HomeCo Daily Needs REIT
ARSN 645 086 620
HMC Funds Management Limited
ACN 105 078 635, AFSL 237257

ASX RELEASE

25 September 2026

ANNUAL REPORT 2026

HomeCo Daily Needs REIT (ASX: HDN) provides the attached Annual Report for the year ended 30 June 2026. It will be dispatched to those unitholders who have elected to receive it.

This announcement is authorised for release by the Board of the Responsible Entity.

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About HomeCo Daily Needs REIT

HomeCo Daily Needs REIT (HDN) is an Australian Real Estate Investment Trust listed on the ASX with a mandate to invest in convenience-based assets across the target sub-sectors of Neighbourhood Retail, Large Format Retail and Health & Services. HDN aims to provide unitholders with consistent and growing distributions.

HDN is Australia's leading daily needs REIT with total assets of approximately $5.2bn spanning 2.3 million square metres of land in Australia's leading metropolitan growth corridors of Sydney, Melbourne, Brisbane, Perth and Adelaide. HDN is also a strategic investor in the HMC Last Mile Logistics (LML), HMC Unlisted Grocery Fund (HUG) and HMC Australian Retail Partnership (HARP).

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Annual Report

2026



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HMC Funds Management Limited
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'JOURNEY OF CREATION' BY BILLY REYNOLDS

Acknowledgement of Country

HomeCo Daily Needs REIT acknowledges the Traditional Custodians of Country throughout Australia and celebrates their diverse culture and connections to land, sea and community.

We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples.

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Australia's leading daily needs retail REIT

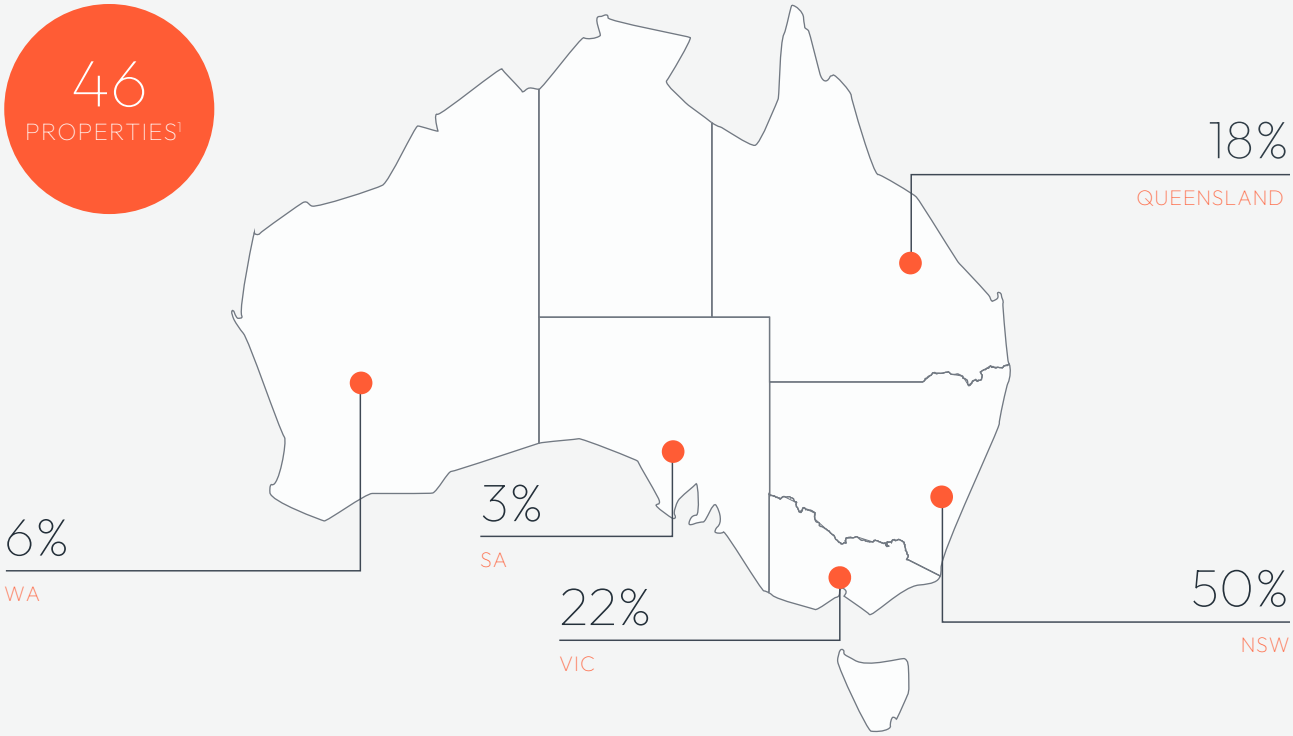
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Portfolio

Property portfolio summary

Leading strategic network of sites across metropolitan east coast growth corridors.



TOTAL PORTFOLIO	
Portfolio value	$5.2bn
Tenants	~1,350

NSW $2.6bn portfolio value: 50%	
Properties	20
Greater Sydney	39%
10yr Population Projection[2]	31.2%

QLD $1.0bn portfolio value: 18%	
Properties[1]	10
Greater Brisbane & Gold Coast	16%
10yr Population Projection[2]	19.2%

VIC $1.2bn portfolio value: 22%	
Properties[1]	11
Greater Melbourne	19%
10yr Population Projection[2]	16.2%

WA $0.3bn portfolio value: 6%	
Properties	4
Greater Perth	6%
10yr Population Projection[2]	19.3%

SA $0.2bn portfolio value: 3%	
Properties	1
Greater Adelaide	3%
10yr Population Projection[2]	11.6%

Figure 1. Tenant mix[3]

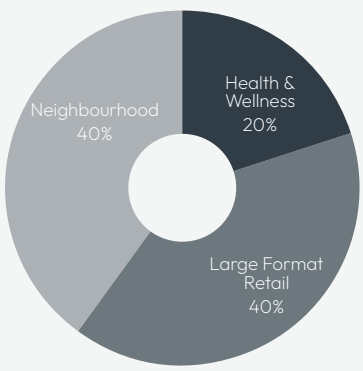
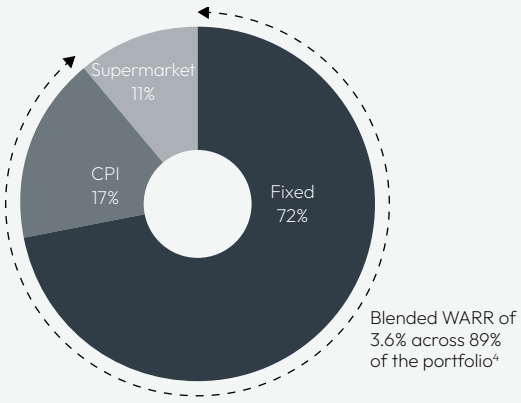


Figure 2. Rental composition



All FY26 metrics (except fair value) as at 30-Jun-26, include Menai Marketplace on an 100% basis ($188.0m with 50.1% owned by HDN).

1. Richlands land parcels (108 Pine Road), Armstrong Creek Pad site and land parcel (Lot C) are consolidated into the adjacent head property.
2. ABS Data, gathered from a 10km radius around each property to calculate.
3. By gross income for signed leases and signed MOUs.
4. Includes both fixed and CPI escalations. Excludes Supermarket Turnover rent.

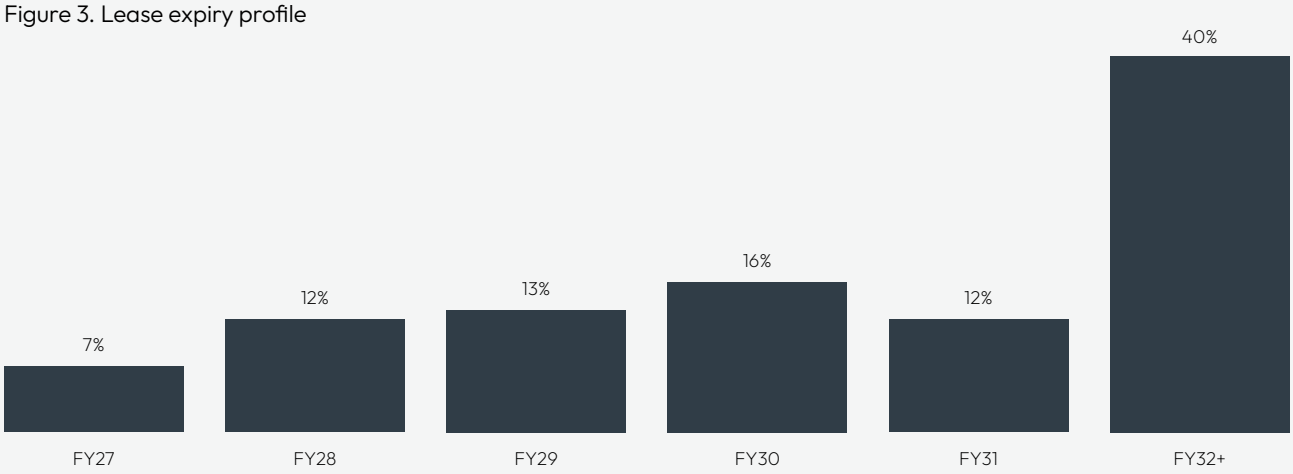
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Portfolio statistics

$5,187m	**Portfolio value**
2.3m sqm	**Landbank**
36%	**Site coverage**
5.53%	**WACR[1]**
4.9 years	**WALE[2]**
~1,350	**Tenants**
$448/sqm	**Average gross rent[3]**
126m	**Customer visitation[4]**
~84%	**Metropolitan locations**
>83%	**National retailers[5]**

Figure 3. Lease expiry profile



1. Weighted Average Capitalisation Rate by value.
2. Weighted Average Lease Expiry by gross income for signed leases and MoUs.
3. Based on portfolio composition as at Jun-26.
4. Includes assets in unlisted funds (LML & HARP)
5. By gross income for signed leases and signed MOUs.

FY26 Highlights

FY26 Performance

FFO PER UNIT

9.0 cents **+2.3% VS FY25**

NTA/UNIT[1]

$1.56 **Up 9cpu, driven by strong asset valuation uplift**

DPU

8.6 cents **+1.2% VS FY25**

PORTFOLIO VALUE

$5.2bn **+6% VS FY25**

Operations

COMPARABLE NOI GROWTH

+4.0% **In-line with FY25**

MARKET-LEADING LEASING SPREADS

+5.9% **60 new leases and 127 renewals with low incentives of ~4.9%[2]**

OCCUPANCY[3]

99% **In-line with FY25**

RENT COLLECTION

>99% **FY26 contracted rent**

1. NTA includes the fair value of derivatives.
2. Incentives for anchor tenancies are excluded.
3. By Gross Lettable Area (GLA) and includes rental guarantees, signed leases and MoUs.

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"HDN delivered another year of consistent operational performance in FY26, with comparable NOI growth of 4.0%, positive leasing spreads of 5.9% and occupancy and rent collection maintained at 99% or above. These outcomes reflect the quality of our metropolitan daily needs portfolio, the strength of tenant demand and the resilience of our income streams."

SID SHARMA
Chief Executive Officer, HDN

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Capital management

NEW UNSECURED DEBT FACILITY

$2.15bn **$288m liquidity**

GEARING[4]

35.7% **Within 30%-40% target range**

GROSS PORTFOLIO INCREASE

+$311m **+6.2% gross uplift**

WEIGHTED AVERAGE DEBT TENOR

3.1 year **Up from 2.3 years at Jun 25**

4. Gearing is defined as Borrowings (excluding unamortised debt establishment costs) less cash and cash equivalents divided by Total Assets less right of use assets and cash and cash equivalents.



HOMECO. LUTWYCHE

Chair & CEO'S Letter

On behalf of the Board and management, we are pleased to present HomeCo Daily Needs REIT's (HDN) Annual Report for the year ended 30 June 2026.

FY26 has been another year of disciplined execution and consistent delivery for HDN, with funds from operations (FFO) and distributions delivered in line with guidance. In a higher interest rate environment, the portfolio maintained strong operating metrics, delivered recurring income growth and further strengthened balance sheet flexibility.

Our strategy has remained unchanged since listing: to own and actively manage a portfolio of daily needs real estate assets located in Australia's largest metropolitan growth corridors, while enhancing earnings quality through active asset management, tenant demand-led development and prudent capital recycling.

Financial highlights

For FY26, HDN reported FFO of 9.0 cents per unit, up 2.3% on FY25, and distributions of 8.6 cents per unit, up 1.2%. Net tangible assets increased 6.1% to $1.56 per unit and the value of our portfolio grew 6.0% to $5.2 billion. Gearing remained within HDN's target 30-40% range at 35.7%, supported by prudent capital management and an increase in the value of the portfolio.

Operational highlights

HDN continues to perform at a consistently high level. Occupancy and cash rent collection have remained above 99%, since listing. Comparable property Net Operating Income (NOI) growth is 4.0%, driven by leasing spreads of 5.9% that demonstrate the ongoing high demand for our assets. Customer visitation reached 126 million over the year, representing comparable growth of 3.2%.

These metrics reinforce the quality of our metropolitan portfolio, the strength of tenant demand and the defensive characteristics of a portfolio focused on non-discretionary daily needs categories. This is especially powerful, even in a more cautious consumer environment.

A key feature of FY26 was the continued strength of the portfolio's valuation performance, with HDN delivering a net portfolio valuation gain of $180 million in FY26. Independent valuations were completed across 95% of the portfolio in FY26, with valuation uplifts supported by income growth, accretive tenant demand-led developments and modest weighted average capitalisation rate tightening to 5.53% at June 2026.

We believe this result reinforces the quality of HDN's assets and the attractiveness of metropolitan daily needs real estate to both tenants and investors.

Development and growth

Development remains an important source of embedded growth for HDN. Our approach is measured and tenant demand-led, with identified opportunities across the portfolio targeting a minimum 7% return on invested capital. HDN has a development pipeline of more than $650 million, including approximately $120 million of active projects. HDN's strategic landholding of 2.3 million square metres and site coverage of approximately 36% provide a long runway for future value creation, supported by demand for daily needs, health, services and lifestyle uses in metropolitan growth locations.

Importantly, this pipeline is underpinned by long-term tenant demand, disciplined return hurdles and a clear focus on projects that improve the strategic quality of the portfolio. In the current cost-of-capital environment, we remain prudent in the pace and timing of development capital deployment, activating projects selectively where tenant demand is secured, return hurdles are met and balance sheet capacity supports investment. Combined with HDN's extensive landbank and active remixing opportunities across the existing portfolio, this provides a meaningful source of organic growth.

Capital management

Capital management was a major focus during FY26. HDN strengthened its balance sheet through the establishment of a new $2.15 billion senior unsecured debt facility, increasing capacity by $300 million, and receiving its inaugural BBB+ (Stable Outlook) credit rating from S&P. These milestones enhanced funding flexibility and extended tenor.

Total liquidity increased to $288 million at 30 June 2026 from $108 million a year earlier, and the weighted average debt tenor extended to 3.1 years from 2.3 years. Approximately 68% of drawn debt was hedged at 30 June 2026, and we continue to actively manage the hedge profile to provide earnings certainty as existing positions mature.

HDN continued to demonstrate prudent capital allocation during FY26, completing $168 million of asset sales at approximately 1.6% above book value.

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These transactions provided additional balance sheet flexibility and external evidence in support of carrying values, while reinforcing HDN's ability to recycle capital where it enhances long-term unitholder value. HDN intends to prioritise further selective capital recycling over the period ahead to move gearing towards the lower end of our target range, strengthening the balance sheet while maintaining earnings resilience.

Sustainability

Sustainability remains an integral part of how we manage and develop our assets. In line with the broader HMC Capital real estate platform, we are reviewing our sustainability strategy and objectives to align with the next phase of the Group's evolution, while continuing to focus on initiatives that support long-term value creation and positive social impact.

During FY26, South Nowra and Glenmore Park achieved 4 Star Green Star Buildings certification, solar was installed across more than 90% of feasible HDN assets, and HDN was again recognised as a Morningstar Sustainalytics ESG Regional Top-Rated company and awarded Prime Status in the ISS ESG Corporate Rating.

Outlook

HDN's portfolio remains well positioned. We again expect to achieve comparable property NOI growth of approximately 4.0% in FY27, supported by contracted rent growth, high occupancy, disciplined leasing outcomes and the defensive nature of the portfolio.

Despite continued strong property performance, increased funding costs will impact FFO growth for the year ahead, as hedging matures. We have provided guidance of 8.8 cents per unit of FFO and a maintained distribution of 8.6 cents per unit.

The portfolio is performing strongly, the balance sheet is well managed, and leasing, asset management, development and capital recycling continue to provide multiple avenues for growth. While we remain mindful of the broader macroeconomic backdrop, including ongoing pressure on parts of the consumer sector, HDN's diversified exposure to essential spending categories, metropolitan growth locations and high-quality tenant base position the REIT well to manage through the cycle.

On behalf of the Board and management team, we thank our unitholders for their continued support and look forward to continuing to create long-term value in the years ahead.





SIMON SHAKESHEFF
CHAIR

SID SHARMA
CHIEF EXECUTIVE OFFICER, HDN



HOMECO. BRAYBROOK

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FY26

Directors' Report and Financial Report

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Directors' Report

for the year ended 30 June 2026

The directors of HMC Funds Management Limited (ABN 89 105 078 635, AFSL 237257) (the Responsible Entity), present their report together with the consolidated financial statements of HomeCo Daily Needs REIT and the auditor's report thereon. The consolidated financial statements cover HomeCo Daily Needs REIT (the 'Trust' or 'HDN') and the entities it controlled at the end of, or during, the financial year (collectively referred to as the 'group').

HMC Funds Management Limited is ultimately owned by HMC Capital Limited (ASX: HMC).

Directors

The following persons were directors of the Responsible Entity during the whole of the financial year and up to the date of this report, unless otherwise stated:

Simon Shakesheff	Independent Non-Executive Chair
Stephanie Lai	Independent Non-Executive Director
Robyn Stubbs	Independent Non-Executive Director
Simon Tuxen	Independent Non-Executive Director
David Di Pilla	Non-Executive Director
Isaac 'Zac' Fried	Non-Executive Director
Sid Sharma	Executive Director (appointed on 6 October 2025)

Principal activities

The Trust is a registered managed investment scheme domiciled in Australia. The principal activity of the group is the investment in a property portfolio of stabilised, predominantly metro-located, convenience-based assets across the target sub-sectors of neighbourhood retail, large format retail and health and services. The group did not have any employees during the year.

Review of operations and financial performance

A summary of the group's financial performance for the year ended 30 June 2026 is detailed below.

	Consolidated 30 June 2026 $m	Consolidated 30 June 2025 $m
Property income and interest income	379.4	365.7
Share of profit/(loss) of equity-accounted investees, net of tax	6.4	(1.0)
Profit for the year	361.6	250.3
Funds from operations (FFO)	187.1	182.5
Weighted average units on issue (million)	2,088.1	2,082.8
FFO per unit (cents)	9.0	8.8
Distribution per unit (cents)	8.6	8.5

The group recorded property and other income including share of profits of equity-accounted investees of $385.8 million (30 June 2025: $364.7 million) and a profit of $361.6 million (30 June 2025: profit of $250.3 million). The $111.3 million increase in profit compared to the previous year is primarily due to a $188.8 million net gain in assets/liabilities at fair value through profit or loss compared to a net gain of $85.0 million in the previous financial year.

A reconciliation between profit and FFO for the year ended 30 June 2026 is detailed below.

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	Consolidated 30 June 2026 $'m	Consolidated 30 June 2025 $'m
Profit for the year	361.6	250.3
Straight lining and amortisation	17.7	11.1
Transaction costs	0.1	0.2
Net fair value movements	(188.8)	(85.0)
Share of (profit)/loss of equity accounted investees	(6.4)	1.0
Distributions from equity accounted investees	2.1	3.1
Rent guarantee income	0.5	2.0
Other items	0.3	(0.2)
FFO	187.1	182.5

FFO for the year was $187.1 million or 9.0 cents per unit (30 June 2025: $182.5 million or 8.8 cents per unit). The performance for the year was driven by higher property income net of property expenses, offset by higher finance costs. FFO is a financial measure which is not prescribed by Australian Accounting Standards and represents the group's underlying and recurring earnings from its operations determined by adjusting the statutory net profit or loss after tax for items that are non-cash, unrealised or capital in nature. The directors consider FFO to represent the core earnings of the group.

Summary of financial position

A summary of the group's financial position as at 30 June 2026 is outlined below.

	Consolidated 30 June 2026 $'m	Consolidated 30 June 2025 $'m
Assets		
Investment properties	5,092.5	4,830.2
Total assets	5,258.9	4,960.7
Net assets	3,260.5	3,072.8
Net tangible assets	3,260.5	3,072.8
Number of units on issue (million)	2,090.7	2,086.2
Net tangible assets ($ per unit)	1.56	1.47
Capital management		
Debt facility limit	2,150.0	1,850.0
Drawn debt	1,900.0	1,760.1
Cash and undrawn debt	288.0	107.9
Gearing ratio (%)*	35.7%	35.2%
Hedged debt (%)	68.4%	81.0%
Cost of debt (% per annum)	5.0%	4.8%

* Gearing is defined as borrowings (excluding unamortised debt establishment costs) less cash and cash equivalents divided by total assets less right-of-use assets and cash and cash equivalents.

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Property portfolio:
At 30 June 2026, the group owned 46 (30 June 2025: 46) daily needs assets across Australia with a combined value of $5,092.5 million (30 June 2025: $4,830.2 million). A reconciliation of the movement in the property portfolio is disclosed in note 13 of the consolidated financial statements.
As at 30 June 2026, 19** investment properties were independently valued with the remaining investment properties being internally valued. The weighted average capitalisation rate of the portfolio was 5.5% (30 June 2025: 5.6%).

** Excluding investments accounted for using the equity method.

Capital raising:
During the year, the Trust issued 4,490,031 units under the distribution reinvestment plan. Refer to note 18 of the consolidated financial statements for further details:

Particulars	Date of issue	Number of units
Opening balance at 1 July 2025		2,086,214,927
Units issued – distribution reinvestment plan	22 August 2025	603,429
Units issued – distribution reinvestment plan	24 November 2025	1,280,264
Units issued – distribution reinvestment plan	26 February 2026	1,200,544
Units issued – distribution reinvestment plan	22 May 2026	1,405,794
Closing balance on 30 June 2026		2,090,704,958

Capital management:
During the year, the group refinanced its secured debt facilities into an unsecured debt platform and increased its total facility limits by $300.0 million.

The group's bank loans comprise of a $2,150.0 million unsecured debt facility of which $1,900.0 million is drawn at 30 June 2026. The debt facility comprises of term facilities of $950.0 million, revolver facilities of $400.0 million and a bridge facility of $800.0 million. Refer to note 17 of the consolidated financial statements for further details.

The group had available liquidity of $288.0 million, comprising $38.0 million in cash and cash equivalents and $250.0 million undrawn debt, as at 30 June 2026 and gearing of 35.7%. As at 30 June 2026, the group had interest rate hedging of $1,300.0 million. The cost of debt was 5.04% per annum as at 30 June 2026 (30 June 2025: 4.8% per annum).

Distributions

Distributions declared during the financial year were as follows:

	Distribution per unit (cents)	Total distribution $'m	Ex-distribution date	Record date	Payment date
September 2025	2.150	44.9	29 September 2025	30 September 2025	24 November 2025
December 2025	2.150	44.9	30 December 2025	31 December 2025	26 February 2026
March 2026	2.150	44.9	30 March 2026	31 March 2026	22 May 2026
June 2026	2.150	45.0	29 June 2026	30 June 2026	21 August 2026
Total	**8.600**	**179.7**			

The final distribution for the year ended 30 June 2025 of $44.3 million, or 2.125 cents per unit was paid on 22 August 2025.

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For the year ended 30 June 2026, the group operated a distribution reinvestment plan (DRP) under which unitholders could elect to reinvest all or part of their distributions in new units rather than being paid in cash. The DRP price is determined as the average of the daily volume weighted average price (VWAP) of units sold on the Australian Securities Exchange (ASX) during a nominated five-day period, between the announcement date and payment date of the respective distribution, less a discount (if any). The DRP price for the quarters ended 30 September 2025, 31 December 2025, 31 March 2026 and 30 June 2026 did not include a discount.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the group during the financial year.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the group's operations, the results of those operations, or the group's state of affairs in future financial years.

Likely developments and expected results of operations

There are no further developments that the directors of the Responsible Entity are aware of which could be expected to affect the results of the group's operations in subsequent financial years other than the information contained in the operating and financial review.

Group objectives

The group's objective is to provide unitholders with exposure to a portfolio of stabilised, predominately metro-located and convenience-based assets targeting consistent and growing distributions. The group intends to achieve this objective by:

- maintaining high quality and defensive exposures across target sub-sectors (neighbourhood retail, large format retail and health & services), tenants and geographies;
- employing a model portfolio construction informed by long term historical returns across sub-sectors;
- pursuing acquisition opportunities across target sectors; and
- maintaining an appropriate capital structure.

Risk considerations

Financial risks

The group's primary source of income is generated through the leasing arrangements it has with tenants across the portfolio. The group has sought to protect its property income by having a diversified group of national tenants that operate sustainable business models, maintaining high occupancy rates and setting sustainable rents with its tenants.

The key economic risk for the group relates to interest rate movements and the impact of this on property capitalisation rates and the cost of debt funding. The group seeks to mitigate this risk by investing in quality properties, maintaining an appropriate capital structure with a target gearing ratio of 30% - 40% and having adequate interest rate hedging in place.

Sustainability, climate-related and environmental risks

Sustainability is a key element of the group's business approach, driven by the belief that sustainable investments are aligned to long-term value creation and should not be dilutive to returns. HMC Capital Limited has established a sustainability subcommittee of the HMC Capital Board that governs HMC Capital's sustainability strategy and initiatives across its managed funds, including the group.

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HMC Capital is a signatory to the United Nations Principles for Responsible Investing (UNPRI) and a Global Real Estate Sustainability Benchmark (GRESB) participating member. These two organisations provide an investment and reporting framework to help shape the group's future strategies and risk framework.

The geographic diversity of the group's portfolio limits the exposure to physical climate events to localised occurrences. The group also undertakes detailed due diligence on property acquisitions to assess environmental risks including contamination as well as any potential exposure to climate related events.

The group has considered the impact of environmental, social and governance ('ESG') risk as well as the current and future economic environment in preparing its consolidated financial statements and in the exercise of critical accounting assumptions and estimates, including impacts occurring during the reporting period and the uncertainty of future effects. The group will continue to monitor these risks and the impact they have on the consolidated financial statements.

The Australian Sustainability Reporting Standards (ASRS), comprising AASB S1 General Requirements for Disclosure of Sustainability-related Financial Information – a voluntary standard and AASB S2 Climate-related Disclosures – a mandatory standard. AASB S2 'Climate-related Disclosures' sets out specific climate related disclosures and applies to entities required to prepare and lodge a financial report with ASIC under Chapter 2M. This mandatory sustainability reporting is expected to be applicable for the group for the first time for the year ending 30 June 2027.

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Environmental regulation

The directors of the Responsible Entity are satisfied that adequate systems are in place to manage the group's environmental responsibility and compliance with regulations. The directors of the Responsible Entity are not aware of any material breaches of environmental regulations and, to the best of their knowledge and belief, all activities have been undertaken in compliance with environmental requirements.

Fees paid to and interests held in the group by the Responsible Entity

Fees paid to the Responsible Entity and its associates during the year are disclosed in note 26 to the consolidated financial statements. The Responsible Entity was reimbursed $0.8 million (30 June 2025: $0.7 million) relating to Non-Executive Director's remuneration. The number of units in the group held by the directors of the Responsible Entity is disclosed below.

Unitholding relating to key management personnel

The number of units in the group held during the year by each director and other members of key management personnel of the group, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Director					
Simon Shakesheff	255,773	-	-	-	255,773
Stephanie Lai	311,525	-	-	-	311,525
Robyn Stubbs	91,001	-	-	-	91,001
Simon Tuxen	227,296	-	-	-	227,296
David Di Pilla	17,711,965	-	-	(2,983,566)	14,728,399
Isaac 'Zac' Fried	9,508,409	-	-	-	9,508,409
Sid Sharma	-	-	54,311	-	54,311
	28,105,969	-	54,311	(2,983,566)	25,176,714

Units under option

There were no unissued ordinary units of HomeCo Daily Needs REIT under option outstanding at the date of this report.

Units issued on the exercise of options

There were no ordinary units of HomeCo Daily Needs REIT issued on the exercise of options during the year ended 30 June 2026 and up to the date of this report.

Indemnity and insurance of officers

The Responsible Entity has indemnified the directors for costs incurred, in their capacity as a director, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Responsible Entity paid a premium in respect of a contract to insure the directors against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

The Trust has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Trust or any related entity against a liability incurred by the auditor. During the financial year, the Trust has not paid a premium in respect of a contract to insure the auditor of the Trust or any related entity.

Proceedings on behalf of the Trust

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Trust, or to intervene in any proceedings to which the Trust is a party for the purpose of taking responsibility on behalf of the Trust for all or part of those proceedings.

Information on directors

Name:	**Simon Shakesheff**
Title:	Independent Non-Executive Chair
Experience and expertise:	Simon has over 30 years of experience in the finance and real estate industry including 19 years as an equities analyst covering listed real estate and retail companies at Macquarie Bank and JP Morgan, and a further six years as a corporate advisor to major real estate groups, at UBS and Bank of America Merrill Lynch. Simon is currently the chair of Kiwi Property Group, and a Non-Executive Director of Cbus Property, Assembly Funds Management, St George Community Housing and Ingenia Communities Group (ASX: INA).
Other current directorships:	Non-Executive Director of Ingenia Communities Group (ASX: INA) (appointed on 28 June 2024).
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit and Risk Committee
Interests in units:	255,773 ordinary units

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Name:	**Stephanie Lai**
Title:	Independent Non-Executive Director
Experience and expertise:	Stephanie has over 25 years of experience, as a Chartered Accountant and is a former Transaction Services partner of Deloitte and KPMG. She has significant experience providing due diligence and advisory services, including forecast reviews to listed entities, sovereign wealth funds, wealth managers and private equity. Stephanie has a Bachelor of Business from the University of Technology, Sydney and is a Graduate Member of the Australian Institute of Company Directors and a member of Chartered Accountants Australia and New Zealand.
Other current directorships:	Non-Executive Director of HMC Digital Infrastructure Limited (which forms part of DigiCo Infrastructure REIT (ASX: DGT)) (appointed on 20 November 2024). Non-Executive Director of Future Generation Investment Company Limited (ASX: FGX) (appointed on 27 March 2019), and Non-Executive Director of HCW Funds Management Limited as responsible entity of HealthCo Healthcare & Wellness REIT (ASX: HCW) (appointed on 1 August 2021).
Former directorships (last 3 years):	Non-Executive Director of Abacus Storage Operations Limited, Abacus Storage Funds Management Limited as Responsible Entity of Abacus Storage Property Trust (ASX: ASK) (retired on 30 September 2024).
Special responsibilities:	Chair of the Audit and Risk Committee
Interests in units:	311,525 ordinary units

Name:	**Robyn Stubbs**
Title:	Independent Non-Executive Director
Experience and expertise:	Robyn is a board director working across several ASX 200 and private companies. She is a Non-Executive Director of Ranfurlie Asset Management, and was previously a Non-Executive Director of Brickworks Limited. She is also a Member of the Advisory Board of ADCO Constructions and also provides executive coaching services to a diverse range of corporate clients via the Stephenson Mansell Group. Robyn enjoyed a successful 25 plus years career as a senior executive in large, complex organisations. She spent 8 years with Stockland as a General Manager, her last role heading up retail leasing across a portfolio of 40 shopping centres nationally. Robyn is a Fellow of the Australian Institute of Company Directors and holds a Master of Science degree in Coaching Psychology from the University of Sydney and was awarded a university medal with her business degree from the University of Technology, Sydney.
Other current directorships:	None
Former directorships (last 3 years):	Non-Executive Director of Brickworks Limited (ASX: BKW) (retired on 24 September 2025).
Special responsibilities:	None
Interests in units:	91,001 ordinary units

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Directors' Report

Name:	**Simon Tuxen**
Title:	Independent Non-Executive Director
Experience and expertise:	Simon was the General Counsel and Company Secretary at Westfield Corporation from 2002 to 2018. Prior to joining Westfield Corporation in 2002, he was the General Counsel of BIL International Limited in Singapore, Group Legal Manager of the Jardine Matheson Group in Hong Kong and a partner with Mallesons Stephen Jaques (now King & Wood Mallesons) from 1987 to 1996. Simon is a Non-Executive Director of Racing New South Wales and a Director of Boronia Retirement Services Pty Ltd. Simon has a Bachelor of Law from the University of Melbourne.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit and Risk Committee
Interests in units:	227,296 ordinary units

Name:	**David Di Pilla**
Title:	Non-Executive Director
Experience and expertise:	David led the team that founded the consortium which led to the ultimate establishment of HMC Capital in 2016. Since this time, the HMC Group has grown from its initial Masters portfolio to today being a diversified alternative asset manager with assets under management of approximately $19.0 billion. David has over 30 years of experience in investment banking, strategic advisory & consulting and corporate leadership as a Director and CEO. During his 20-year investment banking career, David was Managing Director of UBS Investment Bank for over 15 years and during this time led some of Australia's landmark transactions across corporate M&A, Equity & Debt Capital Markets. Prior to his time at UBS, David reached the position of Vice President, Investment Banking at JP Morgan.
Other current directorships:	Non-Executive Director of HMC Digital Infrastructure Limited (which forms part of DigiCo Infrastructure REIT (ASX: DGT)) (appointed 1 November 2024). Executive Director of HMC Capital Limited (ASX: HMC) (appointed on 11 October 2017); Non-Executive Director of HCW Funds Management Limited as the responsible entity of HealthCo Healthcare and Wellness REIT (ASX: HCW) (appointed on 28 July 2021).
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in units:	14,728,399 ordinary units

Name:	**Isaac 'Zac' Fried**
Title:	Non-Executive Director
Experience and expertise:	Zac worked closely with David Di Pilla and the team who founded and established the consortium to acquire the group in 2016. Zac is the Executive Deputy Chairman of the Spotlight Group ('SGH'). Established in 1973, SGH owns a number of major and iconic Australian retail brands: Spotlight, Anaconda, Mountain Designs and Harris Scarfe. SGH also controls one of Australia's largest privately-owned property portfolios, Spotlight Property Group, and operates a significant family office engaged in extensive investment and philanthropic activities. With over 13,000 employees and 300 big box retail outlets across four countries with large greenfield redevelopment opportunities, SGH is one of Australia's leading retail and property industry participants.

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	Zac's focus at SGH includes the oversight of SGH's property development and leasing portfolio. He has over 30 years of retail and property industry experience and a demonstrable track record of successful site identification, property value creation, and the fostering of many longstanding and close lessee relationships. Zac has played the central role at SGH in the development of many of Australia and New Zealand's premier retail, office, and homemaker centres. In addition to his role at SGH, Zac is the President of the Large Format Retail Association ('LFRA'). The LFRA is the preeminent industry association responsible for representing the Australian retail industry interests of operators, investors, property owners, developers and service providers that collectively generate more than $80 billion or 25% of all retail sales in Australia.
Other current directorships:	None
Former directorships (last 3 years):	HMC Capital (ASX: HMC) (retired on 27 November 2024)
Special responsibilities:	None
Interests in units:	9,508,409 ordinary units

Name:	**Sid Sharma**
Title:	Executive Director (appointed on 6 October 2025)
Experience and expertise:	Sid Sharma is a highly experienced real estate executive with over 20 years' experience across real estate investment, funds management, asset management, development and retail property strategy. He is currently Chief Executive Officer and Executive Director of HomeCo Daily Needs REIT. Sid is Managing Director, Real Estate at HMC Capital, where he is responsible for overseeing multi-billion-dollar real estate investment portfolios and leading institutional capital deployment strategies. Sid has held senior leadership roles at HMC Capital, Region Group, Dexus, Stockland and Woolworths Group, with responsibility across funds management, portfolio construction, capital markets execution, asset management, leasing, development and corporate strategy. He has extensive experience in ASX IPO execution, listed REIT management, capital raising, M&A transactions, large-scale asset acquisitions, portfolio repositioning and asset recycling programs. Sid has a Bachelor of Laws (LLB) and a Bachelor of Business (Economics & Finance) from Western Sydney University.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in units:	54,311 ordinary units

'Other current directorships' quoted above are current directorships for listed entities only and exclude directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and exclude directorships of all other types of entities, unless otherwise stated.

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Company secretary

Andrew Selim joined HMC Capital Limited as a senior executive in 2017 and is Group General Counsel and Company Secretary. He is responsible for all legal, compliance and governance activities of HMC Capital Limited and its managed funds. Andrew was appointed as the Company Secretary of the Responsible Entity on 18 September 2020. Andrew has over 20 years of local and international experience in real estate, funds management and corporate law. Before joining the group, Andrew was Senior Legal Counsel and Company Secretary at GPT Group. Prior to that, he was a Senior Associate at Allens Linklaters. Andrew holds a Master of Laws, Bachelor of Laws (Honours) and Bachelor of Science (Advanced), all from the University of Sydney and is admitted to practise as a solicitor in Australia, England and Wales. He is also a Graduate of the Australian Institute of Company Directors and is a Member of the Governance Institute of Australia and Association of Corporate Counsel Australia. He previously sat on the Law Society of New South Wales In-House Corporate Lawyers Committee and was previously Chair of the Property Council of Australia's Future Leaders Mentoring Program Subcommittee. Andrew has also been recognised by The Legal 500 GC Powerlist, Australasian Lawyer and Doyles Guide as a leading in-house lawyer.

Meetings of directors

The number of meetings of the Board of Directors ('the Board') of the Responsible Entity held during the year ended 30 June 2026, and the number of meetings attended by each director were:

	Full Board		Audit and Risk Committee	
	Attended	Held	Attended	Held
Simon Shakesheff	8	8	4	4
Stephanie Lai	8	8	4	4
Robyn Stubbs *	7	8	-	-
Simon Tuxen	7	8	3	4
David Di Pilla *	7	8	-	-
Isaac 'Zac' Fried *	7	8	-	-
Sid Sharma * & **	6	6	-	-

* Robyn Stubbs, David Di Pilla, Isaac 'Zac' Fried and Sid Sharma have standing invitations to attend Audit and Risk Committee meetings.

** Appointed on 6 October 2025

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Non-audit services

There were no non-audit services provided during the financial year by the auditor.

Officers of the Trust who are former partners of KPMG

Stephanie Lai was appointed as a director of the Trust on 16 October 2020. She is a former partner of KPMG, the current auditor, having been a partner until 2009.

Rounding of amounts

The Trust is of a kind referred to in Corporations Instrument 2026/183, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest hundred thousand dollars, unless otherwise stated.

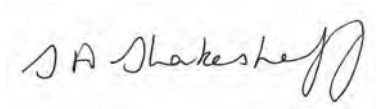
Directors' Report

Auditors' independence declaration

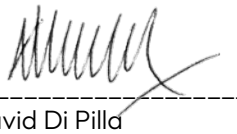
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Simon Shakesheff
Independent Non-Executive Chair



David Di Pilla
Non-Executive Director

12 August 2026

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Auditor's Independence Declaration

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Lead Auditor's Independence Declaration under Section 307C of the *Corporations Act 2001*

To the Directors of HMC Funds Management Limited, the Responsible Entity of HomeCo Daily Needs REIT

I declare that, to the best of my knowledge and belief, in relation to the audit of HomeCo Daily Needs REIT, for the financial year ended 30 June 2026, there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Jessica Davis
Partner

Sydney
12 August 2026

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Consolidated Statement of Profit or Loss and other Comprehensive Income

for the year ended 30 June 2026

	Note	Consolidated 30 June 2026 $m	Consolidated 30 June 2025 $m
Income			
Property income	5	378.3	364.7
Share of profit/(loss) of equity-accounted investees, net of tax	14	6.4	(1.0)
Interest income		1.1	1.0
Net change in assets/liabilities at fair value through profit or loss	6	188.8	85.0
Expenses			
Property expenses		(99.3)	(94.7)
Corporate expenses		(4.4)	(4.2)
Management fees	26	(18.3)	(18.9)
Acquisition and transaction costs	7	(0.1)	(0.2)
Finance costs	7	(90.9)	(81.4)
Profit for the year		361.6	250.3
Other comprehensive income for the year		-	-
Total comprehensive income for the year		361.6	250.3
		Cents	Cents
Basic earnings per unit	29	17.32	12.02
Diluted earnings per unit	29	17.32	12.02

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

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Consolidated Statement of Financial Position

for the year ended 30 June 2026

	Note	Consolidated 30 June 2026 $m	Consolidated 30 June 2025 $m
Assets			
Current assets			
Cash and cash equivalents	8	38.0	18.0
Trade and other receivables	9	4.9	2.1
Derivative financial instruments	15	3.3	-
Other assets	11	6.8	9.9
		53.0	30.0
Assets held for sale	12	-	41.5
Total current assets		53.0	71.5
Non-current assets			
Investment properties	13	5,092.5	4,830.2
Investments accounted for using the equity method	14	75.8	47.2
Investments in financial assets at fair value through profit or loss	10	18.8	11.8
Derivative financial instruments	15	18.8	-
Total non-current assets		5,205.9	4,889.2
Total assets		5,258.9	4,960.7
Liabilities			
Current liabilities			
Trade and other payables	16	61.9	86.5
Distributions payable	19	45.0	44.3
Derivative financial instruments	15	-	0.4
Total current liabilities		106.9	131.2
Non-current liabilities			
Borrowings	17	1,891.5	1,754.7
Derivative financial instruments	15	-	2.0
Total non-current liabilities		1,891.5	1,756.7
Total liabilities		1,998.4	1,887.9
Net assets		3,260.5	3,072.8
Equity			
Contributed equity	18	2,942.2	2,936.4
Retained profits		318.3	136.4
Total equity		3,260.5	3,072.8

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

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Consolidated Statement of Changes in Equity

for the year ended 30 June 2026

	Contributed equity $m	Retained profits $m	Total equity $m
Balance at 1 July 2024	2,929.3	63.2	2,992.5
Profit for the year	-	250.3	250.3
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	250.3	250.3
Transactions with owners in their capacity as owners:			
Contributions of equity, net of transaction costs (note 18)	7.1	-	7.1
Distributions declared (note 19)	-	(177.1)	(177.1)
Balance at 30 June 2025	2,936.4	136.4	3,072.8

	Contributed equity $m	Retained profits $m	Total equity $m
Balance at 1 July 2025	2,936.4	136.4	3,072.8
Profit for the year	-	361.6	361.6
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	361.6	361.6
Transactions with owners in their capacity as owners:			
Contributions of equity, net of transaction costs (note 18)	5.8	-	5.8
Distributions declared (note 19)	-	(179.7)	(179.7)
Balance at 30 June 2026	2,942.2	318.3	3,260.5

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

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Consolidated Statement of Cash Flows

for the year ended 30 June 2026

	Note	Consolidated 30 June 2026 $m	Consolidated 30 June 2025 $m
Cash flows from operating activities			
Receipts from tenants (inclusive of GST)		415.7	397.3
Payments to suppliers (inclusive of GST)		(159.9)	(158.5)
Interest received		1.1	1.0
Interest and other finance costs paid		(114.5)	(65.1)
Net cash from operating activities	30	142.4	174.7
Cash flows from investing activities			
Payment for acquisition of investment property and capital expenditure		(219.3)	(313.2)
Proceeds on sale of investment properties		168.2	250.5
Payment for investment in HMC Unlisted Grocery Fund		(24.3)	-
Payments for investments in financial assets at fair value through profit or loss		(5.0)	(12.0)
Distribution from equity-accounted investees	14	2.1	8.0
Distribution from financial assets at fair value through profit or loss		0.2	-
Net cash used in investing activities		(78.1)	(66.7)
Cash flows from financing activities			
Proceeds from borrowings	30	2,938.9	1,008.9
Repayment of borrowings	30	(2,799.0)	(938.0)
Borrowing costs paid		(11.0)	(4.2)
Payment of lease liabilities		-	(0.2)
Distributions paid	30	(173.2)	(168.9)
Net cash used in financing activities		(44.3)	(102.4)
Net increase in cash and cash equivalents		20.0	5.6
Cash and cash equivalents at the beginning of the financial year		18.0	12.4
Cash and cash equivalents at the end of the financial year	8	38.0	18.0

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

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Notes to the Consolidated Financial Statements

for the year ended 30 June 2026

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Note 1. General information

The consolidated financial statements cover HomeCo Daily Needs REIT (the Trust or HDN) as a consolidated entity consisting of HomeCo Daily Needs REIT and the entities it controlled at the end of, or during, the year (collectively referred to hereafter as the group). The consolidated financial statements are presented in Australian dollars, which is the group's functional and presentation currency.

HDN is a listed for-profit managed investment scheme, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 31, Gateway
1 Macquarie Place
Sydney NSW 2000

A description of the nature of the group's operations and its principal activities are included in the directors' report, which is not part of the consolidated financial statements.

HMC Funds Management Limited (AFSL 237257) is the Responsible Entity of the Trust.

The Responsible Entity has appointed HMC Property Management Pty Ltd (the 'Property Manager') and HMC Investment Management Pty Ltd (the 'Investment Manager') to provide certain asset management, investment management and development management services to the group in accordance with an Investment Management and Property and Development Management Agreement ('Management Agreements'). The Responsible Entity, Property Manager and Investment Manager are ultimately owned by HMC Capital Limited (ASX: HMC).

The consolidated financial statements were authorised for issue, in accordance with a resolution of directors, on 12 August 2026.

Note 2. Material accounting policy information

The accounting policies that are material to the group are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period, which are applicable to the group. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the group for the financial year.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern

As at 30 June 2026, the group was in a net current liability position of $53.9 million (30 June 2025: $59.7 million). As detailed in note 17, the group has access to an unused bank debt facility of $250.0 million as at 30 June 2026 (30 June 2025: $89.9 million). Accordingly, the consolidated financial statements continue to be prepared on a going concern basis.

Note 2. Material accounting policy information (continued)

The directors of the Responsible Entity have concluded that it is appropriate to prepare the consolidated financial statements on a going concern basis, as they believe that the group will comply with its future financial covenants and be able to pay its debts as and when they become due and payable from cash flows from operations and available finance facilities for at least 12 months from the date of approval of these consolidated financial statements.

Basis of preparation

These general purpose consolidated financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These consolidated financial statements also comply with IFRS Accounting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The consolidated financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of investment properties and derivative financial instruments measured at fair value through profit or loss.

Critical accounting estimates

The preparation of the consolidated financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 3.

Parent entity information

In accordance with section 295(2)(b) of the Corporations Act 2001, these consolidated financial statements present the results of the group only. Supplementary information about the parent entity is disclosed in note 27.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of HomeCo Daily Needs REIT as at 30 June 2026 and the results of all subsidiaries for the year then ended.

Subsidiaries are all those entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

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Note 2. Material accounting policy information (continued)

Where the group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments

Operating segments are presented on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'), which is the Board of Directors of the Responsible Entity. The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Revenue recognition

The group recognises revenue as follows:

Property rental income

Property rental income is recognised on a straight-line basis over the lease term for leases with fixed rate or guaranteed minimum rent review clauses, net of incentives.

Other property income

Other property income represents surrender fees and direct and indirect outgoings recovered from tenants. The group recognises direct and indirect outgoings based on actual costs incurred in accordance with the terms of the related leases. Actual costs reflect the service provided. The amount of recoveries revenue is determined by the actual cost incurred and the terms in the lease. The outgoings recovered are recognised over the period the services are provided.

Other property income includes recoveries from tenants recognised in accordance with AASB 15 'Revenue from contracts with customers'.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Leasing costs and tenant incentives

Leasing costs

Leasing costs are costs that are directly associated with negotiating and arranging an operating lease (including commissions, fees and costs of preparing and processing documentation for new leases). These costs are capitalised and amortised on a straight-line basis over the term of the lease.

Tenant incentives

Incentives such as cash, rent-free periods, lessee, or lessor owned fit-outs may be provided to lessees to enter into a lease. These incentives are capitalised and are amortised on a straight-line basis over the term of the lease as a reduction of rental income. The carrying amount of tenant incentives is reflected in the fair value of investment properties.

Management fees and other expenses

All expenses are recognised on an accrual basis. Management fees are recognised as the services are rendered. The services relate to property and fund management roles provided by the Property Manager and Investment Manager collectively known as the Manager(s). Management fees are charged in accordance with the management fee arrangements.

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Note 2. Material accounting policy information (continued)

Income tax
The Trust is intended to be treated as a 'flow-through' entity for Australian income tax purposes under the Attribution Managed Investment Trust rules such that the net income of the Trust will be taxable in the hands of the unitholders on an attribution basis.

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

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the group's normal operating cycle; it is held primarily for the purpose of trading; 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 either expected to be settled in the group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no right at the end of the reporting period to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents
Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses. Debts that are known to be uncollectable are written off when identified.

Derivative financial instruments
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. Movements in fair value are recognised directly in profit or loss. Derivatives are classified as current or non-current depending on the expected period of realisation. The group has not adopted hedge accounting.

Non-current assets or disposal groups classified as held for sale
Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

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Note 2. Material accounting policy information (continued)

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current asset and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the consolidated statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the consolidated statement of financial position, in current liabilities.

Investment in joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the consent of the parties sharing control.

The group's investments in its joint ventures are accounted for using the equity method. Under the equity method, the investment in the joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment separately. The consolidated statement of profit or loss reflects the group's share of the results of operations of the joint venture. Any change in other comprehensive income ('OCI') of those investees is presented as part of the group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the group and the joint venture are eliminated to the extent of the interest in the joint venture. The financial statements of the joint venture are prepared using the same accounting policies and for the same reporting period as the group.

Investment properties

Investment properties are held for long-term rental yields and capital appreciation. Investment properties are initially recognised at cost, including transaction costs, and are subsequently remeasured to fair value at each reporting date. Movements in fair value are recognised directly to profit or loss. Investment properties are derecognised when disposed of or when the investment property is permanently withdrawn from use and there is no future economic benefit expected from its disposal. Gains or losses resulting from the disposal of investment property are measured as the difference between the carrying value of the asset and disposal proceeds at the date of disposal and are recognised when control over the property has been transferred.

Rental guarantees

Rental guarantees income relating to investment property are capitalised in the consolidated statement of financial position. They are measured at fair value, equal to the net present value of expected future cash flows under the guarantee arrangements. The guarantee payments relating to the property are recorded in FFO as an adjustment to net profit over the period of the guarantee.

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Note 2. Material accounting policy information (continued)

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Investments in equity securities are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the group prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan and amortised over the period of the facility to which it relates.

Finance costs

Finance costs are expensed in the period in which they are incurred.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques used to measure fair value are those that are appropriate in the circumstances and which maximise the use of relevant observable inputs and minimise the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

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Note 2. Material accounting policy information (continued)

For recurring and non-recurring fair value measurements, external valuers may be used with all investment properties having an external valuation at least once every two years. External valuers are selected based on market knowledge and reputation. Under the group's valuation policy, where there is a significant change in the fair value of an asset or liability from one period to another, an analysis is undertaken, which includes verification of major inputs applied to the latest valuation and comparison, where applicable with external sources of data.

Contributed capital

Units issued by the Trust are classified as equity.

Incremental costs directly attributable to the issue of new units or options are shown in equity as a deduction from the proceeds.

Distributions

Distributions are recognised when declared during the financial year and no longer at the discretion of the Trust.

Provision is made for the amount of any distribution declared, being appropriately authorised and no longer at the discretion of the Trust, on or before the end of the financial year but not distributed at the reporting date.

Earnings per unit

Basic earnings per unit

Basic earnings per unit is calculated by dividing the profit attributable to the owners of HomeCo Daily Needs REIT, excluding any costs of servicing equity other than ordinary units, by the weighted average number of ordinary units outstanding during the financial year, adjusted for bonus elements in ordinary units issued during the financial year.

Diluted earnings per unit

Diluted earnings per unit adjusts the figures used in the determination of basic earnings per unit to take into account the effect of interest and other financing costs associated with dilutive potential ordinary units and the weighted average number of units assumed to have been issued for no consideration in relation to dilutive potential ordinary units.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the consolidated statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

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Note 2. Material accounting policy information (continued)

Rounding of amounts

The Trust is of a kind referred to in Corporations Instrument 2026/183, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest hundred thousand dollars, unless otherwise stated.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the group for the annual reporting period ended 30 June 2026. The group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the group, are set out below.

AASB 18 Presentation and Disclosure in Financial Statements

AASB 18 will replace AASB 101 'Presentation of Financial Statements' and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change;
- Management-defined performance measures (MPMs) are disclosed in a single note to the financial statements; and
- Enhanced guidance is provided on how to group information in the financial statements.

The group is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the group's consolidated statement of profit or loss, consolidated statement of cash flows and the additional disclosures required for MPMs. The group is also assessing the impact on how information is grouped in the consolidated financial statements, including for items currently labelled as 'other'.

AASB 2024-2 Amendments to the Classification and Measurement of Financial Instruments

AASB 2024-2 is applicable for annual reporting periods beginning from 1 January 2026, with early adoption permitted. This standard makes amendments to AASB 9 'Financial Instruments' and AASB 7 'Financial Instruments: Disclosures' to clarify how the contractual cash flows from financial assets should be assessed in determining how they should be classified. AASB 2024-2 amendments are not expected to have a significant impact on the group's consolidated financial statements.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the consolidated financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

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Note 3. Critical accounting judgements, estimates and assumptions (continued)

Measuring fair value of investment property
The fair value assessment of investment property as at 30 June 2026 was based on independent valuations conducted using the information available at the time of the preparation of the consolidated financial statements and best estimates of future performance. Key inputs into the valuation included the discount rate, terminal yield, capitalisation rate, expected vacancy rates and rental growth rates. Refer to note 21 for details of valuation techniques used.

Note 4. Operating segments

The group's operating segments are based on the internal reports that are reviewed and used by the Board of Directors of the Responsible Entity (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. The directors of the Responsible Entity have determined that there is one operating segment being its Australian operations.

The CODM monitors the performance of the business on the basis of Funds from Operations ('FFO'). FFO represents the group's underlying and recurring earnings from its operations, and is determined by adjusting the statutory net profit or loss for items which are non-cash, unrealised or capital in nature. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the consolidated financial statements.

The information reported to the CODM is on a quarterly basis.

Refer to the consolidated statement of financial position for segment assets and liabilities.

Major customers
During the year ended 30 June 2026 and 30 June 2025, there were no major customers of the group generating more than 10% of the group's external revenue.

Segment results

	Consolidated	
	30 June 2026 $m	30 June 2025 $m
Funds from operations ('FFO')	187.1	182.5
Straight lining and amortisation	(17.7)	(11.1)
Transaction costs	(0.1)	(0.2)
Net fair value movements	188.8	85.0
Share of profit/(loss) of equity accounted investees	6.4	(1.0)
Distributions from equity accounted investees	(2.1)	(3.1)
Rent guarantee income	(0.5)	(2.0)
Other items	(0.3)	0.2
Profit for the year	361.6	250.3

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Note 5. Property income

	Consolidated	
	30 June 2026 $m	30 June 2025 $m
Property rental income	306.7	304.4
Other property income	71.6	60.3
Property income	378.3	364.7

Disaggregation of revenue
Revenue from property rental is recognised on a straight-line basis over the lease term. Other property income is recognised over time as services are rendered. All revenue is generated in Australia.

Note 6. Net change in assets/liabilities at fair value through profit or loss

	Consolidated	
	30 June 2026 $m	30 June 2025 $m
Net fair value gain on investment properties (note 13)	162.0	119.8
Net fair value gain/(loss) on derivatives	24.5	(34.6)
Net fair value gain/(loss) on financial assets	2.3	(0.2)
	188.8	85.0

Note 7. Expenses

	Consolidated	
	30 June 2026 $m	30 June 2025 $m
Profit includes the following specific expenses:		
Acquisition and transaction costs	0.1	0.2
Finance costs		
Interest and finance charges on borrowings	82.9	77.5
Loss on extinguishment of borrowings	4.9	-
Amortisation of capitalised borrowing costs	3.1	3.9
Finance costs expensed	90.9	81.4

Note 8. Cash and cash equivalents

	Consolidated	
	30 June 2026 $m	30 June 2025 $m
Current assets		
Cash at bank	38.0	18.0

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Note 9. Trade and other receivables

	Consolidated	
	30 June 2026 $m	30 June 2025 $m
Current assets		
Trade receivables	2.0	2.1
Less: Allowance for expected credit losses	(1.3)	(1.3)
	0.7	0.8
Other receivables	4.2	1.3
	4.9	2.1

Note 10. Investments in financial assets at fair value through profit or loss

	Consolidated	
	30 June 2026 $m	30 June 2025 $m
Non-current assets		
Unlisted equity securities	18.8	11.8

Refer to note 21 for further information on fair value measurement.

Investment in unlisted equity securities comprises minority investment in HMC Last Mile Logistics Property Trust 1A and HMC Capital Australia Retail Partnership.

Note 11. Other assets

	Consolidated	
	30 June 2026 $m	30 June 2025 $m
Current assets		
Prepayments	5.5	6.2
Security deposits	0.5	0.4
Other current assets	0.8	3.3
	6.8	9.9

Note 12. Assets held for sale

	Consolidated	
	30 June 2026 $m	30 June 2025 $m
Current assets		
Investment properties	-	41.5

At 30 June 2025, assets held for sale represented HomeCo Bundall, Queensland. The property was settled in October 2025.

Note 13. Investment properties

	Consolidated	
	30 June 2026 $m	30 June 2025 $m
Non-current assets		
Investment property - at fair value	5,092.5	4,830.2
Reconciliation		
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:		
Opening fair value	4,830.2	4,607.1
Acquisitions	81.2	198.1
Capitalised expenditure (including transaction costs)	155.5	150.3
Straight-lining and amortisation of incentives	(9.7)	(7.1)
Net unrealised gain from fair value adjustments (note 6)	162.0	119.8
Disposals*	(126.7)	(196.5)
Reclassification to assets held for sale (note 12)	-	(41.5)
Closing fair value	5,092.5	4,830.2

* During the year ended 30 June 2026, the group sold Richlands Land 1 to HMC Unlisted Grocery Fund (HUG) for $14.0 million. The sale price was in line with book value and supported by an independent valuation. The group has a 40.1% ownership interest in HUG alongside other investors. Refer to note 26.

Refer to note 21 for further information on fair value measurement.

All investment properties generate rental income which is disclosed in note 5 and the direct property expenses are disclosed in the consolidated statement of profit or loss. The investment properties are leased to tenants under operating leases with varying lease terms and rentals payable monthly. Lease payments for contracts include CPI increases and fixed percentage increases.

Lease payments receivable (undiscounted)

	Consolidated	
	30 June 2026 $m	30 June 2025 $m
Minimum lease commitments receivable but not recognised in the consolidated financial statements:		
1 year or less	298.3	286.7
Between 1 and 2 years	268.5	257.8
Between 2 and 3 years	232.7	227.2
Between 3 and 4 years	190.4	190.6
Between 4 and 5 years	147.9	147.7
Over 5 years	381.3	385.0
	1,519.1	1,495.0

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Note 14. Investments accounted for using the equity method

	Consolidated	
	30 June 2026 $m	30 June 2025 $m
Non-current assets		
Investment in joint venture - HMC Last Mile Logistics Property Trust 1 ('HMC LML')	51.6	47.2
Investment in joint venture - HMC Unlisted Grocery Fund ('HUG')	24.2	-
	75.8	47.2

Interests in joint ventures and associates

Interests in joint ventures are accounted for using the equity method of accounting. Information relating to joint ventures that are material to the group are set out below:

Name	Principal place of business / Country of incorporation	Ownership interest 30 June 2026 %	Ownership interest 30 June 2025 %
HMC Last Mile Logistics Property Trust 1	Australia	50.1%	50.1%
HUG (Richlands) Holdings Trust*	Australia	40.1%	-
HUG (Diggers Rest) Holdings Trust*	Australia	40.1%	-
HUG (Austral) Holdings Trust*	Australia	40.1%	-

* In July 2025, the group invested in HUG (Richlands) Holdings Trust, HUG (Diggers Rest) Holdings Trust and HUG (Austral) Holdings Trust collectively referred to as HMC Unlisted Grocery Fund (HUG).

Summarised financial information

	HUG	HMC LML		APS 1 Fund*
	30 June 2026 $m	30 June 2026 $m	30 June 2025 $m	30 June 2025 $m
Summarised statement of profit or loss and other comprehensive income				
Profit/(loss) from continuing operations	(0.2)	13.0	(1.4)	(0.9)
Other comprehensive income	-	-	-	-
Total comprehensive income	(0.2)	13.0	(1.4)	(0.9)
Reconciliation of the group's carrying amount				
Opening carrying amount	-	47.2	49.9	6.3
Additions during the year	24.3	-	-	-
Share of profit/(loss)	(0.1)	6.5	(0.8)	(0.2)
Share of distributions received/receivable **	-	(2.1)	(1.9)	(1.2)
Return of capital received	-	-	-	(4.9)
Closing carrying amount	24.2	51.6	47.2	-

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Note 14. Investments accounted for using the equity method (continued)

* The Aventus Property Syndicate 1 Fund ('APS1 Fund') (Associate entity) was wound up on 20 June 2025.
** Includes $0.6 million at 30 June 2026 (30 June 2025: $0.6 million) for distributions receivable by HDN.
Interests in associates and joint ventures had no capital commitments at 30 June 2026 and 30 June 2025.

Note 15. Derivative financial instruments

	Consolidated	
	30 June 2026 $m	30 June 2025 $m
Current assets		
Derivative asset - Interest rate swap contracts	3.3	-
Non-current assets		
Derivative asset - Interest rate swap contracts	18.8	-
Current liabilities		
Derivative liability - Interest rate swap contracts	-	(0.4)
Non-current liabilities		
Derivative liability - Interest rate swap contracts	-	(2.0)
	22.1	(2.4)

Refer to note 20 for further information on financial instruments.

Refer to note 21 for further information on fair value measurement.

Note 16. Trade and other payables

	Consolidated	
	30 June 2026 $m	30 June 2025 $m
Current liabilities		
Trade payables	11.9	8.4
Rent received in advance	8.2	8.7
Accrued expenses	35.7	42.4
Interest payable	2.3	24.1
Other payables	3.8	2.9
	61.9	86.5

Refer to note 20 for further information on financial instruments.

Note 17. Borrowings

	Consolidated	
	30 June 2026 $m	30 June 2025 $m
Non-current liabilities		
Bank loans	1,900.0	1,760.1
Capitalised borrowing costs	(8.5)	(5.4)
	1,891.5	1,754.7

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Note 17. Borrowings (continued)

Refer to note 20 for further information on financial instruments.
During the year, the group refinanced its secured debt facilities into an unsecured debt platform and increased its total facility limits by $300.0 million. The group's bank loans comprise unsecured debt facilities totalling $2,150.0 million (30 June 2025: Secured bank loan: $1,850.0 million), of which $1,900.0 million is drawn at 30 June 2026.

The facility details are provided below:

30 June 2026			30 June 2025		
Current unsecured facility details	Facility limit $m	Expiry date	Previous secured facility details	Facility limit $m	Expiry date
A - Term	350.0	June 2029	A1 - Term	550.0	July 2026
B1 - Term	400.0	June 2030	A2 - Term	260.0	July 2026
B2 - Revolver	200.0	June 2030	B2 - Revolver	355.0	December 2027
C - Term	200.0	June 2032	B1 - Revolver	230.0	July 2027
Bridge - Term	800.0	June 2027*	C1 - Term	185.0	July 2029
Bilaterals - Revolver	200.0	June 2028	C2 - Term	270.0	July 2030
	2,150.0			1,850.0	

* The facility has an initial contractual maturity date of June 2027 but includes a one-year extension option, exercisable at the group's discretion. As a result, the facility has been classified as non-current at 30 June 2026 because the group has an existing right to defer settlement of the loan for at least 12 months after the reporting period.

Under the terms of the group's unsecured debt facilities, the group is required to comply with financial covenants, including gearing ratio, interest cover ratio, priority debt ratio and unencumbered asset ratio, at the end of each reporting period. The group has complied with these covenants throughout the reporting period and, based on current forecasts, expects to remain in compliance at all covenant testing dates within 12 months after the reporting date.

The fair value of borrowings approximates their carrying value as the interest payable on borrowings reflects current market rates.

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Note 17. Borrowings (continued)

Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

	Consolidated	
	30 June 2026 $m	30 June 2025 $m
Total facilities		
Secured bank loans	-	1,850.0
Unsecured bank loans	2,150.0	-
	2,150.0	1,850.0
Used at the reporting date		
Secured bank loans	-	1,760.1
Unsecured bank loans	1,900.0	-
	1,900.0	1,760.1
Unused at the reporting date		
Secured bank loans	-	89.9
Unsecured bank loans	250.0	-
	250.0	89.9

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Note 18. Contributed equity

	Consolidated			
	30 June 2026 Units	30 June 2025 Units	30 June 2026 $m	30 June 2025 $m
Ordinary class units - fully paid	2,090,704,958	2,086,214,927	2,942.2	2,936.4

Movements in ordinary units

Details	Date	Units	$m
Balance	1 July 2024	2,080,210,920	2,929.3
Units issued as part of DRP (at $1.19 per unit)	22 August 2024	1,066,676	1.3
Units issued as part of DRP (at $1.25 per unit)	22 November 2024	965,438	1.2
Units issued as part of DRP (at $1.16 per unit)	26 February 2025	2,855,957	3.3
Units issued as part of DRP (at $1.20 per unit)	22 May 2025	1,115,936	1.3
Balance	30 June 2025	2,086,214,927	2,936.4
Units issued as part of DRP (at $1.27 per unit)	22 August 2025	603,429	0.8
Units issued as part of DRP (at $1.37 per unit)	24 November 2025	1,280,264	1.7
Units issued as part of DRP (at $1.36 per unit)	26 February 2026	1,200,544	1.6
Units issued as part of DRP (at $1.21 per unit)	22 May 2026	1,405,794	1.7
Balance	30 June 2026	2,090,704,958	2,942.2

All units in the Trust are of the same class and carry equal rights to capital and income distributions. The fully paid units have no par value and the Trust does not have a limited amount of authorised capital.

On a show of hands every unitholder present at a meeting in person or by proxy shall have one vote and upon a poll each unit shall have one vote.

Distribution reinvestment plans ('DRP')
For the year ended 30 June 2026, the group operated a DRP under which unitholders could elect to reinvest all or part of their distributions in new units rather than being paid in cash. The DRP price is determined as the average of the daily volume weighted average price (VWAP) of units sold on the Australian Securities Exchange (ASX) during a nominated five day period, between the announcement date and payment date of the respective distribution, less a discount (if any). The DRP price for the quarters ended 30 September 2025, 31 December 2025, 31 March 2026 and 30 June 2026 did not include a discount.

Unit buy-back
There is no current on-market unit buy-back.

Capital risk management
The group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for unitholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the consolidated statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the group may adjust the amount of distributions paid to unitholders, return capital to unitholders, issue new units or sell assets to reduce debt.

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Note 18. Contributed equity (continued)

The group is subject to certain covenants on its financing arrangements and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the prior year.

Note 19. Distributions

Distributions declared during the financial year were as follows:

	Consolidated	
	30 June 2026 $m	30 June 2025 $m
Interim distribution for the year ended 30 June 2026 of 2.150 cents (30 June 2025: 2.125 cents) per unit declared on 24 September 2025. The distribution was paid on 24 November 2025 to unitholders registered on 30 September 2025.*	44.9	44.2
Interim distribution for the year ended 30 June 2026 of 2.150 cents (30 June 2025: 2.125 cents) per unit declared on 11 December 2025. The distribution was paid on 26 February 2026 to unitholders registered on 31 December 2025.*	44.9	44.3
Interim distribution for the year ended 30 June 2026 of 2.150 cents (30 June 2025: 2.125 cents) per unit declared on 25 March 2026. The distribution was paid on 22 May 2026 to unitholders registered on 31 March 2026.*	44.9	44.3
Final distribution for the year ended 30 June 2026 of 2.150 cents (30 June 2025: 2.125 cents) per unit declared on 16 June 2026. The distribution will be paid on 21 August 2026 to unitholders registered on 30 June 2026.**	45.0	44.3
	179.7	177.1

* Refer to note 18 for distribution settled in units.
** Final distribution will be paid subsequent to the end of the financial year on 21 August 2026.

Note 20. Financial instruments

Financial risk management objectives

The group's activities expose it to a variety of financial risks: market risk (including interest rate risk), credit risk and liquidity risk. The group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the group. The group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate risk and ageing analysis for credit risk.

Risk management is carried out by the Responsible Entity. These policies include identification and analysis of the risk exposure of the group and appropriate procedures, controls and risk limits. The Responsible Entity identifies, evaluates and hedges financial risks within the group's operating units.

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Note 20. Financial instruments (continued)

Market risk

Foreign currency risk
The group is not exposed to any significant foreign currency risk.

Price risk
The group is not exposed to any significant price risk.

Interest rate risk
The group's main interest rate risk arises from borrowings. Borrowings obtained at variable rates expose the group to interest rate risk.

As at the reporting date, the group had the following variable rate borrowings outstanding:

	30 June 2026		30 June 2025	
Consolidated	Weighted average interest rate %	Balance $m	Weighted average interest rate %	Balance $m
Bank loans - variable rate	5.0%	1,900.0	4.8%	1,760.1
Interest rate swap contracts (notional principal amount)		(1,300.0)		(1,425.0)
Net exposure to cash flow interest rate risk		600.0		335.1

An analysis by remaining contractual maturities is shown in 'liquidity risk' section below.

Interest rate sensitivity
Sensitivities in interest rates of 50 (30 June 2025: 50) basis points based on the drawn debt at 30 June 2026 would have an adverse/favourable effect on profit of $3.0 million (30 June 2025: $1.7 million), noting the debt drawn balance during the period was varied and partially hedged.

Derivatives interest rate swap
The group has entered into interest rate swap contracts with notional/principal value as at 30 June 2026 of $1,300.0 million (30 June 2025: $1,425.0 million). The interest rate swap contract protects the group's risk against an increase in variable interest rate. The remaining weighted average contract tenure of the contracts is 0.8 years (30 June 2025: 2.0 years) as at 30 June 2026. The weighted average fixed rate is 3.37% per annum including caps (30 June 2025: 2.80%). Contracts with interest rate caps pay variable interest rates until the fixed rate is reached.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. The group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the consolidated statement of financial position and notes to the consolidated financial statements. The group does not hold any collateral.

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Note 20. Financial instruments (continued)

The group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the group based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk

Vigilant liquidity risk management requires the group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Refer to note 17 for details of unused borrowing facilities at the reporting date.

Remaining contractual maturities

The following tables detail the group's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the consolidated statement of financial position.

Consolidated - 30 June 2026	1 year or less $m	Between 1 and 2 years $m	Between 2 and 5 years $m	Over 5 years $m	Remaining contractual maturities $m
Non-derivatives					
Non-interest bearing					
Trade payables	11.9	-	-	-	11.9
Other payables	3.8	-	-	-	3.8
Distributions payable	45.0	-	-	-	45.0
Interest-bearing - variable					
Bank loans	153.2	952.4	1,205.0	256.6	2,567.2
Total non-derivatives	213.9	952.4	1,205.0	256.6	2,627.9

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Note 20. Financial instruments (continued)

Consolidated - 30 June 2025	1 year or less $m	Between 1 and 2 years $m	Between 2 and 5 years $m	Over 5 years $m	Remaining contractual maturities $m
Non-derivatives					
Non-interest bearing					
Trade payables	8.4	-	-	-	8.4
Other payables	2.9	-	-	-	2.9
Distributions payable*	44.3	-	-	-	44.3
Interest-bearing - variable					
Bank loans	98.4	868.3	759.2	271.1	1,997.0
Total non-derivatives	154.0	868.3	759.2	271.1	2,052.6

* Comparative distributions payable balance was previously not disclosed in the prior year consolidated financial statements in this note, but was disclosed as a separate line item on the consolidated statement of financial position. The comparative information has been presented in conformance with current year presentation.

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Note 21. Fair value measurement

Fair value hierarchy

The following table details the group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

Consolidated - 30 June 2026	Level 1 $m	Level 2 $m	Level 3 $m	Total $m
Assets				
Investment properties	-	-	5,092.5	5,092.5
Investment in financial assets at fair value through profit or loss	-	-	18.8	18.8
Derivatives - interest rate swaps	-	22.1	-	22.1
Total assets	-	22.1	5,111.3	5,133.4

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Note 21. Fair value measurement (continued)

Consolidated - 30 June 2025	Level 1 $m	Level 2 $m	Level 3 $m	Total $m
Assets				
Investment properties	-	-	4,830.2	4,830.2
Investment properties - held for sale	-	-	41.5	41.5
Investment in financial assets at fair value through profit or loss	-	-	11.8	11.8
Total assets	-	-	4,883.5	4,883.5
Liabilities				
Derivatives - interest rate swaps	-	2.4	-	2.4
Total liabilities	-	2.4	-	2.4

Assets and liabilities held for sale are measured at fair value on a non-recurring basis.

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables approximate their fair values due to their short-term nature. The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Valuation techniques for fair value measurements categorised within level 2 and level 3

Derivative financial instruments have been valued using observable market inputs. This valuation technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates.

Unquoted investments have been valued using a discounted cash flow model.

The basis of valuation of investment properties is fair value. Independent valuations are obtained on a rotational basis to ensure each property is valued at least once every 24 months by an independent external valuer. Valuations are based on current prices in an active market for similar properties of the same location and condition, subject to similar leases and takes into consideration occupancy rates and returns on investment. The discounted cash flow method and the capitalisation method are also considered for determining fair value. For properties not independently valued during a reporting period, a directors' valuation is carried out to determine the appropriate carrying value of the property as at the date of the report. Where directors' valuations are performed, the valuation methods include using the discounted cash flow method and the capitalisation method.

The level 3 assets and liabilities

The level 3 assets and liabilities unobservable inputs and sensitivity are as follows:

Description	Unobservable inputs	Range (weighted average) 30 June 2026	Range (weighted average) 30 June 2025
Investment properties - including held for sale	(i) Capitalisation rate	5.0% to 6.3% (5.5%)	4.8% to 6.5% (5.6%)
	(ii) Discount rate	5.5% to 7.5% (6.6%)	5.8% to 7.5% (6.7%)
	(iii) Terminal yield	5.3% to 6.5% (5.8%)	5.0% to 6.8% (5.8%)

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Note 21. Fair value measurement (continued)

A higher capitalisation rate, discount rate or terminal yield will lead to a lower fair value. A higher rental growth rate will lead to a higher fair value. The capitalisation rate is the most significant input into the valuation of investment property and therefore most sensitive to changes in valuation. A 25 basis point increase in the capitalisation rate would result in a decrease in the fair value of investment property by $222.9 million (30 June 2025: $212.2 million) and a 25 basis point decrease in the capitalisation rate would result in an increase in the fair value of investment property by $244.1 million (30 June 2025: $232.4 million).

Note 22. Key management personnel disclosures

Fees paid or payable for services provided by directors, were borne by HMC Funds Management Limited, the Responsible Entity. The Responsible Entity was reimbursed $0.8 million (30 June 2025: $0.7 million) relating to Non-Executive Director's remuneration. Refer note 26 for further details of payments made to the Responsible Entity.

Note 23. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by KPMG, the auditor of the Trust:

	Consolidated	
	30 June 2026 $'000	30 June 2025 $'000
Audit services - KPMG		
Audit and review of the consolidated financial statements	347	346
Other assurance services - KPMG		
Compliance plan audit	13	12
Other assurance services	19	37
	32	49
	379	395

Note 24. Contingent liabilities

The group had no contingent liabilities as at 30 June 2026 and 30 June 2025.

Note 25. Commitments

	Consolidated	
	30 June 2026 $m	30 June 2025 $m
Capital commitment		
Committed at the reporting date but not recognised as liabilities:		
Capital expenditure	16.0	34.8
Property acquisitions	-	5.0
	16.0	39.8

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Note 26. Related party transactions

Responsible entity
HMC Funds Management Limited (AFSL 237257) is the Responsible Entity of the Trust.

Investment Manager and Property Manager
The Responsible Entity has appointed HMC Property Management Pty Ltd (the 'Property Manager') and HMC Investment Management Pty Ltd (the 'Investment Manager') to provide certain asset management, investment management and development management services to the group in accordance with an Investment Management and Property and Development Management Agreement ('Management Agreements'). The Responsible Entity, Property Manager and Investment Manager are ultimate wholly owned subsidiaries of HMC Capital Limited (ASX: HMC).

Parent entity
HomeCo Daily Needs REIT is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 28.

Associates
Interests in associates are set out in note 14.

Joint ventures
During the year ended 30 June 2026, the group sold Richlands Land 1 to HMC Unlisted Grocery Fund (HUG) for $14.0 million. The sale price was in line with book value and supported by an independent valuation. The group has a 40.1% ownership interest in HUG alongside other investors.

Further information on interests in joint ventures are set out in note 14.

Other transactions within the Trust
From time to time directors of the Responsible Entity, or their director related entities, may buy or sell units of the Trust. These transactions are on the same terms and conditions as those entered into by other Trust unitholders.

Transactions with related parties
Responsible Entity fees:
Under the constitution, the Responsible Entity is entitled to be paid a fee equal to 1% per annum (plus GST) of the gross asset value (GAV) of the Trust and its subsidiaries but will not be paid this fee whilst the Managers are receiving the fees under the Management Agreements. The fee will be calculated on a pro-rata basis for any part period. The Responsible Entity will also be reimbursed for all expenses incurred, including those in connection with the establishment, promotion and operation of the Trust, in properly performing its duties.

Following is a summary of fees paid to the Responsible Entity and its related entities:

Type of fee	Method of fee calculation	Consolidated 30 June 2026 $'000	Consolidated 30 June 2025 $'000
Base management fees^	0.65% per annum of Gross Asset Value ('GAV') up to $1.5 billion 0.55% per annum of GAV between $1.5 billion to	29,238	28,235

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Note 26. Related party transactions (continued)

Type of fee	Method of fee calculation	Consolidated 30 June 2026 $'000	Consolidated 30 June 2025 $'000
Base management fee rebate*	$5.0 billion 0.50% per annum of GAV in excess of $5.0 billion	(10,978)	(9,313)
Net Base management fees*		18,260	18,922
Property management fees*	3.0% of gross property income**	11,636	11,126
Property management fee increase*		9,502	9,313
Net Property management fees*		21,138	20,439
Leasing fees	7.5% of year 1 gross income on renewals 15.0% of year 1 gross income on new leases	7,206	6,628
Development management fees	5.0% of project spend up to $2.5 million 3.0% of project spend thereafter	3,565	3,419
Acquisition fees	1.0% of purchase price	812	2,006
Disposal fees	0.5% of sale price	771	1,253
Reimbursement of Responsible Entity expenses	Cost recovery	805	701

^ GAV excludes the group's investments in Aventus Property Syndicate 1 Fund, HMC Last Mile Logistics Property Trust 1, HMC Last Mile Logistics Property Trust 1A, and HMC Capital Australia Retail Partnership and HMC Unlisted Grocery Fund.

* Aventus's (AVN) existing property management agreements continue to apply to the management and development of the AVN portfolio. However, if the fees under the existing AVN property management agreement are higher than what would have been incurred had such agreement been replaced with the HDN property management agreement, the base fees are reduced by that excess.

The HMC manager will provide a rebate that is equal to the amount by which HMC Unlisted Grocery Fund Fee Structure Amount exceeds the HDN Fee Structure.

** Gross property income excludes rental income straight-lining and amortisation.

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Note 26. Related party transactions (continued)

The following other transactions occurred with related parties:

	Consolidated	
	30 June 2026 $'000	30 June 2025 $'000
Payment for goods and services:		
Payments to HMC Capital Limited relating to recharges	803	684
Other transactions:		
HMC Capital Limited's share of distributions declared as a unitholder of HDN	18,838	19,299
Rental, rental guarantee and other income from other director related entities	11,008	13,054

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	30 June 2026 $'000	30 June 2025 $'000
Current payables:		
Trade and other payables to the Investment Manager and Property Manager	5,344	5,234
Distributions payable to HMC Capital Limited	4,710	4,655

Refer to note 14 for further information on transactions with Investments accounted for using the equity method.

Note 27. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	30 June 2026 $m	30 June 2025 $m
Profit	127.9	211.5
Total comprehensive income	127.9	211.5

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Note 27. Parent entity information (continued)

Statement of financial position

	Parent	
	30 June 2026 $m	30 June 2025 $m
Total current assets	28.1	7.4
Total assets	6,583.4	5,987.6
Total current liabilities	52.9	49.1
Total liabilities	3,752.1	3,110.4
Equity		
Contributed equity	2,942.2	2,936.4
Accumulated losses	(110.9)	(59.2)
Total equity	2,831.3	2,877.2

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2026 and 30 June 2025.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2026 and 30 June 2025.

Capital commitments
The parent entity had no capital commitments as at 30 June 2026 and 30 June 2025.

Material accounting policy information
The accounting policies of the parent entity are consistent with those of the group, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates and joint ventures are accounted for at cost, less any impairment, in the parent entity.
- Distributions received from subsidiaries are recognised as other income by the parent entity.

Note 28. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

		Ownership interest	
Name	Principal place of business / Country of incorporation	30 June 2026 %	30 June 2025 %
Aventus Ballarat Unit Trust	Australia	100%	100%
Aventus Bankstown Holding Trust	Australia	100%	100%
Aventus Bankstown Unit Trust	Australia	100%	100%
Aventus Belrose Fund	Australia	100%	100%

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Note 28. Interests in subsidiaries (continued)

Name	Principal place of business / Country of incorporation	Ownership interest 30 June 2026 %	Ownership interest 30 June 2025 %
Aventus Caringbah Trust	Australia	100%	100%
Aventus Castle Hill Unit Trust	Australia	100%	100%
Aventus Craigieburn Holding Trust	Australia	100%	100%
Aventus Craigieburn Unit Trust	Australia	100%	100%
Aventus Cranbourne Thompsons Road Unit Trust	Australia	100%	100%
Aventus Cranbourne Unit Trust	Australia	100%	100%
Aventus Diversified Unit Trust	Australia	100%	100%
Aventus Epping Unit Trust	Australia	100%	100%
Aventus Highlands Unit Trust	Australia	100%	100%
Aventus Jindalee Unit Trust	Australia	100%	100%
Aventus Kotara South Unit Trust	Australia	100%	100%
Aventus Logan Holding Trust	Australia	100%	100%
Aventus Logan Unit Trust	Australia	100%	100%
Aventus MacGregor Holding Trust	Australia	100%	100%
Aventus MacGregor Unit Trust	Australia	100%	100%
Aventus Marsden Park Unit Trust	Australia	100%	100%
Aventus McGraths Hill Unit Trust	Australia	100%	100%
Aventus Midland Unit Trust	Australia	100%	100%
Aventus Mile End Stage 3 Unit Trust	Australia	100%	100%
Aventus Mile End Unit Trust	Australia	100%	100%
Aventus Peninsula Unit Trust	Australia	100%	100%
Aventus Property Administration Pty Ltd	Australia	100%	100%
Aventus Property Syndicate 1 Fund	Australia	100%	100%
Aventus Retail Property Fund	Australia	100%	100%
Aventus Shepparton Unit Trust	Australia	100%	100%
Aventus Sunshine Coast Unit Trust	Australia	100%	100%
Aventus Tuggerah Unit Trust	Australia	100%	100%
Aventus Tweed Unit Trust	Australia	100%	100%
Aventus Warners Bay Unit Trust	Australia	100%	100%
HDN (HARP Fund) Trust	Australia	100%	100%
HDN (HUGF) Trust	Australia	100%	100%
HDN (LML Fund) Trust	Australia	100%	100%
HDN (Midland Home) Property Trust	Australia	100%	100%
HDN (Southlands Boulevarde) Property Trust	Australia	100%	100%
HDN No. 3 Property Trust	Australia	100%	100%
HDN No. 4 Property Trust	Australia	100%	100%
HDN No. 5 Property Trust	Australia	100%	100%
HDN No. 6 Property Trust	Australia	100%	100%
HDN No. 7 Property Trust	Australia	100%	-
HDN No. 8 Property Trust	Australia	100%	-
HDN No. 9 Property Trust	Australia	100%	-
HomeCo (HDN No.1) Property Trust	Australia	100%	100%
HomeCo (HDN No.2) Property Trust	Australia	100%	100%
HomeCo DNR (Armstrong Creek) Property Trust	Australia	100%	100%
HomeCo DNR (Box Hill) Property Trust	Australia	100%	100%
HomeCo DNR (Braybrook) Property Trust	Australia	100%	100%
HomeCo DNR (Bundall) Property Trust	Australia	100%	100%
HomeCo DNR (Butler) Property Trust	Australia	100%	100%
HomeCo DNR (Coffs Harbour) Property Trust	Australia	100%	100%
HomeCo DNR (Cranbourne West) Property Trust	Australia	100%	100%

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Note 28. Interests in subsidiaries (continued)

Name	Principal place of business / Country of incorporation	Ownership interest 30 June 2026 %	Ownership interest 30 June 2025 %
HomeCo DNR (Ellenbrook) Property Trust	Australia	100%	100%
HomeCo DNR (Glenmore Park) Property Trust	Australia	100%	100%
HomeCo DNR (Gregory Hills Home) Property Trust	Australia	100%	100%
HomeCo DNR (Gregory Hills TC) Property Trust	Australia	100%	100%
HomeCo DNR (Hawthorn East) Property Trust	Australia	100%	100%
HomeCo DNR (Joondalup) Property Trust	Australia	100%	100%
HomeCo DNR (Kellyville West) Property Trust	Australia	100%	100%
HomeCo DNR (Keysborough) Property Trust	Australia	100%	100%
HomeCo DNR (Leppington) Property Trust	Australia	100%	100%
HomeCo DNR (Mackay) Property Trust	Australia	100%	100%
HomeCo DNR (Marsden Park NSW) Property Trust	Australia	100%	100%
HomeCo DNR (Marsden Park) Property Trust	Australia	100%	100%
HomeCo DNR (Mornington) Property Trust	Australia	100%	100%
HomeCo DNR (No. 1) Property Trust	Australia	100%	100%
HomeCo DNR (No. 10) Property Trust	Australia	100%	100%
HomeCo DNR (No. 12) Property Trust	Australia	100%	100%
HomeCo DNR (No. 2) Property Trust	Australia	100%	100%
HomeCo DNR (No. 3) Property Trust	Australia	100%	100%
HomeCo DNR (No. 5) Property Trust	Australia	100%	100%
HomeCo DNR (No. 6) Property Trust	Australia	100%	100%
HomeCo DNR (No. 7) Property Trust	Australia	100%	100%
HomeCo DNR (No. 8) Property Trust	Australia	100%	100%
HomeCo DNR (No. 9) Property Trust	Australia	100%	100%
HomeCo DNR (North Lakes) Property Trust	Australia	100%	100%
HomeCo DNR (Pakenham) Property Trust	Australia	100%	100%
HomeCo DNR (Parafield) Property Trust	Australia	100%	100%
HomeCo DNR (Penrith) Property Trust	Australia	100%	100%
HomeCo DNR (Prestons) Property Trust	Australia	100%	100%
HomeCo DNR (Richlands Land) Property Trust	Australia	100%	100%
HomeCo DNR (Richlands) Property Trust	Australia	100%	100%
HomeCo DNR (Rosenthal) Property Trust	Australia	100%	100%
HomeCo DNR (Seven Hills) Property Trust	Australia	100%	100%
HomeCo DNR (South Morang) Property Trust	Australia	100%	100%
HomeCo DNR (Tingalpa) Property Trust	Australia	100%	100%
HomeCo DNR (Toowoomba) Property Trust	Australia	100%	100%
HomeCo DNR (Upper Coomera CC) Property Trust	Australia	100%	100%
HomeCo DNR (Upper Coomera) Property Trust	Australia	100%	100%
HomeCo DNR (Victoria Point) Property Trust	Australia	100%	100%
HomeCo DNR (Vincentia) Property Trust	Australia	100%	100%
HomeCo DNR Finance Pty Ltd	Australia	100%	100%

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Note 29. Earnings per unit

	Consolidated	
	30 June 2026 $m	30 June 2025 $m
Profit for the year	361.6	250.3
	Number	Number
Weighted average number of units used in calculating basic earnings per unit	2,088,065,751	2,082,810,546
Weighted average number of units used in calculating diluted earnings per unit	2,088,065,751	2,082,810,546
	Cents	Cents
Basic earnings per unit	17.32	12.02
Diluted earnings per unit	17.32	12.02

Note 30. Cash flow information

Reconciliation of profit to net cash from operating activities

	Consolidated	
	30 June 2026 $m	30 June 2025 $m
Profit for the year	361.6	250.3
Adjustments for:		
Share of (profit)/loss of equity-accounted investees	(6.4)	1.0
Net change in assets/liabilities at fair value through profit or loss	(188.8)	(85.0)
Finance costs - non-cash	(0.4)	(2.2)
Straight-lining and amortisation of rental income/guarantees	(0.7)	(6.4)
Others	(1.4)	(1.2)
Transaction costs	0.1	0.2
Change in operating assets and liabilities:		
Movement in trade and other receivables	(2.8)	5.8
Movement in other operating assets	2.0	0.6
Movement in trade and other payables	(20.3)	10.6
Movement in rent received in advance	(0.5)	1.0
Net cash from operating activities	142.4	174.7

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Note 30. Cash flow information (continued)

Non-cash investing and financing activities

	Consolidated	
	30 June 2026 $m	30 June 2025 $m
Units issued under distribution reinvestment plan	(5.8)	(7.1)
Net fair value movement of investment properties	162.0	119.8
Net fair value movement of derivatives	24.5	(34.6)
Net fair value movement of financial assets held at fair value through profit or loss	2.3	(0.2)
	183.0	77.9

Changes in liabilities arising from financing activities

Consolidated	Bank loans $m	Lease liability $m	Distribution payable $m	Total $m
Balance at 1 July 2024	1,689.2	0.2	43.2	1,732.6
Net cash from/(used in) financing activities	70.9	(0.2)	-	70.7
Distributions declared during the year	-	-	177.1	177.1
Distributions paid during the year	-	-	(168.9)	(168.9)
Non-cash distributions under distribution reinvestment plan	-	-	(7.1)	(7.1)
Balance at 30 June 2025	1,760.1	-	44.3	1,804.4
Net cash from financing activities	139.9	-	-	139.9
Distributions declared during the year	-	-	179.7	179.7
Distributions paid during the year	-	-	(173.2)	(173.2)
Non-cash distributions under distribution reinvestment plan	-	-	(5.8)	(5.8)
Balance at 30 June 2026	1,900.0	-	45.0	1,945.0

Note 31. Events after the reporting period

No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the group's operations, the results of those operations, or the group's state of affairs in future financial years.

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Directors' Declaration

In the opinion of the directors of HMC Funds Management Limited, the Responsible Entity of HomeCo Daily Needs REIT (the Trust):

- the attached consolidated financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached consolidated financial statements and notes comply with IFRS Accounting Standards as issued by the International Accounting Standards Board as described in note 2 to the consolidated financial statements;
- the attached consolidated financial statements and notes give a true and fair view of the group's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

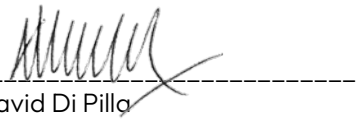
The directors have been given the declaration required by Section 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer of the Responsible Entity for the year ended 30 June 2026.

This declaration is made in accordance with a resolution of the directors of the Responsible Entity, HMC Funds Management Limited.

On behalf of the directors of the Responsible Entity



Simon Shakesheff
Independent Non-Executive Chair



David Di Pilla
Non-Executive Director

12 August 2026

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Independent Auditor's Report

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Independent Auditor's Report

To the unitholders of HomeCo Daily Needs REIT

Opinion

We have audited the ***Financial Report*** of HomeCo Daily Needs REIT (the Trust).

In our opinion, the accompanying Financial Report of the Trust gives a true and fair view, including of the ***Group***'s financial position as at 30 June 2026 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001,* in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises the:

- Consolidated statement of financial position as at 30 June 2026;
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended;
- Notes, including material accounting policies; and
- Directors' Declaration.
- The ***Group*** consists of the Trust and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Trust and HMC Funds Management Limited (the Responsible Entity) in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

This matter was addressed in the context of our audit of the Financial Report as a whole, and in

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forming our opinion thereon, and we do not provide a separate opinion on this matter.

Valuation of investment properties ($5,092.5m)	
Refer to accounting policy Note 2, Notes 13 and 21 to the Financial Report	
The key audit matter	**How the matter was addressed in our audit**
The Group owns a portfolio of retail properties measured at fair value. The valuation of these investment properties requires significant judgement and is based on assumptions not directly observable in the market. Key assumptions include capitalisation rate, discount rate, terminal yield and future rental income. These assumptions are influenced by market and economic conditions, which may change over time. At each reporting date, the Directors of the Responsible Entity determine the fair value of the investment property portfolio in accordance with the Group's valuation policy. The policy requires each property to be externally valued by an independent valuation expert at least once every two years. Between external valuations, properties are valued using an internal valuation model. The valuation of investment properties was a key audit matter because: • Investment properties is a significant balance in the Consolidated Statement of Financial Position, representing 97% of the Group's total assets. • Changes in property valuations can have a significant impact on the Group's total comprehensive income for the year. • Property valuations involve significant judgement and are sensitive to changes in key assumptions. • The valuation methodology incorporates unobservable inputs, increasing the level of estimation uncertainty.	Our procedures included: • Obtaining an understanding of the Group's investment property valuation process, including its valuation policy; • Assessing the consistency of valuation methodologies adopted by the Group with accounting standards, industry practice and the Group's policies; • Assessing the competence, capabilities and objectivity of the external valuers engaged by the Group, as well as internal valuers involved in the valuation process; • Working with our real estate valuation specialists, we read published reports and industry commentary to gain an understanding of prevailing property market conditions; • Enquiring with management regarding the specifics of the investment property portfolio including, amongst other things, any significant leasing activity, capital expenditure or vacancies impacting the portfolio; • Working with our real estate valuation specialists, we performed a risk assessment over the Group's investment property portfolio to identify higher risk properties. Our risk assessment was informed by our understanding of each property, key valuation assumptions including capitalisation rate, discount rate, terminal yield and future rental income, and our understanding of current market conditions; • For properties identified as higher risk, we performed the following procedures, where relevant: – Testing, on a sample basis, the mathematical accuracy of the valuation methodologies;

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	– Challenging key assumptions, including capitalisation rate, discount rate, terminal yield and future rental income. We did this by comparing them to industry data, recent market transactions, historical asset performance and property-specific characteristics such as location, condition, land area and passing income. We also applied our industry knowledge and experience, with a focus on outlier assumptions; • We also tested, on a sample basis, other key inputs to the investment property valuations such as rent, occupancy rate, lease terms, for consistency to existing lease contracts; • Assessing the disclosures in the Financial Report using our understanding obtained from our testing, and against accounting standards.

Other Information

Other Information is financial and non-financial information in the HomeCo Daily Needs REIT's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors of HMC Funds Management Limited (the Responsible Entity) are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Directors' Report, Related Party Leases, Unitholder Information and Corporate Directory. The Portfolio Statistics, FY26 Highlights, and Chair and HDN CEO's Letter are expected to be made available to us after the date of the Auditor's Report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of Directors for the Financial Report

The Directors of HMC Funds Management Limited (the Responsible Entity) are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001,* including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial

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position and performance of the Group, and that is free from material misstatement, whether due to fraud or error

- assessing the Group and the Trust's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our Auditor's Report.

KPMG

Jessica Davis

Partner

Sydney

12 August 2026

Related Party Leases

The group leases a number of its premises to related parties.

Since the date of the last annual report for the year ended 30 June 2025, no new leases were entered into pursuant to the ASX waivers granted to the group in November 2020 and July 2021.

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Unitholder Information

The unitholder information set out below was applicable as at 10 July 2026.

Distribution of equitable units

Analysis of number of equitable unit holders by size of holding:

	Ordinary units	
	Number of holders	% of total units issued
1 to 1,000	1,621	0.04
1,001 to 5,000	2,286	0.32
5,001 to 10,000	2,154	0.80
10,001 to 100,000	8,011	11.64
100,001 and over	538	87.20
	14,610	100.00
Holding less than a marketable parcel is	520	

Equity unit holders

Twenty largest quoted equity unit holders

The names of the twenty largest unit holders of quoted equity securities are listed below:

	Ordinary units	
	Number held	% of total units issued
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	546,403,669	26.13
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	336,257,111	16.08
CITICORP NOMINEES PTY LIMITED	234,582,486	11.22
HOME CONSORTIUM LIMITED *	189,302,169	9.05
BNP PARIBAS NOMS PTY LTD	80,387,897	3.85
BNP PARIBAS NOMINEES PTY LTD	47,084,803	2.25
NETWEALTH INVESTMENTS LIMITED	36,338,191	1.74
BNP PARIBAS NOMS (NZ) LTD	31,336,271	1.50
BB RETAIL CAPITAL PTY LTD	26,239,442	1.26
HOME CONSORTIUM DEVELOPMENTS LIMITED	21,476,680	1.03
BNP PARIBAS NOMINEES PTY LTD	21,270,282	1.02
JD MARNABECK PTY LTD	17,369,642	0.83
SCJ PTY LIMITED	12,000,000	0.57
HMCEI HOLDING PTY LTD C/- THE TRUST COMPANY LTD	8,000,000	0.38
MR MICHAEL KENNETH HANSEN & MRS ALISON BETTY HANSEN	7,939,296	0.38
COLOSKYE PTY LIMITED	7,096,883	0.34
CW PROPERTY NOMINEES PTY LTD	5,001,136	0.24
MR JOHN CRAIG CHARLTON & MRS JANE AMANDA LEWIS	4,737,014	0.23
CECILE BRUNNER PTY LTD	3,829,040	0.18
FOUR LEAF INVESTMENT NO 2 P/L	3,763,404	0.18
	1,640,415,416	78.46

* This includes all subsidiaries.

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Unitholder Information

Unquoted equity securities
There are no unquoted equity securities.

Substantial holders
Substantial holders in the Trust are set out below:

	Ordinary units	
	Number held	% of total units issued
HOME CONSORTIUM LIMITED *	218,778,849	10.46

* This includes all subsidiaries.

Voting rights
The voting rights attached to ordinary units are set out below:

Ordinary units
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each unit shall have one vote.

There are no other classes of equity units.

Restricted securities
There are no restricted securities.

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Corporate Directory

Directors	Simon Shakesheff Stephanie Lai Robyn Stubbs Simon Tuxen David Di Pilla Isaac 'Zac' Fried Sid Sharma
Responsible Entity	**HMC Funds Management Limited** Level 31, Gateway 1 Macquarie Place Sydney NSW 2000
Company secretary	Andrew Selim
Registered office and Principal place of business	Level 31 Gateway 1 Macquarie Place Sydney NSW 2000
Share register	**MUFG Corporate Markets (AU) Limited (formerly Link Market Services Limited)** Liberty Place Level 41, 161 Castlereagh Street Sydney NSW 2000 Telephone: 1300 554 474
Auditor	**KPMG** Level 38, Tower 3 International Towers Sydney 300 Barangaroo Avenue Sydney NSW 2000
Stock exchange listing	HomeCo Daily Needs REIT units are listed on the Australian Securities Exchange (ASX code: HDN)
Corporate Governance Statement	The directors of the Responsible Entity are committed to conducting the business of HomeCo Daily Needs REIT in an ethical manner and in accordance with the highest standards of corporate governance. HomeCo Daily Needs REIT has adopted and has fully complied with the ASX Corporate Governance Principles and Recommendations (Fourth Edition) ('Recommendations') to the extent that they are applicable to an externally managed listed entity. The group's Corporate Governance Statement, which sets out the corporate governance practices that were in operation during the financial year and ASX Appendix 4G are released to the ASX on the same day the Annual Report is released. The Corporate Governance Statement and HomeCo Daily Needs REIT's other corporate governance policies and charters can be found on its website at https://www.hmccapital.com.au/investment-strategies/real-estate/homeco-daily-needs-reit/

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This Annual Report has been prepared and issued by HMC Funds Management Limited ACN 105 078 635 (AFSL 237257) as responsible entity for HomeCo Daily Needs REIT ARSN 645 086 620 ("HDN"), and is for general information purposes only. It is not intended to be and does not constitute an offer or a recommendation to acquire any securities in HDN. This report does not take into account the personal objectives, financial situation or needs of any investor. Past performance should not be taken as an indicator of future performance. Any forward-looking statements contained in this report are not guarantees or predictions of future performance and, by their very nature, are subject to uncertainties and contingencies, many of which are outside the control of HDN. Readers are cautioned not to place undue reliance on any forward-looking statements. All information contained within this report is current as at 30 June 2026 unless otherwise stated. All references to dollars ($) or A$ are to Australian Dollars, unless otherwise stated.

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