GARDA

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SALE OF PROPERTY PORTFOLIO

Highlights

- A Charter Hall managed fund (**Charter Hall fund**) to acquire Garda's seven remaining investment properties for $300.0 million.
- Sales of Heathwood[1] and Pinkenba[2] properties for $50.8 million previously announced.
- Settlement of all nine of Garda's investment properties expected to occur between November 2026 and March 2027.
- Gross sale proceeds of $350.8 million will repay all existing debt and retain $176.6 million of cash to invest.
- Surplus investable capital likely to be allocated to lending activities for the foreseeable future, in line with previously announced investment priorities.

Sale transactions

Garda has executed unconditional contracts to sell its seven remaining investment properties to a Charter Hall fund for $300.0 million. This transaction follows closely the announced sales of Pinkenba and Heathwood on 28 and 29 September, respectively (together, the **Transactions**).

The purchasers, gross proceeds, status and expected settlement dates for the Transactions are summarised below:[3]

Property	Purchaser	Gross proceeds $m	Carrying Value $m	Status	Expected settlement
Heathwood	The Landrich Trust	17.5	16.4	Unconditional	20 Nov 2026
Acacia Ridge – 38 Peterkin	Charter Hall fund	68.5	43.4	Unconditional	20 Nov 2026
Acacia Ridge – 69 Peterkin	Charter Hall fund		24.1	Unconditional	20 Nov 2026
Berrinba	Charter Hall fund	17.1	17.5	Unconditional	20 Nov 2026
Richlands	Charter Hall fund	37.9	38.8	Unconditional	20 Nov 2026
Wacol – Volvo	Charter Hall fund	51.8	52.0	Unconditional	20 Nov 2026
Wacol – Pinnacle West	Charter Hall fund	44.0	48.5	Unconditional	20 Nov 2026
Pinkenba	2MB Co Pty Ltd	33.3	34.0	Unconditional	22 Jan 2027
Morningside	Charter Hall fund	80.7	81.1[4]	Subject to due diligence	~Mar 2027
Total		**350.8**	**355.9**		

[1] Refer ASX announcement dated 29 September 2026.

[2] Refer ASX announcement dated 28 September 2026.

[3] For the purposes of ASX Listing Rule 11.1 and section 2.9 of ASX Guidance Note 12, Garda notes that the contracts of sale for the Transactions, except Morningside, are unconditional and have otherwise been entered into on market-standard terms. They contain customary terms including standard representations and warranties. The Morningside transaction remains subject to due diligence, which Garda expects to continue throughout October 2026 given the property is under construction and settlement is not expected until March 2027. Aggregate settlement adjustments to the contracted sale values total $13.2 million, comprising $7.0 million in outstanding leasing incentives, a $4.1 million rent guarantee for Morningside and $2.1 million in selling costs.

[4] Morningside was independently valued for 30 June 2026 at $66.3 million, however the carrying value has been adjusted for the $14.8 million cost to complete.

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Use of proceeds and pro forma[5] capital position

Based on the settlement profile in the table above and estimated transaction adjustments, Garda anticipates the following outcomes:

- repayment in full of the syndicated debt facility, currently drawn to $185.3 million;
- pro forma gearing of 0%;
- approximately $176.6 million of surplus cash;
- investable capital of approximately $321.0 million, comprising $144.4 million of existing loan receivable assets and $176.6 million new lending capacity; and
- NTA per security of $1.56, representing a 52% premium to the ASX close price of $1.025 per security on 20 October 2026.

Settlement proceeds and capital available for deployment	$m
Group cash (at 30 September 2026)	25.2
Heathwood and Pinkenba – net sale proceeds	50.2
Charter Hall transaction – gross proceeds	300.0
Charter Hall transaction – outstanding incentives	(7.0)
Charter Hall transaction – Morningside rent guarantee	(4.1)
Charter Hall transaction – other adjustments	(1.5)
Syndicated debt facility repayment	(186.0)
Net cash for investment after settlements	**176.6**

Strategic rationale

Garda and other REITs are operating in an environment where the spreads between industrial property capitalisation rates, government bond yields and funding costs have narrowed, increasing asset valuation risks, particularly if strong market rental growth is not achieved. In contrast, the returns and security profile available from prudent lending activities remain attractive.

The sale of Garda's property portfolio at a nominal 1.4% discount to underlying carrying value and NTA monetises those assets at a time when Garda's securities are trading at a 38%[6] discount to NTA per security. Other strategic attractions include:

- **Balance sheet**: debt repayment coupled with surplus cash proceeds from the Transactions provide a strong capital deployment platform.
- **Lending-led deployment**: real estate lending is expected to become the primary destination for Garda's available capital.
- **Disciplined optionality**: Garda will retain the capability to own or develop property where prospective returns exceed applicable risk and cost-of-capital hurdles.
- **Per-security focus**: continued focus on long term value per security while seeking to generate increasing distributions.

Garda's Chairman, Matthew Madsen, observed: "The Transactions represent an exit from asset ownership, at a nominal discount to carrying value and NTA, at a time when Garda and the REIT sector generally are trading at material discounts. These decisive Transactions monetise the value of our property portfolio, repay all Group debt and result in an ungeared balance-sheet holding substantial cash for future investment."

"Garda is an allocator of capital into real estate, unrestrained by financial characteristics (ownership or lending). Real estate lending is expected to be our primary deployment focus in the medium term, however, we fully anticipate future ownership of real property at a time where the prospective returns are compelling for the risk assumed and cost of capital."

[5] These amounts are pro forma estimates and remain subject to settlement timing, completion adjustments, transaction costs, rental guarantees, outstanding incentives and other items.

[6] Based on the GDF ASX closing price of $1.025 per security on 20 October 2026.

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FY27 guidance upgraded

Garda upgrades its FY27 FFO guidance by 19%, from 10.5 cents to 12.5 cents per security, and distribution guidance by 39%, from 9.0 cents to 12.5 cents per security.

As distributions will no longer include tax-advantaged income from property tax depreciation benefits, Garda intends to distribute substantially all of its FFO, targeting a payout ratio of approximately 100% to minimise the taxation of retained earnings within the trust.

Guidance remains subject to the assumptions and qualifications previously disclosed by Garda and the Transactions completing broadly in line with the anticipated timetable.

Information in relation to ASX Listing Rule 11.1

The Transactions will together constitute a significant change to the scale of Garda's activities for the purpose of ASX Listing Rule 11.1 (as assessed against ASX's criteria in ASX Guidance Note 12). Garda has received in-principle advice from ASX that, based on the information provided by Garda, the Transactions do not require securityholder approval under ASX Listing Rules 11.1.2 or 11.2, and ASX will not exercise its discretion under ASX Listing Rule 11.1.3 to require Garda to meet the requirements in Chapters 1 and 2 of the ASX Listing Rules as if Garda were applying for admission to the official list. Please refer to Annexure A for further information required to be disclosed for the purpose of complying with ASX Listing Rule 11.1 and ASX Guidance Note 12.

– END –

Authorised for release by: Matthew Madsen (Executive Chairman)

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APPENDIX A: INFORMATION IN RELATION TO ASX LISTING RULE 11.1

The Transactions will together constitute a significant change to the scale of Garda's activities for the purpose of ASX Listing Rule 11.1 (as assessed against ASX's criteria in ASX Guidance Note 12).

Section 2.9 of ASX Guidance Note 12 prescribes material information required for disclosure when making a notification under ASX Listing Rule 11.1. This information includes information regarding the likely effect of the transactions on Garda's consolidated total assets, total equity interests, annual revenue, annual expenditure, EBITDA and annual profit before tax.

The table below identifies key information regarding the likely effect of the Transactions on Garda's consolidated total assets, total equity interests, total securities on issue, annual revenue, annual expenditure, EBITDA and annual profit before tax. All calculations have been based on figures from Garda's 30 June 2026 audited financial accounts.

***Table** – expected financial effect of Transactions v FY26 ($'000)*

Particulars	**Before transaction (A)**	**Increase/Decrease due to transaction (B)**	**After transaction**	**Percentage change due to transaction**
Method of Calculation	*From FY2026 audited figures*	*Actual Increase/Decrease due to transaction*	*A +/- B*	*B/A*
Total consolidated assets	500,581	(164,552)	336,029	(32.9%)
Total equity Interests	329,947	(3,213)	326,734	(1.0%)
Total securities on issue	217,573,022	0	217,573,022	0.0%
Annual revenue	48,966	(28,050)	20,916	(57.3%)
Annual expenditure	12,095	(4,827)	(7,268)	(39.9%)
EBITDA	27,053	(11,089)	15,964	(41.0%)
Annual profit before tax	24,450	(16,510)	7,940	(67.5%)

***Note 1:** All figures are in Australian dollars and rounded to the nearest $1,000. In accordance with ASX Listing Rule 19.11C, these are consolidated figures of all entities within the Garda stapled group.*

***Note 2:** With respect to the impact on total consolidated assets, post-Transaction figures account for net sale proceeds after repayment of third-party debt.*

***Note 3:** Annual expenditure excludes finance costs, security-based payments, depreciation, expected credit losses, disposal losses and fair-value losses.*

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