

# Centuria

Quarterly fund update  
December 2024

## Centuria Agriculture Fund

ARSN 653 947 892 & ARSN 653 946 402 | APIR CNT3531AU

### December 2024 quarter performance highlights

- The Centuria Agriculture Fund (Fund) has 110.50 hectares of assets under management (AUM) totaling \$448.25 million and cementing the Fund as the largest owner of large scale glasshouse assets in Australia.
- As at 31 December 2024, the Fund's drawn debt is 70.5% hedged until 15 June 2025.
- All of the Fund's assets were subject to independent valuations as at 31 December 2024. The overall portfolio value increased by \$7.0 million, from \$441.25 million to \$448.25 million.
- Portfolio remained 100% occupied with a weighted average lease expiry (by income) of 16.5 years as at 31 December 2024.
- The Tomato Brown Rugose Fruit Virus (ToBRFV) has recently been discovered in tomato plants grown by one of the Fund's tenants, Katunga Fresh. Centuria has undertaken a risk assessment of the situation and has concluded that at this stage the potential financial risk to the Fund is low.
- December quarter distributions have been paid at an annualised rate of 6.00 cents per unit, reflecting a yield of approximately 6.14% on the Fund's 31 December 2024 unit price of \$0.9768.

### Fund update

All of the Fund's assets were subject to independent valuations as at 31 December 2024. The overall portfolio value increased by \$7.0 million, from \$441.25 million to \$448.25 million, representing a 1.60% increase in value from the acquisition of each asset.

The majority of the portfolio's valuation increase was due to an increase in the value of the Comfresh facility. The Comfresh facility was purchased in December 2023 and is located in Riverlea Park, South Australia, which is an area that is in very strong demand for residential and mixed-use development. The facility was purchased in December 2023 for \$27.50 million and has been revalued as at 31 December 2024 to \$31.30 million, reflecting a good purchase for the Fund.

The Sundrop facility located in Port Augusta, South Australia also achieved a valuation increase of \$2.45 million to \$72.45 million as a result of the facility's annual annual rental increasing by CPI + 1%, which more than offset a softening in the capitalisation rate for the facility of 0.25%.

All the other assets in the Fund's portfolio either held their value or increased immaterially as a result of the 31 December 2024 independent valuations.

1. The implementation of the Stapled Fund occurred on 20 July 2022, which is the inception date of the Fund.
2. Cents per Unit (CPU). Distribution figures are monthly and are not annualised.



### Tomato Brown Rugose Fruit Virus

The Tomato Brown Rugose Fruit Virus (ToBRFV) has recently been discovered in tomato plants grown by one of the Fund's tenant, Katunga Fresh, in Victoria.

Following detection, Agriculture Victoria has placed biosecurity controls on the facility which means it is currently under quarantine to prevent the spread of ToBRFV. The tenant is working closely with Agriculture Victoria to ensure it is able to recommence operations as soon as possible.

Under the terms of its lease, the tenant is required to continue to meet its obligations in full, including the payment of rent. Centuria has undertaken a risk assessment of the situation and has concluded that at this stage the potential financial risk to the Fund is low.

The Fund remains committed to its current strategy of acquiring protected cropping assets, such as glasshouses, that allow operators to control the growing environment whilst decreasing wastage, increasing water efficiency and mitigating the risks of extreme weather. These high-tech farming practices, which provide a controlled environment, will assist the operator to contain and manage this biosecurity risk.

Centuria will continue to monitor the situation closely including the potential impact on the Fund and will provide further updates as information becomes available.

### Key portfolio metrics as at 31 December 2024

|                                      |               |
|--------------------------------------|---------------|
| Property assets                      | 5             |
| Property portfolio                   | \$448,250,000 |
| Weighted average capitalisation rate | 6.76%         |
| Number of tenants                    | 5             |
| Fund WALE (years)                    | 16.5          |
| Fund occupancy                       | 100%          |

### Monthly distribution (previous 6 months<sup>1</sup>)

|                                 | JUL 24 | AUG 24 | SEP 24 | OCT 24 | NOV 24 | DEC 24 |
|---------------------------------|--------|--------|--------|--------|--------|--------|
| Distribution (CPU) <sup>2</sup> | 0.5000 | 0.5000 | 0.5000 | 0.5000 | 0.5000 | 0.5000 |

1. The implementation of the Stapled Fund occurred on 20 July 2022, which is the inception date of the Fund.
2. Cents per Unit (CPU). Distribution figures are monthly and are not annualised.

## January 2025 distribution rate confirmation<sup>1</sup>

We are pleased to confirm January 2025 distribution guidance at 6.00 cents per unit (annualised). The January 2025 target distribution rate reflects a yield of approximately 6.14% on the Fund's 31 December 2024 unit price of \$0.9768. However, please note that this target distribution rate reflects the current performance of the Fund and assumes all tenants will satisfy their contractual obligations under their respective leases within a timely manner. It also assumes there are no significant unforeseen capital costs or material changes to the Fund's financial obligations, which includes debt costs. If any change to the target distribution rate is required, an out of cycle update will be provided to investors.

## Portfolio valuations

All of the Fund's assets, the Flavorite glasshouse in Warragul VIC, the Sundrop Farms glasshouse in Port Augusta SA, the Costa glasshouse in Guyra NSW, the Comfresh facility in Riverlea Park SA and the Katunga Fresh glasshouse in Katunga VIC were subject to independent valuations as at 31 December 2024. Overall, the portfolio of assets increased in value by \$7.0 million, representing a 1.60% increase in value as at 31 December 2024 from the acquisition of each asset.

All of the Fund's assets will be revalued again as at 30 June 2025, with details to be provided in the June 2025 quarterly update.

## Debt summary

As at 31 December 2024, the Fund had \$218.4 million of drawn debt, with a total facility limit of \$236.2 million, giving the Fund \$17.8 million in undrawn debt headroom that can be deployed for the purpose of new acquisitions. The Fund has hedged \$80.0 million at a rate of 3.59% p.a. (in addition to the bank margin of 1.45% p.a.) until 15 June 2026 and another \$74.0 million hedged at a rate of 3.10% p.a. (in addition to the bank margin of 1.75% p.a.) until 15 June 2025.

The Fund has also entered into an additional forward dated hedge for \$36.0 million, commencing 15 June 2025 at a rate of 3.625% p.a. (in addition to the bank margin of 1.70% p.a.) until 15 June 2027.

Details of the Fund's current debt facilities as at 31 December 2024 are noted below.

|                                       | CURRENT PERIOD  | LOAN COVENANTS |
|---------------------------------------|---|----------------|
| <b>Total facility limit</b>           | \$236.20m   |                |
| <b>Undrawn amount</b>                 | \$17.8m   |                |
| <b>Weighted average cost of debt</b>  | 5.40%   |                |
| <b>Loan maturities</b>                | \$53.1m, 30 September 2027<br>\$20m, 15 December 2027<br>\$40m, 30 March 2028<br>\$25m, 31 December 2028<br>\$45m, 30 June 2029<br>\$53.1m, 30 September 2029 |                |
| <b>Weighted average facility term</b> | 3.77 years  |                |
| <b>% of debt hedged</b>               | 70.5%   |                |
| <b>Loan to value ratio (LVR)</b>      | 48.7% <sup>2</sup>  | 60%            |
| <b>Interest coverage ratio (ICR)</b>  | 2.20  | 2.00           |

## Fund continues to assess potential acquisition targets

The Fund intends to actively pursue potential acquisitions in the protected cropping space with similar characteristics to the current assets owned by the Fund. All potential acquisitions being assessed are high-quality agricultural assets which are well positioned to benefit from the continued growing demand for fresh food produce. We look forward to providing investors with information on any new acquisitions in future Fund updates.

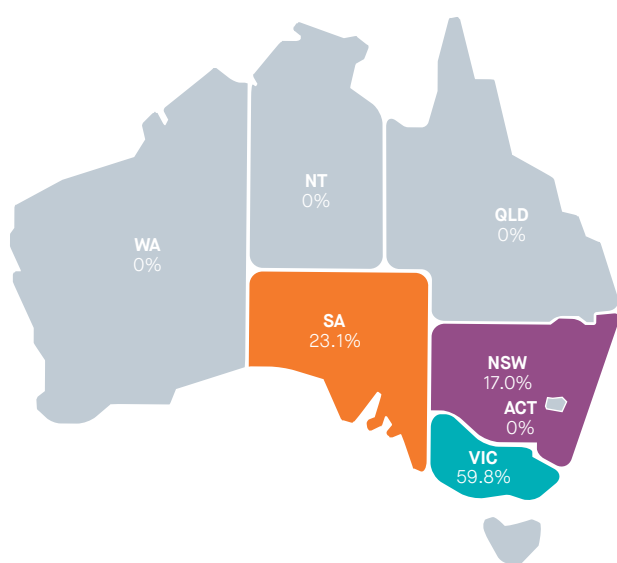


1. The target distribution rate is not a forecast, is predictive in nature and is subject to assumptions, risks and circumstances (both known and unknown) outside of the control of the as Responsible Entity (RE) of the Fund. The actual returns may differ from the target return. Distributions may change (up or down) as the Fund adds more assets to or sells assets in the portfolio. In addition, the RE does not guarantee the performance of the Fund, the repayment of capital or any income or capital return. Past performance is not reliable indicator of future performance.
2. The LVR is as at 31 December 2024, based on independent valuations as defined under the debt facility agreements.

## Investment portfolio<sup>1</sup> as at 31 December 2024

|   | FUND WEIGHTING (%) | VALUATION (\$M) | PROPERTY VALUATION CAP RATE (%) | OCCUPANCY (%) | WALE (BY INCOME) |
|---|--------------------|-----------------|---------------------------------|---------------|------------------|
| <b>Direct properties</b>                  |                    |                 |                                 |               |                  |
| 264 Copelands Road, Warragul VIC          | 38.99              | 178.25          | 6.15                            | 100           | 16.93            |
| 709 Port Augusta Highway, Port Augusta SA | 15.85              | 72.45           | 7.00                            | 100           | 17.96            |
| 160 Elm Street, Guyra NSW                 | 16.68              | 76.25           | 7.00                            | 100           | 13.25            |
| 234 Carmelo Road, Riverlea Park SA        | 6.85               | 31.30           | 7.00                            | 100           | 8.98             |
| 1051 - 1093 Numurkah Road, Katunga VIC    | 19.69              | 90.00           | 7.50                            | 100           | 19.51            |
| <b>Liquid assets</b>                      |                    |                 |                                 |               |                  |
| Cash                                      | 1.94               | 8.87            |                                 |               |                  |
| <b>Total investment portfolio</b>         | <b>100%</b>        |                 |                                 |               |                  |

### Portfolio geographic diversification



|                                 |   |
|---------------------------------|---|
| <b>New South Wales</b><br>17.0% | 160 Elm Street, Guyra   |
| <b>South Australia</b><br>23.1% | 709 Port Augusta Highway, Port Augusta<br>234 Carmelo Road, Riverlea Park |
| <b>Victoria</b><br>59.8%        | 264 Copelands Road, Warragul<br>1051 - 1093 Numurkah Road, Katunga        |

### Centuria investor website

You can access all information relating to your Centuria investments at [centuriainvestor.com.au](https://centuriainvestor.com.au).

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1. Updated on a quarterly basis and for significant portfolio changes. The valuation information is outlined on the Fund's continuous disclosure page.