

FY24 Financial Results

- FY24 OEPS¹ 11.7c, DPS 10.0c
- FY25 guidance: OEPS 12.0c, DPS 10.4c
- Group AUM stabilised – \$21.1bn² (FY23: \$21.0bn)
- Expanded alternatives
 - Real estate finance \$1.9bn (+46%)
 - Agriculture \$0.64bn (+21%)
- \$2.3bn total transaction activity³
- \$1.15bn unlisted capital raised: \$0.6bn institutional, \$0.55bn gross inflows
- Group operating gearing⁴ 12.1% (HY24: 13.9%)
- Corporate activity:
 - Centuria Bass Credit holding increased to 80%⁵
 - FY25 – 50% investment in ResetData (LIC Edge Data Centres)

SYDNEY (Thursday, 22 August 2024) – Centuria Capital Group (ASX: CNI or “Centuria”) has announced its FY24 results for the period ended 30 June 2024.

CNI recorded statutory net profit after tax of \$102.2 million^{6,7} (FY23: \$105.9 million). Group operating profit after tax (OPAT) of \$94.7 million⁸ resulted in OEPS¹ (operating earnings per security) of 11.7 cents. FY24 DPS (distribution per security) of 10.0 cents was declared. FY24 OEPS/DPS in line with guidance.

FINANCIAL RESULTS

		FY24	FY23
Operating NPAT ⁸	\$m	94.7	115.6
Operating EPS ¹ “OEPS”	cents	11.7	14.5
Statutory NPAT ^{6,7}	\$m	102.2	105.9
Statutory EPS ^{6,7}	cents	12.6	13.3
Distribution per stapled security “DPS”	cents	10.0	11.6

Total operating revenues of \$305 million were recorded. Strong AUM growth from Centuria Bass Credit delivered a segment operating profit uplift of more than 100% for the period.

Net asset value (NAV) increased to \$1.79 per security^{9,10}. Net operating cash inflows of \$122.7 million exceeded operating NPAT of \$94.7 million⁸.

Centuria retained over \$266.5 million of cash and undrawn debt as at FY24 end. Through ongoing capital management, the Group realised \$289.1 million in cash from the sale and recycling of balance sheet assets, which contributed to operating gearing⁴ of 12.1%. CNI’s weighted average corporate debt maturity increased to 2.6 years.

John McBain, Centuria Joint CEO, said, “Capital management remained a clear focus during FY24. Centuria continued to diversify debt sources and recycled existing exposures, including \$1.7 billion refinanced across 68% of the office vertical. During FY24, we provided balance sheet support for new real estate funds and increased our investment in the strongly performing Centuria Bass Credit business. The increased stake in Centuria Bass, now 80%, reflects an earnings multiple of approximately four times, based on total acquisition costs.

“Centuria’s diversification into alternative real estate sectors not only offers investors a platform with unique points of difference but has also enabled Centuria to maintain AUM in a tight market, stabilise earnings and provide forecast growth for Group earnings and distributions into FY25.”

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REAL ESTATE FUNDS MANAGEMENT

At 30 June 2024, Group AUM of \$21.1 billion² included \$12.3 billion of unlisted real estate, \$6.0 billion of listed real estate, \$1.9 billion of real estate finance and \$0.9 billion of investment bonds. Centuria executed \$1.3 billion¹¹ of gross real estate activity as well as \$1.0 billion¹² of divestments and real estate finance repayments. Gross development projects totalling \$0.3 billion were completed during FY24.

The Group expanded its alternative investments with real estate finance growing 46% to \$1.9 billion and agriculture up 21% to \$0.64 billion. More than 20% of the Group's real estate platform is weighted to alternative property, which has collectively increased AUM by \$4.2 billion since 2019. This increase includes \$0.6 billion of alternative property related AUM added in FY24. The Group's industrial and large format retail verticals also expanded during the period, offset by reductions in office, healthcare and daily needs retail AUM from divestments and valuation movements.

Centuria actively manages Australia's largest listed pure-play industrial and office REITs. Centuria Industrial REIT (ASX: CIP) accelerated its re-leasing spreads to 43%¹³, executed over 300,000sqm of leasing¹⁴ and announced a \$1 billion development pipeline¹⁵. Centuria Office REIT (ASX: COF) divested four non-core properties at or near prevailing book values, using proceeds to repay debt. COF retains strong liquidity with \$862 million of debt refinanced and with no debt expiring before FY28. COF recorded balance sheet gearing of 41.3%¹⁶ (against a covenant of 60%) and was 63% hedged at 30 June 2024.

The Group's generated \$0.55 billion of gross equity raised from unlisted investors and secured \$0.6 billion of new capital from institutional mandates and partnerships. Inflows primarily funded three new unlisted real estate funds, 23 real estate finance loans and the continued expansion of Centuria's open-ended agriculture and real estate finance funds.

Jason Huljich, Centuria Joint CEO, said, "Centuria continued to diversify its real estate platform across a range of sectors at different stages within their investment cycles. The Group recorded solid unlisted inflows in a difficult economic environment and focussed on carefully sourcing new unlisted investments for both our direct investor network and our institutional clients."

"The Group's new NZ agriculture and real estate finance offerings were fully subscribed, as were several Centuria Bass Australian debt products and the recent Halls Head Central fund, demonstrating continued wholesale investor appetite. Our teams are eagerly seeking deep value asset acquisition opportunities to satisfy ongoing investor demand and the relatively new Centuria Bass Credit business is targeted to grow its EBIT by 20% in FY25."

ESG

Centuria continued to implement its sustainability framework. Select initiatives include:

- Centuria NZ released its first "XRB" climate-related disclosures
- Commenced electrification across c.50,000sqm of Centuria Office REIT's (COF) portfolio (by NLA)
- Sourced the equivalent of 100% renewable energy across Centuria's corporate offices¹⁷
- Installed c.1,125kW of solar¹⁸, increasing Centuria's total capacity to c.10,500kW¹⁹
- Volunteered 450 hours in Australia and New Zealand and raised over \$112,000 for community groups²⁰
- CNI Board Diversity: 43% female representation (FY23: 29%)

NEW BUSINESS

Mr McBain and Mr Huljich said, "Centuria has commenced FY25 with a 50% investment in a new-generation data server provider, Reset Data, which utilises Liquid Immersion Cooling (LIC) technology to create 'Edge Data Centres', which have compelling fundamentals when compared to traditional air-cooled data centres. Our early mover investment in ResetData allows us to be at the forefront of this new technology, unlocking new rental income from underutilised real estate space and new Group revenues from the "Opco" offering, which we believe will grow to be a meaningful contributor to the Group's earnings.

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“The ResetData investment builds on our corporate acquisition activity in the past three years, which has significantly diversified the real estate platform and enabled Centuria to create new opportunities for investors against a backdrop of macroeconomic and market headwinds.”

OUTLOOK

In conclusion, Mr McBain commented, “Looking ahead we are optimistic that FY25 will see an improving trend in economic fundamentals as major economies unwind prevailing official cash rates. This has already commenced in New Zealand where the Group has a meaningful exposure with attendant increased levels of business confidence. Initial trends within Australia, such as lowered term deposit rates, are extremely positive fundamentals for the Group with the relative return outlook having an immediate and ongoing positive impact, for example, on our unlisted property business.”

Based on prevailing market conditions remaining stable, Centuria provides FY25 OEPS guidance of 12.0 cents per security and DPS guidance of 10.4 cents per security.

A playback of the FY24 results webcast will be made available on CNI's [website](#).

-ENDS-

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Authorised for release by Anna Kovarik, Company Secretary.

About Centuria Capital Group

Centuria Capital Group (CNI) is an ASX-listed specialist investment manager with \$21.1 billion of assets under management (as at 30 June 2024). We offer a range of investment opportunities including listed and unlisted real estate funds as well as tax-effective investment bonds. Our drive, allied with our in-depth knowledge of these sectors and intimate understanding of our clients, allows us to transform opportunities into rewarding investments.

www.centuria.com.au

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1 Operating EPS is calculated based on the Operating NPAT of the Group divided by the weighted average number of securities

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2 Assets under management (AUM) as at 30 June 2024. All figures above are in Australian dollars (currency exchange ratio of AU\$1.000:NZ\$1.0927 as at 30 June 2024). AUM includes assets exchanged to be settled, cash and other assets and the impact of revaluations during the period

3 Includes \$310m of acquisitions exchanged and settled in FY24, \$780m of real estate finance transactions, \$635m of real estate divestments and \$401m of real estate finance repayments and \$160m of activity yet to settle

4 Gearing ratio is calculated based on (operating borrowings less operating cash) divided by (operating total assets less operating cash)

5 Initial 50% interest announced in April 2021, additional 30% announced in April 2024

6 Attributable to CNI securityholders

7 Includes fair value movements in derivatives and investments

8 Operating NPAT of the Group comprises of the results of all operating segments and excludes non-operating items such as transaction costs, fair value movements in derivatives and investments, the results of Benefit Funds, Controlled Property Funds, Centuria Bass Credit SPVs, share of equity accounted net profit in excess of distributions received and all other non-operating activities

9 Number of securities on issue 30 June 2024: 823,959,585 (at 30 June 2023: 799,796,794)

10 Increase in net asset value per security is primarily attributable to continued profitability and the unrealised fair valuation gains on the Group's co-investment stakes, less borrowing, payable, option

11 Includes \$310m of acquisitions exchanged and settled in FY24, \$780m of real estate finance transactions and \$160m of exchanged activity yet to settle

12 Includes \$635m of real estate divestments, \$401m of real estate finance repayments

13 On a net rent basis compared to prior passing rents. FY23 avg. re-leasing spreads of 30%

14 Includes heads of agreement (HOA)

15 Estimated value on completion. Includes land, development cost and estimated development upside

16 Gearing defined as total borrowings less cash divided by total assets less cash

17 Centuria purchased and retired large scale generation certificates matched to our corporate office electricity consumption in FY24

18 Total solar capacity installed across assets from CIP, COF and Unlisted funds. This number excludes solar installed by our tenants and divestments in FY24 which had onsite solar

19 Approximately 10,500 kW of solar is installed across assets in COF, CIP and Unlisted Funds, excluding solar installations by our tenants

20 Corporate donations and employee fundraising from Australian and New Zealand activities, including Centuria Bass

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