

Centuria

Quarterly Fund Update
March 2026

Centuria Healthcare Property Fund

(ARSN 638 821 360 APIR CTR0438AU)

Key points

- The Fund's property portfolio is underpinned by occupancy of 93.3%¹ and a Weighted Average Lease Expiry (**WALE**) of 7.3 years¹.
- The March 2026 quarterly valuation cycle was completed, with minor expansion in capitalisation rate from 5.80% to 5.82%.
- The Fund continues to pursue a divestment program to support financing of the 5-year liquidity / withdrawal process. This program includes the proposed divestment of four assets.
- In addition, the Manager initiated a reinvestment process for existing investors to apply to acquire units from withdrawing unitholders, subject to availability. This process opened on the 25th of March 2026, closing on the 24th of April 2026.
- The Fund has continued to complete both new and renewal leasing across the portfolio totalling approximately 2,443sqm

Fund summary

The Fund's strategy is to build and manage a portfolio of high-quality healthcare assets to deliver resilient returns to investors. Since inception of the Fund, management has continued to seek ways to enhance portfolio quality, increase WALE, improve tenant diversification and reduce risk.

The Fund currently owns a portfolio of fourteen (14) properties including medical centres, day and short stay hospitals, life science and specialist centres. The Fund's strategy, to invest in properties that are underpinned by healthcare operators that focus on affordable and efficient models of care.

The management team remains focused on stabilising the portfolio through leasing initiatives, facilitating liquidity for withdrawing investors, and progressing the Weststate development to enhance long-term performance. These initiatives are designed to balance the interests of withdrawing and continuing investors.

	INCEPTION ²	2026 PORTFOLIO ¹
WALE	6.7 years	7.3 years
Tenant diversification	48 tenants	74 tenants
Largest single tenant exposure	32%	16%
Average portfolio age	7.0 years	6.9 years



SPRINGWOOD HEALTH HUB, 4 PAXTON STREET, SPRINGWOOD QLD

Market Outlook

The healthcare property market continues to benefit from a positive long-term outlook, underpinned by rising demand for healthcare services across Australia³. This demand is driven by an ageing population and a growing incidence of chronic health conditions.

Over the next 40 years, the population aged over 65 is expected to double, while the number of Australians aged over 80 is projected to triple⁴. Consistent with this trend, around 80% of Australians aged 65 and over are expected to have one or more chronic diseases⁵.

The Australian property market is adjusting to a challenging global and domestic environment. Ongoing geopolitical tensions are offering uncertainty to financial markets and have contributed to higher oil and energy costs, which in turn are placing pressure on inflation. Higher interest rates and tighter financial conditions have slowed transaction activity with investors taking a more cautious approach. Despite this, the fundamentals of the property market remain sound, supported by population growth and limited new supply in many sectors.

Distribution rate

Distributions for the March 2026 quarter were paid at 3.00 cents per unit (annualised), reflecting a yield of 4.5% based on the 31 March 2026 unit price.

The distribution rate is subject to assumptions, risks and circumstances (both known and unknown) outside the control of the Fund including that all tenants satisfy their contractual obligations under their respective leases within a timely manner. It also assumes there are no significant unforeseen capital costs and no material changes to the Fund's financial obligations. The actual distributions may differ from the forecast figures.

The Fund's future distribution rate is likely to be impacted by a range of factors, including changes in interest rates and the timing and pricing outcomes achieved through the divestment program being progressed to support the Fund's withdrawal process.

1. As at 31 March 2026, based on current portfolio value excluding Weststate Private Hospital, West End QLD.

2. Inception date is 21 September 2020. Past performance is not a reliable indicator of future performance.

3. Source Federal Budget Submission 2021-22, Australia Private Hospitals Association

4. Source: Inter-generational Report 2023, Commonwealth of Australia (Aug-23)

5. Source: Australian Institute of Health and Welfare

Execution of divestment strategy

During the quarter the Manager commenced an expanded divestment program of various properties to meet withdrawal requests as part of the 5-year liquidity event. This divestment program is being managed to meet the needs of withdrawing investors and to ensure the stable continuation of the Fund for the remaining two-thirds.

The Manager is currently actively divesting four assets:

- 168 Corfield Street, Gosnells, WA
- 299 Scottsdale Drive, Robina, QLD
- 38-44 Gap Road, Sunbury, VIC and
- 60B Kingsvale Road, Myocum, NSW

Management is focused on facilitating withdrawals as expeditiously as possible. However, the property and investment environment has become increasingly uncertain with ongoing challenges including:

- Heightened geopolitical uncertainty and conflict in the Middle East,
- Market volatility, elevated inflation and, subsequently, higher interest rates,
- Transaction markets impacted by rising cost of debt,
- Purchaser hesitation, leading to protracted divestment timeframes and, in some instances, withdrawal.

These challenges have resulted in a protracted divestment process and as such, the completion of these sales has become increasingly uncertain.

Note: As the fund divests properties, part of the sale proceeds, based on the prevailing LVR%, is used to repay debt to manage gearing.

Portfolio leasing update

During the March quarter the Manager has continued to progress leasing outcomes to reduce downtime risk and improve occupancy and maintain WALE across the property portfolio:

- Bloomfield Medical Centre, NSW: Lease renewal and extension to Bloomfield Medical Group over 2,185sqm. This extension and new lease including the previously vacant space of 188sqm also on L2.
- Coffs Harbour Specialist Medical Centre, NSW: A lease renewal has been issued to Mid North Coast Local Health District over 145 sqm.
- Vermont South, VIC: A new lease has been agreed with Gastroenterology Specialist Centre over 112.9sqm.
- Sunbury Medical Centre: Four (4) smaller suites were leased to Sunburn Psych Pty Ltd.

Fund liquidity facility and redemptions

The Fund's first five-year liquidity event concluded on 29 August 2025, offering investors the opportunity to request withdrawal of part or all of their holdings. Withdrawal request totalled approximately \$82 million, representing 33.5% of the Fund's register. The Fund is looking to meet these withdrawal requests in an orderly manner, having regard to market conditions, financing arrangements and the interests of continuing investors..

To fulfill withdrawal requests, the Fund has looked to adopt a multi-pronged approach. This primarily includes the divestment of select assets deemed to have maximised short-term value allowing the Fund to sell at optimal market prices and a reinvestment opportunity for remaining investors, initially with the potential to acquire units from withdrawing unitholders.

These sales and reinvestment processes are being undertaken having regard to, and in the interests of the investors who continue to be invested in the Fund.

Further updates on both the reinvestment and sales process will be made to investors over the coming months and as these strategies are fulfilled and the timing for sales completion understood more clearly.

Note: The Fund has also suspended its quarterly withdrawal facility temporarily, with a 365-day window to satisfy redemption requests before reopening the facility.

Centuria co-investment

The recommended investment timeframe for the Fund is five years, and the Manager maintains confidence in the long-term outlook for both commercial and healthcare property. Centuria is strongly aligned with investors in the Fund, being one of its largest unitholders, with approximately 14% of units on issue (valued at \$34.7 million) held by related party entities. In addition, Centuria holds redeemable preference units within the Fund valued at \$28.6 million, further underscoring its long-term commitment.

Through Centuria's non-participating in the liquidity event it reaffirmed its commitment to the Manager's long-term strategy, as well as its confidence in the healthcare sector and healthcare real estate.

Weststate Private Hospital Update

The Weststate Private Hospital development is part of the Fund's portfolio and accounts for approximately 9.5% of the portfolio weighting as of December 2025. This aligns with the Fund's investment strategy, which permits up to 20% of the Fund's Net Asset Value to be invested in development opportunities.

In December 2025 the Fund entered a tripartite commercial settlement with the previous Developer and Builder following the termination, by the Fund, of the Development Agreement. As part of that settlement, the Fund novated and amended the Building Contract allowing the Fund to retain the benefit of important obligations under the Building Contract but also allowing the Fund to progress work at the property. The Fund, previous Developer and Builder have also agreed outstanding payments to be made to the previous Developer and the Builder, and other terms to govern the relationships between the parties on an ongoing basis.

The Fund retains ownership of the site, with the Manager continuing to assess opportunities to maximise value in respect of the asset. This process includes the assessment of a range of potential occupancy outcomes, including healthcare operations, accommodation use, and education-related facilities. Each option is being reviewed through both a commercial viability and planning perspective to ensure the optimal value outcome is achieved.

The court proceedings commenced by Weststate Private Hospital Limited (WPHL) against the Fund Manager are progressing. These proceeding do not however impact operational decisions available at the site and in relation to the occupancy and strategy for the property.

On the 25th of March the Court heard the Plaintiff's application to strike out certain particulars filed by the Manager, with the defendants (including Centuria entities and Lautaret) filing amended defences. Other defendants are to file their defences by 30 April. The Court has ordered the Plaintiff to prepare a draft statement of issues by 4 June 2026, and the defendants will respond by 25 June 2026. The matter returns to Court for review on 26 June 2026.

The Fund Manager continues to allow a provision in the Fund's unit price (and in valuation) in relation to possible cost overruns and legal costs that are estimated to be incurred in defending the WPHL litigation. This provision will continue to be considered, and revised if required, as matters progress.

Financial snapshot

Fund commencement date	8 October 2019
Unit price	\$0.6654 ¹
FY26 Target Distribution Rate (cents per unit) Annualised	3.0 ²
Weighted Average Lease Expiry (WALE) by income (years)	7.3 ³

Fund performance breakdown

The table below summarises the Fund's performance since inception⁵.

The unit price has decreased to \$0.6654 (ex-dividend) and \$0.6679 (cum-dividend). This decline is largely attributed to the amortisation of transactions costs and expenses for the period.⁴

AS AT 31 MARCH 2026	6 MTH (%)	1 YR (%)	SINCE INCEPTION ⁵ 6(% P.A)
Distribution	2.18	4.17	4.09
Capital growth	-3.16	-7.61	-7.14
Total return	-0.98	-3.44	-3.05

Portfolio statistics

	JUN 25	SEP 25	DEC 25	MAR 26
Portfolio occupancy ⁷	93.8%	89.2%	92.5%	93.3%
Weighted average lease expiry (WALE) by income (years) ⁷	7.4	7.0	7.6	7.3
Portfolio valuation (at ownership)(\$mil) ⁸	510.8	499.1	499.6	500.9

Top tenants by gross passing income⁹



1. Ex-div price as at 31 March 2026.

2. 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 Centuria Property Funds No. 2 Limited, as responsible entity of the Centuria Healthcare Property Fund. These assumptions include that the pipeline properties will be acquired by the Fund at current valuations and that funding will be secured at a particular interest rate. Actual returns may differ from the target return. Centuria Property Funds No. 2 Limited does not guarantee the performance of the Fund, the repayment of capital or any income or capital return. Past performance is not a reliable indicator of future performance. In addition, given the current volatility in interest rate forecasts, this assumption may need to be reviewed. Should interest rates differ from forecast levels, distributions may be revised.

3. As at 31 March 2026, based on current portfolio value excluding Weststate Private Hospital, West End QLD.

4. Performance is shown for informational purposes only. Past performance is not a reliable indicator of future performance. Performance fees may affect total return performance.

5. Inception date is 21 September 2020.

6. Returns are annualised.

7. Excludes Weststate Private Hospital, West End QLD.

8. Based on CHPF's portfolio on an "as-is" basis as at 31 March 2026. The Fund has an 85% direct interest in Bloomfield Medical Centre and Vermont South Medical Centre with the remaining 15% owned by Nexus Property Unit Trust (NPUT) however The Fund is a majority shareholder of NPUT. Valuation of 8 Elizabeth MacArthur Drive, Bella Vista NSW, is included at 100%, with The Fund holding 59.5% direct effective ownership and the balance of 40.5% held by Centuria Capital Limited. Ownership may be reported on a consolidated basis at 100% in the financial accounts.

9. As at 31 March 2026.

Debt summary

The table below summarises terms for the existing facility agreements with four lenders.

The Fund's Loan to Value Ratio (**LVR**) as of 31 March 2026 is 49.4%² compared to the LVR covenant of 60%, providing adequate headroom. The Fund also continues to undertake stress testing of financial covenants based on the Fund's forecast.

Under the terms of the debt facility, the Fund is required to comply with certain loan covenants over the course of the financial year. Based on the audited financial report as of 31 December 2025, the Fund is compliant with all financial covenants including the Interest Cover Ratio (ICR) and LVR.

	CURRENT PERIOD ¹	LOAN COVENANTS
Total facility limit	\$285.0m	
Undrawn amount	\$37.5m	
Weighted average loan expiry	1.6 years	
% of debt hedged	36%	
Loan to value ratio (LVR)	49.4% ²	60.0%
Interest cover ratio (ICR)	1.7x ³	1.5x

Property details

PROPERTY PORTFOLIO	PROPERTY VALUE ⁴ (\$M)	CAP RATE ⁴	OWNERSHIP VALUE (\$M) ⁴	WALE (BY INCOME) – YEARS ^{4,5}	OCCUPANCY ⁴
Current Portfolio – As Is Valuation	517.7	5.82%	500.9	7.3	93.3%
Current Portfolio – As If Complete	538.4 ⁶		521.6		

- The Fund continued to undertake quarterly valuations for all properties held by the Fund with the most recent valuations undertaken in March 2026. The cap rate for the portfolio slightly expanded from 5.80% to 5.82%.
- The March 2026 minor expansion in the cap rate for the resulted in a decrease of 0.1 CPU to portfolio value
- The Fund conducts regular valuations of the property portfolio for the purposes of unit pricing. In line with the Fund's policies, the 31 March 2026 valuation includes estimated costs adjustments relating to Weststate Private Hospital Limited and the Fund.

Continuous Disclosure Website

The Fund's continuous disclosure website can be found in the Investor Centre section of the Fund's website <https://centuria.com.au/healthcare-property-fund/investor-centre/>. These continuous disclosures are updated regularly and include important information relating to the Fund, including details on the operation of the quarterly liquidity facilities and distributions.

Access all information relating to your Centuria investments at [CenturiaInvestor.com.au](https://centuriainvestor.com.au).

RG46 Statements

The latest RG46 Statement for the Fund is available at [CenturiaInvestor.com.au](https://centuriainvestor.com.au). It includes the following key information:

- Gearing ratio, calculated using ASIC methodology
- Gearing covenant sensitivities
- Detail of related party transactions in the period
- Further information on the source of distributions.

Centuria Investor Website

Access all information relating to your Centuria investments at [CenturiaInvestor.com.au](https://centuriainvestor.com.au).

Contact Details

If you require assistance with your Centuria Investor account or have any questions regarding your investment in the Fund, please contact **Centuria Investor Services** on 1800 182 257 (within Australia); +61 2 9290 9689 (outside Australia) or by email on property.enquiry@centuriainvestor.com.au.

1. As of 31 March 2026.

2. Based on independent and director valuations as at 31 March 2026. The LVR calculation attributes 100% of the property value of The Bond in denominator. Notwithstanding, the Fund owns 59.5% effective ownership of The Bond. The Fund's look through gearing is 52.1%.

3. ICR is based on Net Rental Income over Interest Expense as at the most recent covenant testing period (31 March 2026)

4. As at 31 March 2026.

5. Excluding Weststate Private Hospital, West End QLD.

6. As If Complete value is \$68.0m for Weststate Private Hospital, West End QLD.

Disclaimer

This communication has been issued by Centuria Property Funds No. 2 Limited ABN 38 133 363 185 AFSL 340304 (CPF2L, Centuria) as responsible entity of the Centuria Healthcare Property Fund ARSN 638 821 360 (Fund). This communication is not a recommendation or personal advice in relation to, or any offer of securities in, Centuria or any product or service offered by Centuria. The information in this communication is general information only and does not take into account the objectives, financial situation or particular needs of any person. You should consider whether this information is appropriate for you and consult your financial or other professional advisor before investing. You should obtain and read a copy of the Product Disclosure Statement (PDS) relating to the Fund before making a decision to invest. The PDS for the Fund is available from Centuria's website (www.centuria.com.au). A Target Market Determination has been issued for this product and can be found on Centuria's website at: centuria.com.au/DDO/. In preparing this communication the responsible entity has relied upon and assumed, without independent verification, the accuracy and completeness of all information available from public sources or which has otherwise been reviewed in preparation of the communication. The information contained in this communication is current as at the date of this communication and is subject to change without notice. Past performance is not a reliable indicator of future performance. Except insofar as liability under any statute cannot be excluded, Centuria, and its associates, related entities, directors, employees and consultants do not accept any liability for any loss or damage (whether direct, indirect, consequential or otherwise) arising from the use of this communication. All investment is subject to investment risk, including possible delays in payment or loss of income and principal invested. None of Centuria or any of their respective associates, related entities or directors guarantee the performance of the Fund or the repayment of monies invested.