong communities

Delivering social value

CQE:

- Early Learning Fund partnership over 2 years will provide fee-free early learning for **55 children**
- Celebrated NAIDOC week 2022 in partnership with author Alton Walley and local school children as part of Charter Hall's Reconciliation Action Plan

As part of Charter Hall's FY22 progress:

- Contributed **\$5.6m to community partnerships**, philanthropic donations, disaster relief, community activations at our assets, volunteering and provision of space to community organisations
- Aligned to our 1% Pledge commitment, invested **\$1.27m in social enterprise** and community initiatives, up 72% from FY21
- Delivered over **191 employment outcomes** for vulnerable Australians
- Provided **\$579k in crisis support** to UNICEF, GIVIT and Foodbank combating the impacts of COVID-19 and flooding, access to vaccinations and emergency support for Ukrainian families

Achievements in FY22



Community partnerships

CQE and Charter Hall established 2-year partnership with Goodstart to provide children in need access to early learning



Responsible Governance

CQE governed by an independent Board which prioritises diversity and inclusion of all types and currently reports 40% female directors



Employer of Choice

Charter Hall awarded the WGEA Employer of Choice for Gender Equality citation and recognised as an industry leader for initiatives to achieve gender equality

Focus areas in FY23+



Creating employment for vulnerable youth

Charter Hall targeting 1,200 employment outcomes by 2030



Growing future capability

Retaining and developing key talent to support future growth



Reconciliation Action Plan (RAP)

Building capacity with First Nation businesses and community, following approval of Charter Hall's RAP



Bay Plaza, Hervey Bay QLD



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2 Financial Performance

Only About Children
Camberwell, VIC

Earnings Summary

- Net property income increased by \$12.5 million or 17.4% on the previous corresponding period (pcp) driven by:
 - Like-for-like growth of \$1.8 million; and
 - \$10.7 million from net property acquisitions, development and disposal activity
- Operating expenses increases attributable to portfolio growth and new acquisitions
- Increase in finance costs driven by debt funded acquisitions and an increase in interest rates
- Operating earnings of \$62.9 million, an increase of 8.4% on FY21

| \$m | FY21 | FY22 | % change |
|----------------------------------|-------------------------|-------------|------------|
| Net Property Income ¹ | 72.0 | 84.5 | 17.4 |
| Distribution Income | 2.2 | 1.9 | (13.6) |
| Operating Expenses | (9.2) | (12.0) | (30.4) |
| Finance Costs ² | (7.0) | (11.5) | (64.3) |
| Operating Earnings | 58.0 | 62.9 | 8.4 |
| EPU (cpu) | 16.0 | 17.3 | 8.1 |
| DPU (cpu) | 15.7³ | 17.2 | 9.6 |

1. Inclusive of 50% share of Net Property Income from Brisbane Bus Terminal Joint Venture (\$2.9 million)

2. Net of Interest Income and Inclusive of 50% share of Finance Costs from Brisbane Bus Terminal Joint Venture debt facility

3. Excludes 4.0 cent per unit special distribution paid in respect of FY21

Balance Sheet

- \$507.9 million growth in investment properties¹, up 34.2% driven by:
 - Net property revaluation uplift of \$269.4 million¹;
 - \$168.8 million of acquisitions transacted during the period; and
 - \$53.1 million of expenditure on childcare developments and completion of SA Emergency Command Centre
- NTA per unit of \$4.08 representing a 25.5% increase from 30 June 2021

| \$m | 30 June 2021 | 30 June 2022 |
|--|----------------|----------------|
| Cash | 5.3 | 10.5 |
| Investment Properties | 1,448.0 | 1,945.9 |
| Investment in JV (Brisbane Bus Terminal) | 35.3 | 45.3 |
| Securities | 43.4 | 51.5 |
| Other Assets | 10.0 | 28.0 |
| Total Assets | 1,542.0 | 2,081.2 |
| Distribution Payable | 29.4 | 16.1 |
| Debt | 300.0 | 553.0 |
| Unamortised borrowing costs | (2.9) | (4.9) |
| Other Liabilities | 37.2 | 24.2 |
| Total Liabilities | 363.7 | 588.4 |
| Net Assets | 1,178.3 | 1,492.8 |
| No. of Units | 362.6 | 365.5 |
| NTA Per Unit | \$3.25 | \$4.08 |

1. Inclusive of 50% share of the Brisbane Bus Terminal investment property

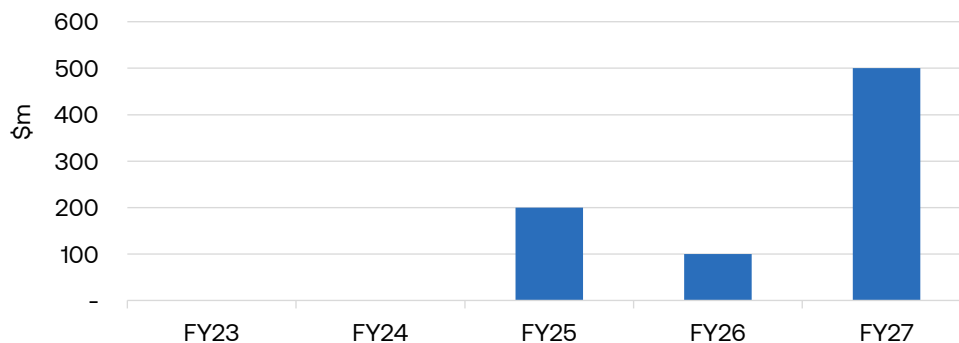
Capital Management

- Facilities extended and increased to \$800 million in February 2022
- Available investment capacity of \$160 million
- Diversified funding sources with no debt maturity until January 2025
- Balance sheet gearing of 29.8%¹ below target gearing range of 30-40%
- Weighted average debt maturity of 3.9 years
- 59% hedging in place for FY23 with average hedging of 56% through to June 2025

1. Balance sheet and look through gearing are calculated as total borrowings net of unrestricted cash/total assets less unrestricted cash and has been adjusted to include contracted acquisitions and disposals, the completion of the childcare development pipeline and payment of June quarter distribution. Unadjusted balance sheet gearing and look-through gearing as at 30 June 2022 was 26.2% and 27.1% respectively
2. Calculated as at 30 June 2022 based upon BBSY of 1.86% and drawn debt of \$553.0 million. Weighted Average cost of debt on a fully drawn basis is 3.1%
3. Calculated as at 30 June 2022 based upon BBSY of 1.86% and drawn debt of \$553 million and includes amortisation of borrowing costs. All-in cost of debt on a fully drawn basis is 3.3%
4. Hedged debt comprises \$225 million of interest rate swaps and a \$100 million interest rate cap at 3.0%
5. Average hedged rate of \$225 million of interest rate swaps

| Debt & Hedging Summary as at | 30 June 2021 | 30 June 2022 |
|---|--------------|-------------------|
| Facility Limit (\$m) | 600 | 800 |
| Debt Drawn Amount (\$m) | 300 | 553 |
| Weighted Average Debt Maturity (years) | 4.1 | 3.9 |
| Balance Sheet Gearing ¹ (%) | 24.5 | 29.8 |
| Look-through Gearing ¹ (%) | 25.6 | 30.7 |
| Weighted Average Cost of Debt ² (% p.a.) | 2.8 | 3.2 |
| All-in Cost of Debt ³ (% p.a.) | 3.3 | 3.4 |
| Balance Sheet Debt Hedged (\$m) | 225 | 325 ⁴ |
| Average Amount Hedged (%) | 68 | 56 ⁴ |
| Average Hedged Rate (% p.a.) | 0.54 | 0.54 ⁵ |
| Average Hedge Maturity (years) | 4.2 | 3.6 |

Debt maturity profile (by facility limit)





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Portfolio Update

Kids Club
Murrumbeena, VIC

Portfolio Summary

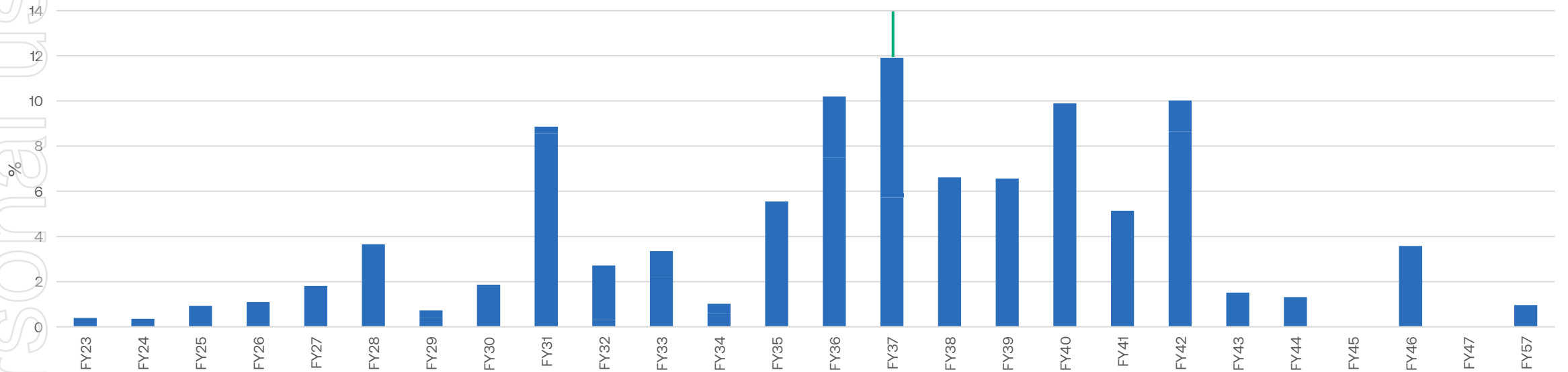
- Property portfolio value increased 38.8% to \$1.97 billion for FY22
- Net annual property income up by 17.3% to \$92.7 million per annum
- Weighted average lease expiry (WALE) of 14.3 years
- Less than 5% lease income expiring within the next 5 years

| | June 2021 | June 2022 |
|---------------------------------------|-----------|-----------|
| Number of operating properties | 341 | 368 |
| Number of tenants | 38 | 41 |
| Property valuation (\$m) ¹ | 1,417.8 | 1,968.4 |
| Net property income (\$m) | 79.0 | 92.7 |
| Passing yield (%) | 5.6 | 4.7 |
| Occupancy (%) | 100 | 100 |
| Weighted Average Lease Expiry (yrs) | 15.2 | 14.3 |

1. Excluding developments

Lease expiry profile by % of annual rent: FY23 – FY57

WALE: 14.3 years

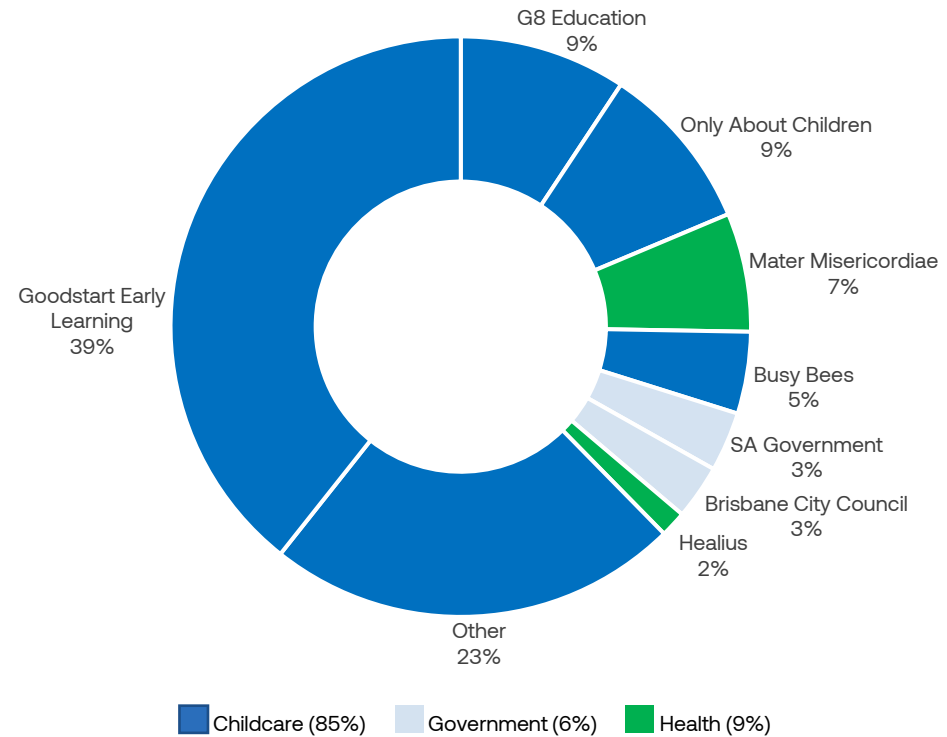


Portfolio Summary

44% of rental income subject to market rent reviews in next 5 years

- Key portfolio income metrics:
 - Top 5 tenant customers: 69%
 - Metropolitan location: 80%
 - Eastern seaboard location: 79%
- 75% of leases with annual fixed rent reviews (average fixed increase of 3.0%) and 25% of lease reviews linked to CPI
- Forecast weighted average rent reviews of 3.5% to June 2023
- 44% of rental income subject to market rent reviews within the next 5 years

Tenant profile by % of annual rent as at 30 June 2022



Portfolio Valuations

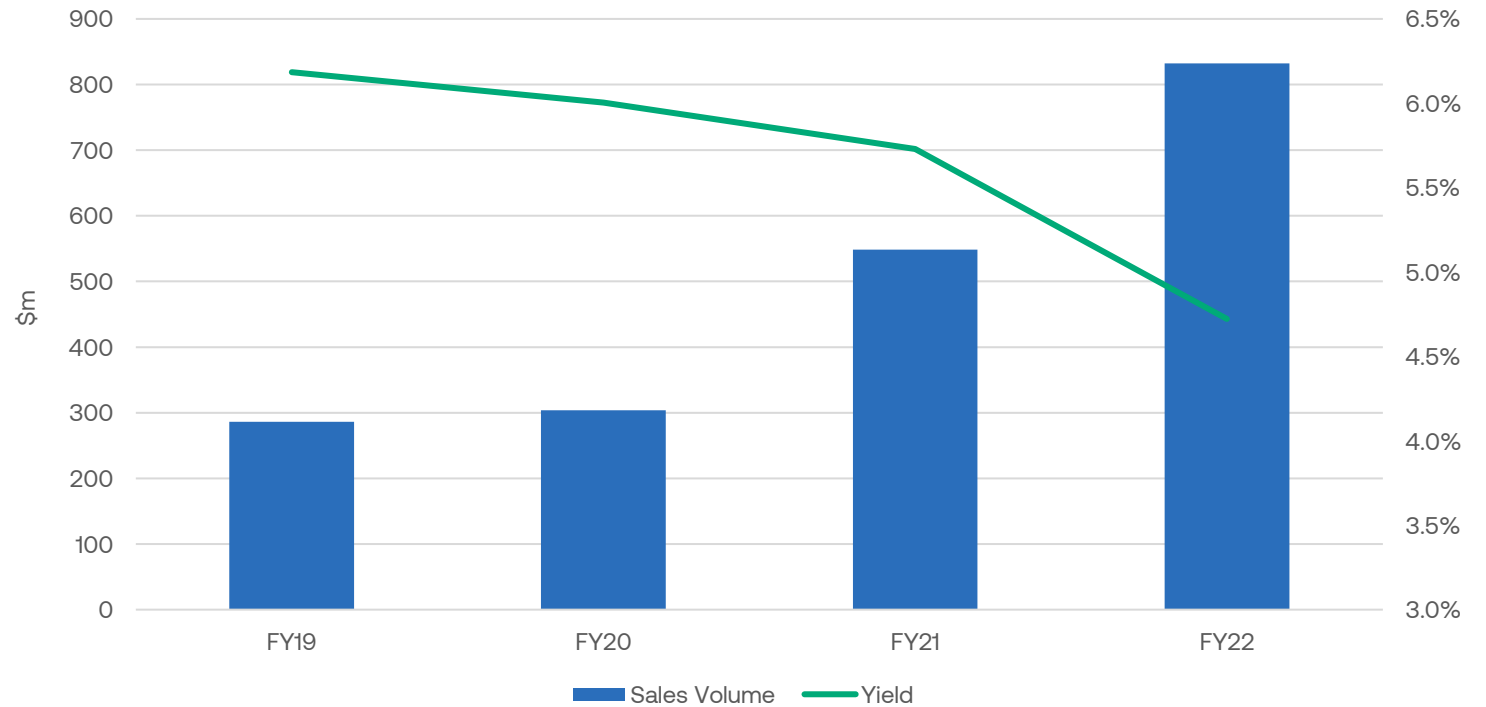
Valuation uplift of \$269.4 million¹ highlights continuing income resilience and essential nature of social infrastructure assets

- 100% of the operational property portfolio by gross asset value were independently valued as at 30 June 2022, with a 19.4% increase on like-for-like June 2021 book values¹
- Passing yield across property portfolio is now 4.7%
- Childcare transaction volume in FY22 increased by 52% on FY21 reaching a record level of \$832 million in sales at an average yield of 4.7%
- Capitalisation rates have continued to compress for all social infrastructure property assets, reflecting ongoing strong demand for long WALE assets in 'essential' sectors with stable income

Like-for-like Portfolio Valuations

| No. Assets | Value (\$m) | Yield (%) | Valuation Uplift (\$m) | Valuation Uplift (%) |
|------------|-------------|-----------|------------------------|----------------------|
| 337 | 1,657.7 | 4.7% | 269.4 | 19.4 |

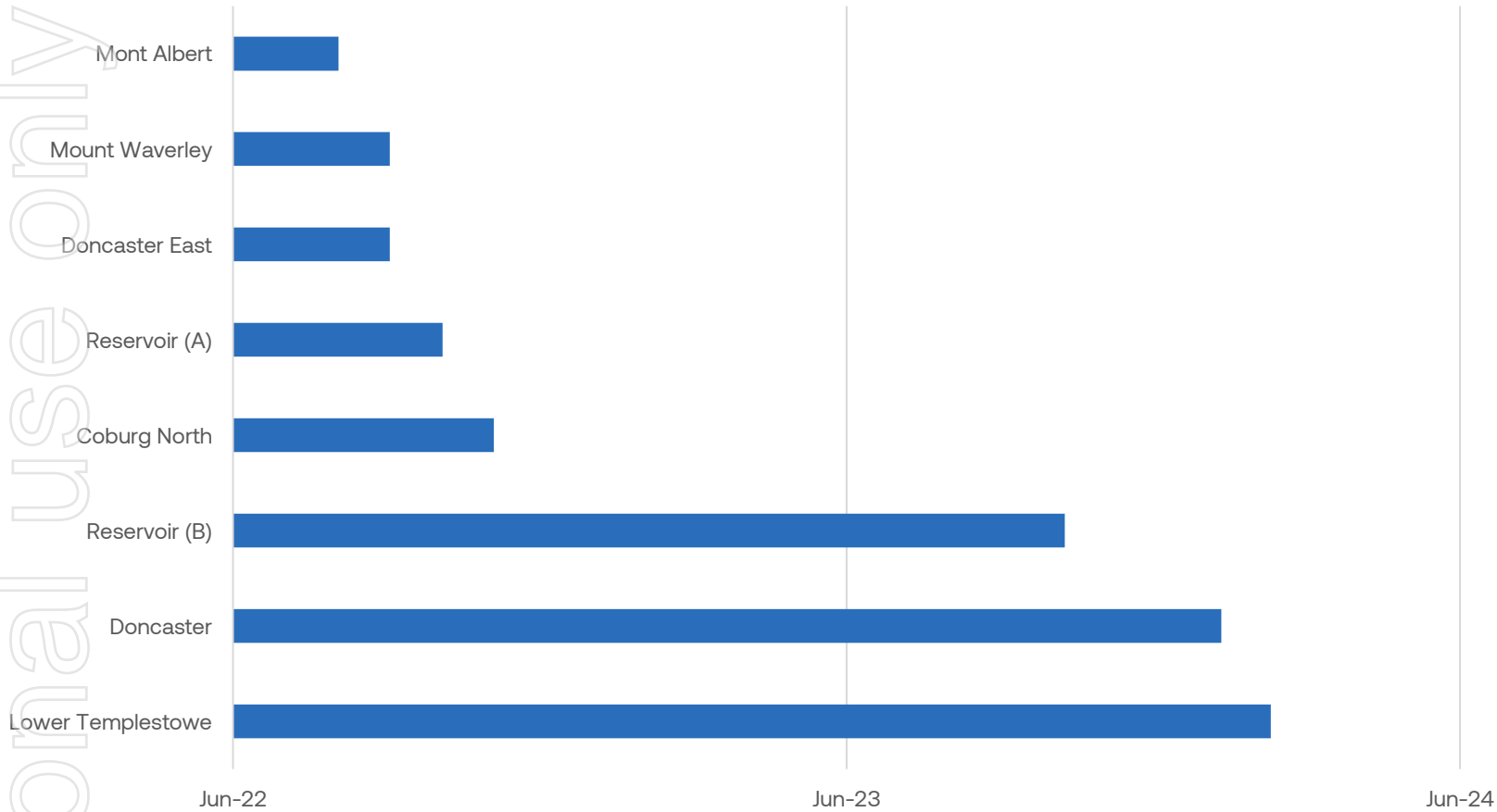
Australian childcare transaction volume and yields²



1. Like-for-like valuation uplift excludes development sites, assets held for sale, as well as acquisitions and developments completed in the year. As at 30 June 2022, the value of assets held for sale is \$7.7 million and the value of acquisitions and developments completed in the period is \$303 million
 2. CQE data

Childcare Development Pipeline

5 developments due for completion in HY23, providing purpose-built, high quality assets



| Completed Developments | 30 June 2022 |
|---------------------------------|--------------|
| Number | 6 |
| Valuation upon completion (\$m) | 42.3 |
| Valuation Uplift (\$m) | 8.6 |
| Average yield on cost (%) | 5.8 |

| Ongoing Developments | 30 June 2022 |
|------------------------------------|--------------|
| Number | 8 |
| Average forecast yield on cost (%) | 5.6 |
| Expenditure to date (\$m) | 42.7 |
| Forecast cost to completion (\$m) | 18.5 |

Childcare Industry

Government funding to sector forecast to increase by 25% over next four years

- Importance of sector continues as labour supply mechanism to Australian economy and provision of quality educational outcomes to children:
 - Annual government funding expected to increase by 25% to \$12.4¹ billion in FY26 with bi-partisan support
- The recently elected Federal Labor Government to provide further funding increases to improve childcare affordability effective in July 2023
- State government funding changes to 3 and 4 year-old kindergarten programs to further improve educational outcomes and participation levels
- Female labour force participation rate at record level of 62.5% in June 2022
- Operator performance is strong despite challenging environment for operators in attracting and retaining staff
- As at 30 June 2022, there are 8,556² LDC centres in Australia with a net increase in supply of 224 (2.7%) for FY22, the lowest level of net growth in LDC centres since 2016:
 - Annual supply growth rate has moderated from 3.7% in FY21
 - Property level vacancy estimated at ~1%

¹ Portfolio Budget Statements 2022-23 – Budget Related Paper 1.4 – Education, Skills and Employment Portfolio
² ACECQA data





4 Outlook & Guidance

Brisbane Bus Terminal
Eagle Farm, QLD

Outlook & Guidance

- Continue to execute on strategy and pursue opportunities with strong tenant and property fundamentals in the social infrastructure sector
- CQE confirms that based on information currently available and barring any unforeseen events, the FY23 forecast distribution guidance is 17.2 cpu



Kids Club, Murrumbeena, VIC

FY23 forecast distribution
guidance of 17.2 cpu

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Additional Information

Portfolio Overview

- Majority of leases in the portfolio are triple net
- Combination of fixed (75%) and CPI linked (25%) annual rent reviews
- Total land holdings of 95.8 hectares:
 - 80% metropolitan location¹
 - 69% residential zoning¹
- Bank guarantees typically 6 months, totalling \$40.4 million in aggregate

| As at 30 June 2022 | No. | Value (\$m) | % Portfolio ¹ | Passing Yield (%) |
|--|------------|----------------|--------------------------|-------------------|
| QLD | 121 | 530.3 | 25.7 | 4.7 |
| VIC | 83 | 463.0 | 22.5 | 4.6 |
| NSW | 84 | 318.1 | 15.4 | 4.9 |
| ACT | 2 | 16.0 | 0.8 | 5.1 |
| WA | 41 | 213.9 | 10.4 | 4.7 |
| SA | 29 | 92.8 | 4.5 | 5.4 |
| TAS | 2 | 7.0 | 0.3 | 4.4 |
| NT | 2 | 7.1 | 0.3 | 4.9 |
| Total Childcare² | 364 | 1,648.2 | 79.9 | 4.8 |
| Mater Headquarters & Training Facilities | 1 | 127.0 | 6.2 | 4.8 |
| Brisbane Bus Terminal ³ | 1 | 70.0 | 3.4 | 4.0 |
| SA Emergency Command Centre | 1 | 87.2 | 4.2 | 4.5 |
| Healius Specialist Diagnostic Services | 1 | 36.0 | 1.7 | 4.0 |
| Developments – Childcare | 8 | 42.7 | 2.1 | - |
| Arena REIT (ASX: ARF) Units | - | 51.5 | 2.5 | 3.8 ⁴ |
| Total Portfolio | 376 | 2,062.6 | 100.0 | |

1. Proportion of portfolio by income

2. Includes 33 leasehold properties with a value of \$24.9 million with passing yield of 18.0%

3. Equity value of CQE 50% interest in Brisbane Bus Terminal is \$45.3 million, net of asset level debt of \$26.1 million and other assets of \$1.4 million

4. CQE holds a 3.5% interest in Arena REIT. Passing Yield based on FY23 distribution guidance of 16.8 cpa and closing price at 12 August 2022 of \$4.45

CQE Case studies - Partnering with tenant and investor customers to deliver meaningful change



Supporting 55 vulnerable children in vital early learning

In Australia, many children cannot access early learning and care because of their family circumstances. To be part of the solution Charter Hall has established a 2-year partnership with Goodstart Early Learning assisting at least 55 vulnerable families to provide their children with the benefits of early learning

Goodstart CEO Julia Davison said she's thrilled to be working with our existing partner, Charter Hall, to make a real difference in the lives of children thanks to this philanthropic funding

Travis Butcher, Fund Manager for the Charter Hall Social Infrastructure REIT (CQE) said *"We're proud to be part of a solution that is creating more inclusive communities, where no child in Australia misses out on vital access to early learning and care before they start school."*

[Charter Hall x Goodstart Early Learning: Lauren's Story](#)



Setting the foundations for healthier, safer and more resilient places for essential workers, children and local communities

Partnered with the Green Building Council of Australia (GBCA) to pilot Australia's first Green Star Performance tool for childcare

Many of Charter Hall's social infrastructure assets are leased under an arrangement whereby operations and maintenance, including upgrades, are the responsibility of tenants. This has been a barrier to sustainability ratings like Green Star and hindered access to operational performance data. Our new partnership with GBCA will change this

With Australia's largest Green Star footprint and a high-scale strategy in place, Charter Hall now aims to be the leading ESG fund in social infrastructure. *"Green Star will now, for the first time, provide social infrastructure with a foundational platform to apply an independent rating tool to measure and benchmark performance"*, said Andrew Cole, Group Head of ESG at Charter Hall. More information can be found [here](#)



Driving ESG into asset acquisition, new developments and stabilised portfolio

Example – SA Emergency Command Centre

Aligned with best practice independent rating tools

NABERS: Designed and constructed to achieve a minimum 5-star NABERS Base Building Energy rating and a minimum 4-star NABERS Base Building Water rating

Green Star: Designed and constructed to achieve a minimum 5-star Design and As-built rating and a 5-star Green Star Interiors rating

Environmental design outcomes

Onsite solar supporting clean energy generation onsite (99kW solar system), LED lighting, external sun shading and rainwater reuse for irrigation

Powered by 100% renewable electricity

Advancing our Net Zero emissions target (scope 1 and 2) for assets under operational control, from FY22 the property has been powered by 100% renewable electricity

Delivering on Strategy

\$232.7 million deployed into diversified social infrastructure assets with superior tenants on long leases



| Asset Name | TAFE Queensland / Wise Medical | Healius Specialist Diagnostic Services | Childcare Portfolios |
|-----------------------|--------------------------------|--|------------------------------------|
| Number of assets | 2 ¹ | 1 | 23 ² |
| Location | Robina, QLD | Heidelberg, VIC | VIC / QLD / WA |
| Major Tenant/s | Queensland Government | Healius (ASX:HLS) | G8 Education (ASX:GEM) / Goodstart |
| WALE ³ | 10.0 years | 9.3 years | 14.0 years |
| Purchase Price | \$40.0 million ⁴ | \$35.4 million | \$157.3 million |
| Passing Initial Yield | 4.4% | 4.0% | 4.7% |

1. 2 assets due to settle in September 2022

2. 21 centres settled in FY22, 1 centre settled in July 2022 and 1 centre due to settle in October 2022

3. WALE at completion / acquisition

4. Purchase price for 50% interest held by CQE

Social Infrastructure Overview

Spending on social infrastructure forecast to increase, providing further opportunities for CQE



Childcare

Rising female workforce participation rate and growing number of children aged <5 years¹.

Government subsidy to increase by 25% reaching \$12.4 billion in FY25².



Education

Tertiary education in Australia generates almost \$30 billion of export income and employs over 250,000 people with an enrolment greater than 4 million students³.

Total Government spending on education is set to increase by 8% to \$46 billion by FY25².



Health

The proportion of Australia's population aged over 65 is projected to grow 21% by 2066¹.

Annual Government spending to increase by 5% to \$103 billion for FY25².



Transport and Communication

Increased road, rail and air infrastructure is required to service the growing population.

Annual Government investment in transport and communication to average \$16 billion through FY25².

¹ Australian Infrastructure Audit 2019
² Commonwealth of Australia – Budget Strategy and Outlook Paper No.1, May 2021
³ EwC – Where next for tertiary education, August 2020

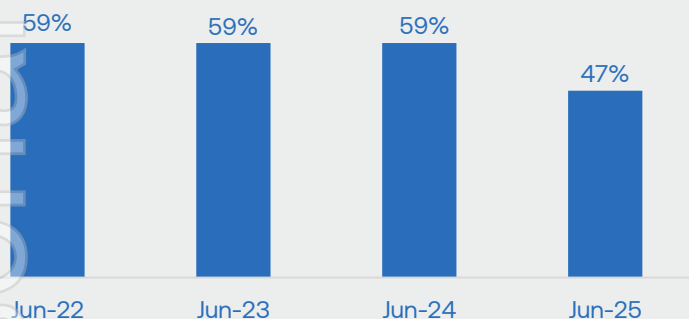
Statutory Profit Reconciliation

| Statutory Profit Reconciliation | FY21 (\$m) | FY22 (\$m) |
|--|---------------|---------------|
| Operating Earnings | 58.0 | 62.9 |
| Net fair value gain on investment properties | 110.0 | 269.9 |
| Net movements on derivative financial instruments | 2.6 | 20.3 |
| Straightlining of rental income, amortisation of lease fees and incentives | 3.5 | 5.5 |
| Ground rent on leasehold properties | 1.4 | 1.4 |
| Other | (1.4) | (1.5) |
| Statutory Profit | 174.1 | 358.5 |

Debt facility summary

- \$0.8 billion of look through debt facilities across CQE's head trust and joint venture arrangement
- Weighted average debt maturity term of 3.9 years as at 30 June 2022
- Considerable headroom to balance sheet and joint venture debt facility covenants
- Average hedging 56% through to June 2025

Hedging profile as at 30 Jun 2022¹



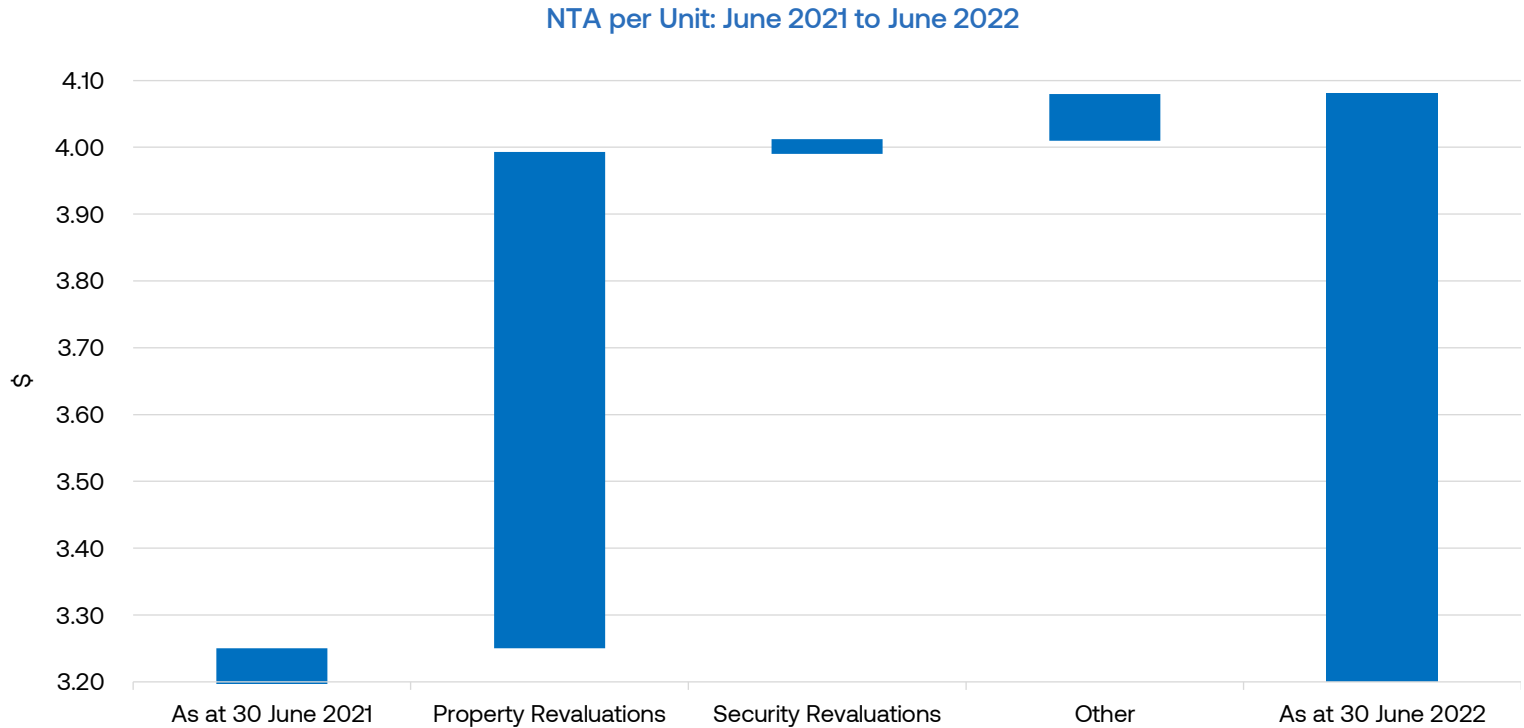
| Debt summary (\$m) – 30 June 2022 | Limit | Drawn | Maturity | Gearing (covenant) | ICR (covenant) |
|--|--------------|--------------|----------|--------------------|----------------|
| Balance sheet debt | | | | | |
| International bank bilateral debt facility | 100.0 | 100.0 | Jan-25 | | |
| Domestic bank bilateral debt facility | 100.0 | 100.0 | Feb-25 | | |
| International bank bilateral debt facility | 150.0 | - | Jan-27 | 29% | 6.8x |
| Domestic bank bilateral debt facility | 150.0 | 53.0 | Feb-27 | (50%) | (2.5x) |
| Domestic bank bilateral debt facility | 200.0 | 200.0 | Dec-26 | | |
| Institutional term loan | 100.0 | 100.0 | Aug-25 | | |
| Total balance sheet debt | 800.0 | 553.0 | | | |
| Joint venture debt (CQE interest) | | | | | |
| | | | | LVR | |
| Bus Network Terminal debt facility | 26.2 | 26.2 | Aug-27 | 37.3% | 4.7x |
| | | | | (60%) | (1.6x) |
| Total joint venture debt | 26.2 | 26.2 | | | |
| Total look through debt | 826.2 | 579.2 | | | |

1. Hedge profile based on drawn debt as at 30 June 2022

NTA Reconciliation

As at 30 June 2022 CQE had a NTA per unit of \$4.08 reflecting an increase of 25.5% from \$3.25 as at 30 June 2021

- Increase in NTA per unit primarily driven by:
 - property revaluation uplift of \$270.5 million¹ or \$0.74 per unit; and
 - valuation uplift on ARF securities of \$8.1 million or \$0.02 per unit



1. \$288.5 million property valuation uplift (inclusive of \$9.0 million uplift on 50% interest in Brisbane Bus Terminal) less revaluation decrement attributable to acquisition costs, straight lining of rental income and amortisation of incentives and leasing fees

Key Statistics

| Financial & Capital Management Metrics | FY15 | FY16 | FY17 | FY18 | FY19 | FY20 | FY21 | FY22 |
|--|------|------|------|------|------|-------|-------|-------------------|
| NTA (\$) | 1.82 | 2.14 | 2.51 | 2.78 | 2.96 | 2.92 | 3.25 | 4.08 |
| NTA Growth (%) | 21.3 | 17.6 | 17.3 | 10.8 | 6.5 | (1.4) | 11.3 | 25.5 |
| DPU (c) – Ordinary | 12.8 | 13.4 | 14.2 | 15.1 | 16.0 | 16.0 | 15.7 | 17.2 |
| DPU (c) – Special | - | - | - | - | - | - | 4.0 | - |
| DPU Growth (%) – Ordinary | 6.7 | 4.7 | 6.0 | 6.3 | 6.0 | - | (1.9) | 9.6 |
| Gearing (%) | 29.5 | 26.6 | 27.7 | 29.1 | 22.5 | 16.4 | 24.5 | 29.8 ¹ |
| Weighted Average Cost Of Debt (%) | 4.6 | 4.5 | 4.2 | 4.1 | 3.7 | 2.6 | 2.8 | 3.2 ² |
| Weighted Average Debt Maturity (Years) | 1.9 | 4.0 | 3.5 | 2.4 | 3.9 | 4.1 | 4.1 | 3.9 |
| Interest Cover Ratio (x) | 4.6 | 5.1 | 4.9 | 4.3 | 4.9 | 5.6 | 8.6 | 6.8 |
| Portfolio Metrics | | | | | | | | |
| Weighted Average Lease Expiry (Years) | 7.9 | 8.2 | 9.1 | 9.9 | 9.9 | 12.7 | 15.2 | 14.3 |
| % Of Lease Income Expiring In Next 5 Years | 5.6 | 11.3 | 12.0 | 15.8 | 18.9 | 4.4 | 3.4 | 4.6 |
| Major Customer % Of Income (Goodstart) (%) | 63 | 59 | 56 | 50 | 45 | 47 | 42 | 39 |
| Like-for-like Rental Growth (%) | 2.4 | 2.8 | 3.1 | 2.8 | 2.3 | 2.8 | 2.3 | 3.4 |
| Market Rent Reviews | | | | | | | | |
| Completed Number | 54 | 65 | 127 | 34 | 10 | 4 | 1 | 2 |
| Weighted Average Rental Growth (%) | 4.3 | 5.5 | 4.7 | 4.7 | 5.2 | 3.4 | 2.6 | 3.5 |
| Geographic Spread (% Rental Income) | | | | | | | | |
| NSW/ACT | 26.2 | 25.8 | 26.4 | 24.7 | 23.4 | 22.8 | 20.9 | 17.7 |
| QLD | 37.5 | 35.5 | 33.8 | 35.3 | 36.0 | 36.9 | 41.2 | 36.6 |
| VIC | 16.9 | 19.8 | 21.2 | 22.9 | 22.2 | 23.5 | 24.6 | 24.6 |
| WA | 3.7 | 3.9 | 3.7 | 3.5 | 4.1 | 5.9 | 6.5 | 10.8 |
| SA | 6.0 | 5.3 | 5.7 | 5.3 | 6.5 | 6.9 | 6.0 | 9.6 |
| TAS/NT | 1.1 | 1.0 | 1.0 | 0.9 | 0.8 | 0.9 | 0.8 | 0.7 |
| NZ | 8.6 | 8.7 | 8.2 | 7.4 | 6.9 | 3.1 | - | - |

1. Adjusted to include contracted acquisitions, completion of childcare development pipeline and payment of June quarter distribution. Unadjusted balance sheet gearing as at 30 June 2022 was 26.2%

2. Calculated as at 30 June 2022 based upon BBSY of 1.86% and drawn debt of \$553.0 million. Weighted average cost of debt on a fully drawn basis is 3.1%²

Glossary

| | |
|-----------------------|---|
| ACECQA | Australian Children's Education and Care Quality Authority |
| ASX | Australian Securities Exchange |
| Balance sheet gearing | Calculated as the ratio of net drawn debt less cash to total tangible assets, less cash |
| CPI | Consumer Price Index |
| CPU | Cents per unit |
| CQE | Charter Hall Social Infrastructure REIT |
| DPU | Distributions per unit |
| EPU | Earnings per unit |
| LDC | Long day care |
| Look-through gearing | Calculated as the ratio of net drawn debt less cash to total tangible assets, less cash, based on the non-IFRS pro forma proportionately consolidated statement of financial position, which adjusts for the REIT's share of the debt, assets and cash held in equity accounted investments |
| NTA | Net tangible assets |
| PCP | Previous corresponding period |
| REIT | Real estate investment trust |
| WALE | The average lease term remaining to expiry across the portfolio or a property or group of properties, weighted by net passing income or as noted |

Further information

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Presentation authorised by the Board