Centuria

Quarterly Fund Update September 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 90.8%[2] and a Weighted Average Lease Expiry (**WALE**) of 7.3 years[2].
- The September 2026 quarterly valuation cycle was completed, with an expansion in capitalisation rate from 6.05% to 6.21%.
- 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. Further withdrawal payments depend on available liquidity and are not guaranteed as to timing or amount. The quarterly withdrawal facility remains suspended until obligations under the 5-year liquidity process have been met.
- During the September 2026 quarter, 299 Scottsdale Drive, Robina QLD (**Robina**) settled for $24.25 million, resulting in $15.8 million of debt being repaid and the first liquidity tranche representing 10% of the requested units being paid on 30 September 2026.
- The Fund has continued to complete both new and renewal leasing across the portfolio totalling approximately 764sqm, during the quarter.

Market Outlook

Australian property markets continue to operate in a challenging investment environment. Higher interest rates, elevated funding costs and broader geopolitical uncertainty have reduced transaction activity and contributed to greater investor caution.

The Australian healthcare property sector is also experiencing both near-term domestic and global challenges, reflected in softer 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].

Fund summary

The Fund currently owns a portfolio of thirteen (13) properties, with an occupancy of 90.8%[2], a WALE of 7.3[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 who 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 options including the leasing and / or divestment for 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 15% 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.

Key Portfolio Metrics

	June 2026	September 2026
Portfolio Assets	14	13
Property Portfolio ($m)[5]	490.8	450.5
Weighted capitalisation rate	6.05%	6.21%
Number of tenants	72	69
WALE by income (years)	7.5	7.3
Occupancy[2]	91.2%	90.8%

1. All data is at 30 September 2026 unless otherwise stated.
2. Excludes Weststate Private Hospital, West End Qld. 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. Based on CHPF's portfolio on an "as is" basis as of 30 September 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 unitholder 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.

Execution of divestment strategy

The Manager is continuing 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.

During the quarter the Manager sold 299 Scottsdale Drive, Robina QLD with settlement on 3 August 2026. This transaction enabled the payment of the first tranche of the liquidity event representing 10% of requested units and $7.4 million. The proceeds were also used to repay debt.

The Manager is currently actively divesting six assets:

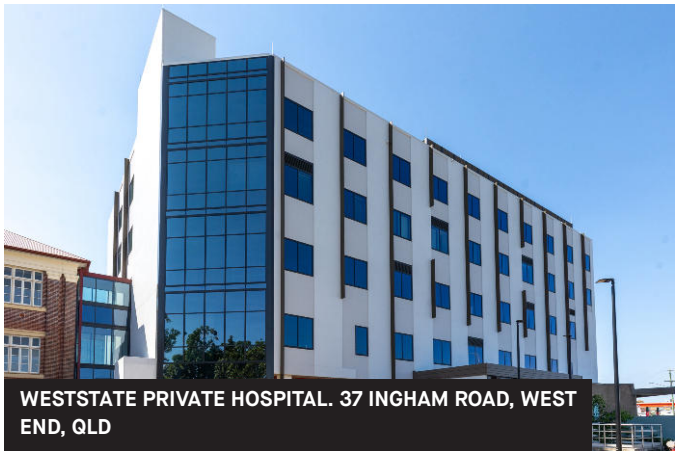
- Springwood Health Hub, 2-4 Paxton Street, Springwood Qld,
- 77-85 Ricketts Road, Mount Waverley Vic,
- Tandara Medical Centre, 168 Corfield Street, Gosnells, WA,
- The Bond, 8 Elizabeth Macarthur Drive, Bella Vista, NSW,
- Sunbury Medical Centre, 38-44 Gap Road, Sunbury, Vic and
- Bloomfield Medical Centre, Orange, NSW.

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

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

The increased volume of healthcare assets available for sale due to two of Australia's largest healthcare property fund managers (Australian Unity and Dexus) undertaking divestment programs has continued to weigh on the market. These challenges have resulted in a protracted divestment process and as such, the timing of these transactions has become increasingly uncertain.

Weststate Private Hospital Update



WESTSTATE PRIVATE HOSPITAL. 37 INGHAM ROAD, WEST END, QLD

Weststate Operational Update

The Weststate Private Hospital development is part of the Fund's portfolio and accounts for approximately 9.3% of the portfolio weighting as of 30 September 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 review and investigate opportunities to maximise value at the property. This process includes the assessment and evaluation of a range of potential occupancy outcomes, including healthcare operations, accommodation uses, and education–related facilities. Each option is reviewed through both a commercial viability and planning perspective with the aim of achieving the best outcome. 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.

While the court proceedings commenced by Weststate Private Hospital Limited remain ongoing the Manager continues to assess occupancy options and the strategy for the property.

Weststate Litigation Update

On 28 August 2026, the Court ordered, by consent, that the parties in the proceedings attend, participate in, and act reasonably and genuinely in, a mediation as soon as possible and before 30 November 2026. On 1 September 2026, statements of issues were filed in both proceedings pursuant to court orders, recording the issues agreed between the parties as being in dispute.

The parties are in correspondence regarding the appointment of a mediator and a mediation date suitable to all parties. The Centuria Defendants intend to comply with the Court's orders and otherwise continue to defend the proceedings. Further updates will be provided as the matters progress.

Financial snapshot

Unit Price	$0.5694
September 2026 Quarterly Distribution Rate (CPU)	0.42
FY27 Target Distribution Rate (CPU) Annualised	1.68

Distribution rate

Distributions for the September 2026 quarter were paid at approximately 0.42 cents per unit (**CPU**) equating to 1.68 CPU (annualised), reflecting a yield of 2.95% based on the 30 September 2026 unit price of $0.5694.

Distributions for the Financial Year 2027 are forecast to be 1.68 CPU[1] (annualised). 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 during the forecast period. The forecast distribution rate is not guaranteed and actual distributions may differ.

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

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.

Fund liquidity facility and redemptions

For context, the Fund's five-year liquidity event closed on 29 August 2025, with withdrawal requests totalling approximately 33.5% of the Fund's register at the time. To fulfil 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 has increased by 100 basis points (**bps)** so far in 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.

On 30 September 2026, the Fund paid the first withdrawal tranche of approximately $7.4 million, representing 10% of the units subject to withdrawal requests. A total of 12.9 million units were redeemed at a withdrawal price of $0.5705 per unit, determined on 22 September 2026 and reflecting the September valuation movements.

The proposed sales of Mt Waverley in Victoria and Springwood in Queensland, which are currently progressing through due diligence, may facilitate two further liquidity payments of approximately 15% each, these payments representing approximately 30% of outstanding withdrawal requests. The timing of these payments is dependent on the settlement of each property; however, the payments are anticipated to be made in late 2026 and early 2027. The proposed sales remain subject to completion of due diligence and settlement. Neither the amount nor timing of further withdrawal payments is guaranteed.

Given the delays in asset sales and the uncertainty regarding the timing of transactions required to fund withdrawal payments, the Fund has suspended the five-year liquidity event until liquidity can be made available to investors. The suspension is intended to ensure that future withdrawal offers are made when the Fund has a reasonable ability to satisfy withdrawal requests in an equitable and orderly manner having regard to the interests of all investors and the Fund's ongoing financial and operational requirements. The Fund will look to meet withdrawal requests on a pro rata basis when liquidity becomes available through the divestment program.

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

Debt summary

The table below summarises terms for the existing facility agreements with the Fund's three lenders. As at 30 September 2026, the Fund had total debt facilities of $250.0 million, of which approximately $238.2 million was drawn and $11.8 million remained undrawn.

During the quarter, two facilities with one lender, totalling $35.0 million, matured and were not renewed, reducing the Fund's total facility limit from $285.0 million to $250.0 million.

The Fund's Loan to Value Ratio (**LVR**) as of 30 September 2026 is 52.9%[1] compared to the LVR covenant of 60%. The LVR can be impacted by further valuation declines. 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 of 30 September 2026, the Fund is compliant with all financial covenants including the Interest Cover Ratio (**ICR**) and LVR.

	CURRENT PERIOD	LOAN COVENANTS
Total facility limit	$250.0m	
Undrawn amount	$11.8m	
Weighted average loan expiry	1.3 years	
% of debt hedged	63%	
Loan to value ratio (LVR)	52.9%[2]	60.0%
Interest cover ratio (ICR)	1.7x[3]	1.5x

1. Based on CHPF's portfolio on an "as is" basis as of 30 September 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.
2. Based on independent and director valuations as of 30 September 2026. The Fund's look-through gearing is 52.8%. The LVR calculation attributes 100% of the property value of The Bond in the denominator. Notwithstanding, the Fund has a 59.5% effective ownership interest in The Bond.
3. ICR is based on Net Rental Income over Interest Expense for the prior 12-month period to 30 September 2026.

Fund performance breakdown

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

The unit price has decreased to $0.5694 (ex-dividend) and $0.5708 (cum-dividend). The decline in unit price from $0.6249 on 30 June 2026 is predominantly driven by the September 2026 revaluations having a negative 4.3 CPU impact. The valuation declines were primarily driven by softer capitalisation rates, reflecting prevailing macroeconomic conditions and supported by market transaction evidence.

AS OF 30 SEPTEMBER 2026[2]	6 MTH (%)	1 YR (%)	3 YR (%)	5 YR (%)	SINCE INCEPTION (% P.A)[3]
Distribution	1.76%	3.89%	3.16%	3.61%	3.90%
Capital growth	-14.43%	-17.13%	-16.69%	-11.04%	-8.95%
Total return	-12.67%	-13.24%	-13.53%	-7.43%	-5.05%

- The Fund continued to undertake quarterly valuations for all properties held by the Fund with the most recent valuations undertaken in September 2026. The capitalisation rate for the portfolio expanded from 6.05% to 6.21%.
- The expansion in the capitalisation rate during the September 2026 valuation cycle resulted in a decrease of 4.3 CPU on the Fund's unit price. This movement is attributable to the current macroeconomic 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.

Key portfolio statistics

The sale of the 100% occupied Robina asset has resulted in a slight decline in overall portfolio occupancy. The Portfolio valuation has been impacted by the divestment of Robina and the reduction in valuations as part of the September 2026 valuation cycle.

	DEC 25	MAR 26	JUN 26	SEP 26
Portfolio Occupancy[4]	92.5%	93.3%	91.2%	90.8%
WALE by income (years)	7.6	7.3	7.5	7.3
Portfolio valuation (at ownership) $m[5]	499.6	500.9	490.8	450.5

Top tenants by percentage of gross passing income



- **16%** State Government
- **10%** Paragon Care
- **10%** Perth Clinic
- **6%** Nexus Hospitals
- **4%** Ramsay Health Care
- **54%** Other

Leasing and operational updates

During the September 2026 quarter, the Manager has continued to progress leasing outcomes to reduce downtime risk and improve occupancy and WALE across the property portfolio:

- **The Specialist Medical Centre, Coffs Harbour NSW**: 5-year options have been exercised by two tenancies over approximately 700 sqm of space
- **Vermont South Medical Centre, Vic**: A new lease has been executed over 60 sqm of space through to February 2030, replacing an existing tenancy that was due to expire in December 2026, mitigating near-term vacancy risk.

In addition to the above, lease proposals have been issued to prospective tenants for the remaining 300 sqm of vacant space at The Bond, Bella Vista NSW and approximately 600 sqm on Level 1 at Varsity Lakes, QLD.

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 **portal.centuria.com.au/login.**

RG46 Statements

The Fund's latest RG46 Disclosure 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.

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.
5. Based on CHPF's portfolio on an "as is" basis as of 30 September 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.

Contact Details

Centuria Unlisted Property Funds
Direct investors:
Please contact the Investor Services Team
Phone: 1300 22 44 24
Fax: 02 9460 2960
Email: contactus@centuria.com.au

Financial advisers:
Please contact your Distribution Team representative
Phone: 02 8923 8923
Email: contactus@centuria.com.au

Registry:
Caruso registry contact details:
Phone: 1800 182 257
Email: centuria@getcaruso.com.au

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 adviser 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.