

HY22 Financial Results

- **HY22 operating earnings per security¹ 7.4cps, distributions of 5.5cps**
- **FY22 guidance: Upgraded Operating earnings per security 14.5 cents (+20.8% above FY21 OEPS)**
Distribution per security 11.0 cents
- **Strong AUM growth to \$20.2bn² (+16% above FY21)**
- **Significant direct real estate acquisitions and finance activity of \$2.5bn³**
- **\$2.2bn development pipeline⁴**
- **12-month total securityholder return (TSR⁵) of 37.9%**

SYDNEY (Wednesday, 9 February 2022) – Centuria Capital Group (ASX: CNI or “Centuria”) has announced its HY22 results for the period ended 31 December 2021.

Centuria Group total operating revenues increased to \$139.4million (+26% from HY21) and Operating Profit After Tax rose to \$58.7million⁶ (+73% from HY21). CNI delivered OEPS of 7.4 cents per security (cps) and declared a distribution of 5.5cps for the period.

On 31 January 2022, CNI provided upgraded FY22 OEPS guidance of 14.5cents. This represents a 20.8% increase above FY21 OEPS of 12.0cents and a 9.85% increase over CNI's initial FY22 OEPS forecast of 13.2cents. FY22 distribution guidance of 11.0cps is re-affirmed.

Operating recurring revenues of 87% remained in line as a percentage of total revenues (HY21:88%). Management fees of \$64.7million bolstered recurring revenues. Transaction fee income of \$24.4million was up 400% on HY21, resulting from \$3.5billion⁷ of total transaction activity. \$4.7million of cash was collected in HY22 from \$19.1million of recognised performance fees. Latent underlying performance fees of \$24.8million were recorded across Centuria's unlisted real estate funds.

Centuria retained a strong balance sheet as at HY22 period end with \$241million of cash and undrawn debt on hand, an operating gearing ratio⁸ of 8.3% and strong operating interest cover ratio of 9.4 times. Balance sheet flexibility broadened with the addition of a \$100 million three-year revolver facility. Net asset value (NAV⁹) per security increased to \$2.00 (HY21: \$1.92). CNI continues to use its balance sheet to support growth initiatives across its funds management platform.

CNI generated a 12-month TSR⁵ of 37.9%, outperforming the S&P/ASX200 A-REIT Index returns of 26.1% and S&P/ASX200 Index returns of 17.2%.

FINANCIAL RESULTS

		HY22	HY21
Operating NPAT ⁶	\$m	58.7	34.0
Operating EPS ¹ “OEPS”	cps	7.4	6.2
Statutory NPAT ¹⁰	\$m	112.7	42.7
Statutory EPS ⁹	cps	13.8	7.5
Distribution per stapled security “DPS”	cps	5.5	4.5

Joint CEO, John McBain, said “It has been particularly pleasing to witness the consolidation of revenue streams from recently acquired business units in combination with a very strong contribution from organic property fund acquisitions, both listed and unlisted. Centuria's unlisted retail investors have continued to invest strongly and we have been active in placing new assets with our institutional mandate partners, making HY22 a very successful period. The ability to upgrade our earnings guidance stems from the level of HY22 activity and our confidence in the Group's ability to maintain its growth momentum.”

REAL ESTATE FUNDS MANAGEMENT

Centuria organically grew the real estate funds management platform 17% to \$19.3billion. Unlisted AUM increased 15% to \$12.6billion and listed AUM increased 22% to \$6.7billion.

Growth was underpinned by \$2.5billion³ of gross real estate acquisition in HY22, split between \$1.6billion of unlisted and \$0.9billion of listed real estate. Valuation uplift across the platform was \$0.6billion. Centuria's development pipeline grew to \$2.2billion and continues to provide committed and future opportunities for the platform's real estate funds.

Centuria's seven real estate verticals all contributed meaningfully to these interim results and provide access to attractive emerging sectors like agriculture, healthcare, daily needs and large format retail, and real estate finance, along with ongoing exposure to de-centralised office and industrial.

Jason Huljich, Centuria Joint CEO, said, "HY22's performance is a clear example of utilising our in-house management expertise across Australasia and servicing our expanded investor distribution network to execute on several funds management initiatives. Centuria's growth for the half has delivered more than the AUM of the entire Group's platform around 5 years ago. Our strategies for each of our real estate verticals complement our specialist approach to actively managing our real estate funds."

GOVERNANCE AND SUSTANABILITY

Centuria is committed to the development and implementation of environmental and social sustainability and corporate governance practices. In October 2021, Centuria published its first Sustainability Report and continues to implement initiatives across the organisation.

In HY22, the Group provided initial disclosures aligned to the Task Force on Climate-Related Financial Disclosures (TCFD) as part of Centuria's first Sustainability Report, disclosures aligned to Global Reporting Initiative (GRI) Sustainability Reporting Standards and delivered Centuria's second Modern Slavery Statement.

STRATEGY & OUTLOOK

Mr McBain and Mr Huljich commented, "Centuria will continue to consolidate its position as a leading Australasian funds manager, focused on the property sector via equity and debt funds across defined asset classes. We continue to harness significant deal flow, especially through off-market opportunities as well as our active development pipeline, which generates sustainable, high-quality stock for our funds."

"Centuria has created a real estate funds management platform, which is the beneficiary of select corporate activities that have further accelerated our long history of organic real estate growth. Looking ahead, we will continue to capitalise on a range of growth levers across the platform and remain committed to generating long term income and potential performance fees for our fund investors and CNI securityholders."

A playback of the HY22 results webcast will be made available on CNI's [website](#).

-ENDS-

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Centuria Capital Group (CNI) ASX Announcement

Centuria

Authorised for release by Anna Kovarik, Company Secretary.

About Centuria Capital Group

Centuria Capital Group (CNI) is an ASX-listed specialist investment manager with more than \$20 billion of assets under management. We offer a range of investment opportunities including listed and unlisted real estate funds as well as tax-effective investment bonds. Our drive, allied with our in-depth knowledge of these sectors and intimate understanding of our clients, allows us to transform opportunities into rewarding investments.

www.centuria.com.au

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

2AUM as at 31 December 2021. All figures above are in Australian dollars (currency exchange ratio of AU\$1.000:NZ\$1.0617 as at 31 December 2021).

Numbers presented may not add up precisely to the totals provided due to rounding. Includes assets exchanged to be settled, cash and other assets

3 Includes \$1,060m of acquisitions exchanged and settled in HY22, \$1,087m of new acquisitions exchanged in HY22 yet to be settled and \$328m of real estate debt transactions

4 Development projects and development capex pipeline, including fund throughs

5 Source: Moelis Australia. Based on movement in security price from ASX closing on 31 December 2020 to ASX closing on 31 December 2021 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

6 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

7 Includes \$735m of acquisitions exchanged at FY21 results that have since settled, \$1,060m of acquisitions exchanged and settled in HY22, \$1,087m of new acquisitions exchanged in HY22 yet to be settled, \$328m of real estate debt transactions and \$257m of divestments

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

9 Number of securities on issue 31 December 2021: 790,170,111 (at 30 June 2021: 787,802,693)

10 Attributable to securityholders