

## **FY22 Financial Results**

- **FY22 operating earnings<sup>1</sup> 14.5cps (+20.8% pcg)**
- **FY22 distribution of 11.0cps (+10% pcg)**
- **FY23 guidance:   Operating earnings 14.5cps  
                          Distribution 11.6cps**
- **Strong AUM growth to \$20.6bn<sup>2</sup> (+18% above FY21)**
- **\$3.1bn<sup>3</sup> FY22 gross real estate activity**
- **\$2.1bn<sup>4</sup> development pipeline**

**SYDNEY** (Wednesday, 10 August 2022) – Centuria Capital Group (ASX: CNI or “Centuria”) has announced its FY22 results for the period ended 30 June 2022.

Centuria experienced strong acquisition activity in FY22 with \$3.1 billion of gross real estate activity, a record for the Group and a direct consequence of a disciplined acquisition strategy coupled with enhanced platform scale. This increased scale has impacted positively on revenues.

Total operating revenue for FY22 was \$292.6 million up 38% from FY21. FY22 management fee revenue grew 77% to \$146.8 million over FY21, transaction fee revenue increased 162% to \$39.3 million and \$33 million of performance fees were recognised.

CNI delivered on its upgraded Operating Earnings Per Security (OEPS) guidance of 14.5 cents per security (cps) for the period, a 20.8% increase from FY21. The Group declared a Distribution Per Security (DPS) of 11.0cps, a 10% increase from FY21.

Centuria confirms FY23 OEPS guidance of 14.5 cps and DPS guidance of 11.6cps, (+5.4% from FY22).

### **FINANCIAL RESULTS**

		<b>FY22</b>	<b>FY21</b>
Operating NPAT <sup>5</sup>	\$m	114.5	70.2
Operating EPS <sup>1</sup> “OEPS”	cps	14.5	12.0
Statutory NPAT <sup>6</sup>	\$m	(37.9)	143.5
Statutory EPS <sup>6</sup>	cps	(4.8)	24.6
Distribution per stapled security “DPS”	cps	11.0	10.0

Centuria retains a strong focus on capital management with net operating cash inflows of \$182 million during FY22. During the period, the Group entered into two revolving loan facilities totalling \$150 million. These undrawn facilities together with the Group cash balance of \$185 million made a total of \$339 million available at FY22 year-end. The Group structured this balance sheet strength to ensure maximum flexibility together with the capacity to take opportunities it believes will become available in the near term whilst maintaining strong financial covenant ratios.

John McBain, Centuria Joint CEO, said, “The Group delivered record operating earnings and distributions throughout the period, following upgraded guidance during the year. Centuria demonstrated how its corporate acquisitions in previous periods have significantly increased the size of the platform with correspondingly high increases in both management fee revenues and transaction fee revenues as is evident in the FY22 result.

“These acquisitions allowed the Group to diversify across several additional asset classes as well as the West Australian and New Zealand geographies, delivering strong growth. This has occurred despite the backdrop of rising inflation, COVID lockdowns and geopolitical events. This diversification has provided new revenues streams in alternative asset classes such as Healthcare and Agriculture as well as expanding our traditional asset classes to include daily needs retail and large format retail.”

## REAL ESTATE FUNDS MANAGEMENT

During FY22, Centuria grew its real estate funds management platform 20% to \$19.8 billion. Unlisted AUM increased 18% to \$13.0 billion and listed AUM grew 24% to \$6.8 billion. FY22 gross real estate activity of \$3.1 billion<sup>3</sup> was split between \$2.6 billion of real estate acquisitions and \$0.5 billion of real estate lending. Valuation uplift across the platform during FY22 was \$1.0 billion.

Centuria's FY22 development pipeline totalled \$2.1 billion and development completions of \$0.1 billion were successfully delivered throughout the period. Development management fees rose during FY22 to \$11.4 million.

During the period, the Group managed 419 assets<sup>7,8</sup> leased to approximately 2,480 tenant customers<sup>7,8</sup>. Significant leasing success totalling 503,638sqm was achieved across 469 deals, which accounts for 12.6% of the Group's total NLA<sup>7</sup>. Rent collections<sup>7</sup> across the Group's platform averaged a healthy 98.2%.

Centuria's seven real estate verticals all contributed to a record period of growth during FY22, providing a truly diversified investment platform across de-centralised office, industrial, healthcare, agriculture, daily needs and large format retail, and real estate finance. These seven verticals are supported across listed and unlisted capital sources, appealing to a broad range of investor profiles within the retail, wholesale and institutional sectors.

Throughout FY22, unlisted single asset fund AUM grew 5% to \$8.3 billion and multi asset closed end and open-ended funds increased 52% to \$4.7 billion.

In addition to ongoing strong support from Centuria's direct unlisted investors, advisers and domestic bank private wealth divisions for unlisted funds, unlisted institutional mandates and partnerships increased AUM to \$1.9 billion, up 12% on FY21.

Centuria's healthcare platform expanded to \$1.7 billion of AUM (+55% from FY21). The agriculture platform increased to seven assets and \$0.4 billion of AUM, with the recent launch of the \$0.2 billion Centuria Agriculture Fund, an open-ended direct property fund with potential to increase further in size. Centuria Bass Credit, the Group's real estate finance division, increased its AUM to \$0.8 billion, illustrating strong market demand for alternative real estate finance.

Centuria's listed real estate investment trusts (REITs) continued to perform well, driven by significant leasing activity, strong valuation gains and value-add development and repositioning opportunities. Centuria Office REIT and Centuria Industrial REIT are positioned as the largest pure-play ASX-listed office and industrial REITs.

Jason Huljich, Centuria Joint CEO, said, "The Group continued to scale throughout FY22 with a record number of transactions, totalling \$3.1 billion<sup>3</sup>. This growth is attributed to our diversification by geography, asset class, fund types and capital sources, which continue to generate new opportunities for sustainable and long-term expansion. Centuria's development pipeline also significantly contributed to recurring revenues while providing high quality assets for our listed and unlisted funds in Australia and New Zealand.

"Centuria's rental income streams continue to be underpinned by high quality tenant covenants. Among our top tenant customers are household names such as Woolworths, Telstra, Coles, Wesfarmers, Arnott's and Visy, many of whom lease space across multiple asset classes including retail, industrial and office."

## GOVERNANCE AND SUSTAINABILITY

Centuria published its first Sustainability Report in October 2021, providing a framework consisting of three core strategies across Environmental, Social and Governance initiatives. Highlights of these initiatives include;

- CNI Independent Non-Executive Director (NED), Susan Wheeldon was appointed Independent Chair of the Group Remuneration and Nominations Committee. Jennifer Cook was appointed an Independent NED of CPF2L, providing 50% female representation. Elizabeth McDonald was appointed an Independent NED of CPFL and Member of the CPFL Audit, Risk and Compliance Committee
- Joined the Green Building Council (Australia & New Zealand)

# Centuria Capital Group (CNI) ASX Announcement

# Centuria

- Adopted disclosures in line with GRI Index across CNI, COF and CIP
- Adopted the Task Force on Climate Related Financial Disclosure recommendations with climate change now a standard investment consideration and adaptation plans being developed across the Centuria portfolio
- Gender diversity of 41% to 59%, females to males
- 94%<sup>9</sup> of employees enjoy working at Centuria, 96%<sup>10</sup> of tenants are satisfied with Centuria as a landlord

## OUTLOOK

Mr McBain and Mr Huljich commented, "Centuria remains firmly focussed on the Australasian real estate sector. The Group intends to grow its platform strongly in the alternative healthcare, agriculture and non-bank lending sectors which are receiving strong investor demand.

"In addition we will continue to leverage our strong distribution network and our institutional relationships to take advantage of both core and value-add real estate opportunities across our traditional asset classes."

A playback of the FY22 results webcast will be made available on CNI's [website](#).

-ENDS-

### For more information or to arrange an interview, please contact:

**John McBain****Joint CEO**

Centuria Capital Limited

T: 02 8923 8923

E: [john.mcbain@centuria.com.au](mailto:john.mcbain@centuria.com.au)

**Tim Mitchell****Group Head of Investor Relations**

Centuria Capital Limited

T: 02 8923 8923

E: [tim.mitchell@centuria.com.au](mailto:tim.mitchell@centuria.com.au)

**Alexandra Koolman****Group Communications Manager**

Centuria Capital Limited

T: 02 8923 8923

E: [alexandra.koolman@centuria.com.au](mailto:alexandra.koolman@centuria.com.au)

*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](http://www.centuria.com.au)

### Disclaimer

This announcement contains selected summary information and does not purport to be all-inclusive, comprehensive or to contain all of the information that may be relevant, or which a prospective investor may require in evaluations for a possible investment in CNI. It should be read in conjunction with CNI's periodic and continuous disclosure announcements which are available at [www.centuria.com.au](http://www.centuria.com.au).

This announcement is provided for general information purposes only. It should not be relied upon by the recipient in considering the merits of CNI or the acquisition of securities in CNI.

Before making an investment decision, the recipient should consider its own financial situation, objectives and needs, and conduct its own independent investigation and assessment of the contents of this announcement, including obtaining investment, legal, tax, accounting and such other advice as necessary or appropriate.

This announcement may contain forward-looking statements, guidance, forecasts, estimates, prospects, projections or statements in relation to future matters ('Forward Statements'). No independent third party has reviewed the reasonableness of any such statements or assumptions. No member of CNI represents or warrants that such Forward Statements will be achieved or will prove to be correct or gives any warranty, express or implied, as to the accuracy, completeness, likelihood of achievement or reasonableness of any Forward Statement contained in this announcement.

# Centuria Capital Group (CNI) ASX Announcement

# Centuria

---

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

2 Assets under management (AUM) as at 30 June 2022. All figures above are in Australian dollars (currency exchange ratio of AU\$1.000:NZ\$1.1088 as at 30 June 2022). Numbers presented may not add up precisely to the totals provided due to rounding. AUM includes assets exchanged and yet to be settled, cash and other assets

3 Includes \$2,175m of acquisitions exchanged and settled in FY22, \$403m of acquisitions exchanged in FY22 yet to be settled and \$516m of real estate finance transactions

4 Development projects and development capex pipeline, including fund throughs. Committed development pipeline \$1.3bn, future pipeline \$0.8bn

5 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 which are the results of Benefit Funds, Controlled Property Funds and share of equity accounted net profit in excess of distributions received

6 Attributable to securityholders

7 Tenancy profile is shown aggregated across all funds managed by Centuria and is not representative of any single fund

8 Excludes land, Development assets, US syndicates, Centuria Bass Credit, assets exchanged yet to be settled

9 Centuria Capital Group undertake regular employee engagement surveys. The reported figure is from the Group's FY22 survey

10 Centuria Capital Group undertake regular tenant surveys. The figure reported is from the Group's FY22 survey