Centuria

Quarterly Fund Update
June 2026[1]

Centuria Healthcare Property Fund

(ARSN 638 821 360 APIR CTR0438AU)

SPRINGWOOD HEALTH HUB, 4 PAXTON STREET, SPRINGWOOD QLD

Key points

- The Fund's property portfolio is underpinned by occupancy of 91.2%[2] and a Weighted Average Lease Expiry (**WALE**) of 7.5 years[2].
- The June 2026 quarterly valuation cycle was completed, with an expansion in capitalisation rate from 5.82% to 6.05%.
- The Fund continues to pursue a divestment program to support financing of the 5-year liquidity / withdrawal process. This program currently includes the proposed divestment of six assets.
- The Fund has continued to complete both new and renewal leasing across the portfolio totalling approximately 300sqm, during the quarter and approximately 5,460sqm over the FY26 period.

Fund summary

The Fund currently owns a portfolio of fourteen (14) properties, with an occupancy of 91.2%[2], a Weighted Average Lease Expiry (WALE) of 7.5[2] years that includes medical centres, day and short stay hospitals, life science and specialist centres. The Fund's strategy is 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.

Centuria is aligned with investors in the Fund, being one of its largest unitholders, with approximately 14% of units on issue 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.

Market Outlook

The Australian property market is adjusting to a challenging global and domestic environment. Ongoing geopolitical tensions are creating uncertainty in 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.

The Australian healthcare property sector is experiencing both near-term domestic and global challenges with these challenges also reflected in softening capitalisation rates and pressure on healthcare valuations. Heightened divestment activity by healthcare property fund managers has increased the range of assets available to purchasers, placing additional pressure on transaction activity within an already shallow market.

The healthcare sector does however continue to benefit from a positive long-term outlook, underpinned by rising demand for healthcare services across Australia,[3] driven by a growing domestic and ageing population and a growing incidence of chronic health conditions[4].

Portfolio statistics

	INCEPTION[5]	2026 PORTFOLIO
Weighted Average Lease Expiry (WALE) by income (years)	6.7 years	7.5 years
Tenant diversification	48 tenants	72 tenants
Largest single tenant exposure	32%	16%
Average portfolio age	7.0 years	7.1 years

1. All data is at 30 June 2026 unless otherwise stated.
2. Weighted by income. Occupancy levels, lease terms and tenant mix may change over time.
3. Source Federal Budget Submission 2021-22, Australia Private Hospitals Association
4. Source: Australian Institute of Health and Welfare
5. Inception date is 21 September 2020.

Distribution rate

Distributions for the June 2026 quarter were paid at 3.00 cents per unit (**CPU**) (annualised), reflecting a yield of 4.8% based on the 30 June 2026 unit price of $0.6249.

Distributions for the Financial Year 2027 are forecast to be 1.68 CPU[1] (annualised), reflecting a distribution yield of 2.7% on the 30 June 2026 unit price. The reduction reflects the impact of higher interest costs together with lower operating earnings following expected asset divestments. The distribution rate will be reassessed throughout the year, taking into consideration the timing of divestments to support the Fund's 5-year liquidity process, leasing outcomes and changes to financial costs including interest rate movement.

The distribution rate will continue to be monitored against operational and market conditions and should there be any material departures from this projection, an out-of-cycle investor update will be provided.

Financial snapshot

Unit Price	$0.6249
FY26 Distribution Rate (cents per unit) Annualised	3.00
FY27 Target Distribution Rate (cents per unit) Annualised	1.68

Execution of divestment strategy

During the quarter the Manager continued the divestment program of 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 six assets:

- 168 Corfield Street, Gosnells, WA
- 299 Scottsdale Drive, Robina, Qld
- 38-44 Gap Road, Sunbury, Vic
- 60B Kingsvale Road, Myocum, NSW
- 75-97 Ricketts Road, Mount Waverley Vic and
- 2-4 Paxton Street, Springwood Qld.

Management is focused on facilitating withdrawals as expeditiously as possible. However, the property and investment environment continues to face ongoing challenges including:

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

In particular, we note that two of Australia's largest healthcare property fund managers are currently undertaking asset divestment programs. This has increased the volume of healthcare assets available for sale while simultaneously removing two significant sources of buyer demand as they focus on executing their respective divestment strategies. These challenges have resulted in a protracted divestment process and as such, the timing of these transactions 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.

Fund liquidity facility and redemptions

For context, the Funds five-year liquidity event closed on 29 August 2025, with withdrawal requests totalling approximately 33.5% of the Fund's register. To fulfill withdrawal requests, the Fund has looked to divest assets that have maximised value while balancing the continued performance of the Fund.

While the Fund commenced marketing properties for divestment ahead of and throughout the Liquidity Event, transaction activity for these assets has been impacted by prospective purchasers withdrawing and extended delays in sale processes due to a combination of market factors not reasonably foreseeable when the Liquidity Event was initiated in August 2025.

Market conditions deteriorated materially during the Liquidity Event period. Contrary to market expectations in late 2025 that interest rates would remain on hold or begin to decline, the cash rate increased by 75 basis points during the first half of 2026. This, together with higher inflation expectations and broader economic uncertainty, reduced the availability and affordability of capital for prospective purchasers, contributing to a slowdown in transaction activity. These developments were not anticipated when the Liquidity Event commenced and have had a direct impact on the Fund's ability to generate liquidity through asset sales.

The healthcare sector has additionally been impacted by weaker buyer demand, a gap between buyer pricing expectations and values considered acceptable by the Fund, and an increase in healthcare property owners seeking to divest assets creating a shallow buyer pool. As a result of these factors, asset sales have taken longer to complete than originally planned.

While property divestments remain the Manager's primary mechanism for providing liquidity, the Manager has also explored alternative sources of liquidity, including increasing existing debt facilities and refinancing the Fund's debt arrangements. Given the Fund's banking covenant requirements and the need to maintain an appropriate level of financial flexibility, it was determined that increasing debt to fund withdrawals could expose the Fund to unacceptable risks and would not be in the best interests of all unitholders. Accordingly, the Fund has continued to focus on an orderly asset divestment program rather than pursuing measures that could compromise long-term value. The Manager remains actively engaged in progressing the sale of identified assets and continues to assess opportunities to offer liquidity.

Subject to completion of the currently agreed transactions, the Fund expects to make a redemption payment of approximately 20% towards the end of the third quarter, start of fourth quarter of 2026 following the sale of the Sunbury and Robina properties. A further redemption payment of up to 20% may be made towards the end of the fourth quarter of 2026, subject to the completion of the proposed sales of the Mt Waverley and Myocum properties, which are currently progressing through due diligence.

A specific further update will be provided to all investors on the progress of the Liquidity Event and our strategy for managing and providing liquidity until all liquidity requests are satisfied. Despite the difficult market conditions, rest assured Management continues to work hard to divest assets at an appropriate price that balances the interests of exiting and remaining investors.

Note: The Fund has suspended its quarterly withdrawal facility, until all withdrawing investor obligations under the 5-year liquidity process have been met.

1. 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.

Weststate Private Hospital Update

The Weststate Private Hospital development is part of the Fund's portfolio and accounts for approximately 9.6% of the portfolio weighting as of June 2026. 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.

The Manager continues 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 reviewed through both a commercial viability and planning perspective to ensure the optimal value outcome is achieved. These options are additionally being evaluated from both a leasing and divestment perspective to determine the most appropriate strategy for maximising value and supporting the Fund's objectives.

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

The Weststate action continues to progress. On 25 March 2026, the Court heard the Plaintiff's application to strike out certain particulars filed by the Fund Manager. Judgment was delivered on 15 May 2026, dismissing the Plaintiff's application in both proceedings and awarding costs to the Fund Manager. The sixth to ninth defendants filed their defences in May 2026, and the Plaintiff's replies have been filed and served. Pursuant to court orders dated 9 July 2026, the Plaintiff served a draft statement of issues (limited to the list of issues at this stage) on 17 June 2026. The parties are to attempt to agree on the issues by 17 August 2026 (as to whether they have been properly identified), with the Plaintiff to file the statement of issues (noting any areas of disagreement as to whether they have been properly identified) by 24 August 2026. The matter is scheduled to return to Court for review on 28 August 2026.

Property statistics

	SEP 25	DEC 25	MAR 26	JUN 26
Portfolio Occupancy[1]	89.2%	92.5%	93.3%	91.2%
WALE by income (years)	7.0	7.6	7.3	7.5
Portfolio valuation (at ownership) $m[2]	499.1	499.6	500.9	490.8

Debt summary

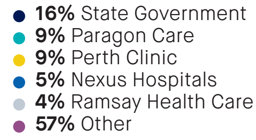
The table below summarises terms for the existing facility agreements with four lenders.

The Fund's Loan to Value Ratio (**LVR**) as of 30 June 2026 is 51.3%[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 financial results as at 30 June 2026, the Fund is compliant with all financial covenants including the Interest Cover Ratio (**ICR**) and LVR.

	CURRENT PERIOD	LOAN COVENANTS
Total facility limit	$285.0m	
Undrawn amount	$32.5m	
Weighted average loan expiry	1.3	
% of debt hedged	60%	
Loan to value ratio (LVR)	51.3%[3]	60.0%
Interest cover ratio (ICR)	1.7x[4]	1.5x

Top tenants by gross passing income



1. Excludes Weststate Private Hospital, West End Qld.
2. Based on CHPF's portfolio on an "as is" basis as of 30 June 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.
3. Based on independent and director valuations as of 30 June 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 51.2%.
4. ICR is based on Net Rental Income over Interest Expense for the prior 12 month period to 30 June 2026.

Fund performance breakdown

The table below summarises the Fund's performance since inception.[1]

The unit price has decreased to $0.6249 (ex-dividend) and $0.6274 (cum-dividend). The decline in unit price from $0.6654 at 31 March 2026 is predominantly driven by 30 June 2026 revaluations having a negative 3.0 cents per unit (**CPU**) impact, the devaluations were driven by softer capitalisation rates attributable to prevailing macro-economic conditions supported by increasing transaction evidence due to a number of healthcare assets coming to market.

AS OF 30 JUNE 2026[2]	6 MTH (%)	1 YR (%)	3 YR (%)	5 YR (%)	SINCE INCEPTION (% P.A)[3]
Distribution	2.21%	4.27%	3.28%	3.76%	4.02%
Capital growth	-8.13%	-11.05%	-14.82%	-9.45%	-7.85%
Total return	**-5.92%**	**-6.78%**	**-11.54%**	**-5.69%**	**-3.83%**

Property details

PROPERTY PORTFOLIO	PROPERTY VALUE ($M)	CAP RATE	OWNERSHIP VALUE ($M)	WALE (BY INCOME) YEARS	OCCUPANCY[4]
Current Portfolio - As Is Valuation	508.4	6.05%	490.8	7.5	91.2%

- The Fund continued to undertake quarterly valuations for all properties held by the Fund with the most recent valuations undertaken in June 2026. The capitalisation rate for the portfolio expanded from 5.82% to 6.05%.
- The expansion in the capitalisation rate during the June 2026 valuation cycle resulted in a decrease of 3.0 CPU to portfolio value. This movement is attributable to the current macro-economic conditions including higher interest rates and supported by pricing movement in healthcare real estate transactions.
- The Fund conducts regular valuations of the property portfolio for the purposes of unit pricing, in line with the Fund's policies.

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.**

RG46 Statements

The latest RG46 Statement for the Fund is available at 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.

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. Performance is shown for informational purposes only. Past performance is not a reliable indicator of future performance. Performance fees may affect total return performance.
2. Returns greater than 1 year are annualised.
3. Inception date is 21 September 2020.
4. Excludes Weststate Private Hospital, West End Qld.

Disclaimer