



AUGUSTA INDUSTRIAL FUND: THE HUB, SEAVIEW, WELLINGTON



COF: NISHI, 2 PHILLIP LAW STREET, CANBERRA, ACT



CENTURIA HEALTHCARE: 32 MORROW STREET, TARINGA, QLD



CIP: TELSTRA DATA CENTRE COMPLEX, CLAYTON, VIC

FY20 RESULTS

● ASX:CNI 12 Aug 2020

# Centuria Capital Group

Centuria





# Agenda

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





SECTION ONE

# Group Overview

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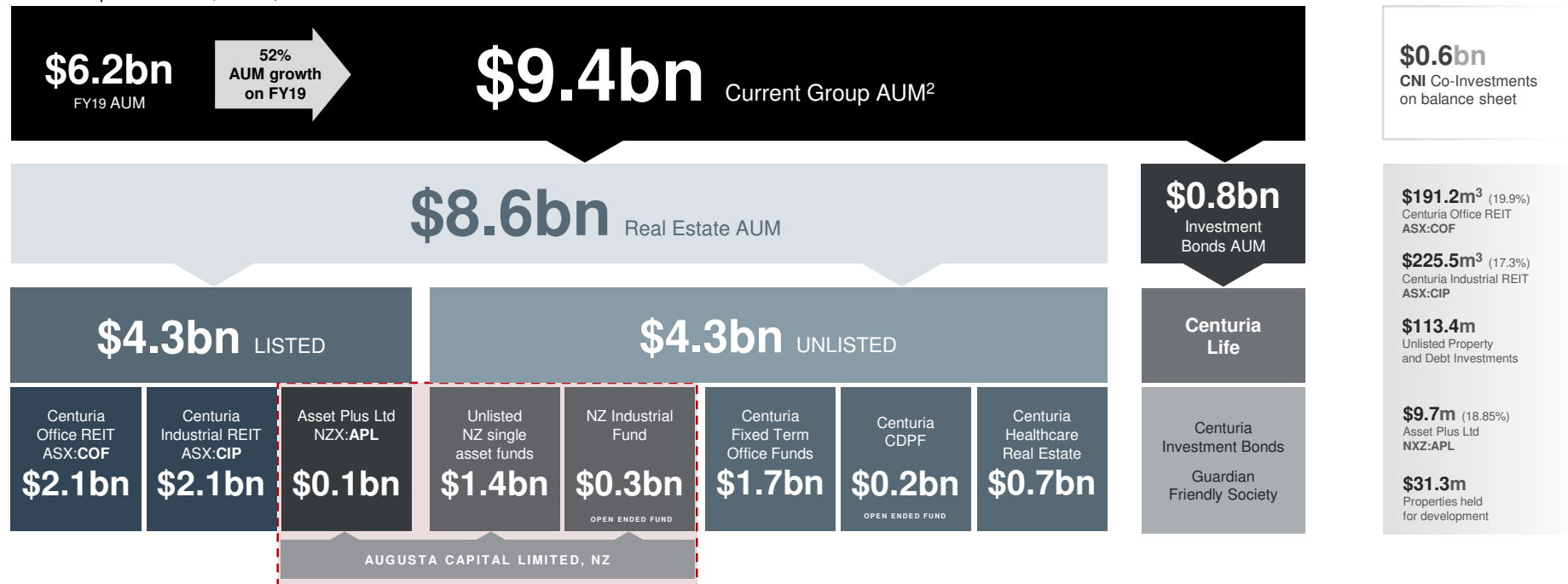
ASX:CNI

Centuria

# ASX300-listed funds manager positioned for growth

Centuria

Market capitalisation<sup>1</sup> of **\$0.88bn**, included in the S&P/ASX300 Index



Note: All figures above are in Australian dollars (currency exchange ratio of AU\$1.000:NZ\$1.0695). Numbers presented may not add up precisely to the totals provided due to rounding

1. Based on CNI closing price at 31 July 2020

2. Centuria AUM as at 30 June 2020, Augusta AUM as at 31 March 2020. Includes CIP acquisitions announced 5 August 2020

3. Based on the respective close prices for COF and CIP at 31 July 2020. Includes ownership by associates of Centuria Capital Group

# A proven business model

*Sector diversity and recurring revenues weather volatility*

Centuria

## FY20 Performance

- FY20 operating eps 12.0 cps delivered ahead of 11.5 cps FY20 guidance
- Prudent management and strong performance through COVID-19 benefitting from integrated property management (CPS)

## Clear and simple themes

- A leading Australasian real estate funds manager with an established platform
- Dual strategy of direct real estate acquisitions and corporate expansion
- Australia's largest domestic pure play office and industrial REITs
- Unlisted real estate funds servicing Centuria's deep investor base

## Compelling sectors, robust revenue streams

- Highly aligned to industrial, healthcare and de-centralised office real estate sectors
- Diversified recurring revenues and income streams

## Commencing FY21 strongly

- **Direct real estate:** FY21 - \$0.6bn of acquisitions to date, including the \$417m Telstra Data Centre Complex
- **Corporate:** Accelerate NZ growth through support and integration of Augusta Capital Limited's A\$1.8bn platform
- **Funds:** Imminent launch of the ~\$130m unlisted open-end Centuria Healthcare Property Fund (CHPF)

CENTURIA UNLISTED: 13 GARDEN STREET, EVELEIGH, NSW

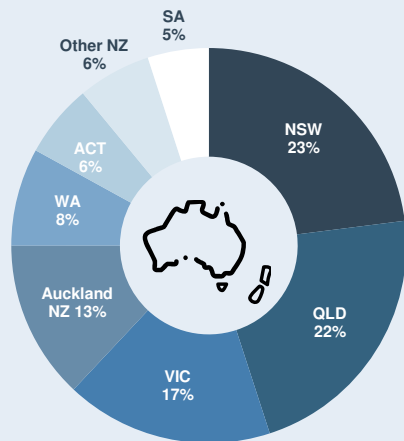


# Australasian real estate platform

Centuria

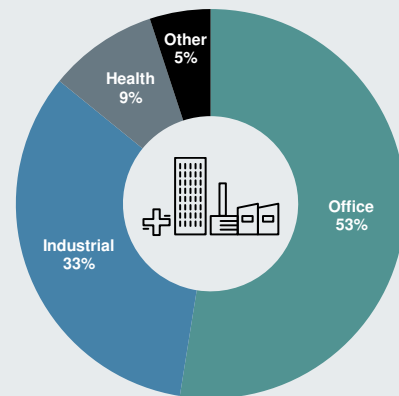
*Compelling sectors, diverse fund types and capital sources*

## GEOGRAPHIES<sup>1</sup>



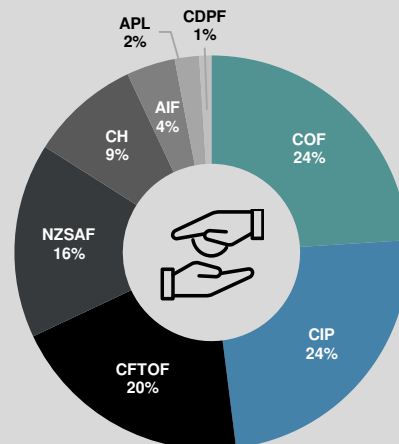
81% Australia,  
19% New Zealand

## ASSET SECTORS<sup>1,2</sup>



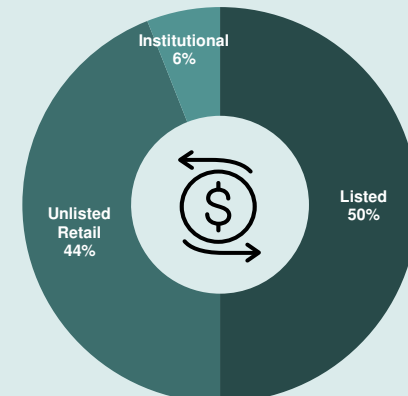
Office, industrial, healthcare  
real estate total 95%

## FUND TYPES<sup>1</sup>



50% Listed fund categories  
50% Unlisted fund categories

## CAPITAL SOURCES<sup>1</sup>



50% Listed, 44% unlisted retail,  
6% institutional / wholesale

1. Percentages by AUM. Centuria AUM as at 30 June 2020, Augusta AUM as at 31 March 2020. Includes CIP acquisitions announced 5 August 2020. Excludes AUM from investment bonds
2. Other includes Augusta large format retail, supermarkets, shopping centres and tourism

COF: Centuria Office REIT, CIP: Centuria Industrial REIT,  
CFTOF: Centuria Fixed Term Office Funds,  
NZSAF: NZ Single Asset Funds, CH: Centuria Healthcare,  
AIF: NZ Industrial Fund, APL: Asset Plus Ltd,  
CDPF: Centuria Diversified Property Fund

# Delivering strong growth and creating value across the platform

Centuria



**\$9.4bn**  
**Group AUM**  
52% growth on FY19



**12.00cps**  
**FY20 Operating  
Earnings per security<sup>1</sup>**  
delivered ahead of  
11.50cps FY20 guidance



**\$1.2bn**  
**FY20 Group  
real estate acquisitions**



**\$1.8bn**  
**Augusta Capital  
Limited AUM**  
96.4% acceptances received



**9.70cps**  
**FY20 Distribution  
per security**  
4.9% growth on FY19



**86%**  
**FY20 Group operating  
recurring revenues**

**6.1%**

**12 month total  
securityholder return<sup>2</sup>**  
S&P/ASX300 Index (-7.6%)  
S&P/ASX300 AREIT Index (-20.7%)

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

2. Source: Moelis Australia. Based on movement in security price from ASX closing on 1 July 2019 to ASX closing on 30 June 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

# Platform expansion to \$9.4bn (+52% since FY19)

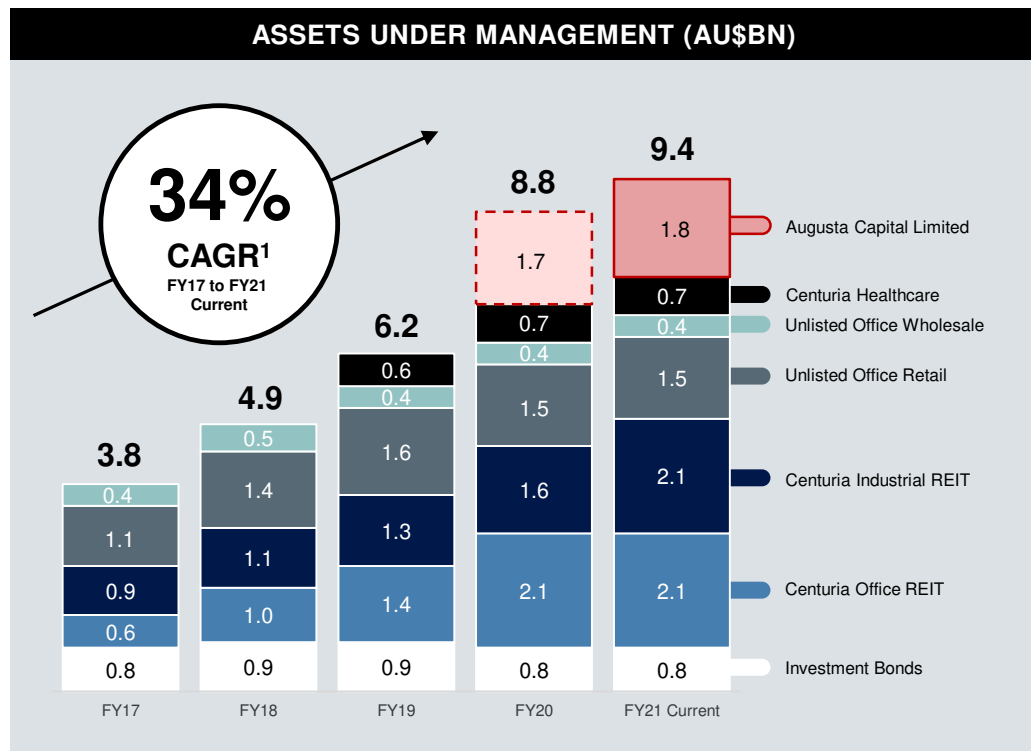
Centuria

## FY20

- Group AUM expanded to \$8.8bn (+42%)
  - Real estate AUM grew to \$8.0bn (+51%)
  - \$1.3bn of gross acquisitions and revaluations support platform growth

## FY21 CURRENT

- Platform expansion to \$9.4bn
- Takeover of Augusta Capital Limited establishes Centuria's presence as a leading funds manager across AU & NZ
- \$0.6bn of real estate acquisitions, including the triple net 30 year lease, \$417m Telstra Data Centre Complex



1. Past performance is not indicative of future performance. CAGR calculated from 30 June 2017 to 4 August 2020

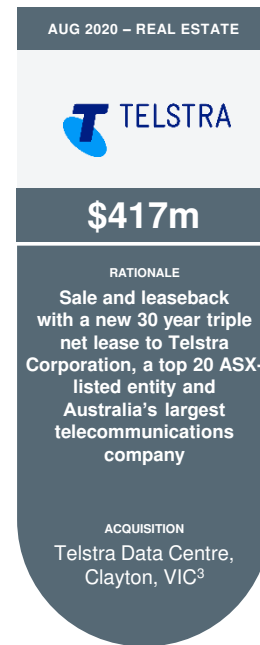
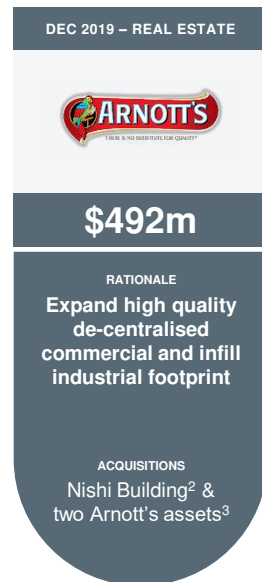
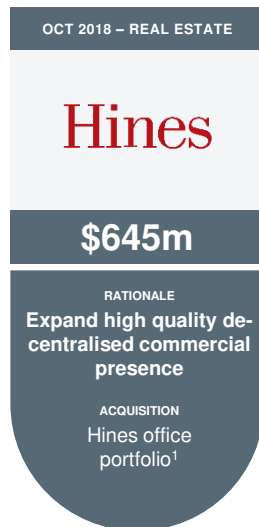


# Centuria delivers on growth strategy

Centuria

*Ongoing dual strategy of direct real estate acquisitions and corporate expansion*

**OVER \$5.0bn**  
OF TRANSFORMATIONAL INITIATIVES



PLATFORM SCALE DRIVERS | COMPELLING ASSET CLASSES | INCREASED FUND OPTIONS FOR INVESTORS | ENHANCED GEOGRAPHIC DISPERSION

1. Acquired by COF and The Lederer Group

2. Acquired by COF

3. Acquired by CIP

# Augusta Capital Limited: A new growth opportunity

Centuria

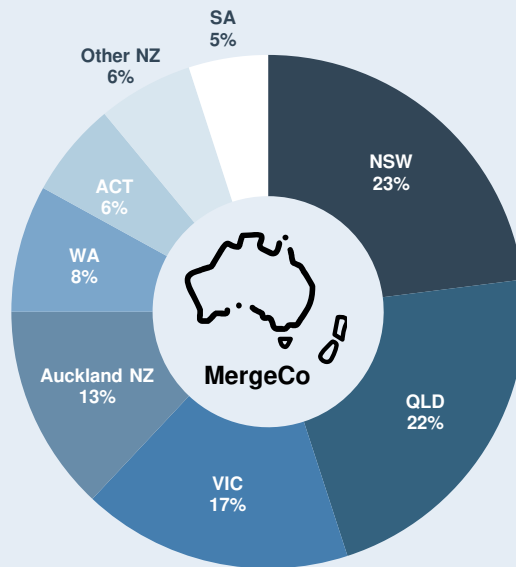
Creates Centuria's  
Trans-Tasman presence

Aligned to Centuria's  
sectors of expertise

Established distribution and  
capital channels servicing retail  
and wholesale investors

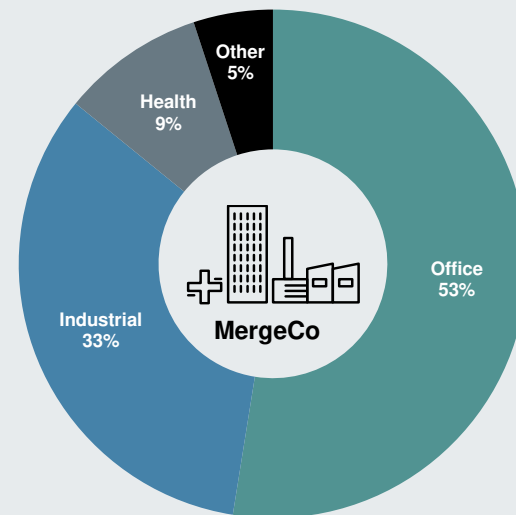
Expands real estate recurring  
revenues, attractive fee card  
across listed & unlisted funds

## GEOGRAPHIES<sup>1,2</sup>



**81% Australia,  
19% New Zealand**

## ASSET SECTORS<sup>1,3</sup>



**Office, Industrial, Healthcare  
real estate total 95%**

1. Percentages by AUM. Centuria AUM as at 30 June 2020, Augusta AUM as at 31 March 2020. Includes CIP acquisitions announced 5 August 2020. Excludes AUM from investment bonds

2. NZ- AK: NZ Auckland, NZ – OTH: NZ Other

3. Other includes large format retail, supermarkets, shopping centres and tourism

# Augusta Capital Limited: A new growth opportunity

Centuria

*NZ to benefit as one of the earliest countries to recover from COVID-19 pandemic*

**96.4%** ACCEPTANCES RECEIVED

**12 August 2020**

Centuria NZ will issue a formal notice of its intention to compulsorily acquire the remaining Augusta shares under New Zealand's Takeover Code

**Mid September 2020**

Anticipated takeover completion

## INTENTION

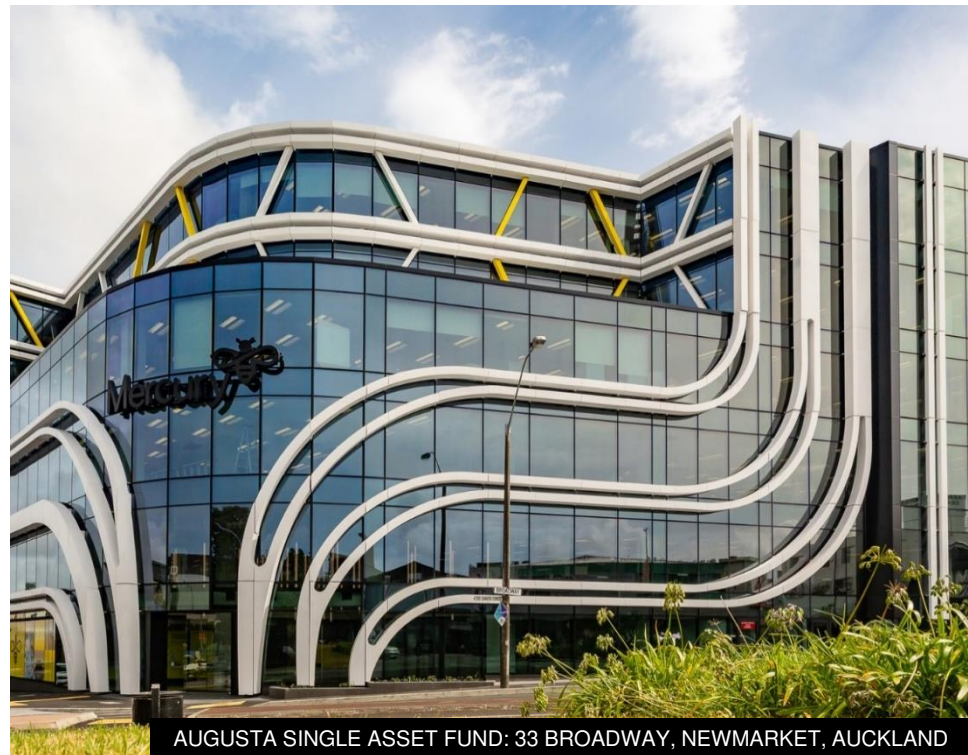
Delist the company from the NZX and operate the business as a 100% subsidiary

Properly supported, Centuria believes Augusta **will generate meaningful FY21 group revenues** and build on their leading position in the New Zealand marketplace

## AUGUSTA PROPERTY FUND LAUNCH UNDERWAY

**NZ\$55m**  
Anglesea Medical Centre seed asset

First post COVID-19 property fund launch.  
Offer oversubscribed in 9 days



AUGUSTA SINGLE ASSET FUND: 33 BROADWAY, NEWMARKET, AUCKLAND





## SECTION TWO

# Financial Results

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ASX:CNI

Centuria

CIP: ARNOTT'S, 46 ROBINSON ROAD EAST, VIRGINIA, QLD

# FY20 EPS guidance exceeded; FY21 guidance

Centuria

## FY20

PERFORMANCE

Distributions per stapled security  
of 9.7 cents, a 4.9% increase on FY19

UNDERPINNED BY 86% RECURRING REVENUES

Operating NPAT<sup>1</sup>  
**\$53.3m;**

Operating EPS<sup>2</sup>  
**12.00cps**

DELIVERED AHEAD OF  
11.50CPS FY20 GUIDANCE

Statutory NPAT<sup>3</sup>  
**\$21.1m;**

Statutory EPS<sup>3</sup>  
**4.7cps**

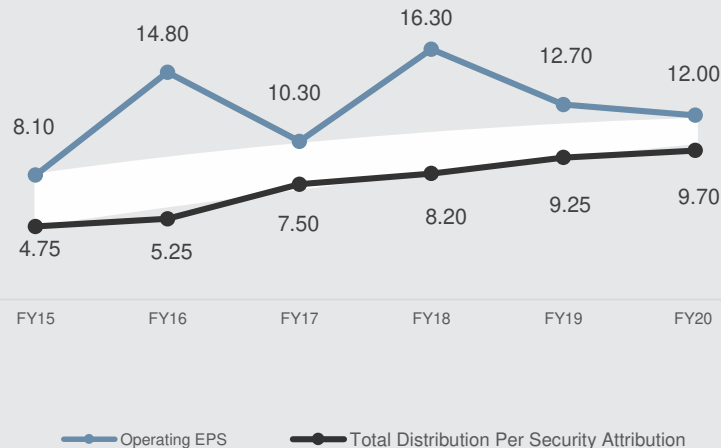
## FY21

GUIDANCE

Operating earnings per stapled security  
range of 10.5 - 11.5cps

Distribution per stapled security  
of 8.5cps

EARNINGS AND DISTRIBUTIONS (CENTS PER SECURITY)



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

# Expanded platform enhances fee generation for the Group

Centuria

OPERATING PROFIT BY SEGMENT	FY20 (\$m)	FY19 (\$m)	
Property funds management <sup>1</sup>	34.5	25.1	Profit increased <b>37.4%</b> reflecting significant expansion in recurring revenue contribution and transaction fees
Performance fees	21.5	22.5	FY20 performance fee income underpinned by the completion of three property sales
Co-investments earnings	32.1	28.5	
Investment bonds management	2.5	3.5	
Corporate segment	(12.2)	(10.7)	Continued returns from re-investment strategy to support core earnings growth
<b>Operating profit before interest and tax</b>	<b>78.4</b>	<b>68.9</b>	
Finance costs <sup>2</sup>	(12.5)	(13.8)	Decline in earnings due to lower prevailing interest rates impacting capital guaranteed product returns
<b>Operating profit before tax</b>	<b>65.9</b>	<b>55.1</b>	
Operating tax expense	(12.6)	(9.4)	Higher tax expense due to increased earnings compared to FY19
<b>Operating profit after tax<sup>3</sup></b>	<b>53.3</b>	<b>45.7</b>	
Operating EPS (cents per stapled security) <sup>4</sup>	12.0	12.7	Effect of high cash balance moving into COVID-19



CENTURIA UNLISTED: 80 GRENFELL STREET, ADELAIDE, SA

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



# FY20 total revenues underpinned by recurring revenues

Centuria



**86%**

FY20 operating  
recurring revenue



**56%**

Property funds  
management fees and  
co-investment income



**\$37.2m**

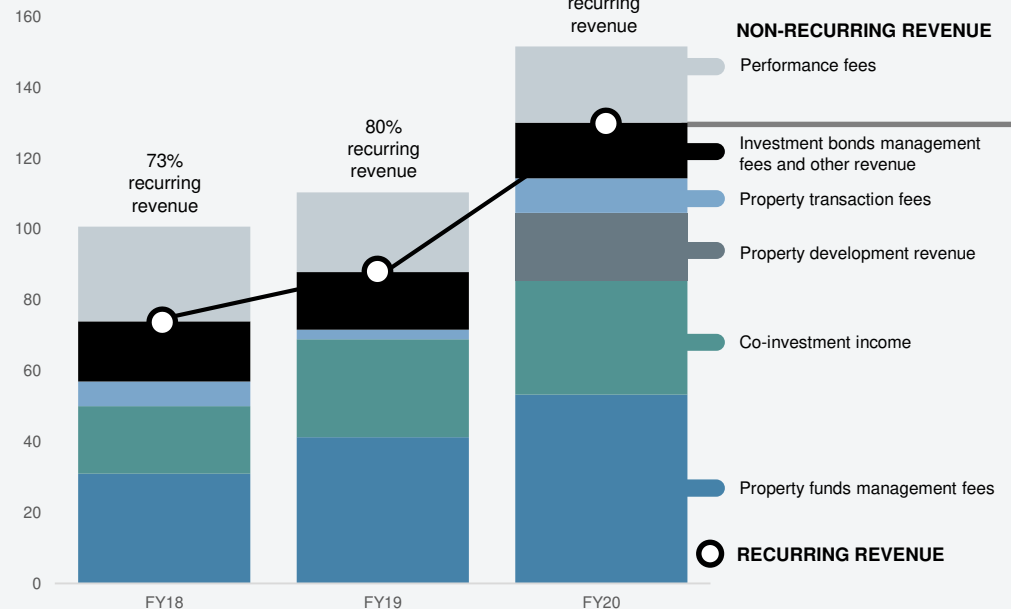
FY20 performance  
fees cash collected<sup>1</sup>



**\$32.6m**

Latent unrecognised  
performance fees<sup>2</sup>

\$ MILLIONS



1. Performance fee cash of \$37.2m including GST attributable to Centuria Zenith Fund, Centuria 8 Central Avenue Fund 1 and 2 Wentworth Street Parramatta Fund. FY19 cash collected of \$1.4m
2. The underlying property funds managed by Centuria Capital Group have accrued total performance fees of \$40.4m as at 30 June 2020. \$7.7m of this amount has been recognised life to date with the latent unrecognised performance fee being \$32.6m

# Recycling larger balance sheet to grow platform

Centuria

**\$1.44**

Net Asset Value  
per security<sup>1</sup>  
(FY19: \$1.32)

**6.3 times**

Operating interest  
cover ratio<sup>2</sup>  
(FY19: 4.9 TIMES)

**3.1%**

Operating  
gearing ratio<sup>3</sup>  
(FY19: 17.5%)

**\$149.5m**

Cash on Hand  
Required for growth  
opportunities

**Corporate  
bond maturity**

\$56.7m (0.8 years)  
\$80m (2.8 years)  
\$32.1m (3.8 years)

**\$205m**

Equity raised  
in FY20

OPERATING BALANCE SHEET	FY20 (\$m)	FY19 (\$m)
<b>ASSETS</b>		
Cash and cash equivalents	149.5	87.8
Receivables	65.5	65.7
Financial assets	523.1	112.2
Other assets	12.4	5.7
Deferred tax assets	39.5	-
Property held for development	31.3	-
Equity accounted investments	33.0	360.4
Right of use asset	21.4	-
Intangible assets	280.1	157.7
<b>Total assets</b>	<b>1,155.8</b>	<b>789.5</b>
<b>LIABILITIES</b>		
Payables	70.7	35.7
Borrowings	180.3	210.8
Interest rate swap at fair value	32.8	28.1
Call/Put option liability	17.2	-
Lease liability	22.6	-
Provisions, deferred tax and other liabilities	41.5	7.4
<b>Total liabilities</b>	<b>365.1</b>	<b>282.0</b>
Non controlling Augusta interests	56.4	-
<b>Net assets</b>	<b>734.3</b>	<b>507.5</b>
<b>NAV (\$/per security)</b>	<b>1.44</b>	<b>1.32</b>

1. Number of securities on issue at 30 June 2020: 509,998,482 (at 30 June 2019: 383,557,332)

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)

4. Calculated based on total revenue for the period end divided by average carrying value of investments. Excludes finance costs



## Environmental

### ENERGY

- 72% increased in the number of solar panel installations, from 856 to 1,476 panels, 537t reduction in CO<sub>2</sub> emissions
- 4.66 average NABERS Energy Rating<sup>1</sup>

### WASTE MANAGEMENT REDUCTIONS (Jan - May 2020)

- 280t of CO<sub>2</sub> emissions, 385 kWh of energy, 2,170kl of water, 35,900L of diesel, 3,700m<sup>3</sup> of landfill



## Social

- **St Lucy's School:** Ongoing fundraising and volunteer support provided for students with disabilities
- **Centuria Healthcare Division:** \$0.7bn of specialist healthcare real estate focused on cost-effective models of care, strong alignment to reputable healthcare operators
- **Social and Affordable Housing Projects:** Funding and development of 190 dwellings under SAHF, c.\$75m end value
- Partnered with **Group Homes Australia (GHA)** to develop and construct homes for people living with dementia: end value c. \$12.55m
- **Supporting Foodbank** with 4,500sqm of free storage for overflow donations toward the bushfire crisis
- Member of the **Diversity Council of Australia**
- Supporting **International Women's Day**

## Governance

- Continued focus on Non-Financial Risk Committee reporting directly to Board
- Information Communication Technology and Cyber Security Committee
- Board changes announced 30 July 2020 – broaden experience and diversity

1. Average by value. Includes COF, fixed term funds and CDPF



# Governance, systems and processes

Centuria

*How Centuria has managed over 50% of growth in AUM<sup>1</sup> since FY20 start*

## FY20 INITIATIVES

### Restructured Centuria Responsible Entity Boards

Integration of **Centuria Heathley**  
(now Centuria Healthcare)

**Vision 2020 launched** – integrated property management / finance software to support platform efficiency & scale

System now in place to contribute towards strong growth of the platform

Established **Centuria Brisbane office** to provide active asset management for increased QLD portfolio

## CURRENT FOCUS

### Integration of Augusta Capital Limited

Solid relationships have been established with key management personnel. Focused on integration into Centuria throughout COVID-19 unwind

Continued enhancement of governance, systems and processes to support further platform expansion

1. Centuria AUM as at 30 June 2020, Augusta AUM as at 31 March 2020. Includes CIP acquisitions announced 5 August 2020



## SECTION THREE

# Divisional Overview

ASX:CNI

Centuria

# Prudent management and strong performance through COVID-19

Centuria

*Internal property management (CPS) pays major dividends through direct tenant relationships and access to timely data*

CENTURIA HEALTHCARE: 18 PROWSE STREET, WEST PERTH, WA



In house management facilitate greater tenant engagement through period of uncertainty

PROPERTY  
& FACILITIES  
MANAGEMENT

Task force established to ensure workspace preparedness and rapid response

ASSET  
MANAGEMENT &  
RISK MITIGATION

91%

Average rent collections April to June<sup>1</sup>

REAL ESTATE  
PLATFORM RENT  
COLLECTION<sup>2</sup>

All Centuria funds have continued to distribute through COVID-19

DISTRIBUTIONS

1. As COVID-19 impacts and the National Code of Conduct on Commercial Leases remain active, it is possible that further rent relief claims could be received

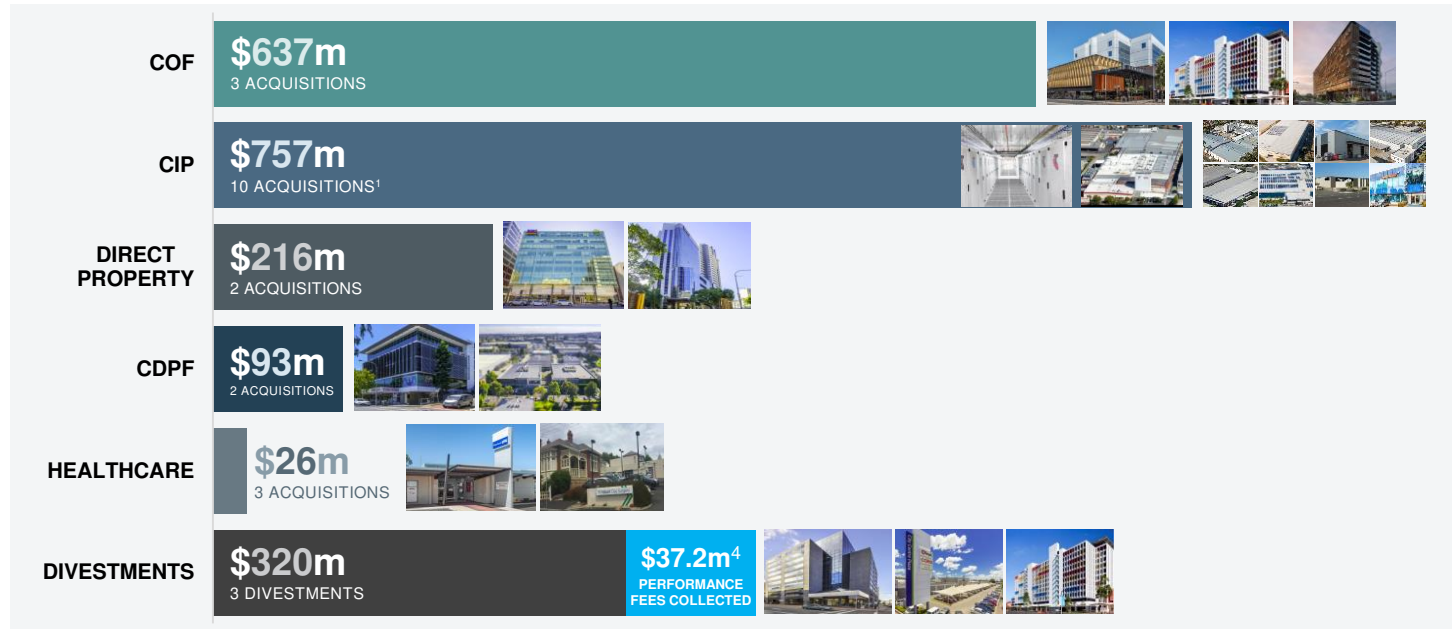
2. Excludes Augusta Capital Limited assets

# Strong capital transaction capabilities

*\$1.7bn across 20 acquisitions<sup>1</sup>*

Centuria

FY20/21 REAL ESTATE TRANSACTIONS



## ACTIVE IN CAPITAL TRANSACTIONS

**2nd** 

Largest acquirer of Australian industrial assets in CY2019<sup>2</sup>

**4th** 

Largest acquirer of Australian commercial assets in CY2019<sup>3</sup>

FUNDS  
MANAGEMENT

TRANSACTION  
MANAGEMENT

ASSET  
MANAGEMENT

LEASING  
MANAGEMENT

DEVELOPMENT  
MANAGEMENT

FACILITIES  
MANAGEMENT

PROPERTY  
MANAGEMENT

## INTEGRATED MANAGEMENT CAPABILITIES

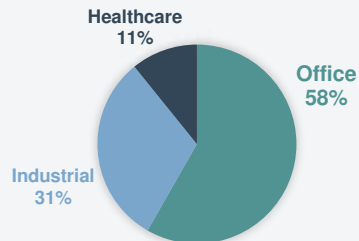
1. Includes CIP acquisitions announced on 5 August 2020. Excludes Augusta Capital acquisitions  
2. Source: JLL

3. Source: Cushman and Wakefield  
4. Performance fee cash of \$37.2m including GST attributable to Centuria Zenith Fund, Centuria 8 Central Avenue Fund 1 and 2 Wentworth Street Parramatta Fund. FY19 cash collected of \$1.4m

# Strong active asset management capabilities

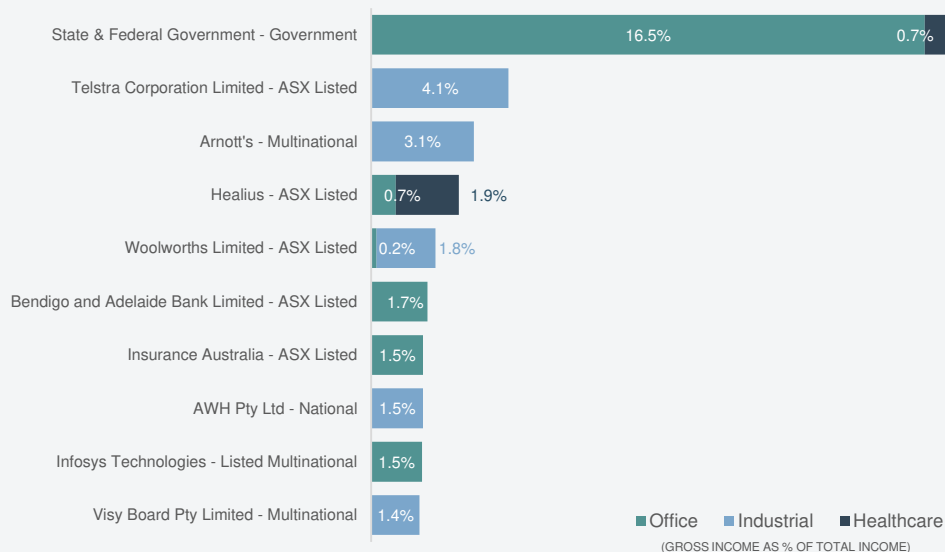
Centuria

## SECTORS<sup>1</sup> (% BY GROSS INCOME)

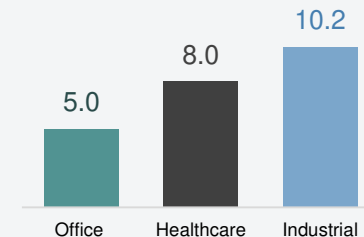


Over  
**140 assets<sup>1</sup>**  
**600 tenants<sup>1</sup>**

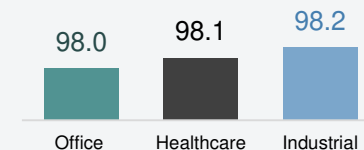
## TOP TENANTS<sup>1</sup>



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



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



FUNDS  
MANAGEMENT

ASSET  
MANAGEMENT

LEASING  
MANAGEMENT

FACILITIES  
MANAGEMENT

PROPERTY  
MANAGEMENT

TRANSACTION  
MANAGEMENT

DEVELOPMENT  
MANAGEMENT

INTEGRATED MANAGEMENT CAPABILITIES

1. As at 30 June 2020. Includes CIP acquisitions announced 5 August 2020. Excludes Augusta Capital Limited assets



# Listed: \$1.4bn of office and industrial acquisitions since FY20 start

Centuria



COF

CENTURIA  
OFFICE REIT

Australia's largest  
pure-play Office REIT

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

AUM

**\$2.1bn**

23 HIGH QUALITY  
ASSETS

CNI  
CO-INVESTMENT<sup>1</sup>

**19.9%**

FY20  
ACQUISITIONS

**\$637m**

INCLUDED IN THE  
**S&P/ASX  
300 Index**

MARKET  
CAPITALISATION<sup>2</sup>

**\$1.0bn**

**79%**

PORTFOLIO INCOME FROM GOVERNMENT,  
ASX LISTED & MULTINATIONAL TENNANTS



CIP

CENTURIA  
INDUSTRIAL REIT

Australia's largest domestic  
pure-play Industrial REIT

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

AUM

**\$2.1bn**

53 HIGH QUALITY  
ASSETS<sup>3</sup>

CNI  
CO-INVESTMENT<sup>1</sup>

**17.3%**

FY20/21  
ACQUISITIONS

**\$757m**

INCLUDED IN THE  
**S&P/ASX  
200 Index**

MARKET  
CAPITALISATION<sup>4</sup>

**\$1.7bn**

**58%**

PORTFOLIO INCOME DERIVED FROM TELECOMMUNICATIONS,  
CONSUMER STAPLES & PHARMACEUTICALS<sup>3</sup>

1. Includes associates of Centuria Capital Group  
2. Based on COF close price on 5 August 2020

3. Includes CIP acquisitions announced 5 August 2020  
4. Pro forma market capitalisation adjusted for Entitlement Offer announced 5 August 2020

# Unlisted: Compelling opportunities for our deep distribution network

Centuria



FTOF

CLOSED END  
FIXED TERM  
OFFICE FUNDS

**\$1.7bn**  
AUM

**12**  
FIXED TERM FUNDS,  
WHOLESALE  
RELATIONSHIPS

**4 - 6**  
FUNDS IN THE  
TOP 10 INDEX<sup>1</sup>

**\$216m**  
Acquisitions

**2**  
New single asset  
unlisted funds  
established

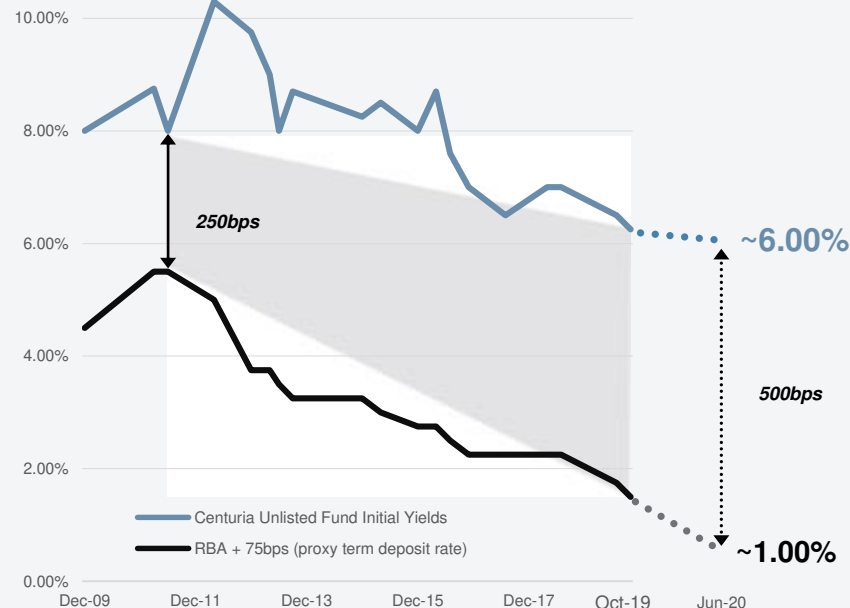
**\$37.2m**  
FY20 performance  
fees cash collected<sup>2</sup>

**\$32.6m**  
Latent unrecognised  
performance fees<sup>3</sup>



Strong demand  
from Centuria's  
retail distribution  
network arising  
from significant  
return premium  
to cash

## ATTRACTIVE INITIAL YIELD SPREAD IN DECREASING TERM DEPOSIT AND RATE CLIMATE<sup>4</sup>



- At least four funds in the Top 10 in The Property Council of Australia/MSCI Australia Unlisted Retail Quarterly Property Fund Index to 30 June 2020 each previous quarter for the last sixteen quarters (overall investment for the twelve months to the end of each quarter)
- Performance fee cash of \$37.2m including GST attributable to Centuria Zenith Fund, Centuria 8 Central Avenue Fund 1 and 2 Wentworth Street Parramatta Fund. FY19 cash collected of \$1.4m
- The underlying property funds managed by Centuria Capital Group have accrued total performance fees of \$40.4m as at 30 June 2020. \$7.7m of this amount has been recognised life to date with the latent unrecognised performance fee being \$32.6m
- Source: CPFL & RBA

# Unlisted: Expanding open-ended funds

Centuria



CDPF

CENTURIA DIVERSIFIED PROPERTY FUND

**\$205m**

AUM expansion  
+72% over FY20

**\$93m**

Two real estate  
acquisitions in FY20

**4**

Direct assets

STRONG OPPORTUNITY TO EXPAND AN AU DIVERSIFIED FUND



CHPF

CENTURIA HEALTHCARE PROPERTY FUND

**~\$130m**  
**Imminent  
launch of fund**

Investing in healthcare real  
estate underpinned by leases  
to a range of reputable  
healthcare operators

**6**

Seed assets

STRONG OPPORTUNITIES TO UNLOCK FURTHER HEALTHCARE PIPELINE



AIF

AUGUSTA INDUSTRIAL FUND

**\$348m**

AUM expansion  
+14% over FY20

**\$42m**

Two real estate  
acquisitions in FY20

**11**

Direct assets

STRONG OPPORTUNITIES TO UNLOCK FURTHER INDUSTRIAL PIPELINE



APF

AUGUSTA PROPERTY FUND

**NZ\$55m**

First post COVID-19  
property fund launch.  
Offer oversubscribed  
in 9 days

**1**

Seed asset  
**Anglesea  
Medical Centre**

STRONG OPPORTUNITY TO EXPAND AN NZ DIVERSIFIED FUND

# Unlisted: Healthcare real estate for institutional and retail investors

Centuria



CH

CENTURIA  
HEALTHCARE

Specialist healthcare real estate focused  
on cost-effective models of care

CENTURIA HEALTHCARE: 734 ALBANY HIGHWAY, EAST VICTORIA PARK, WA



**\$0.7bn**  
AUM<sup>1</sup>



**45**  
HIGH QUALITY  
PROPERTIES



**10**  
UNLISTED  
FUNDS



**\$300m**  
PROGRESSING  
ACQUISITION  
PIPELINE



**\$500m**  
MANDATE WITH AXA  
INVESTMENT  
MANAGERS &  
GROSVENOR GROUP



**CHPF**  
ESTABLISHING  
OPEN-ENDED  
HEALTHCARE REAL  
ESTATE FUND



STRONG  
ALIGNMENT TO  
REPUTABLE  
HEALTHCARE  
OPERATORS

1. Valuation complete on an as-if complete basis

**\$0.8bn**

AUM

**11%**

TOTAL AUSTRALIAN  
INVESTMENT BOND  
MARKET SHARE<sup>1</sup>

**+3,900**

ACCESS TO ACTIVE  
FINANCIAL PLANNERS

**28**

APLs  
UP 64% ON FY19

**LifeGoals  
Ratings**

BY LONSEC,  
ZENITH AND  
AUSTRALIA RATINGS

**29**

LIFEGOAL FUND  
OPTIONS

31% INCREASE  
SINCE LAUNCH

**7**

NEW FUND  
OPTIONS

ADDED TO  
LIFEGOALS

**3**

NEW FUNDS  
WITH ESG  
INVESTMENT APPROACH  
& PHILOSOPHY

**LIFT**

CENTURIA LIFE GOALS  
CALCULATOR  
INVESTMENT FORECASTER  
DEVELOPED

1. QDS report 30 March 2020





## SECTION FOUR

# Strategy & Outlook

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ASX:CNI

Centuria



## MARKETS

- Industrial and healthcare markets compelling and well supported. De-centralised commercial markets to outperform
- Investor demand for unlisted funds strong - capital seeking higher relative returns
- Equity markets – real estate funds trending into favoured asset sectors
- Leverage a wider range of fund types into higher direct asset acquisitions

Build a leading listed external real estate funds management platform and attain “top three Australian ranking”



## VISION



## EXECUTION

### STRONG BALANCE SHEET

To support platform expansion e.g. Centuria Healthcare and Augusta Capital

### LEVERAGE STRONG DISTRIBUTION NETWORK

And recycle capital to grow organic AUM

### DELIVER RECURRING REVENUES, UNLOCK PERFORMANCE FEES

Strong recurring revenue fees underpin distributions  
Realise underlying performance fees embedded in unlisted funds

### NEW PLATFORMS

Grow new platform acquisitions – Centuria Healthcare and Augusta Capital (NZ) by deploying skills, systems and capital duplicating successful Centuria model

### GROWTH OPPORTUNITIES

Establish further wholesale real estate mandates  
Grow Centuria LifeGoals Investment Bond Products



## SECTION FIVE

# Appendices

ASX:CNI

Centuria

# Reconciliation of statutory profit to operating profit

Centuria

	FY20 (\$m)	FY19 (\$m)
Statutory net profit after tax	22.1	50.9
<i>Statutory EPS (cents)<sup>1</sup></i>	<i>4.7</i>	<i>14.2</i>
Adjusted for non-operating items:		
Loss/(gain) on fair value movements in derivatives and investments	34.8	(4.6)
Transaction and other costs	6.2	6.6
Loss attributable to controlled property funds	1.3	7.4
Eliminations between the operating and non-operating segment	(3.3)	(5.2)
Equity accounting adjustments	(1.5)	(8.4)
Tax impact of above non-operating adjustments	(8.1)	(1.0)
Impairment charges in relation to seed capital	0.6	-
Capitalised borrowing costs write-off <sup>2</sup>	1.2	-
<b>Operating net profit after tax<sup>3</sup></b>	<b>53.3</b>	<b>45.7</b>
<i>Operating EPS (cents)<sup>4</sup></i>	<i>12.0</i>	<i>12.7</i>

1. Attributable to securityholders

2. Relates to repayment of \$35.0m in 7.0% fixed rate secured notes

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



# Co-investments reconciliation

Centuria

## Strong alignment to COF and CIP in FY19.

CNI is the largest unitholder of **CIP** (17.01%)<sup>1</sup> and **COF** (15.22%)<sup>1</sup>

No revenue attributable to NZ assets, consolidated on 30 June 2020

CO-INVESTMENTS	CARRYING VALUE 30 JUN 2020 (\$m)	DISTRIBUTION INCOME FY20 (\$m)	CARRYING VALUE 30 JUN 19 (\$m)	DISTRIBUTION INCOME FY19 (\$m)
Centuria Industrial REIT (ASX: <b>CIP</b> ) <sup>1,2</sup>	215.8	12.6	180.3	11.4
Centuria Office REIT (ASX: <b>COF</b> ) <sup>1,2</sup>	158.2	13.3	180.2	10.0
Healthcare Investments	27.2	1.2	-	-
Centuria 111 St Georges Terrace Fund	29.0	2.1	28.9	1.1
Centuria Diversified Property Fund	31.8	1.2	11.6	0.6
Other unlisted real estate and debt funds	8.2	1.5	18.0	0.3
Augusta Industrial Fund (AIF)	17.2	-	-	-
Asset Plus Ltd. (NZX: APL)	9.7	-	-	-
Properties held for development	31.3	-	-	-
Propertylink Group (PLG)	-	-	-	4.2
<b>Sub-total</b>	<b>528.4</b>	<b>31.9</b>	<b>419.0</b>	<b>27.6</b>
<b>Capital adjustment</b>	<b>-</b>	<b>(61.6)</b> <sup>3</sup>	<b>17.0</b>	<b>19.9</b> <sup>4</sup>
<b>Total</b>	<b>528.4</b>	<b>(29.7)</b>	<b>436.0</b>	<b>47.5</b>

Note: All figures above are in Australian dollars (currency exchange ratio of AU\$1,000:NZ\$1.067). 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-investments stakes in COF and CIP exclude interests held through Benefit Funds

2. Co-Investments previously accounted for using the equity method are now recognised as financial assets carried at fair value through profit and loss

3. Comprises of non operating fair value gains

4. Comprises of non operating fair value gains and equity accounting earnings in excess of distribution income

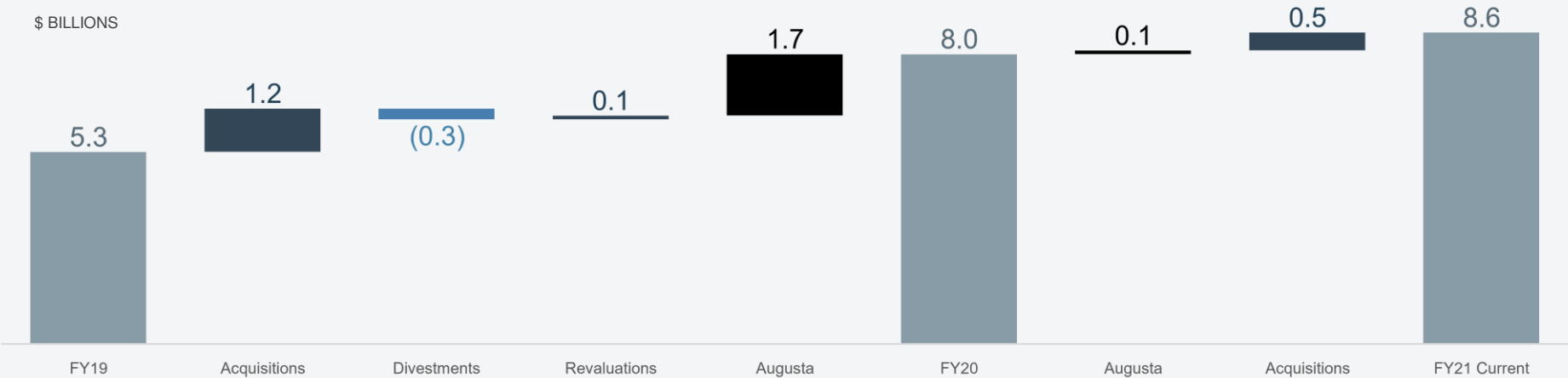
# Property AUM movement

Centuria

COF: 235 WILLIAM STREET, NORTHBRIDGE, WA

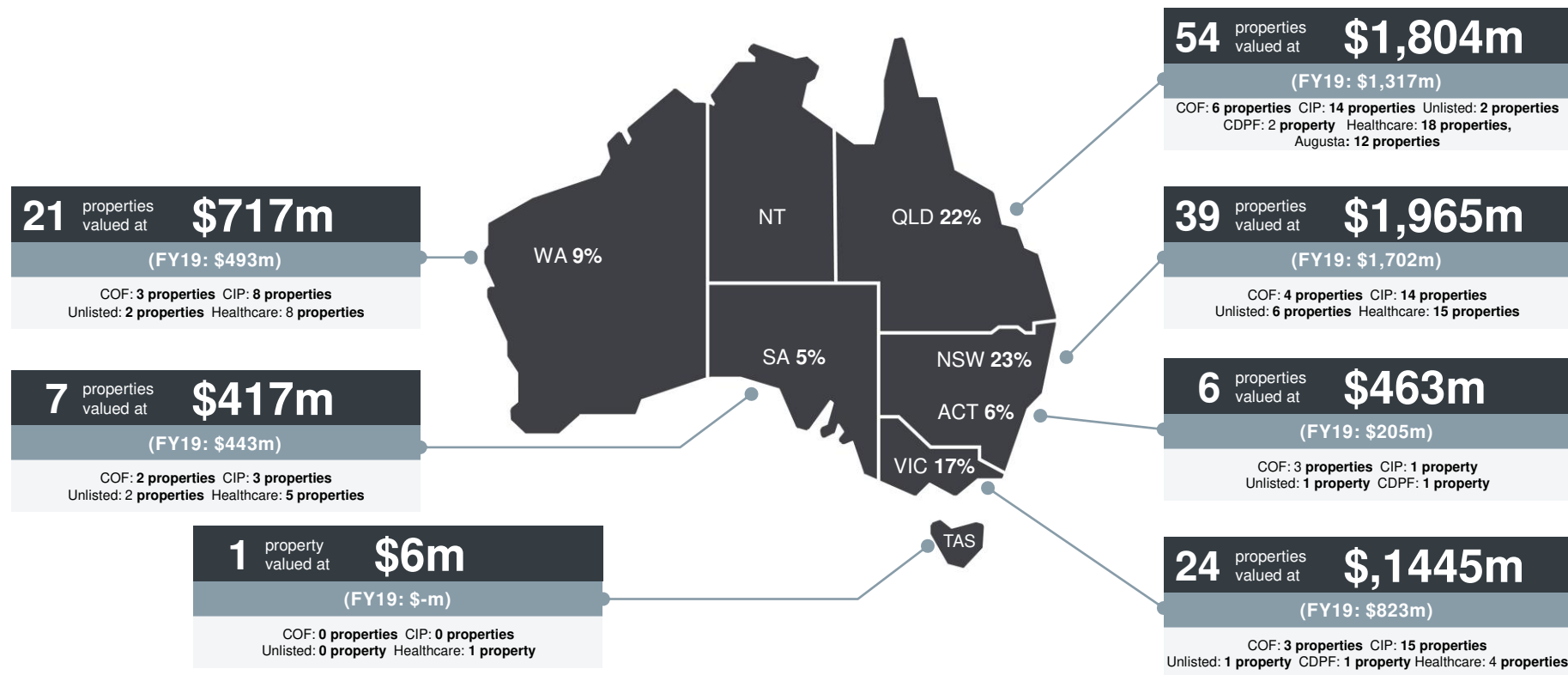


\$ BILLIONS



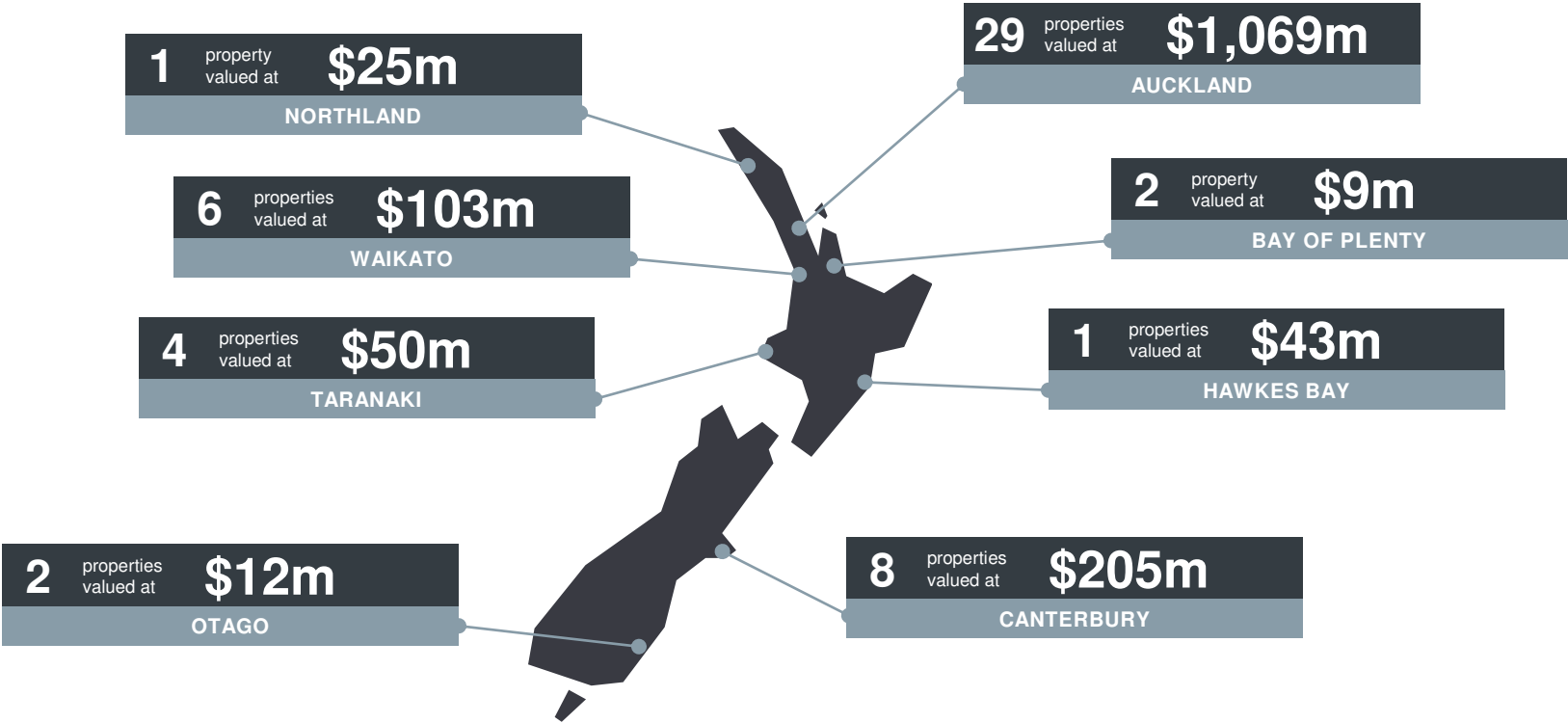
# \$6.8 billion of Australian real estate accounts for ~80% of AUM<sup>1</sup>

Centuria



1. As at 30 June 2020. Includes cash and other financial assets. Includes CIP acquisitions announced 5 August 2020 and Augusta Capital Limited Assets

\$1.8 billion<sup>1</sup> of NZ real estate accounts for ~20% of AUM



Note: All figures above are in Australian dollars (currency exchange ratio of AU\$1,000:NZ\$1.067). Numbers presented may not add up precisely to the totals provided due to rounding  
1. Augusta AUM as at 31 March 2020. Includes cash and other financial assets and Anglesea asset

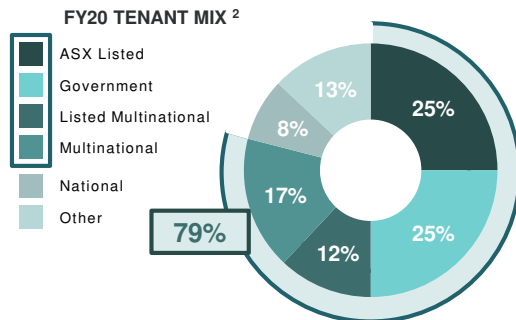




## COF: Australia's largest pure play office REIT

- FY20 FFO of 18.6cpu, distributions of 17.8cpu delivered
- FY21 Distribution guidance of 16.5cpu

PORTFOLIO SNAPSHOT		FY20	FY19
Number of assets	#	23	20
Book value	\$m	2,053.3	1,400.0
WACR	%	5.93	6.22
NLA	sqm	304,586	218,080
Occupancy <sup>1</sup>	%	98.1	98.4
WALE <sup>2</sup>	yrs	4.7	3.9
Average NABERS Energy rating (by value)	Stars	4.8	4.5
Average building age (by value)	yrs	13.4	15.9



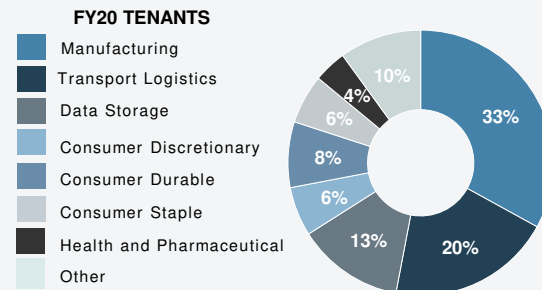
1. By area
2. By gross income



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

- FY20 FFO of 18.9cpu, distributions 18.7cpu delivered
- FY21 FFO guidance of 17.4cpu, distribution guidance of 17.0cpu

PORTFOLIO SNAPSHOT		FY20 <sup>1</sup>	FY19 <sup>2</sup>
Number of assets	#	53	43
Book value	\$m	2,049.5	1,221.3
WACR	%	5.68	6.46
GLA	sqm	990,735	821,823
Occupancy by income	%	98.2	95.9
WALE by income	yrs	10.2	4.3



1. Includes acquisitions announced 5 August 2020
2. Excludes 75-95 & 105 Corio Quay Road, North Geelong and 680 Boundary Road, Richlands which were exchanged, but not settled by 30 June 2019

## FOUR PROJECTS, 190 DWELLINGS

Construction for all projects progressing in line with expectations

Anticipating project practical completions in early to mid 2021

Major institutional funding in place



45 Pendlebury Road, Cardiff, NSW



23-25 Young St, West Gosford, NSW



316 Maitland Road, Mayfield, NSW



357-359 Mann St, North Gosford, NSW

## PARTNERING WITH COMPASS HOUSING (TIER 1 SERVICE PROVIDER) AND TETRIS CAPITAL

CNI equity contribution  
circa \$20 million

**Centuria:** Developer

**Compass:** Community  
housing provider (Tenant)

**Tetris:** Upfront take  
out party

# Continuing to build out Centuria LifeGoals

Centuria

TOTAL AUM (\$m)	FY20	FY19	FY20 CHANGE (%)
Prepaid funeral plans (Guardian) <sup>2</sup>	520.9	534.0	(2.5)%
Capital Guaranteed (Centuria Life)	166.8	194.0	(14.0)%
Unitised Bonds (Centuria Life)	127.3	137.8	(7.6)%
Centuria LifeGoals	20.9	4.2	397.6%
<b>Total</b>	<b>835.9</b>	<b>870.0</b>	<b>(3.9)%</b>

FLows BREAKDOWN (\$m) FY20	CENTURIA LIFEGOALS	UNITISED BONDS	CAP GUAR	PRE-PAID FUNERAL PLANS	TOTAL
Applications	10.6	8.1	1.8	29.7	50.2
Redemptions	(2.5)	(10.1)	(29.2)	(39.4)	(81.2)

## CENTURIA LIFEGOALS FUND MANAGERS



ALLIANCEBERNSTEIN



Schroders



ANTIPODES  
GLOBAL INVESTMENT PARTNERS



BAEP

PENDAL

T.RowePrice™



Vanguard



PIMCO



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

**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