

## HY21 RESULTS

● ASX:CNI 10 Feb 2021

# Centuria Capital Group

## Centuria



CHPF: 1521 FOREST ROAD, ORANGE, NSW



CIP: 60-80 SOUTHLINK ST, PARKINSON, QLD



ARTIST IMPRESSION  
APL: 6-8 MUNROE LANE, ALBANY, AUCKLAND, NZ



CIP: TELSTRA DATA CENTRE COMPLEX, CLAYTON, VIC





# TRANSFORMING OPPORTUNITIES INTO MEANINGFUL INVESTMENTS

## Agenda

1. Group Overview
2. Financial Results
3. Divisional Overview
4. Strategy & Outlook
5. Appendices





## SECTION ONE

# Group Overview

ASX:CNI

Centuria

# A leading Australasian property funds manager

Centuria

Market capitalisation<sup>1</sup> of **\$1.6bn**  
Included in the S&P/ASX300 Index

**\$10.2bn** GROUP AUM

## LISTED REAL ESTATE

**\$4.8bn**

Centuria  
Office REIT  
ASX:COF

**\$2.1bn**

Centuria  
Industrial REIT  
ASX:CIP

**\$2.4bn**

Asset Plus Ltd<sup>2</sup>  
NZX:APL

**\$0.3bn**

## UNLISTED REAL ESTATE

**\$4.5bn**

Unlisted  
NZ single  
asset funds  
& APF

**\$1.4bn**

NZ Industrial  
Fund

**\$0.4bn**

OPEN ENDED FUND

Centuria  
Fixed Term  
Funds

**\$1.6bn**

Centuria  
Diversified  
Property Fund

**\$0.2bn**

OPEN ENDED FUND

Centuria  
Healthcare  
Real Estate<sup>3</sup>

**\$0.8bn**

Centuria  
Healthcare  
Property Fund

**\$0.1bn**

OPEN ENDED FUND

## INVESTMENT BONDS

**\$0.9bn**

Centuria Life  
Centuria  
Investment Bonds

Guardian  
Friendly Society

**\$0.6bn**

CNI Co-Investments  
on balance sheet

**\$219m<sup>4</sup>** (19.9%)  
Centuria Office REIT  
ASX:COF

**\$254m<sup>4</sup>** (15.1%)  
Centuria Industrial REIT  
ASX:CIP

**\$24m<sup>4</sup>** (19.99%)  
Asset Plus Ltd  
NZX:APL

**\$114m**  
Unlisted property  
and debt investments

**\$32m**  
Properties held  
for development

Note: All figures above are in Australian dollars (currency exchange ratio of AU\$1.000:NZ\$1.0705). Numbers presented may not add up precisely to the totals provided due to rounding

1. Based on CNI closing price at 31 December 2020

2. Includes 6-8 Munroe Lane, Albany, Auckland, NZ valuation on an as if complete basis

3. Includes commenced development projects valued on an as if completed basis

4. Based on the respective close prices for COF, CIP and APL at 31 December 2020. Includes ownership by associates of Centuria Capital Group

# Delivering strong growth and creating value across the platform

Centuria



**\$10.2bn**

**Group  
AUM**

16% growth in HY21



**\$1.5bn**

**HY21 gross real estate  
acquisitions<sup>1</sup>**

Record six month period



**\$2.1bn**

**New Zealand  
AUM<sup>1,2</sup>**

24% growth in HY21



**\$0.9bn**

**Centuria  
Healthcare AUM**

29% growth in HY21



**6.2cps**

**HY21 Operating  
Earnings per security<sup>3</sup>**

Delivered in line with  
upgraded FY21 EPS guidance<sup>4</sup>



**10.0cps**

**FY21 distribution  
guidance upgraded<sup>5</sup>**

HY21 DPS of 4.50cps delivered



**\$1.6bn**

**Development  
pipeline**



**22.0%**

**12 month total  
securityholder return<sup>6</sup>**

S&P/ASX200 Index +1.4%  
S&P/ASX200 AREIT Index -4.6%

1. Includes 6-8 Munroe Lane, Albany, Auckland, NZ valuation on an as if complete basis

2. Includes QLD assets accumulated as part of the Augusta Capital Limited acquisition

3. Operating EPS is calculated based on the Operating NPAT of the Group divided by the weighted average number of securities

4. Initial FY21 operating EPS guidance of 10.5 – 11.5 cents announced on 12 August 2020. Upgraded FY21 EPS guidance range of 11.5-12.5cps announced on 22 October 2020

5. Initial FY21 DPS guidance of 8.5 cents announced on 12 August 2020. FY21 DPS guidance upgraded to 9.0cps on 22 October 2020. FY21 DPS guidance upgraded to 10.0cps on 10 February 2021

6. Source: Moelis Australia. Based on movement in security price from ASX closing on 1 January 2020 to ASX closing on 31 December 2020 plus distributions per security paid during the respective period(s) assuming re-investment of all distributions. Past performance is not a reliable indicator of future performance

# A record half year of Group expansion

*Strong performance despite COVID-19 global pandemic*

Centuria

## CORPORATE

### HY21 EARNINGS & DISTRIBUTIONS DELIVERED

- HY21 operating EPS of 6.2cps (FY21 guidance<sup>1</sup> 11.5-12.5cps)
- HY21 DPS of 4.5cps (FY21 guidance upgraded to 10.0cps, +17.6% on initial<sup>2</sup> guidance)

### GROUP AUM EXPANSION TO \$10.2bn (HY21 +16%) *Strong corporate acquisition contributions*

- Centuria Industrial REIT AUM expanded to \$2.4bn (+50%)
- Centuria Healthcare AUM expanded to \$0.9bn (+29%)
- NZ AUM expanded to \$2.1bn (+24%)

### INCREASED MARKET RELEVANCE

- CNI GICS re-classification to Diversified Real Estate
- MSCI small cap index inclusion
- CNI is well positioned for inclusion in the S&P/ASX200 Index

## REAL ESTATE

### STRONG HY21 REAL ESTATE AUM EXPANSION

- Significant growth to \$9.3bn (+16%)
- Listed real estate to \$4.8bn (+18%)
- Unlisted real estate to \$4.5bn (+7%)

### RECORD HALF FOR ACQUISITIONS

- \$1.5bn across 24 industrial, healthcare and development assets

### LISTED & UNLISTED REAL ESTATE MOMENTUM

- (ASX:CIP) and (ASX:COF) distributions delivered in line with FY21 guidance
- CIP FY21 FFO earnings guidance upgraded, S&P/ASX200 Index inclusion
- \$0.5bn of industrial and healthcare secured across four unlisted funds



CIP: 67-69 MANDOOK ROAD, GIRRAWEE, NSW

1. Initial FY21 operating EPS guidance of 10.5-11.5 cents announced on 12 August 2020. Upgraded FY21 EPS guidance range of 11.5-12.5cps announced on 22 October 2020  
2. Initial FY21 DPS guidance of 8.5 cents announced on 12 August 2020. FY21 DPS guidance upgraded to 9.0cps on 22 October 2020. FY21 DPS guidance upgraded to 10.0cps on 10 February 2021



# Platform expansion to \$10.2bn (+16% in HY21)

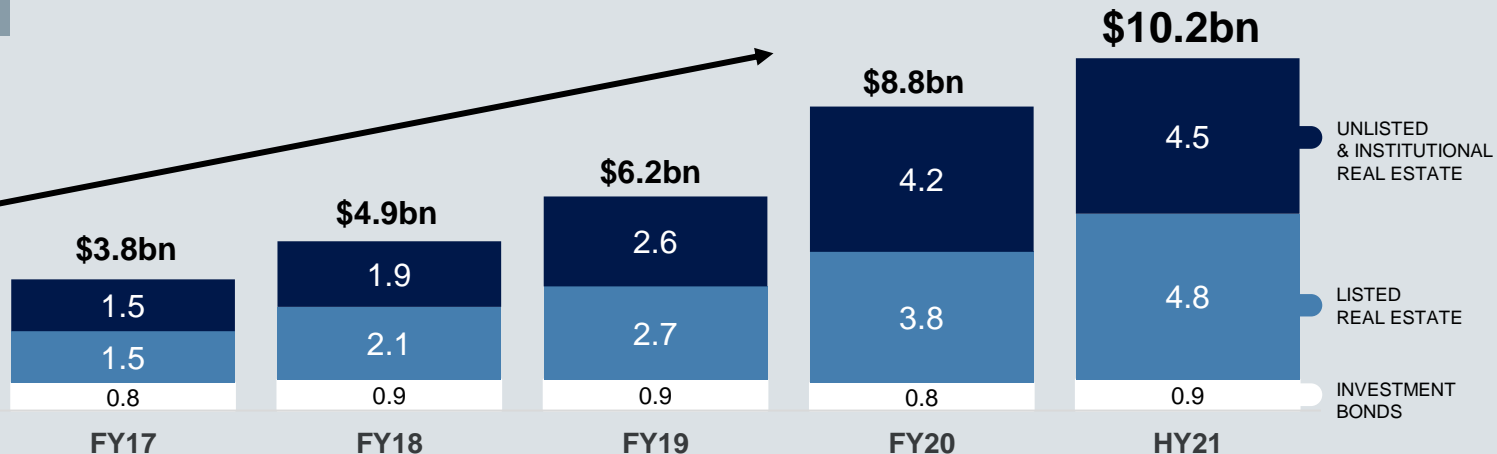
Centuria

*Dual growth strategy of direct real estate & corporate acquisitions*

## ASSETS UNDER MANAGEMENT

**33%**

CAGR<sup>1</sup>  
FY17 to HY21



OVER  
**\$5.5bn** OF  
TRANSFORMATIONAL  
INITIATIVES



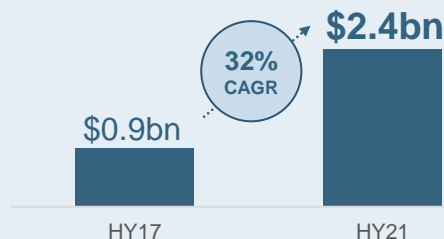
1. CAGR calculated from 30 June 2017 to 31 December 2020

# Proven growth through corporate initiatives

Centuria

## CENTURIA INDUSTRIAL REIT (ASX:CIP)

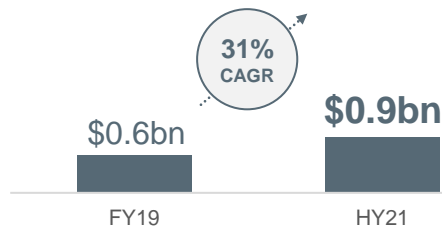
ASSETS UNDER MANAGEMENT



- ✓ Management rights acquired from 360 Capital Jan-17
- ✓ 167% AUM growth in four years to create Australia's largest domestic pure play industrial REIT
- ✓ Approximate annualised recurring revenues of \$5.9m at HY17 growing to \$15.6m at HY21
- ✓ Portfolio constructed across 5 industrial sub-sectors and asset value ranges up to ~\$450m
- ✓ Portfolio expanded to 59 quality assets, NTA grown from \$2.35 at HY17 to \$2.99 per unit at HY21

## CENTURIA HEALTHCARE

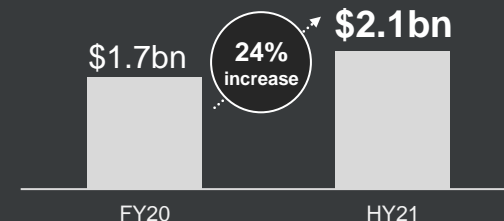
ASSETS UNDER MANAGEMENT



- ✓ 63.06% economic interest acquired May-19
- ✓ 50% AUM growth in 18 months, healthcare business transformed, acquisition and development pipeline unlocked
- ✓ Approximate annualised recurring revenues of \$10.4m at HY21
- ✓ \$500m institutional mandate
- ✓ Unlisted flagship healthcare fund established with ongoing transaction momentum

## NEW ZEALAND

ASSETS UNDER MANAGEMENT



- ✓ Augusta acquisition Jul-20
- ✓ 24% AUM growth in 6 months, record period for NZ business
- ✓ Approximate annualised recurring revenues of \$24.0m at HY21
- ✓ Balance sheet used to support underwriting Visy, Penrose fund, APL co-investment
- ✓ NZ\$126m Munroe Lane development commenced, completion targeted for November 2022





## SECTION TWO

# Financial Results

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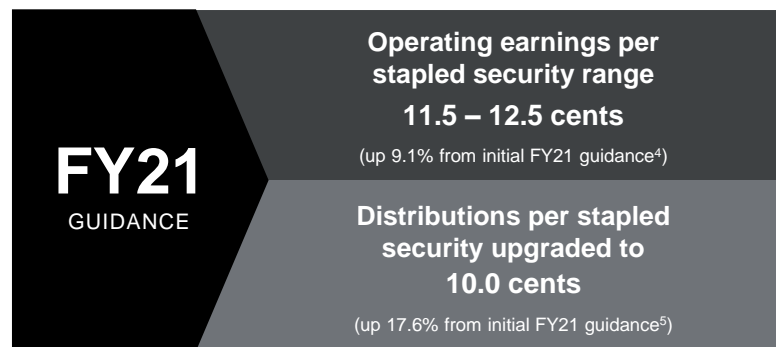
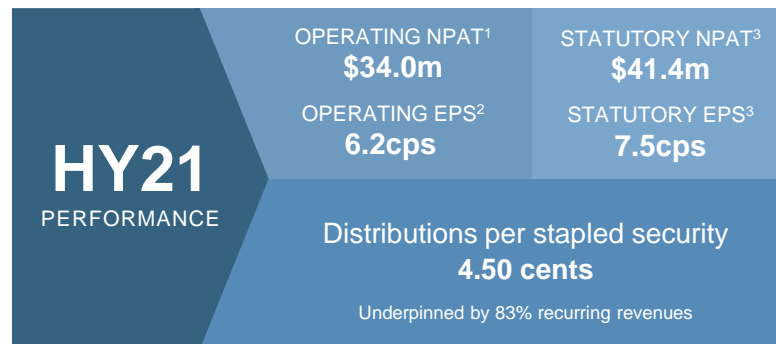
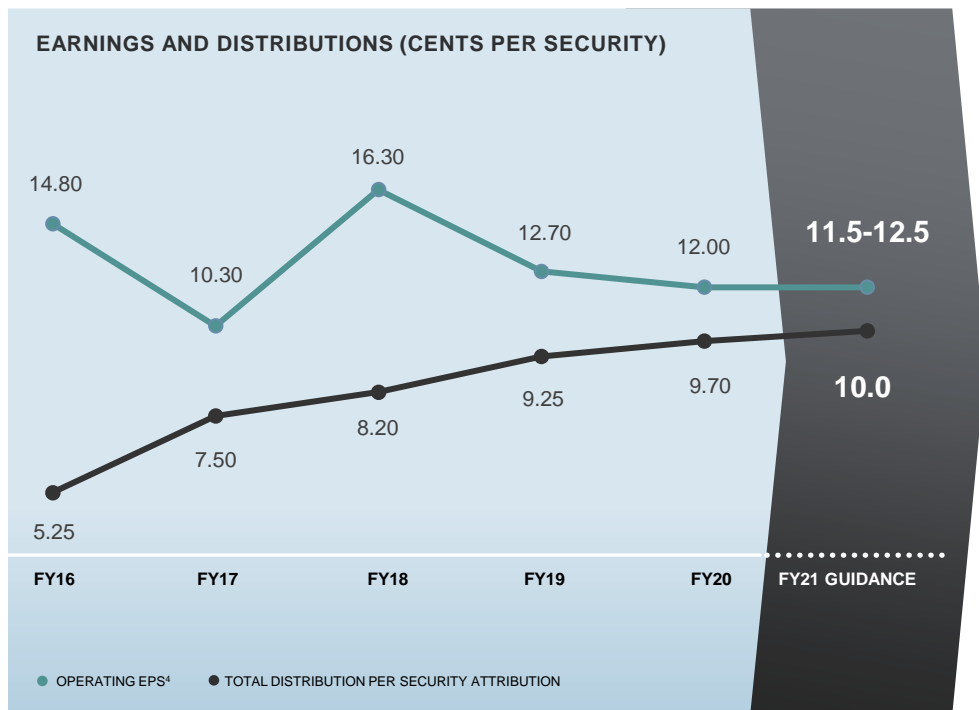
ASX:CNI

Centuria

# HY21 earnings and distributions

*FY21 Distribution guidance upgraded to 10.0cps*

Centuria



1. Operating NPAT of the Group comprises of the results of all operating segments and excludes non-operating items such as transaction costs, mark to market movements on property and derivative financial instruments, the results of Benefit Funds, Controlled Property Funds and share of equity accounted net profit in excess of distributions received
2. Operating EPS is calculated based on the Operating NPAT of the Group divided by the weighted average number of securities
3. Attributable to CNI securityholders
4. Initial FY21 operating EPS guidance of 10.5 – 11.5 cents announced on 12 August 2020. Upgraded FY21 EPS guidance range of 11.5-12.5cps announced on 22 October 2020. FY21 guidance % increase based on upgraded FY21 guidance midpoint of 12.0cps
5. Initial FY21 DPS guidance of 8.5 cents announced on 12 August 2020. FY21 DPS guidance upgraded to 9.0cps on 22 October 2020. FY21 DPS guidance upgraded to 10.0cps on 10 February 2021

# Expanded platform enhances fee generation for the Group

Centuria

*HY21 operating recurring revenue of 83%*



OPERATING PROFIT BY SEGMENT	HY21 (\$m)	HY20 (\$m)
Property funds management <sup>1</sup>	20.6	17.6
Performance fees	13.6	21.5
Co-investments earnings	17.4	15.3
Investment bonds management	0.6	1.3
Corporate segment	(6.3)	(5.5)
<b>Operating profit before interest and tax</b>	<b>45.9</b>	<b>50.2</b>
Finance costs <sup>2</sup>	(6.2)	(6.9)
<b>Operating profit before tax</b>	<b>39.7</b>	<b>43.3</b>
Operating tax expense	(5.7)	(9.9)
<b>Operating profit after tax<sup>3</sup></b>	<b>34.0</b>	<b>33.4</b>
Operating EPS (cents per stapled security) <sup>4</sup>	6.2	8.1

Profit increase of 17% reflects larger real estate platform

HY21 performance fee income in line with expected fund expiry dates. \$0.4m of performance fee cash collected in HY21. \$22.3m of latent un-recognised performance fees

Continued returns from re-investment strategy to support core earnings growth

Decline in earnings due to lower prevailing interest rates impacting capital guaranteed product returns

Lower tax expense due to lower performance fee contribution

Reflects lower performance fee contributions and change in weighted average number of securities<sup>5</sup>

1. Excluding performance fees

2. Excluding reverse mortgages borrowing costs

3. Operating NPAT of the Group comprises of the results of all operating segments and excludes non-operating items such as transaction costs, mark to market movements on property and derivative financial instruments, the results of Benefit Funds, Controlled Property Funds and share of equity accounted net profit in excess of distributions received

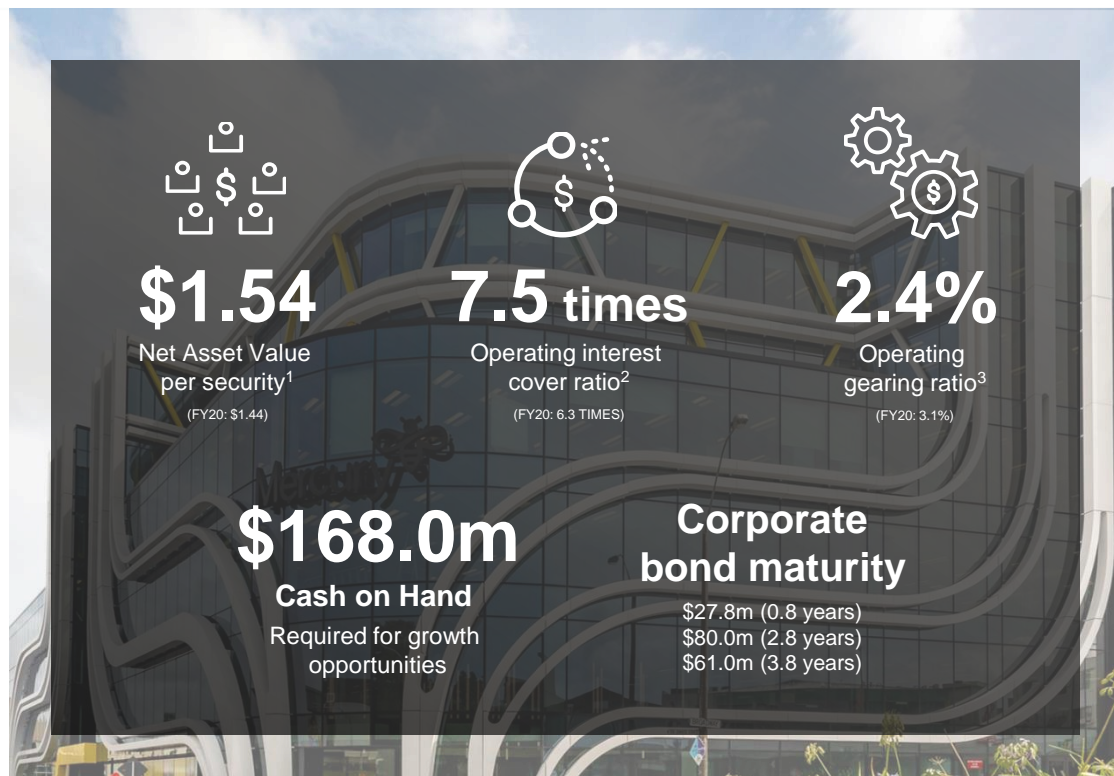
4. Operating EPS is calculated based on the Operating NPAT of the Group divided by the weighted average number of securities

5. Weighted average number of securities at 31 December 2020: 548,716,231 (at 31 December 2019: 413,183,062)



# Recycling larger balance sheet to grow platform

Centuria



## OPERATING BALANCE SHEET

### ASSETS

	HY21 (\$m)	FY20 (\$m)
Cash and cash equivalents	168.0	149.5
Receivables	124.6	65.5
Financial assets	584.8	523.1
Other assets	10.3	12.4
Deferred tax assets	37.6	39.5
Property held for development	32.3	31.3
Equity accounted investments	33.4	33.0
Right of use asset	20.0	21.4
Intangible assets	281.0	280.1
<b>TOTAL ASSETS</b>	<b>1,292.0</b>	<b>1,155.8</b>

### LIABILITIES

Payables	50.8	70.7
Borrowings	194.5	180.3
Interest rate swap at fair value	33.9	32.8
Call/Put option liability	21.1	17.2
Lease liability	21.7	22.6
Provisions, deferred tax and other liabilities	44.7	41.5
<b>TOTAL LIABILITIES</b>	<b>366.7</b>	<b>365.1</b>
Non controlling Augusta interests	-	56.4
<b>Net assets</b>	<b>925.3</b>	<b>734.3</b>
<b>NAV (\$/per security<sup>1</sup>)</b>	<b>1.54</b>	<b>1.44</b>

1. Number of securities on issue at 31 December 2020: 600,236,123 (at 31 December 2019: 448,839,027)

2. Operating interest cover ratio is calculated based on operating finance costs divided by operating profit before tax excluding finance costs (excluding reverse mortgages)

3. Gearing ratio is calculated based on (operating borrowings less cash) divided by (operating total assets less cash)

# Select ESG commitments across Centuria's platform

Centuria



## ENVIRONMENTAL

- 26% of COF's portfolio produces solar electricity
- Solar panels at 4 healthcare assets – annual emission reduction equivalent to removing 370 cars or planting ~85,200 trees
- Assessing opportunities for healthcare portfolio – further solar panel installations and rainwater tanks
- CIP Hoepner Street development – on target to be certified as one of the first 5 Star, Green Star as-built industrial properties in Australia
- 13 Garden Street, Eveleigh, NSW – achieved first Centuria 6 Star NABERS energy rating
- 6 Munroe Lane, Albany, NZ development – assessing opportunities for a 5 Star, Green Star Rating
- Eastgate, Christchurch, NZ – seismic assessment completed



## SOCIAL

- Launch of Centuria values
- Approximately \$150,000 raised for St Lucy's Special Education School in 2020
- Over 300 volunteer hours undertaken by Centuria employees in 2020
- Supporting Keystone New Zealand Property Education Trust, assisting students undertaking property related tertiary studies
- Three new LifeGoals Funds launched with ESG investment approach and philosophy
- Centuria Property Services established a COVID-19 taskforce for business continuity, ongoing tenant engagement and wellbeing



## GOVERNANCE

- Enhancing board diversity and independence – re-constitution of CPFL and CP2L responsible entity boards
- Modern slavery policy review underway – human rights and modern slavery across Centuria's supply chain
- Integration of Augusta progressing ahead of schedule despite COVID-19 operating impacts
- FY21 and FY22 updated STI and LTI structure introduced for senior executives
- Updated Group diversity policy



## SECTION THREE

# Divisional Overview

ASX:CNI

Centuria

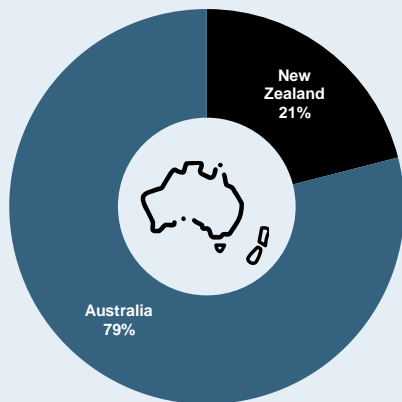


# A \$9.3bn Australasian real estate platform

Centuria

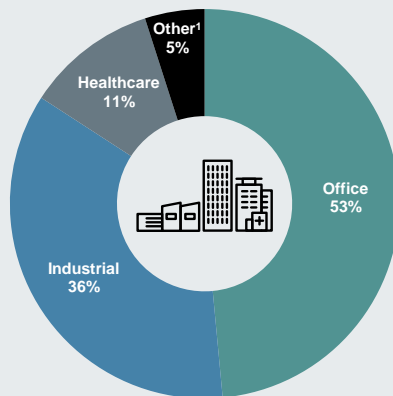
*Compelling sectors, diverse fund types and capital sources*

## GEOGRAPHIES



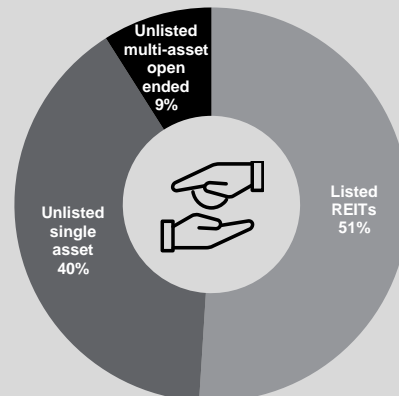
~80% Australia  
~20% New Zealand

## ASSET SECTORS



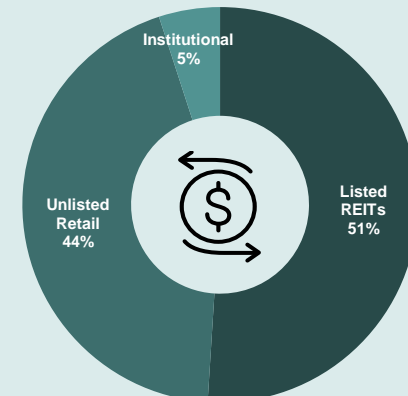
95% Industrial, healthcare, office  
real estate

## FUND TYPES



~50% Listed REITs fund categories  
~50% Unlisted fund categories

## CAPITAL SOURCES



~50% Listed REITs  
~50% Unlisted

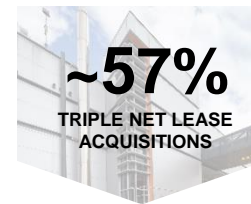
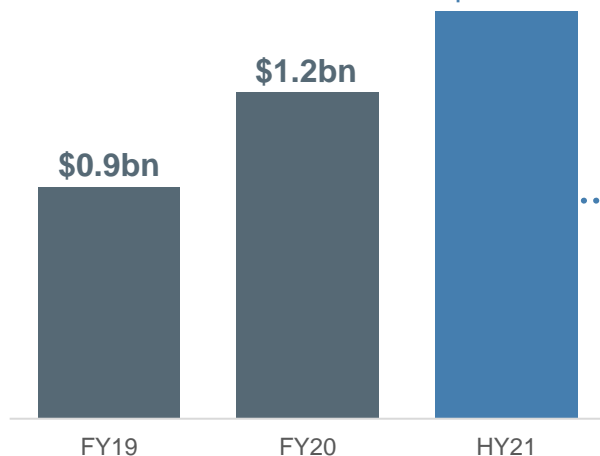
1. Other includes New Zealand large format retail, supermarkets, shopping centres and tourism

# A record period of gross real estate acquisitions for the Group

Centuria

**25%**  
ABOVE FY20  
PERIOD

**\$1.5bn**



## HY21 GROSS REAL ESTATE TRANSACTIONS

LISTED INDUSTRIAL  
**\$693m**  
NINE ACQUISITIONS

UNLISTED HEALTHCARE  
**\$369m**  
EIGHT ACQUISITIONS

UNLISTED INDUSTRIAL  
**\$241m**  
FIVE ACQUISITIONS<sup>1</sup>

NZ DEVELOPMENT  
**\$132m**  
TWO ACQUISITIONS<sup>2</sup>

DIVESTMENTS  
**\$303m**  
NINE DIVESTMENTS<sup>3</sup>

1. Includes CLIF and Visy Penrose assets unconditionally exchanged and to be settled
2. Includes 6-8 Munroe Lane, Albany, Auckland, NZ valuation on an as if complete basis
3. Divestment of 465 Victoria Avenue, Chatswood, NSW reflected as 100% interest. Settlement 1 February 2021

# Quality assets generating broad income streams

Centuria

*Integrated management capabilities lead to strong asset management success*

FUNDS  
MANAGEMENT

ASSET  
MANAGEMENT

LEASING  
MANAGEMENT

FACILITIES  
MANAGEMENT

PROPERTY  
MANAGEMENT

TRANSACTION  
MANAGEMENT

DEVELOPMENT  
MANAGEMENT

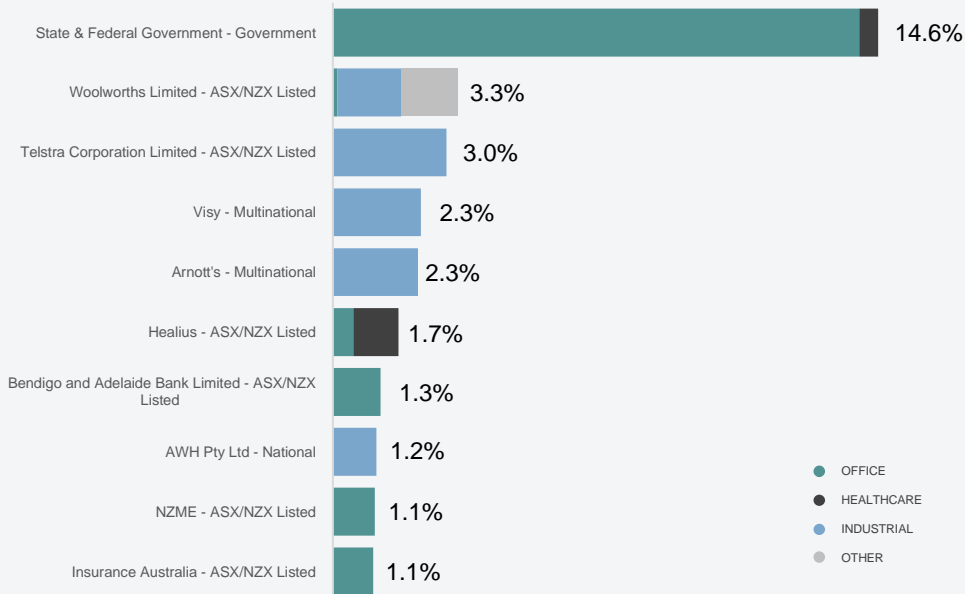


216 ASSETS<sup>1</sup>  
948 TENANTS<sup>1</sup>

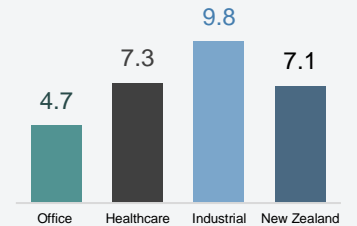
**97.6%**  
AVG RENT COLLECTED  
OVER ENTIRE  
REAL ESTATE PLATFORM  
(July-December 2020)

HY21 LEASING TERMS AGREED  
**OVER 273,000SQM**  
**117 DEALS**  
**11.4% OF TOTAL PLATFORM**

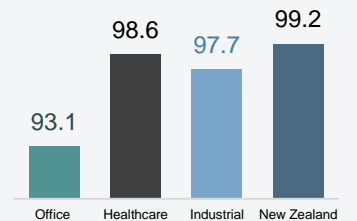
## TOP TENANTS BY INCOME (%)<sup>1</sup>



## WALE BY INCOME (YRS)<sup>1,2</sup>



## OCCUPANCY BY AREA (%)<sup>1,2</sup>



1. As at 31 December 2020

2. Office, healthcare and industrial reflects Centuria's Australian real estate platform. New Zealand WALE and Occupancy reflects Augusta



# Expanding development pipeline

Centuria

- The group is utilising its development expertise across a \$1.6bn pipeline
- Development fees provide a growing source of operating income
- CNI will selectively use its balance sheet to support this revenue stream and unlock development profits

PROJECTS	EST. VALUE AT COMPLETION <sup>1,2</sup>	LETTABLE AREA
<b>COMMITTED</b>	<b>(AUD \$M)</b>	<b>(SQM)</b>
NZ Commercial	\$327	35,900
NZ Social Infrastructure and Tourism <sup>3</sup>	\$312	31,600
AU Social Infrastructure	\$82	27,500
AU Healthcare	\$90	11,772
AU and NZ Other	\$23	12,010
<b>SUB TOTAL</b>	<b>\$833</b>	<b>118,782</b>
<b>FUTURE PIPELINE</b>		
AU Healthcare	\$665	53,650
AU and NZ Other	\$94	16,700
<b>SUB TOTAL</b>	<b>\$759</b>	<b>70,350</b>
<b>TOTAL</b>	<b>\$1,591</b>	<b>189,132</b>



1. All figures above are in Australian dollars (currency exchange ratio of AU\$1.000:NZ\$1.0705)  
 2. Development projects and development capex pipeline, including fund throughs  
 3. Lakeview Queenstown JV reflected at a 25% interest

# Unlisted real estate: Expanding platform for our investor networks

Centuria



## HY21 UNLISTED FUND INITIATIVES



**LAUNCHED**  
**AUGUSTA**  
**PROPERTY FUND (APF)**

- New multi asset open-ended fund
- NZ\$55m Anglesea Medical centre seed asset
- First post COVID-19 property fund launch. NZ\$39m capital raising completed in 9 days



**LAUNCHED**  
**CENTURIA HEALTHCARE**  
**PROPERTY FUND (CHPF)**

- New multi asset open-ended fund
- \$133m across six high quality healthcare seed assets
- \$107m equity secured from two capital raisings



**ESTABLISHED**  
**VISY PENROSE FUND**

- New NZ\$178m single asset fund
- Fit for purpose industrial asset with a 20 year triple net lease to Visy
- NZ\$110m capital raising underway



**ESTABLISHED**  
**CENTURIA INDUSTRIAL**  
**INCOME FUND (CIIF)**

- New \$63m fixed term industrial fund
- 3 quality Australian industrial properties
- \$40m capital raising oversubscribed

1. The underlying property funds managed by Centuria Capital Group have accrued total performance fees of \$43.8m as at 31 December 2020. \$21.3m of this amount has been recognised life to date with the latent unrecognised performance fee being \$22.3m

2. At least three funds in the Top 10 in The Property Council of Australia/MSCI Australia Unlisted Retail Quarterly Property Fund Index to 31 December 2020 each previous quarter for the last eighteen quarters (overall investment for the twelve months to the end of each quarter)

# Listed real estate: A platform of pure-play and value-add REITs

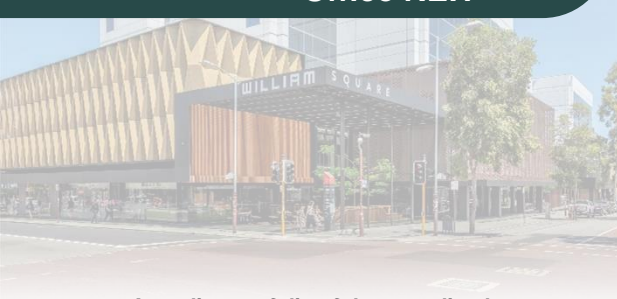
Centuria



ASX:  
COF

**Australia's largest  
domestic pure-play  
Office REIT**

CENTURIA  
OFFICE REIT



*A quality portfolio of de-centralised,  
highly connected and affordable office space*

AUM <b>\$2.1bn</b> 23 HIGH QUALITY ASSETS	CNI CO-INVESTMENT <sup>1</sup> <b>19.9%</b>	HY21 AVG. RENT COLLECTED <b>96.7%</b>	INCLUDED IN THE S&P/ASX 300 Index	MARKET CAPITALISATION <sup>2</sup> <b>\$1.1bn</b>
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**81%** PORTFOLIO INCOME FROM GOVERNMENT,  
ASX LISTED & MULTINATIONAL TENANTS



ASX:  
CIP

**Australia's largest  
domestic pure-play  
Industrial REIT**

CENTURIA  
INDUSTRIAL REIT



*A quality portfolio of fit for purpose industrial assets,  
situated in infill locations with close key infrastructure*

AUM <b>\$2.4bn</b> 59 HIGH QUALITY ASSETS	CNI CO-INVESTMENT <sup>1</sup> <b>15.1%</b>	HY21 ACQUISITIONS <b>\$694m</b>	INCLUDED IN THE S&P/ASX 200 Index	MARKET CAPITALISATION <sup>2</sup> <b>\$1.7bn</b>
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**62%** PORTFOLIO INCOME FROM TELCO, CONSUMER  
STAPLES & PHARMACEUTICALS

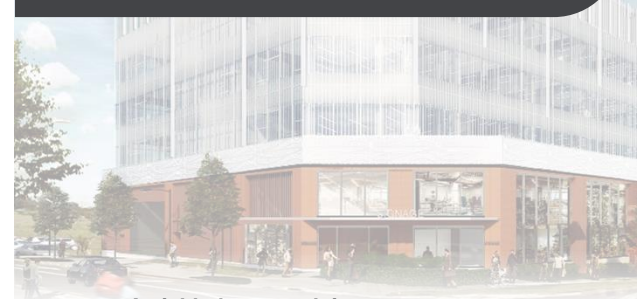


NZX:  
APL

Artist Impression

**Targeting long term  
total returns**

ASSET PLUS



*A yield plus growth investment strategy  
through select New Zealand real estate*

AUM <sup>3</sup> <b>\$0.3bn</b> 5 HIGH QUALITY ASSETS	CNI CO-INVESTMENT <sup>1</sup> <b>19.99%</b>	ACTIVE INITIATIVES UNDERWAY <sup>2</sup> <b>\$130m</b> COST TO COMPLETE	MARKET CAPITALISATION <sup>2</sup> <b>\$0.1bn</b>
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**62%** PORTFOLIO INCOME FROM GOVERNMENT,  
NZX LISTED & MULTINATIONAL TENANTS

1. Includes associates of Centuria Capital Group
2. Based on the respective COF, CIP and APL close prices on 31 December 2020
3. Includes 6-8 Munroe Lane, Albany, Auckland, NZ valuation on an as if complete basis





## SECTION FOUR

# Strategy & Outlook

ASX:CNI

Centuria



## MARKETS

- Industrial and healthcare property markets outperformance expected to continue into FY22 and beyond
- De-centralised office portfolios underpinned by government, global and ASX tenants have maintained strong cashflows
  - COF conforms to these metrics with high occupancy and positive earnings guidance
- Investor demand for unlisted funds to remain very strong throughout FY21 seeking higher relative returns
- Equity markets – real estate funds predicted to remain a favoured “yield” stock sector
- New Zealand commercial, industrial and healthcare markets predicted to remain strong throughout FY21



## STRATEGIC VISION

**CENTURIA CAPITAL IS A LEADING REAL ESTATE FUNDS MANAGER  
WITH A UNIQUE AUSTRALASIAN FOCUS**

*We aim to deliver income and capital growth from the favoured healthcare, industrial and decentralised office sectors to a broad range of Centuria investor profiles*

*Aspiration to increase funds under management by 50% in near term*

## CLEAR AND SIMPLE THEMES

- Dual growth strategy – real estate acquisitions plus corporate expansion
- Committed to building Centuria brand and portfolios in Australia and NZ
- Alignment to favoured Healthcare, Industrial and Office sectors
- Strong focus on returns to CNI securityholders and Centuria fund investors

## EXECUTION

- Proven growth through selective corporate acquisitions (refer slide 8)
- Leverage CNI balance sheet and experience to grow Centuria NZ (e.g. NZ\$180 million Visy fund)
- Expand unlisted platform in Australia and NZ – over 50% of total AUM represented by unlisted funds
- Manager of Australia's largest domestic pure-play office and industrial REITS
- Centuria has ten discrete investment verticals to enhance organic growth
- Continued focus on external healthcare institutional mandate
- Pursue select institutional wholesale opportunities

CIP: TELSTRA DATA CENTRE COMPLEX, CLAYTON, VIC





SECTION FIVE

# Appendices

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ASX:CNI

Centuria



# Group AUM movement

Centuria



CIP: ARNOTTS 46 ROBINSON ROAD, EAST VIRGINIA, QLD

Note: All figures above are in Australian dollars (currency exchange ratio of AU\$1.000:NZ\$1.0705). Numbers presented may not add up precisely to the totals provided due to rounding

1. Includes 6-8 Munroe Lane, Albany, Auckland, NZ valuation on an as if complete basis

# A \$9.3bn<sup>1</sup> leading Australasian real estate platform

Centuria

*~80% Australia and ~20% New Zealand geographic diversification*



Note: All figures above are in Australian dollars (currency exchange ratio of AU\$1.000:NZ\$1.0705). Numbers presented may not add up precisely to the totals provided due to rounding

1. As at 31 December 2020. Includes cash and other financial assets



## COF: Australia's largest pure play office REIT

- HY21 FFO of 11.2cpu, distributions of 8.3cpu delivered
- FY21 FFO guidance of 19.5-20.0cpu, distribution guidance of 16.5cpu



## CIP: Australia's largest domestic pure play industrial REIT

- HY21 FFO of 8.8cpu, distributions 8.5cpu delivered
- FY21 FFO guidance increased to no less than 17.6cpu, distribution guidance of 17.0cpu

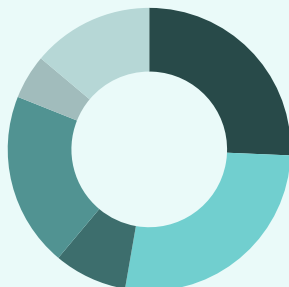
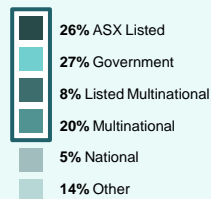


## APL: Targeting long term total returns

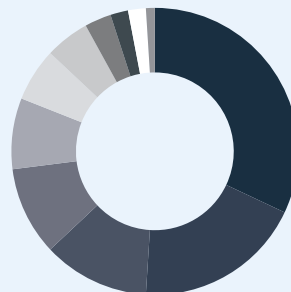
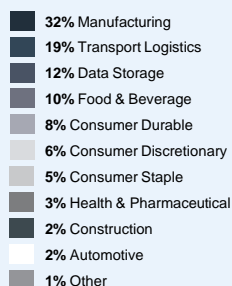
Centuria

- Dividend target of 1.8 cents per share

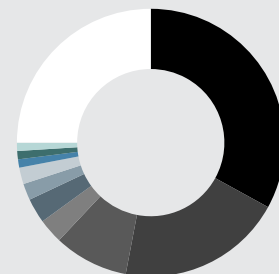
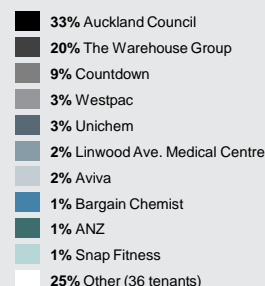
PORTFOLIO SNAPSHOT		HY21	HY20
Number of assets	#	23	23
Book value <sup>1</sup>	\$m	2,032.4	2,063.4
WACR <sup>1</sup>	%	5.90	5.92
NLA	sqm	304,413	303,855
Occupancy by gross income	%	91.5	99.2
WALE by gross income	yrs	4.5	5.1
Average NABERS energy rating (by value)	Stars	4.9	4.7
Average NABERS water rating (by value)	Stars	4.0	3.9



PORTFOLIO SNAPSHOT		HY21	FY20
Number of assets	#	59	50
Book value	\$m	2,399	1,602
WACR	%	5.42	6.05
GLA	sqm	1,047,685	945,611
Average asset size	sqm	17,757	19,298
Occupancy by income	%	97.7	97.8
WALE by income	yrs	9.8	7.2



PORTFOLIO SNAPSHOT		SEPT 20	MAR20
Number of assets	#	5	4
Book value <sup>1</sup>	\$m	153.4	142.1
Occupancy by income	%	98	98
WALE by income	yrs	2.9	3.2



1. Excludes \$5.1m of WIP  
2. Excludes 6-8 Munroe Lane, Albany, NZ

# Investment bonds: Transforming contemporary bond options

Centuria

**\$0.9bn**  
**AUM**

**10%**  
TOTAL AUSTRALIAN  
INVESTMENT BOND  
MARKET SHARE<sup>1</sup>

**52**  
**Adviser**  
**APLs<sup>2</sup>**

UP 85% IN HY21

**LifeGoals**  
**Ratings**

RECOMMENDED  
BY LONSEC

**28**  
**LIFEGOALS**  
**FUND OPTIONS**  
27% INCREASE  
SINCE LAUNCH

**+4,600**  
**ACCESS TO**  
**ACTIVE FINANCIAL**  
**PLANNERS**

## LIFEGOALS ACTIVE MANAGED FUNDS PERFORMANCE VS. INDEX<sup>3</sup>

Five out of six  
active domestic funds  
outperformed the  
benchmark index

**7.6%**

Active Domestic Equity Funds Average

**1.4%**

S&P/ASX 200 TR Index  
AUD

Two out of three  
active international funds  
outperformed the  
benchmark index

**13.0%**

Active International  
Equity Funds Average

**5.7%**

MSCI World ex  
Australia NR Index AUD

1. QDS report 30 September 2020  
2. Approved product lists  
3. Lonsec Research Pty Ltd



# Continuing to build out Centuria LifeGoals

Centuria

## ASSETS UNDER MANAGEMENT

	HY21	FY20	HY21 CHANGE (%)	HY20
Prepaid funeral plans (Guardian) <sup>1</sup>	551.0	520.9	5.8%	550.0
Capital Guaranteed (Centuria Life)	159.8	166.8	-4.2%	182.4
Unitised Bonds (Centuria Life)	132.5	127.3	4.1%	147.7
Centuria LifeGoals	23.2	20.9	11.0%	4.4
<b>TOTAL</b>	<b>866.5</b>	<b>835.9</b>	<b>3.7%</b>	<b>884.5</b>

## FLows HY21

	APPLICATIONS	REDEMPTIONS
	14.9	-18.8
	0.6	-7.3
	2.7	-3.8
	2.9	-0.9
<b>TOTAL</b>	<b>21.1</b>	<b>-30.8</b>

## CENTURIA LIFEGoals FUND MANAGERS



ALLIANCEBERNSTEIN



Schroders



BAEP

PENDAL

T.RowePrice™



Vanguard



PIMCO



1. Centuria Life Limited (CLL) is the key service provider to Over Fifty Guardian Friendly Society

# Reconciliation of statutory profit to operating profit

Centuria

	HY21 (\$m)	HY20 (\$m)
Statutory net profit after tax	42.7	78.0
<i>Statutory EPS (cents)<sup>1</sup></i>	7.5	18.6
<b>ADJUSTED FOR NON-OPERATING ITEMS</b>		
(Gain)/loss on fair value movements in derivatives and investments	(9.0)	(38.3)
Transaction and other costs	1.0	2.1
Profit attributable to controlled property funds	(4.1)	(0.6)
Eliminations between the operating and non-operating segment	3.0	(1.9)
Equity accounting adjustments	0.2	0.1
Tax impact of above non-operating adjustments	0.2	(6.0)
<b>Operating net profit after tax<sup>2</sup></b>	<b>34.0</b>	<b>33.4</b>
<i>Operating EPS (cents)<sup>3</sup></i>	6.2	8.1

1. Attributable to securityholders

2. Operating NPAT of the Group comprises of the results of all operating segments and excludes non-operating items such as transaction costs, mark to market movements on property and derivative financial instruments, the results of Benefit Funds, Controlled Property Funds and share of equity accounted net profit in excess of distributions received

3. Operating EPS is calculated based on the Operating NPAT of the Group divided by the weighted average number of securities



# Co-investments reconciliation

Centuria

## Strong alignment to Centuria's listed REITs

CNI is the largest unitholder of **CIP** (14.91%)<sup>1</sup>, **COF** (15.22%)<sup>1</sup> and **APL** (19.99%)<sup>1</sup>

Properties held for development generate no fee income

CO-INVESTMENTS	CARRYING VALUE 31 DEC 2020 (\$m)	DISTRIBUTION INCOME HY21 (\$m)	CARRYING VALUE 31 DEC 2019 (\$m)	DISTRIBUTION INCOME HY20 (\$m)
Centuria Industrial REIT (ASX: <b>CIP</b> ) <sup>1</sup>	253.6	6.9	227.4	6.4
Centuria Office REIT (ASX: <b>COF</b> ) <sup>1</sup>	167.5	6.5	227.1	6.2
Asset Plus Ltd. (NZX: <b>APL</b> ) <sup>1</sup>	23.8	0.4	-	-
Properties held for development	32.3	-	-	-
Centuria Diversified Property Fund (CDPF)	31.6	0.8	17.8	0.4
Centuria 111 St Georges Terrace Fund	29.0	1.2	29.9	1.0
Augusta Industrial Fund (AIF)	21.6	0.5	-	-
Healthcare Investments	19.5	0.9	31.1	0.4
Augusta Property Fund (APF)	3.6	0.1	-	-
Other unlisted real estate and debt funds	8.9	0.3	16.3	0.9
<b>SUB-TOTAL</b>	<b>593.1</b>	<b>17.6</b>	<b>549.6</b>	<b>15.3</b>
<b>Capital adjustment<sup>2</sup></b>	<b>-</b>	<b>13.5</b>	<b>-</b>	<b>21.0</b>
<b>TOTAL</b>	<b>593.1</b>	<b>31.1</b>	<b>549.6</b>	<b>36.3</b>

CIP: 1 LAHRS RD, ORMEAU, QLD

Note: All figures above are in Australian dollars (currency exchange ratio of AU\$1.000:NZ\$1.0656). Numbers presented may not add up precisely to the totals provided due to rounding

1. All information in relation to the financial contribution of the Group's co-investment stakes in COF, CIP and APL exclude interests held through Benefit Funds

2. Comprises of non operating fair value gains

**Operating Segments:** Group has five reportable operating segments. These reportable operating segments are the divisions which report to the Group's Chief Executive Officers and Board of Directors for the purpose of resource allocation and assessment of performance.

The reportable operating segments are:

- **Property Funds Management:** Management of listed and unlisted property funds
- **Investment Bonds Management:** Management of the Benefit Funds of Centuria Life Limited and management of the Over Fifty Guardian Friendly Society Limited. The Benefit Funds include a range of financial products, including single and multi-premium investments
- **Co-investments:** Direct interest in property funds and other liquid investments
- **Corporate:** Overheads supporting the Group's operating segments

**Non-operating segments:** Non-operating items comprises transaction costs, mark-to-market movements on property and derivative financial instruments, and all other non-operating activities. Includes Benefit Funds and Controlled Property Funds. Represents the operating results and financial position of the Benefit Funds which are required to be consolidated in the Group's financial statements in accordance with accounting standards

**AUM:** Assets under management

**CAGR:** Compound annual growth rate

**CIP:** Centuria Industrial REIT comprises the Centuria Industrial REIT ARSN 099 680 252 and its subsidiaries. The Responsible Entity of CIP is Centuria Property Funds No. 2 Limited ACN 133 363 185

**COF:** Centuria Office REIT comprises the Centuria Office REIT ARSN 124 364 718 and its subsidiaries. The Responsible Entity of COF is Centuria Property Funds Limited ACN 086 553 639

**CNI, CCG or the Group:** Centuria Capital Group comprises of Centuria Capital Limited ABN 22 095 454 336 (the 'Company') and its subsidiaries and Centuria Capital Fund ARSN 613 856 358 ('CCF') and its subsidiaries. The Responsible Entity of CCF is Centuria Funds Management Limited ACN 607 153 588, a wholly owned subsidiary of the Company

**CPFL:** Centuria Property Funds Limited

**CPF2L:** Centuria Property Funds No. 2 Limited

**DPS:** Distribution per stapled security

**EPS:** Earnings per stapled security

**IRR:** Internal Rate of Return

**NPAT:** Net Profit After Tax

**NTA:** Net Tangible Assets

**REIT:** Real Estate Investment Trust

**WACR:** Weighted Average Capitalisation Rate

**WALE:** Weighted Average Lease Expiry



This presentation has been prepared by Centuria Capital Limited and Centuria Funds Management Limited as responsible entity of Centuria Capital Fund (together the stapled listed entity CNI).

Centuria Property Funds Limited (ABN 11 086 553 639, AFSL 231 149) ('CPFL') and Centuria Property Funds Management No. 2 Limited (ABN 38 133 363 185, AFSL 340 304) ('CPF2L') are fully owned subsidiaries of CNI. CPF2L is the responsible entity for the Centuria Industrial REIT (ARSN 099 680 252) (ASX: CIP). CPFL is the responsible entity for the Centuria Office REIT (ARSN 124 364 718) (ASX: COF), the Centuria Diversified Property Fund (ARSN 611 510 699) and the rest of Centuria's unlisted property funds. Investment in Centuria's property funds is subject to risks that are set out in the Product Disclosure Statement ('PDS') for the fund. The PDS for any open fund is made available on Centuria's website (centuria.com.au). Investors should read the PDS in full before making a decision to invest.

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Centuria