30 June 2021 – Factsheet

Centuria Multi-Manager Investment Option

Centuria

Unit-linked: Balanced Bond Fund Factsheet

The Fund's objective is to provide investors with capital growth over the long term (7-10 years) through exposure to a diversified portfolio of assets.

Investment Strategy

The Balanced Fund invests in a diversified portfolio of assets, including both growth securities (i.e. Australian and international shares and property) and income securities (i.e. fixed interest and cash).

Exposure to property may include both direct real property investments and investments in listed and unlisted property securities.

Fund Size

$27.69 million (inception date 26/02/2004)

Performance

The performance of your bond is measured after taxes and fees within this tax paid bond. The performance figures below are as at 30 June 2021.

Returns to 30/6/2021	1 mth	3 mth	6 mth	1 yr	3 yr*	5 yr*
Net Return (%)	2.06	4.97	6.04	11.73	3.91	5.54

Past performance is not a reliable indicator of future performance.
* Periods greater than 1 year are expressed in annualised terms.

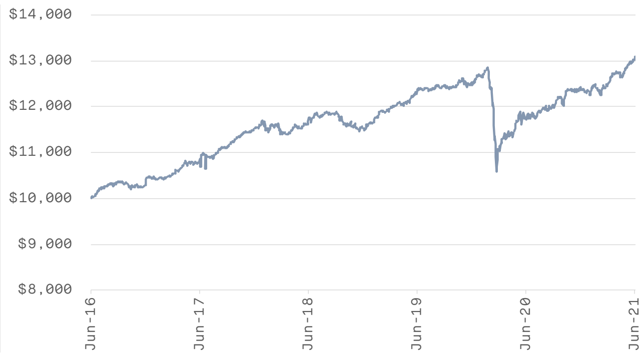
Asset Allocation

	Min %	Max %	Actual %
Alternative Assets	0	15	3.42
Cash	0	15	9.28
Australian Shares	20	55	26.89
International Shares	10	40	15.56
Australian Fixed Interest	0	35	22.02
International Fixed Interest	0	25	4.25
Property	0	20	18.58

Top 5 Holdings

1 Aoris International Fund-B	8.63%
2 Centuria Office REIT	8.10%
3 Custody Cash	7.73%
4 ARDEA Real Outcome Fund	7.62%
5 Centuria Industrial REIT	6.41%

Performance Graph



A $10,000 investment in Centuria Balanced Fund made on 30 June 2016 is worth $13,096 as of 30 June 2021 after all fees and taxes paid within the Investment Option.

Key Features

APIR Code	OVS0011AU
Minimum Initial Investment	$500
Minimum Additional Investment	$500 for a one-off additional payment
Minimum Additional Investment Plan	Minimum monthly deposit of $100
Minimum Switching Amount	$500
Minimum Balance	$500
Contribution Fee	Nil
Annual Management Fee	Net 1.50% p.a.
Suggested Timeframe	7-10 years

For more information contact Centuria on 1300 50 50 50 or visit centuria.com.au/investment-bonds/ to download the PDS. Simple Flexible Versatile.

Fund Commentary

The Australian equity market maintained its double-digit percentage gains in the second half of financial year 2021, but still lagged most of its global peers. The ASX 300 Accumulation index returned 28.49% and 8.48% for the financial year 2021 and June quarter respectively.

During the year the local equity market generally experienced a rotation back out of 'defensives' (favoured during the pandemic) into 'cyclicals'. The best-performing sector(s) were consumer discretionary (46%) which includes the travel and entertainment companies and financials (41%). More important for our market were the big gains in the banks subsector which returned (51%). The only sector to finish down was utilities (-19%). The top 5 performers of the ASX100 index were Lynas Rare Earth (199%), Mineral Resources (162%), Reece (158%), Nine Entertainment Holdings (115%) and OZ Minerals (107%).

In global markets, U.S. stocks recorded strong gains over the period, helped by a robust economic recovery driven by both continued fiscal stimulus and an accelerated coronavirus vaccine rollout and easing restrictions by many state and local governments. The S&P500 returned 40.6% for the financial year.

Developed European equities also produced strong results. The broad France and Italian stock index rose 35.5% and 32.4% respectively. However smaller markets of Denmark, Switzerland, and Austria were the best performers. The broad UK FTSE100 index was the lagger only returning 18% for the financial year.

Domestically, an easing of restrictions, significant fiscal stimulus and record-low interest rates translated into an improvement in household and business sentiment, spurring investor confidence higher. However, as June drew to a close, further state lockdowns in NSW, Victoria, SA and QLD and mixed messaging over the vaccine rollout had the market questioning the pace of Australia's transition back to "life as usual".

The current NSW lockdown represents the biggest risk to continuation of Australia's economic recovery with the NSW government clearly stating the importance of high vaccination rates being a key factor in the easing of restrictions and lifting lockdowns.

The Reserve Bank of Australia (RBA) kept the official cash rate at 0.10% for the majority of the 2021 financial year which meant returns in ultra-defensive assets were negligible – cash (~+0.1%) and fixed income (-0.8%) returns would have been eroded by inflation.

The Centuria Balanced Fund returned 4.97% for the June quarter and 11.73% (after tax returns) for the trailing twelve-month period.

The Bennelong Concentrated Equity fund returned 3.89% and 42.07% for the June quarter and rolling 1-year period respectively. The fund outperformed it's ASX300 benchmark by +13.57% for the rolling 1-year period.

Smallco BroadCap (SBF) returned 9.7% for the June quarter and 45.4% for rolling 12-month period respectively. The Fund's strong performance in such a volatile environment was primarily driven by two key factors – style and taking advantage of some of the opportunities presented by the pandemic. Altium and Pinnacle Investment Management were strong contributors to the funds' performance.

Smallco Investment Fund (SIF) delivered 7.9% and 36.5% for the June quarter and rolling 12-month period respectively. The fund had built up cash levels prior to the covid outbreak and roughly half of the cash position was deployed into existing and new holdings.

The Ellerston Microcap Fund returned 6.89% and 42.43% for the June quarter and trailing twelve months respectively. The allocation into this fund during 2020 was to capitalise any market rebound that would occur as result of positive news around the development and distribution of a COVID-19 vaccine. Equity Trustee (EQT AU) was a solid performer delivering a healthy 14% return.

The Aoris International Fund returned 10.5% for the June quarter outperforming its index by 1.6%. The fund had strong exposure to the business services and consumer discretionary sectors which performed strongly as the US economy started re-opening in 2020.

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