2024 Annual Report

SYDNEY (Tuesday, 29 October 2024) – Centuria Capital Group (**ASX: CNI**) releases its 2024 Annual Report.

-ENDS-

For more information or to arrange an interview, please contact:

John McBain
Joint CEO
Centuria Capital Limited
T: 02 8923 8923
E: john.mcbain@centuria.com.au

Tim Mitchell
Group Head of Investor Relations
Centuria Capital Limited
T: 02 8923 8923
E: tim.mitchell@centuria.com.au

Alexandra Koolman
Group Communications Manager
Centuria Capital Limited
T: 02 8923 8923
E: alexandra.koolman@centuria.com.au

***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

For personal use only

Centuria

Centuria Capital Group

2024 Annual Report



For personal use only

Centuria Capital Group

Acknowledgment of Country

Our Group manages property throughout Australia and New Zealand. Accordingly, Centuria pays its respects to the traditional owners of the land in each country, to their unique cultures and to their elders past and present.

For personal use only

UNLISTED: HALLS HEAD CENTRAL, MANDURAH WA (ACQUIRED FY24)

Contents

About Centuria	06
Australasian real estate platform	14
$20.2 billion diversified real estate platform	16
Centuria's $20.2 billion diversified Australasian real estate platform	19
Growth in alternatives to $4.2 billion	20
Growing Centuria Bass demonstrates M&A philosophy	22
Real estate finance platform	23
Centuria's innovative entry into data centres	24
Chairman's report	26
Joint CEOs' letter	30
FY25 guidance	34
Key financial metrics	35
Centuria's platform is scalable and positioned for growth	36
Fund and capital allocation across Centuria's platform	38
$2.3 billion of total transaction activity	38
Platform diversification reduces concentration risk	41
Strong asset management success	42
$2.2 billion development pipeline to seed funds	44
Unlisted property	46
Listed property	48
LifeGoals investment bond	50
Our Sustainability Framework	52
FY24 ESG highlights: CNI	54
Board of Directors	56
Senior executives	62
Directors' report	66
Nomination and Remuneration Committee Chair's letter	78
Audited Remuneration Report	82
Lead Auditor's independence declaration	107
Financial statements	108
Consolidated statement of comprehensive income	110
Consolidated statement of financial position	111
Consolidated statement of changes in equity	112
Consolidated statement of cash flows	114
Notes to the financial statements	116
Directors' declaration	190
Independent Auditor's report	192
Corporate governance statement	199
Additional stock exchange information	200
Corporate directory	202

For personal use only

Centuria Capital Group



LISTED: STUDLEY COURT INDUSTRIAL ESTATE, DERRIMUT VIC

About Centuria

Centuria Capital Group (ASX:CNI) is a leading Australasian fund manager included in the S&P/ASX 200 index, established in 1998.

We manage a range of investment products including including listed funds, unlisted funds and real estate credit funds. While we hold co-investments in many of our funds, we operate with an external or discrete management model.

By 30 June 2024, CNI grew to $21.1 billion of assets under management (AUM), of which 96% comprises real estate funds across industrial, agriculture, real estate finance, healthcare, decentralised office, large format retail and daily needs retail sectors within Australia and New Zealand.

Centuria's $12.3 billion unlisted real estate funds platform includes a series of unlisted single and multi-asset closed ended funds and multi-asset open ended funds. An additional $1.9 billion of real estate credit funds comprise single asset loans and diversified wholesale funds. These unlisted or direct property funds constitute 70% of Centuria's total real estate platform. Centuria's unlisted platform is considerably diversified with a 21% weighting to alternative assets, which has collectively increased AUM by $4.2 billion since 2019. Real estate sector diversification is one of Centuria's points of difference.

Centuria is also the manager of Australia's largest listed pure play industrial and office REITs, Centuria Industrial REIT (ASX:CIP) and Centuria Office REIT (ASX:COF) as well as the New Zealand diversified listed REIT, Asset Plus Limited (NZX:APL).

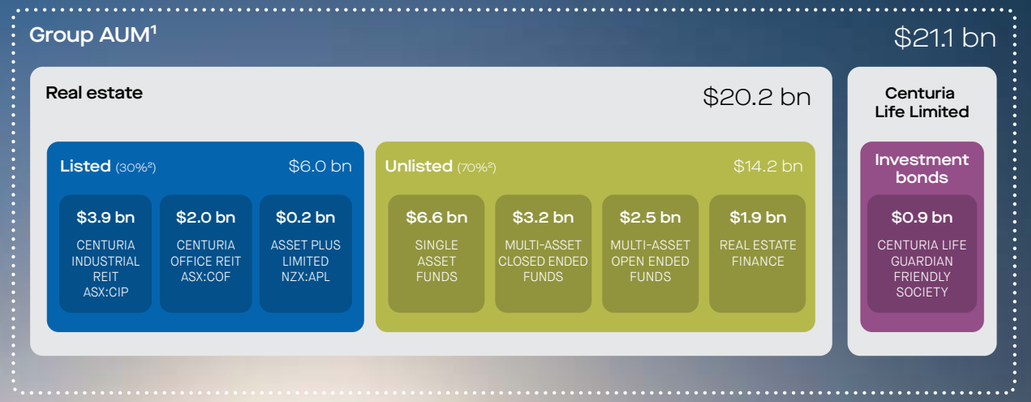
CIP and COF are included in the S&P/ASX 200 and 300 indices, respectively. Both A-REITs are also included in the FTSE EPRA Nareit Global Development index, enabling them to be readily compared with international peers. Collectively, the listed REITs comprise $6 billion of AUM.

Real estate acquisitions and property finance activities during FY24 resulted in $1.3 billion of gross real estate activity, as well as $1.0 billion of divestments and real estate finance repayments. Gross development projects totalling $0.3 billion were completed during FY24 and the Group has identified a $2.2 billion development pipeline.

Centuria's operations are supported by 450 staff across eight offices in three countries with a significant proportion of our workforce focused on the full spectrum of management – from inhouse facility managers and asset managers, to fund managers and corporate personnel – all dedicated to the lifecycle of real estate funds and trusts. This results in specifically curated funds and assets, designed to optimise securityholder returns.

For personal use only

Centuria Capital Group (CNI) funds management platform



Note: 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).
Numbers presented may not add up precisely to the totals provided due to rounding.
1. AUM includes assets exchanged to be settled, cash and other assets and the impact of revaluations during this period.
2. Percentage of total real estate AUM.



UNLISTED: KATUNGA FRESH GLASSHOUSE, KATUNGA VIC (ACQUIRED FY24)

CENTURIA'S PURPOSE

We seek to transform real estate opportunities into compelling investments, which can create sustainable long term value for our stakeholders and bring benefits to the communities in which we operate.

For personal use only

LISTED: 101 MORAY STREET, SOUTH MELBOURNE VIC

For personal use only



LISTED: 12-13 AND 14-17 DANSU COURT, HALLAM VIC

CENTURIA'S VALUES AND CAPABILITIES

Since Centuria was established in 1998, our company culture has evolved to meet the changing dynamics of the marketplace and the complexity of operating throughout Australia, New Zealand and the Philippines. Our values and capabilities are reflective of Centuria's Code of Conduct and imply how each Centurian strives to effectively engage with company stakeholders.

Our core values are the essence of our identity – the principles, beliefs and philosophy of our brand.

Our values and capabilities support our vision and shape our culture to create a sense of belonging. We prioritise strong and lasting relationships within our business and with our investors, tenants and partners. Centuria mobilises to seize opportunities, aiming to make well informed decisions and be transparently accountable.

Values

We value honesty, transparency and respectfulness

As Centurians, we take pride in how we develop strong and lasting relationships within our business and with our investors, tenants and partners. We do this in how we communicate with, support, and respect one another.

We work and thrive as an integrated and agile team

At Centuria, we are bigger than the individual parts. We embrace diversity and collaborate with colleagues and partners to achieve success.

We support each other to grow

We seek opportunities to encourage employees' development and support collective growth. We reward and celebrate success and like to promote from within.

We do what it takes

We love challenges and finding unique ways to solve problems. We have a focus on growth and acting ethically in the best interests of our stakeholders.

Capabilities

Transparent cooperation

Transparent cooperation means our teams strive to be accountable and responsible, creating autonomy without politics. We value honest communication and one another's opinions, aiming to build trust and enable stronger collaboration with our stakeholders.

Transactional velocity

Transactional velocity means the speed that we do business. We encourage our people to seize opportunities and make prompt yet considered decisions in alignment with our values and purpose. What takes some others months to transact, may take us only days.

Thorough process

Our processes result in thorough analysis. Our experienced team is knowledgeable in identifying and analysing risks and opportunities, which helps us make more informed decisions.

Personal interaction

At Centuria, it's personal. We endeavour for all Centurians to be well cared for. As a client, we look after your interests as if they were our own. We create a sense of belonging and build relationships through the way we treat and work with one another.

VISION

A leading Australasian funds manager.

Our people are leaders in their field throughout Australia, New Zealand and the Philippines.

We leverage our geographic diversity, our in-depth market knowledge in favoured sectors and our access to capital to grow funds under management, with a strong focus on earnings growth.

For personal use only

Integrated platform

Geography

Australia
New Zealand

Sectors

Office
Industrial
Healthcare
Daily needs retail
Large format retail
Real estate finance
Agriculture
Investment bonds

Fund types

Listed REITs
Unlisted single asset closed ended funds
Unlisted multi-asset closed ended funds
Unlisted multi-asset open ended funds

Capital sources

Listed
Unlisted institutional
Unlisted retail
Unlisted wholesale

Active management

Integrated in house capability

Funds management
Real estate transactions
Development
Distribution
Asset management
Property and facilities management
Leasing

Generating investment opportunities

Balance sheet

Cash on hand
Capital recycling
Diverse capital sources
Undrawn debt capacity

Platform support

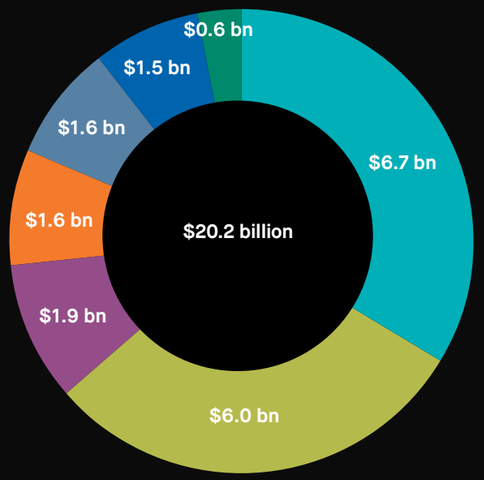
Underwriting
Co-investments
Fund establishment
Cornerstones

LISTED: 90-118 BOLINDA ROAD, CAMPBELLFIELD VIC

Australasian real estate platform[1]

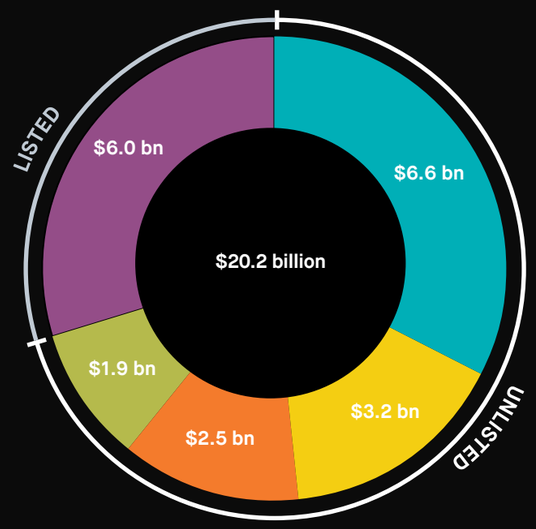
Diverse sectors and capital sources unlock emerging opportunities.

Sectors[2]



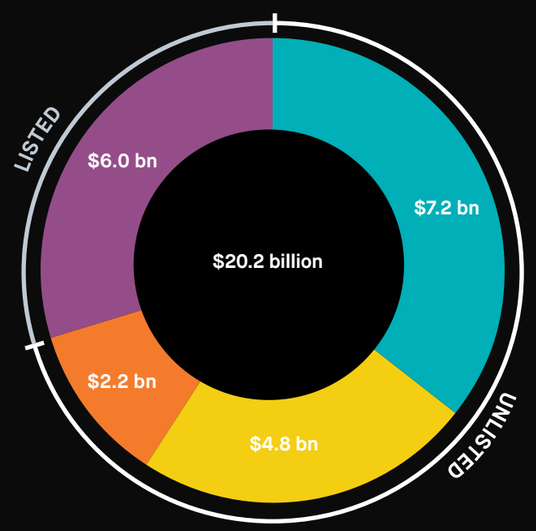
- Office
- Industrial
- Real estate finance
- Daily needs retail
- Large format retail
- Healthcare
- Agriculture

Funds



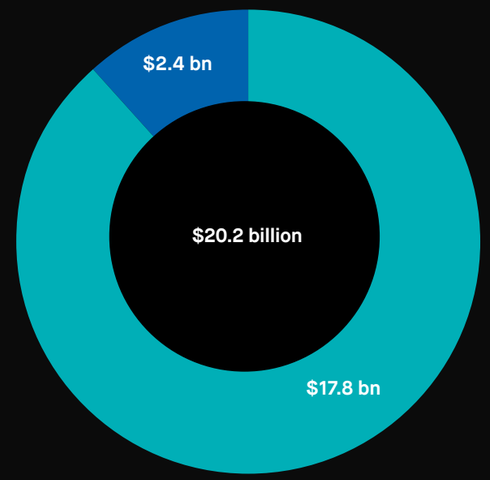
- Single asset closed ended funds
- Multi-asset closed ended funds
- Multi-asset open ended funds
- Real estate finance
- REITs

Capital



- Wholesale
- Retail
- Institutional
- REITs

Geography



- Australia
- New Zealand

1. 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). Numbers presented may not add up precisely to the totals provided due to rounding. AUM includes assets exchanged to be settled, cash and other assets and the impact of revaluations during the period.
2. Other AUM of $0.2 billion.

For personal use only

$20.2 billion diversified real estate platform **Centuria Capital Group**

$20.2 billion diversified real estate platform[1,2]

Office	Industrial	Real estate finance	Daily needs retail	Large format retail	Healthcare	Agriculture
$6.71 bn AUM	$6.02 bn AUM	$1.90 bn AUM	$1.63 bn AUM	$1.59 bn AUM	$1.51 bn AUM	$0.64 bn AUM

Note: 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). Numbers presented may not add up precisely to the totals provided due to rounding

1. AUM includes assets exchanged to be settled, cash and other assets and the impact of revaluations during the period.
2. Platform AUM total of $20.2 billion includes Other AUM of $0.2 billion.

UNLISTED: EXCHANGE TOWER, 2 THE ESPLANADE, PERTH WA

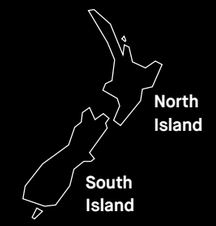
For personal use only

For personal use only

LISTED: 2 PHILLIP LAW STREET, CANBERRA ACT

Centuria's $20.2 billion diversified Australasian real estate platform[1,2]





Australia

New South Wales

$4,312 m

across 100 properties and real estate finance loans

Western Australia

$4,490 m

across 86 properties and real estate finance loans

Victoria

$3,633 m

across 79 properties and real estate finance loans

Queensland

$3,162 m

across 88 properties and real estate finance loans

South Australia

$874 m

across 26 properties and real estate finance loans

Australian Capital Territory

$404 m

across 7 properties and real estate finance loans

Tasmania

$17 m

across 1 property

New Zealand

Auckland

$1,462 m

across 37 properties and real estate finance loans

Other New Zealand

$734 m

across 55 properties and real estate finance loans

1. 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). Numbers presented may not add up precisely to the totals provided due to rounding.
2. Includes asset exchanged to be settled and real estate finance loans by property. Sub totals exclude cash and other assets.

For personal use only

Growth in alternatives to $4.2 billion

Expanding alternative sectors, underpinned by strong agriculture and real estate finance growth, together with investments in edge data centres.

$0.6 billion

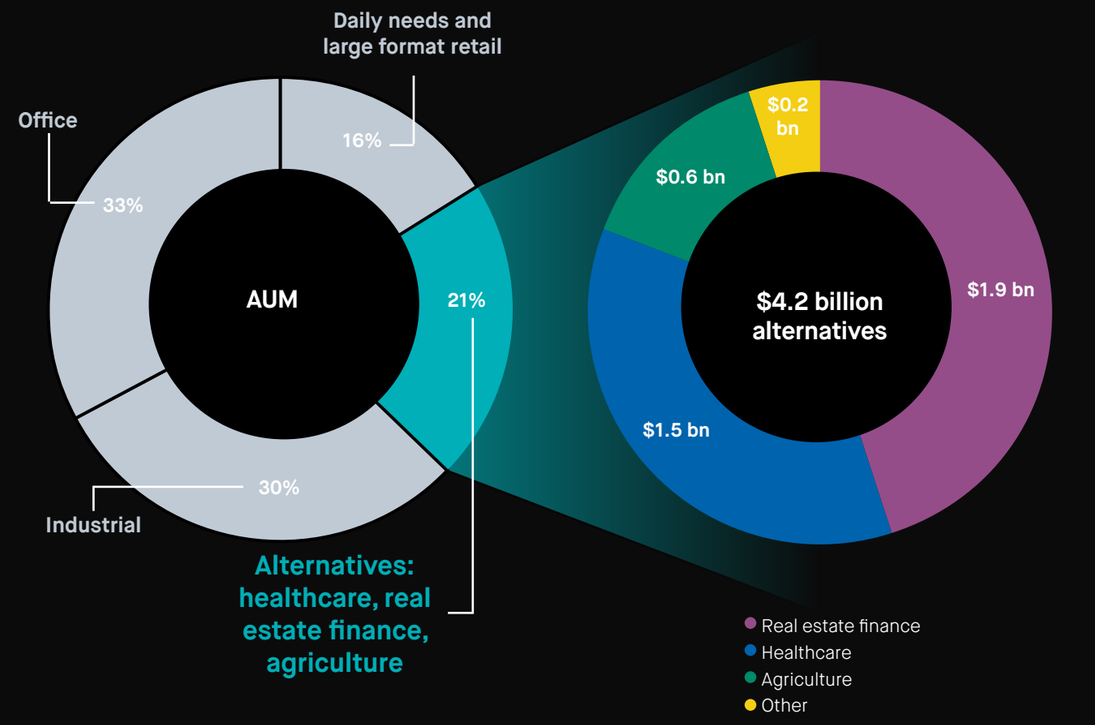
alternative property related AUM added in FY24

21%

CNI's real estate AUM represented by alternatives

Attracting institutional mandates and partnerships

Supported by alternative investment thematic





Real estate finance



Healthcare



Agriculture



Liquid immersion cooled edge data centres

Growing Centuria Bass demonstrates M&A philosophy

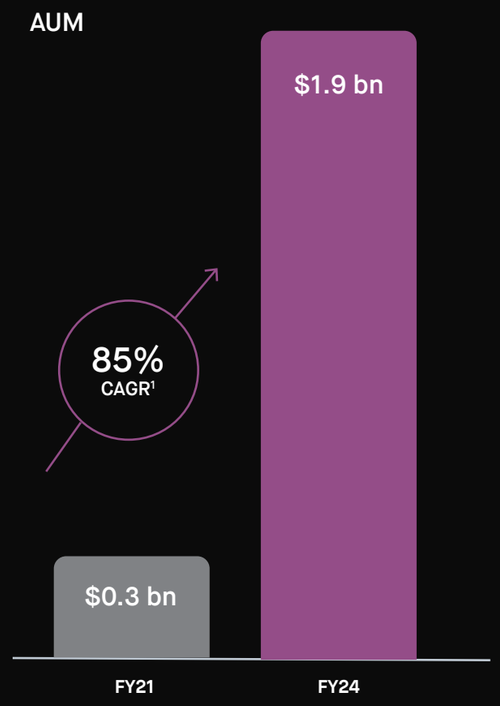
Centuria Bass targets >20% EBIT growth in FY25.

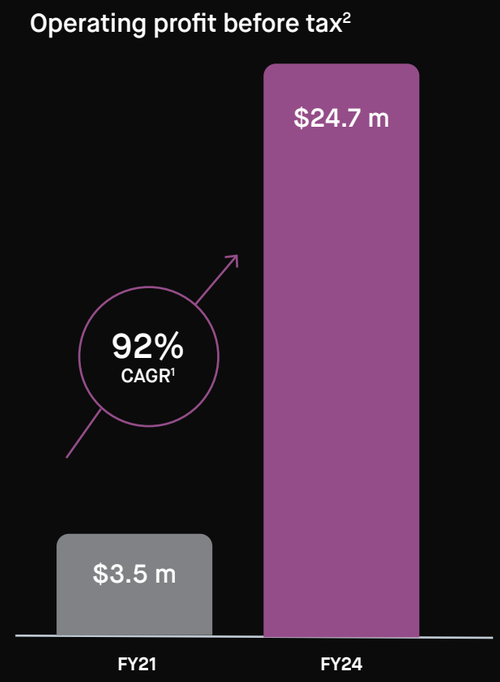
CNI's 80% interest in Centuria Bass has been acquired for $81 million (FY24 earnings multiple of ~4x).

Centuria was an early mover into real estate private credit, acquiring initial 50% in Bass Credit in April 2021.

Centuria Bass is scalable and significantly benefits from Centuria's integrated real estate and distribution capabilities.

Centuria Bass aims to secure new investment products and capital sources beyond current offerings.

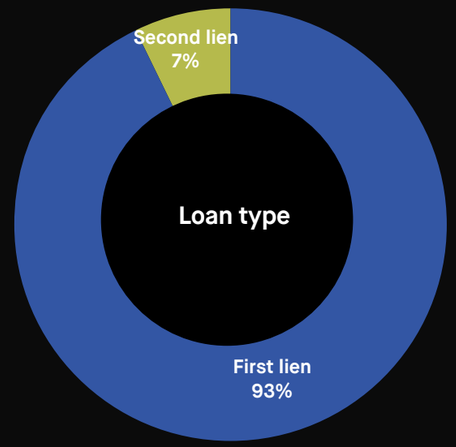


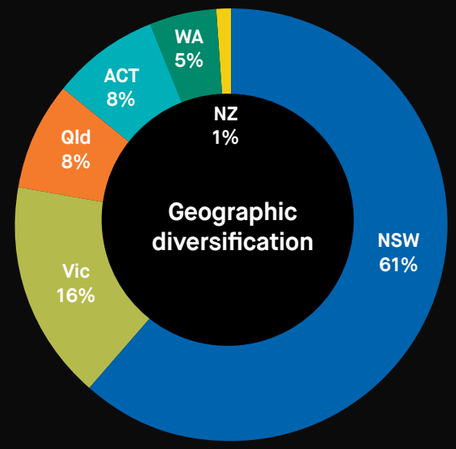


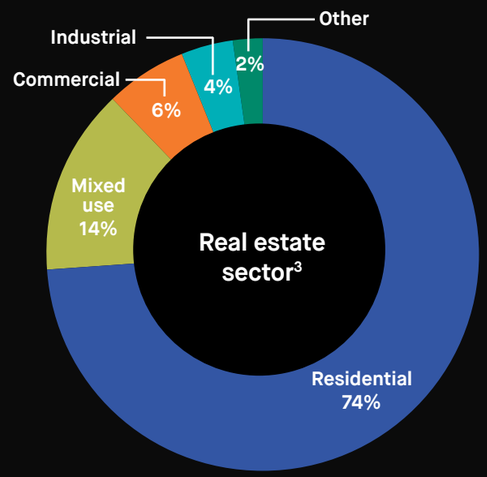
1. CAGR calculated from 30 June 2021 to 30 June 2024.
2. Reflects operating profit before tax on a 100% basis.

For personal use only

Centuria Bass Credit grows AUM to $1.9 billion







Real estate finance platform

$150 million new debt warehouse facility with initial $100 million senior secured commitment from UBS.

Two diversified wholesale funds and 135+ originated loans since inception.

64% gross average LVR[1],

93% of loan book secured by first ranking mortgages[2].

Note: Aggregated across funds managed by Centuria and not representative of any single fund or active loans.
1. The weighted LVR is a weighted average across all active loans as at 30 June 2024 using the origination LVRs.
2. Loans secured by first ranking mortgages is calculated in respect of deployed funds and does not consider cash holdings.
3. Not representative of any single fund or active loans and exclude undrawn committed facilities and fund cash not yet deployed as at 30 June 2024.

Centuria's innovative entry into data centres **Centuria Capital Group**

Centuria's innovative entry into data centres

Establishing new revenue and rental streams for CNI and real estate funds

PROPCO

- Higher rent from suitable underutilised real estate space.
- Liquid immersion cooled (LIC) edge data centres for tenants and surrounding enterprises.
- Attract new tenants, retain existing tenants, provide high density, low latency data.
- Potential valuation uplifts.

OPCO

- Digital infrastructure services via LIC data servers.
- Multiple revenue sources from rollout of LIC edge data centres.
- Full cloud computing services to clients.
- Reduced carbon footprint alternative to traditional air cooled data centres, coupled with significant energy savings.

Unique value chain to deliver a network of LIC edge data centres

Underutilised assets with excess power.	+	Liquid immersion cooling.	+	Bespoke hardware stack.	+	Proprietary cloud platform.	+	Software partnerships that require bespoke hardware and cloud.
PROPCO				OPCO				

For personal use only



Garry Charny

CHAIRMAN

For personal use only

"We are diversified not just in the traditional real estate sectors of office, industrial and retail but now more than 20% of our property platform is weighted to alternative sectors including agriculture, healthcare and real estate finance (private credit)."

Chairman's report

On behalf of the Centuria Capital Group Board, it is my pleasure to introduce the Group's 2024 Annual Report.

May I begin by confirming that, after almost nine years as Chair, and consistent with my strong views that independent non-executive directors should not overstay their welcome but rather provide a pathway for board renewal, this will be my last Centuria Annual Report. A little more on that later in the letter.

This year's economic and operating environments have presented numerous challenges for the Australasian real estate sector. Interest rates and the impact of higher debt costs have weighed on activity while inflationary pressures have dampened investor and business sentiment. GDP growth has also remained anaemic. In fact, outside of the pandemic period, Australia experienced its lowest economic growth since 1992.

At Centuria we have not been immune to these conditions, which have impacted transaction volumes, valuations, debt costs and returns to varying degrees. Notwithstanding these impacts, we are pleased with the overall operational performance against this backdrop of challenges, a testament to the integrated management model Centuria leverages to service its tenants, assets and to unlock new opportunities for our growing investor network.

Performance

On the asset front, over the past five years, Centuria has delivered a 28% total compound annual growth rate (CAGR)[1] for its assets under management (AUM). Whilst AUM is just one of several metrics we use to measure performance, it has been particularly pleasing to see the Group's AUM remain steady throughout FY24 despite recent volatile operating conditions. This stability in AUM has made Centuria a relative outperformer against those peers which suffered falling AUM levels in FY24 due principally to declining valuations.

The single point of difference which allowed Centuria to maintain its level of AUM is diversification. We are diversified not just in the traditional real estate sectors of office, industrial and retail but now more than 20% of our property platform is weighted to alternative sectors including agriculture, healthcare and real estate finance (private credit). Add in our 30% of industrial assets and 16% of retail and one can see a radically different paradigm from when I first became Chair in 2016. Back then we were essentially an office only REIT.

In particular, Centuria Bass continued to scale its operations as non-bank private credit tailwinds persisted in FY24. During the year, Centuria increased its stake in its real estate finance business to 80%. This latest example of corporate activity aligns with M&A undertaken in previous periods, executed to provide Centuria with various runways for growth and early mover advantages into alternative markets and sectors that can be highly scalable and appeal to a range of investors.

1. CAGR calculated from 30 June 2019 to 30 June 2024.

It is noteworthy that the decisions surrounding entry into these alternative asset classes was made in the immediate post Covid period. The Board and management strongly believed that fresh revenue streams were essential to bolster activity during what we all believed would be an extended period of post Covid financial instability.

The Group's unlisted platform continued to showcase the longstanding engagement of our retail and wholesale investors, which contributed $0.55 billion of gross equity inflows. These inflows largely supported new wholesale unlisted funds, credit funds, our flagship open ended agricultural fund and one-off, bespoke funds in New Zealand, including the launch of our first NZ real estate credit fund. This investor activity was complemented by new institutional capital from US private investment firm, Starwood Capital, who committed to a $500 million industrial mandate, the Last Mile Logistics Partnership. Additionally, global investment bank, UBS, provided an initial $100 million senior secured commitment for a new loan warehouse facility to support our real estate credit business.

Inflows and investments were complemented by recurrent capital management across the platform. Centuria continued to diversify debt sources and recycled existing exposures with variations and extensions across 40% of all funds, leading to strong relationships and understanding of lender appetite across the 24 lenders the Group deals with.

Sustainability

During FY24, Centuria continued to progress its new Sustainability Framework and set targets. This Framework helps us better understand the environmental, social and governance impacts of our activities and assists driving ongoing improvements through our business strategy. It is based on the areas where the Group has, or can have, the greatest impact on the environment, people and the economy.

In New Zealand, Centuria delivered its first mandatory 'XRB' climate-related disclosures. This extensive exercise will be implemented annually going forward and helps the Australian business prepare for mandatory reporting in the coming years. Details of mandatory reporting and how the Group has positively progressed towards its targets are outlined in Centuria's fourth Sustainability Report, which is anticipated to be released by November.

Talent and leadership

Our workforce is a key stakeholder group within Centuria. To this end, during the year, significant changes to our Board and Management teams were undertaken to strengthen the Board's talents and capabilities. Joanne Dawson joined the Centuria Board as an Independent Non-Executive Director and Chair of the Group's Audit, Risk and Compliance Committee (ARCC). We welcome Joanne warmly and I personally thank her for the exceptional job she has done in taking on this critical and demanding task.

It would also be remiss of me not to mention Susan Wheeldon's contribution as Chair of both the Remuneration & Nomination Committee and the Culture & ESG Committee.

On the management front, Andrew Essey was promoted to Chief Investment Officer in Australia and Joel Lindsey to Chief Investment Officer in New Zealand. Jesse Curtis is our new Head of Funds Management, Annie Scott has been appointed National Facilities Manager, Grant Nichols is now Head of Listed Funds and CIP Fund Manager and Belinda Cheung has been appointed COF Fund Manager. Centuria NZ also strengthened its Senior Management Committee (SMC) with the addition of two new members - Ben Harding, Head of Asset Management and CNZIF Manager, and Mark Madigan, Head of Finance NZ.

Reflective of Centuria's effective leadership is our 2024 Engagement Survey overall engagement score of 77%, which was maintained year-on-year. This is a notable outcome given overall engagement scores declined globally (currently 71%) as well as nationally (70%) since 2023.

In addition to developing the team's skillsets through ongoing training, professional development, IT and cybersecurity training, management has continued to focus on wellbeing, particularly mental health awareness and training. Along with meditation workshops, Centuria launched a new Employee Assistance Program (EAP), which provides extensive support and safety services via a mobile app called Sonder. Centuria also continued to recognise staff that have excelled in demonstrating corporate values and capabilities through quarterly staff awards.

These endeavours are also supported by a well organised intern/scholarship program which is creating long term career opportunities for talented young graduates.

Conclusion

Looking ahead, FY25 has started with some promising green shoots. In recent weeks we've seen domestic banks reducing term deposit rates in Australia and New Zealand has begun cutting its official cash rate. When the RBA starts reducing cash rates in Australia, we expect to see sentiment improve significantly and commercial transaction volumes increase. Whilst the timing of these developments is uncertain, we remain cautiously optimistic and, importantly, continue to focus on executing our Group strategy whilst tailoring innovative investment opportunities that can appeal to investors over the long term. This has most recently been evidenced by the initial acquisition of a 50% interest in ResetData, providing the Group an early mover advantage into Liquid immersion cooling edge data centres via a dual PropCo (property company) and OpCo (operating company) strategy.

Centuria remains focused on being a leading Australasian real estate funds manager. Our experienced management team remains dedicated to a disciplined, strategic approach to capital management with the aim of continuing our upward growth trajectory as financial markets stabilise. We intend to scale our business, particularly within alternative sectors, to provide compelling returns to you, our securityholders.

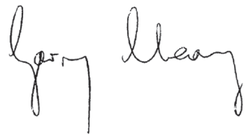
I have often written in these reports of my personal commitment to board renewal. As my re-election for a further term would have resulted in a twelve year tenure, I have decided it appropriate and consistent with good governance not to seek re-election and instead join the Board in strong support of Ms Kristie Brown as the new Chairman following the Annual General Meeting.

Without too much self-indulgence, I would like to reflect on the remarkable growth of the company over the last nine years from small cap in 2016 to being firmly entrenched in the ASX 200 today. In that period our AUM has grown from c.$1.9 billion to c.$21 billion. All of that would have been impossible without my fellow board members, the leadership of John and Jason and an extraordinary team of dedicated staff. I shall miss them.

If I leave any meaningful legacy it is the fact that nine years ago we had zero diversity on our boards at all levels of the Group. Post my departure CNI will have our non-executive directors which skew 75% female and 25% male - a recipe for further success. Our REIT boards are 50% and 25% female led respectively and Centuria Life has a 50% split. Further, 45% of all Centuria employees are women along with 29% of the Centuria senior executive. Disappointing as it is that we still have to keep measure of these things, Centuria has progressed by any measure.

In concluding, I thank my fellow Board members at both the Group and Responsible Entity level as well as to the wider Management in Australia, New Zealand and the Philippines.

I also thank you, our securityholders, who continue to share Centuria's vision for a high performing, diversified real estate funds management business. Your support is appreciated and never taken for granted as we continue to navigate the vagaries of the current economic and operating environment. I look forward to welcoming you to our Annual General Meeting in late November.



Garry Charny

CHAIRMAN

For personal use only

Centuria's funds management platform has remained resilient despite uncertain economic and market conditions

$21.1 billion
Group AUM[1]

11.7 cps
Y24 OEPS[2] delivered

10.0 cps
FY24 DPS delivered

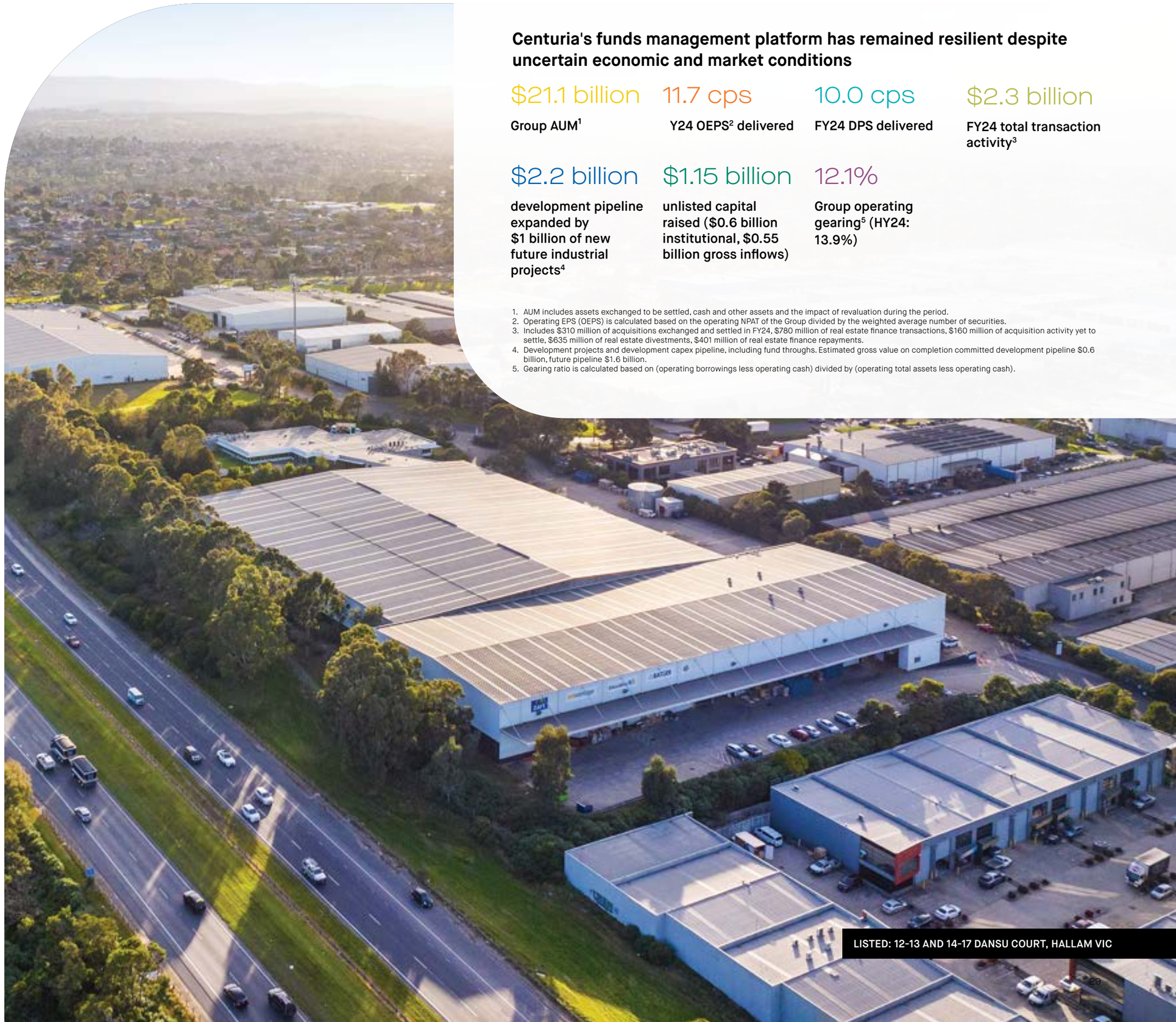
$2.3 billion
FY24 total transaction activity[3]

$2.2 billion
development pipeline expanded by $1 billion of new future industrial projects[4]

$1.15 billion
unlisted capital raised ($0.6 billion institutional, $0.55 billion gross inflows)

12.1%
Group operating gearing[5] (HY24: 13.9%)

1. AUM includes assets exchanged to be settled, cash and other assets and the impact of revaluation during the period.
2. Operating EPS (OEPS) is calculated based on the operating NPAT of the Group divided by the weighted average number of securities.
3. Includes $310 million of acquisitions exchanged and settled in FY24, $780 million of real estate finance transactions, $160 million of acquisition activity yet to settle, $635 million of real estate divestments, $401 million of real estate finance repayments.
4. Development projects and development capex pipeline, including fund throughs. Estimated gross value on completion committed development pipeline $0.6 billion, future pipeline $1.6 billion.
5. Gearing ratio is calculated based on (operating borrowings less operating cash) divided by (operating total assets less operating cash).



LISTED: 12-13 AND 14-17 DANSU COURT, HALLAM VIC

Joint CEOs' letter



For personal use only

John McBain

JOINT CEO

Jason Huljich

JOINT CEO

Dear Securityholders,

It is our pleasure to present Centuria Capital Group's 2024 Annual Report. Throughout the 2024 financial period (FY24), Centuria maintained assets under management (AUM) at $21.1 billion[1] (FY23: $21 billion). Maintaining AUM against the backdrop of challenging market conditions and falling valuations is noteworthy relative to our industry peers. This performance is largely attributed to our diversification into alternative real estate sectors, which has allowed growth in AUM in these new sectors offsetting falls in some of the traditional asset classes. These alternative sectors invigorated our platform providing fresh growth opportunities and enabled the group to generate new revenue streams.

1. 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.

Approximately 96% of Centuria's AUM comprises real estate funds ($20.2 billion) and more than 20% of this comprises alternative property. In particular, over FY24 our agriculture real estate vertical increased 21% to c.$0.64 billion and the real estate finance division, under the Centuria Bass brand, increased 46% to $1.9 billion. During FY24 we increased our investment in Centuria Bass to 80%, which reflects an earnings multiple of approximately four times, based on total acquisition costs.

We believe real estate is a long-term investment proposition and we continue to look for opportunities to organically grow our funds management platform in this manner. Throughout the year, Centuria executed $2.3 billion of total transaction activity[1], including $1.3 billion of acquisitions and real estate finance transactions[2] and $1.0 billion of divestments and real estate finance repayments. The Group's transaction activity was further supported by $0.55 billion of gross inflows from unlisted investors and $0.6 billion of new institutional capital for deployment.

This level of activity, whilst relatively lower than recent periods, is evidence of our team's ability to actively source and execute organic investment opportunities, despite the prevailing operating climate and subdued transaction markets in Australia and New Zealand.

Another growth lever available to the Group is a $2.2 billion development pipeline[3], almost half of which is weighted to the strongly performing industrial sector. Centuria continues to selectively bring online development opportunities that will create new generation assets for our underlying funds while contributing development management and some development profits to the business. Development completions of $0.3 billion were delivered in FY24.

Financial results

Fiscal management remained a key priority during FY24, resulting in Centuria delivering statutory NPAT of $102.2 million[4,5] and operating profit after tax (OPAT) of $94.7 million[6]. The Group provided operating earnings per security (OEPS) of 11.7 cents[7] and distribution per security (DPS) of 10.0 cents. FY24 OEPS and DPS were in line with guidance set at the commencement of FY24.

Significantly, Centuria Bass' strong AUM growth delivered a segment operating profit uplift of $13.4 million, more than a 100% increase year-on-year. Co-investment earnings increased to $54 million and continued to be a strategic focus for the Group. Operating profits attributable to our property funds management segment reduced by $7.5 million[8], primarily due to lower fees from subdued transaction markets and adjustments attributed to lower property valuations. These factors also impacted recognised performance fees in FY24.

Centuria retained over $266 million of cash and undrawn debt as at FY24 year end. Through ongoing capital management, the Group realised $289 million in cash from the sale and recycling of balance sheet assets, which contributed to operating gearing of 12% and look-through gearing of 35%. As at 30 June 2024, Centuria's net asset value (NAV) increased to $1.79 per security[9,10]. Net operating cash inflows of $122.7 million exceeded OPAT.

Real estate platform

As at 30 June 2024, Centuria managed c.400 properties[11,12], leased to c.2,500[11,12] tenant customers. Lease terms were agreed across more than 630,000 sqm encompassing 483 transactions[11]. This significant leasing activity contributed to an average 5.7-year WALE[11,12] and occupancy of over 96%[11,12] in addition to a high 99% average rent collection[11]. At Centuria, tenants remain a key stakeholder group that we continue to service, providing functional and attractive accommodation as part of an ongoing hands-on management approach.

Centuria's real estate platform comprises $12.3 billion of unlisted real estate, $6 billion of listed real estate and $1.9 billion of real estate finance. Part of our diversification strategy has seen us scale our exposure to alternative real estate sectors. Collectively, we have grown real estate finance, agriculture and healthcare to more than $4 billion of Group AUM, including $0.6 billion in FY24 alone. Centuria's industrial and large format retail (LFR) verticals also expanded during the period, offsetting the reductions across office, healthcare and daily needs retail (DNR) AUM resultant from divestments and valuation movements.

Tailwinds across the industrial markets persisted during the year, enabling Centuria to lease a record +348,000 sqm and achieve an average re-leasing spread of 42%. These strong leasing outcomes have continued to underpin valuation movements across the Group's industrial vertical.

The large format retail sector also continued to provide compelling tailwinds with Centuria's portfolio achieving an average re-leasing spread of 5%. Centuria expanded its daily needs retail vertical with the addition of Halls Head Central, which was strongly supported by our unlisted investors. These verticals continue to focus on daily needs and convenience-based retail centres with over 50% of the DNR income being derived from non-discretionary supermarkets and the LFR platform representing average site coverage of 44% across a land rich portfolio of assets.

1. Includes $310 million of acquisitions exchanged and settled in FY24, $780 million of real estate finance transactions, $635 million of real estate divestments and $401 million of real estate finance repayments and $160 million of activity yet to settle.
2. Includes $310 million of acquisitions exchanged and settled in FY24, $780 million of real estate finance transactions and $160 million of exchanged activity yet to settle.
3. Development projects and development capex pipeline, including fund throughs. Estimated gross value on completion committed development pipeline $0.6 billion, future pipeline $1.6 billion.
4. Attributable to CNI securityholders.
5. Includes fair value movements in derivatives and investments.
6. 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.
7. Operating EPS is calculated based on the operating NPAT of the Group divided by the weighted average number of securities.
8. excluding performance fees.
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. As at 30 June 2024. Aggregated across funds managed by Centuria and not representative of any single fund or property.
12. Excludes land, Development assets, US syndicates, Centuria Bass Credit, assets exchanged yet to be settled.



LISTED: 2 PHILIP LAW STREET, CANBERRA ACT

For personal use only

Across our office vertical, Centuria leased more than 105,000 sqm, testimony to the strength of Centuria's active in-house management and indicative of the demand for prime younger assets. Furthermore, $154 million of non-core office assets were divested predominantly around prevailing book values. Throughout the period, Centuria also refinanced $1.7 billion of debt across our office assets, accounting for 68% of the overall office portfolio.

As mentioned, real estate finance delivered strong performance in FY24. Centuria Bass continued to scale its business during the period. We believe our early investment in the real estate private credit sector has the Group well positioned to capitalise on opportunities in this sector as we look to continue growth in our loan book, diversification of investor capital sources and the expansion of the Centuria Bass team with a larger talent pool of operators.

Our healthcare property platform was presented with a challenging operating environment during FY24. Our healthcare portfolio AUM was impacted by cap rate movements along with more than $160 million of non-core asset divestments, which included non-core properties and underlying assets within funds reaching their full term. Centuria Healthcare remains committed to its modern 'short stay' healthcare real estate model that delivers efficient, sustainable models of care. We believe this model better insulates investors from some of the challenges being faced presently by traditional legacy healthcare models. Our healthcare assets are underpinned by robust tenant covenants with 88% of leases being net or triple-net and 43% of leases being CPI-linked.

Our investment in protected cropping agricultural real estate has provided significant growth with a relatively unique offering of agriculture property. During the year, we added $124 million of glasshouse and protected cropping investments across South Australia, Victoria and New Zealand, contributing to the growth of this vertical's AUM to c.$640 million. We believe increased demand for fresh produce, driven by a rising population and expanding global demand, provides strong tailwinds for agricultural real estate.

ESG considerations

Centuria progressed its revised sustainability framework during the year. In addition to delivering Centuria NZ's first climate-related disclosures, the Group implemented numerous decarbonisation initiatives to assist us with meeting our emission reduction targets of eliminating gas and diesel from our operations for Centuria and COF where practicable by 2035[1], and targeting Scope 2 emissions by 2035 for Centuria and 2028 for CIP and COF[2]. Environment initiatives included:

- commencing electrification across 50,000 sqm of the COF portfolio[3] to reduce gas and diesel reliance;
- sourcing the equivalent of 100% renewable energy across our Australian corporate offices[4], which reduces our scope 2 greenhouse gas emissions; and
- installing 1,125 kW of solar across assets in our funds.[5]

Centuria continued to support the local communities in which we operate, volunteering a collective 450 hours and raising more than $112,000 for charities. Additionally, Centuria has entered into a new agreement with social enterprise, Two Good Co, which now provides soap products to select Centuria assets. Fifty per cent of Two Good's profits are reinvested into their charitable Two Good Foundation that employs and empowers vulnerable women, making their purpose-driven business one that Centuria is proud to support.

We also remain highly committed to our internal stakeholders and actively seek to create a diverse workplace culture with female colleagues comprising 45% of our workforce. Our CNI Board diversity also increased during the year with female representation at 43% (up from 29% in FY23).

As part of our ongoing commitment to robust governance, the Group continued to implement responsible business practices with staff completing more than 9,000 hours of training across compliance competencies, cybersecurity, risk and safety throughout FY24.

1. Centuria and COF will focus on eliminating gas and diesel where practicable, from equipment owned and operated by the Group. Gas and diesel equipment owned and operated by our tenants is excluded from Centuria's target.
2. Centuria, CIP and COF will account for zero Scope 2 emissions by being powered by the equivalent of 100% renewable electricity through a combination of on-site solar and large-scale generation certificate deals which match our consumption.
3. Two assets have commenced electrification including William Square 235 William St, Northbridge WA and Allendale Square 77 St Georges Terrace, Perth WA.
4. Centuria transitioned its Australian offices where Centuria was the tenant, to the equivalent of 100% renewable energy through the purchase of energy through an energy retailer that supplied GreenPower, and for our corporate offices that were not accounted for by retail energy purchases, through the purchase and retirement of large-scale generation certificates equivalent to the total amount of electricity usage at those offices during FY24. See page 42 of the FY24 Sustainability Report for further detail.
5. 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.

Outlook and new business to commence FY25

Looking ahead, we anticipate financial markets to stabilise across FY25 and FY26 and our real estate platform has been structured to take advantage of favourable market conditions across both our core and traditional offerings as well as alternative sectors.

Centuria has begun FY25 with the purchase of a 50% stake in liquid immersion cooling (LIC) data centre provider, ResetData, which provides edge data centre opportunities to underutilised real estate spaces across office and other sectors. LIC edge data centres have compelling fundamentals compared to traditional air-cooled data centres and our early mover advantage can allow us to unlock new rental income whilst also generating new Group revenues from the 'OpCo' offering, which we believe will grow to be a meaningful contributor to the Group's earnings over time.

We intend to scale our business with a particular focus on our newly established alternative vehicles. This includes opportunities to roll out LIC edge data centres across suitable offices and other property sectors and the expansion real estate credit revenues. We aim to maintain our diversification as a strong, unique point of difference for our investors.

We believe FY25 will be an important transitional period for real estate markets. We have witnessed European, US and New Zealand official treasury rates commence easing cycles leading up to the date of this report and most commentators believe that a similar easing bias will be evidenced in Australia during FY25. The prospect of a lower domestic interest rate environment is inherently positive for real estate markets both in terms of market confidence and valuation stability. This is already playing out in New Zealand where there have been multiple reductions in the official cash rate as at the date of this report. As a marketplace Centuria is exposed to, it is rewarding to witness increased business activity and market confidence in New Zealand even at these early stages.

Centuria has provided FY25 OEPS guidance of 12.0 cps and DPS guidance of 10.4 cps. This guidance is set at levels that reflect our best estimate of earnings based on the current market conditions.

As always, we thank our team across Australia, New Zealand and the Philippines for their drive and dedication throughout a challenging operating period. Similarly, we thank the Chairman and Board of Directors across the Group and Responsible Entity boards as well as our external committees whose guidance and support are invaluable.

Jason Huljich and I want to offer a special vote of thanks to Centuria's Chairman, Garry Charny. Since accepting the Chairmanship in 2016 Centuria's AUM has grown from $1.9 billion to over $21 billion at present with the Group now included in the S&P ASX 200 index. Over this time the Group has transitioned from a base of office funds to a diversified asset pool including industrial, healthcare, agriculture and real estate credit.

Garry is stepping down at the forthcoming AGM and the Board has unanimously elected Ms Kristie Brown to take up the Chairmanship role.

Most of all we thank you, our securityholders, for your ongoing support. We look forward to updating you throughout FY25.



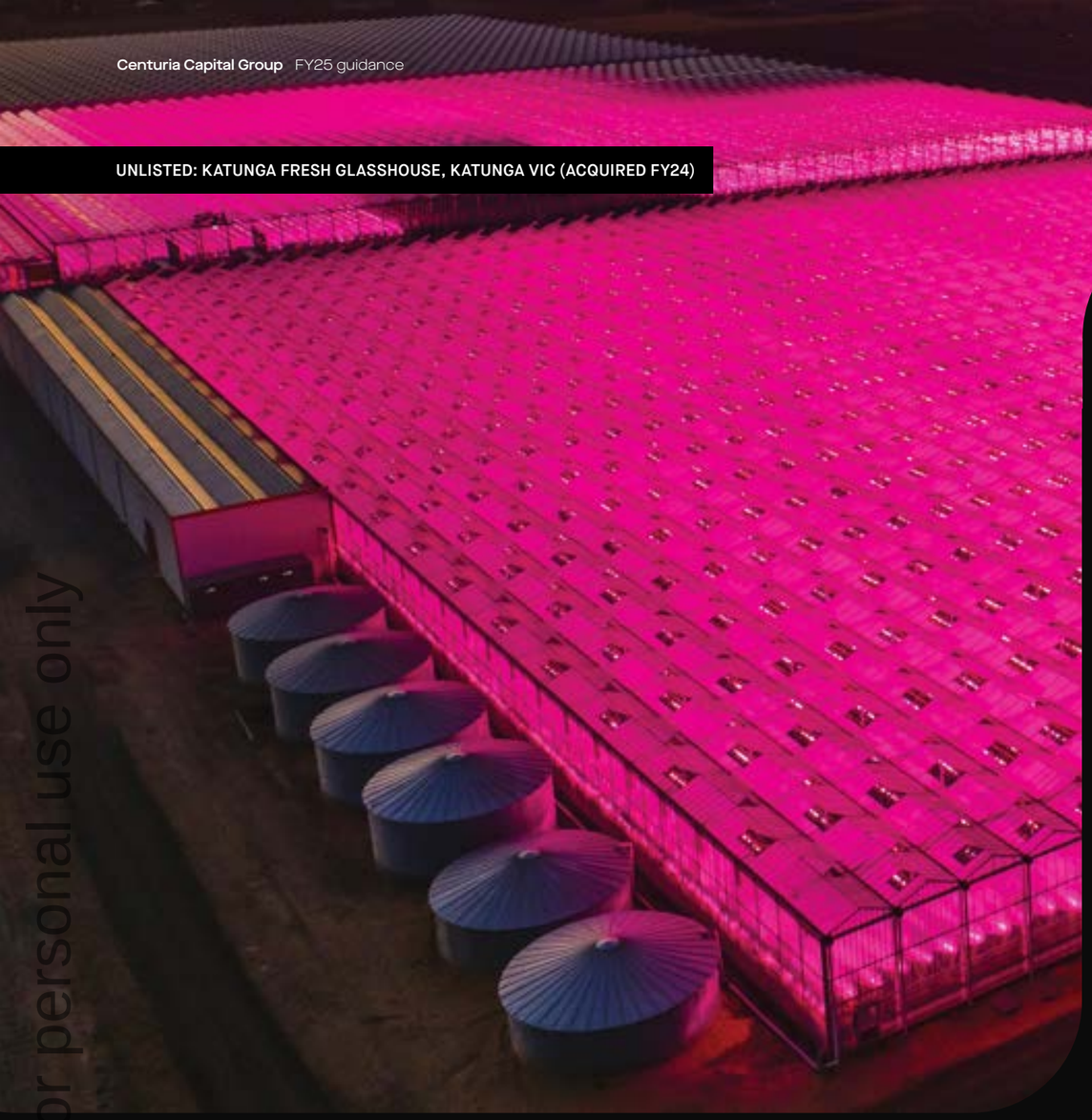
John McBain

JOINT CEO



Jason Huljich

JOINT CEO



UNLISTED: KATUNGA FRESH GLASSHOUSE, KATUNGA VIC (ACQUIRED FY24)

For personal use only

FY25 guidance

12.0 cps (+2.5% over FY24)

FY25 OEPS guidance[1]

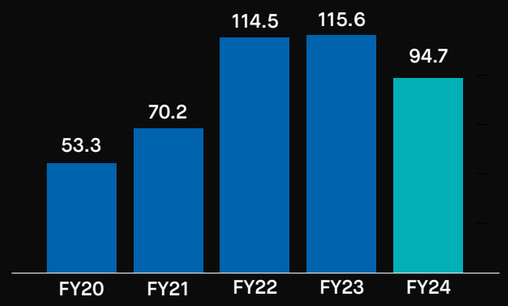
10.4 cps (+4% over FY24)

FY25 DPS guidance[1]

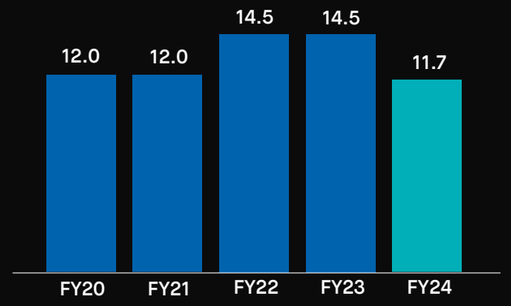
1. FY25 guidance announced 22 August 2024.

Key financial metrics

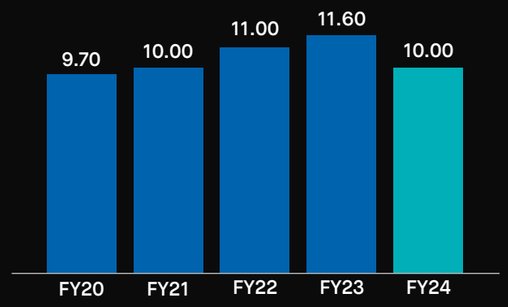
Operating net profit after tax ($m)[1]



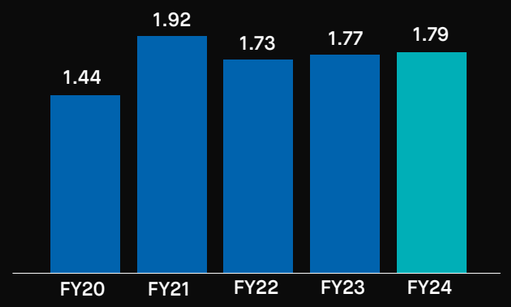
Operating earnings per security[2] (cents)



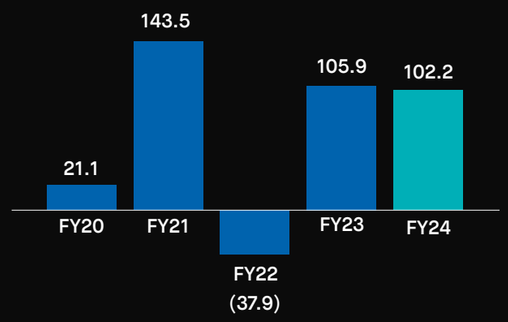
Distributions per security (cents)



Net assets per security ($)[3]

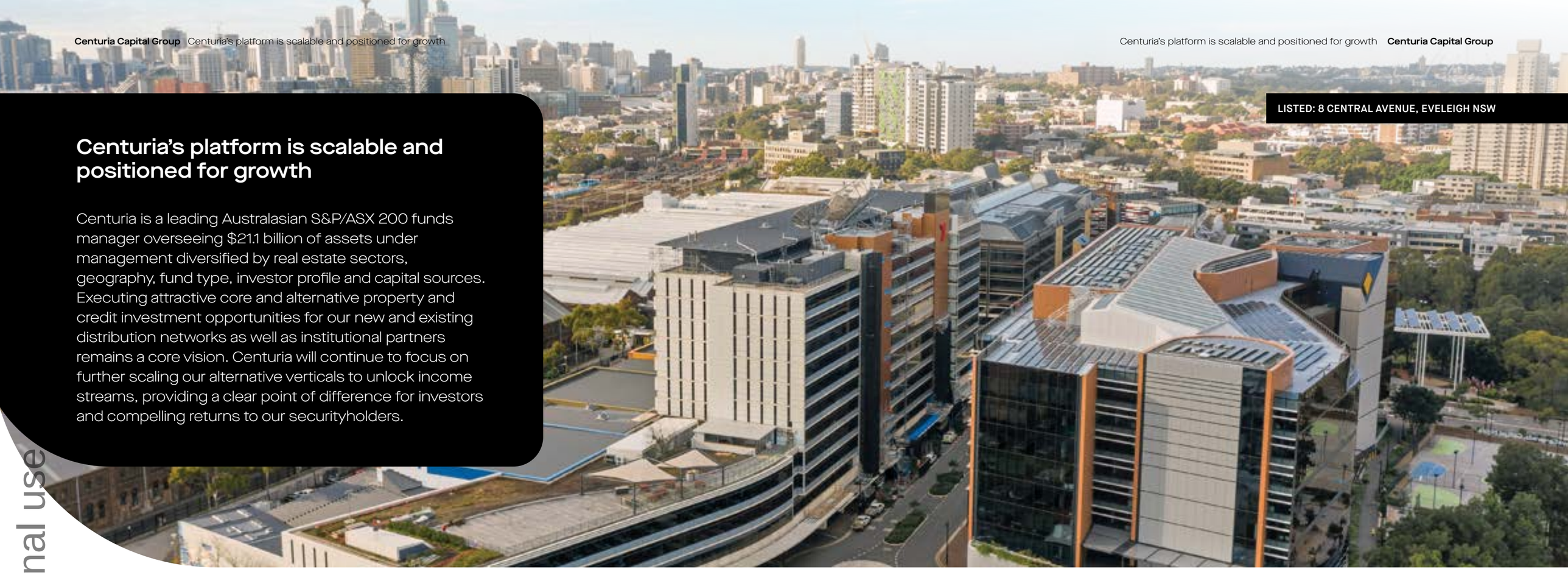


Statutory net profit after tax ($m)[4]



1. 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.
2. Operating EPS is calculated based on the operating NPAT of the Group divided by the weighted average number of securities.
3. Number of securities on issue 30 June 2024: 823,959,585 (at 30 June 2023: 799,796,794).
4. Attributable to CNI securityholders.

Centuria's platform is scalable and positioned for growth Centuria Capital Group



LISTED: 8 CENTRAL AVENUE, EVELEIGH NSW

Centuria's platform is scalable and positioned for growth

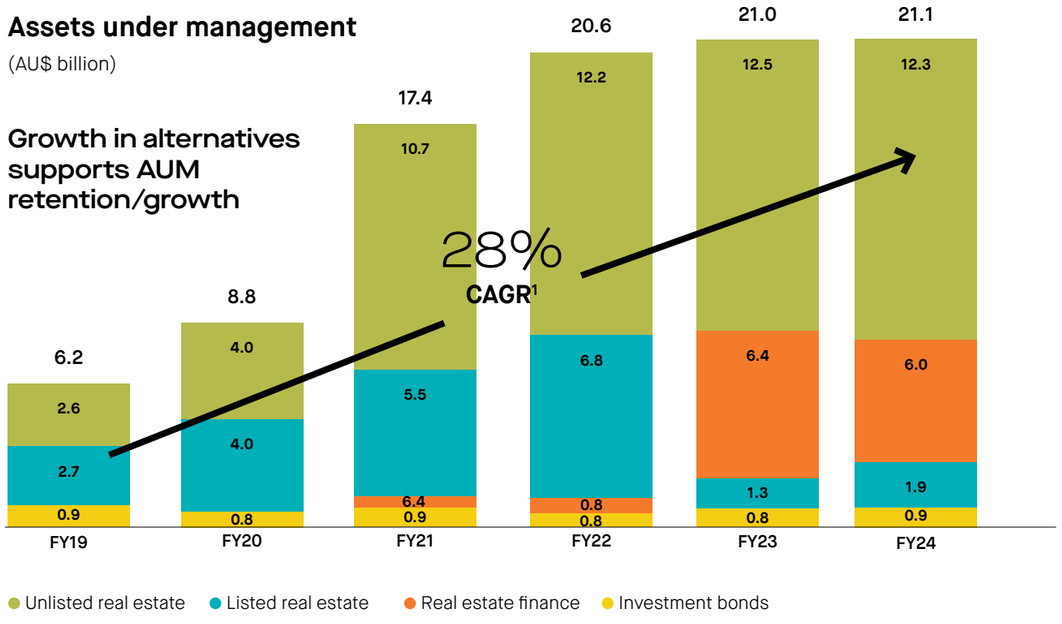
Centuria is a leading Australasian S&P/ASX 200 funds manager overseeing $21.1 billion of assets under management diversified by real estate sectors, geography, fund type, investor profile and capital sources. Executing attractive core and alternative property and credit investment opportunities for our new and existing distribution networks as well as institutional partners remains a core vision. Centuria will continue to focus on further scaling our alternative verticals to unlock income streams, providing a clear point of difference for investors and compelling returns to our securityholders.

For personal use

Assets under management

(AU$ billion)

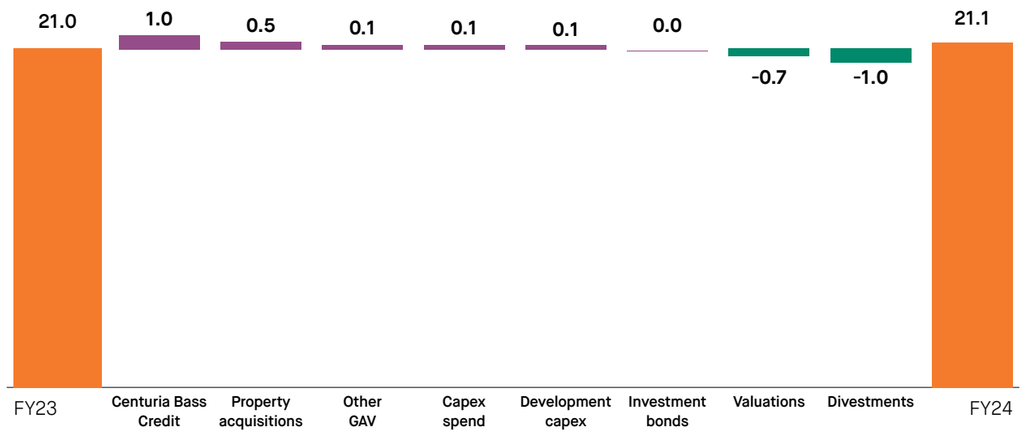
Growth in alternatives supports AUM retention/growth



1. CAGR calculated from 30 June 2019 to 30 June 2024.

FY24 Group AUM movement[1]

(AU$ billion)



Note: 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). Numbers presented may not add up precisely to the totals provided due to rounding.
1. AUM includes assets exchanged to be settled, cash and other assets and the impact of revaluations during the period.

Fund and capital allocation across Centuria's platform **Centuria Capital Group**

Fund and capital allocation across Centuria's platform

Our disciplined capital allocation offers diverse investment options to suit various risk/return preferences.

	SECTOR							
		Office	Industrial	Real estate finance	Daily needs retail	Large format retail	Healthcare	Agriculture
FUND TYPE/CAPITAL SOURCE	**AUM ($ bn)[1,2]**	**6.7**	**6.0**	**1.9**	**1.6**	**1.6**	**1.5**	**0.6**
Unlisted closed ended single and multi-asset	**9.0**	3.3	1.1	1.2	1.0	1.3	0.5	0.1
Listed REITs	**6.0**	2.1	3.9	-	-	-	-	-
Unlisted open ended	**3.0**	0.2	0.7	0.4	0.2	0.3	0.7	0.5
Unlisted institutional	**2.2**	1.1	0.3	0.1	0.4	-	0.3	-

For personal use only

$2.3 billion of total transaction activity

FY24 transaction fee income of $21.4 million includes acquisition, financing, underwriting and sales fees.

$34 million

FY23 acquisition activity settled in FY24

$1.3 billion

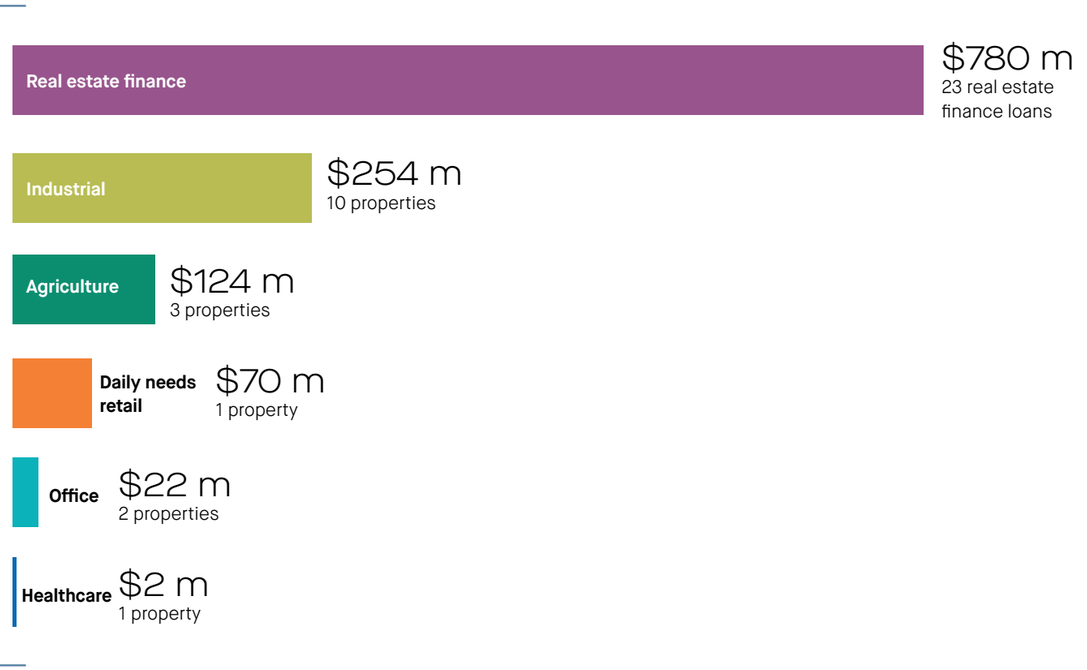
FY24 gross real estate activity

- $780 million real estate finance
- $310 million real estate acquisitions
- $160 million exchanged yet to settle

$1.0 billion

FY24 divestments and repayments

- $635 million real estate divestments
- $401 million real estate finance repayments



Note: 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). Numbers presented may not add up precisely to the totals provided due to rounding.
1. AUM includes assets exchanged to be settled, cash and other assets and the impact of revaluations during the period.
2. Platform total of $20.2 billion includes Other AUM of $0.2 billion.



LISTED: 1 ASHBURN ROAD, BUNDAMBA QLD

For personal use only

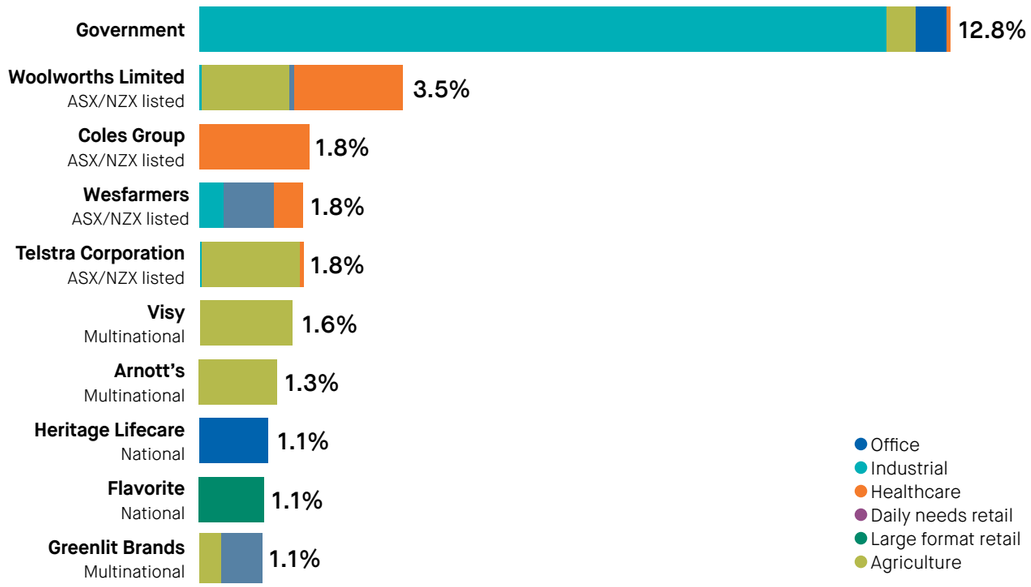
Platform[1] diversification reduces concentration risk and supports AUM retention/growth

		Office	Industrial	Healthcare	Daily needs retail	Large format retail	Agriculture	Total avg.	
Avg. asset	$ m	94	36	18	37	37	42	43	Aids platform liquidity through exposure to a wider transaction pool.
Occupancy	%	90	98	97	97	97	100	96	High occupancies, strong leasing track record.
Avg. tenancy	sqm	726	5,958	817	457	1,023	N/A	1,416	Smaller tenancies can appeal to a deeper pool of occupiers.
WALE	years	4.1	6.9	10.2	5.8	4.0	13.3	5.7	Staggered profiles with secure income streams and opportunities to capture some compelling rent reversions.

1. Aggregated across funds managed by Centuria and not representative of any single fund or property.

Strong asset management success stems from our integrated management and high quality tenants

Centuria platform's top 10 tenants by income (%)[1,2]



Centuria's ability to effectively manage assets across our platform benefits from integrated commercial property services and an active management approach.

Solid real estate platform metrics[1,2]

c.400
assets

c.2,449
tenants

6.28%
weighted average

96.2%
platform's total occupancy by area

5.7 years
platform's weighted average lease expiry (WALE) by income

$43 million
average asset value

99.0%
average rent collected over entire platform

630,000 sqm+
FY24 leasing terms agreed (483 deals)

1. Aggregated across funds managed by Centuria and not representative of any single fund or property.
2. Excludes land, development assets, US syndicates, Centuria Bass Credit, assets exchanged yet to be settled.



UNLISTED: 33 BROADWAY, NEWMARKET, AUCKLAND NZ

For personal use only

$2.2 billion development pipeline to seed funds **Centuria Capital Group**

$2.2 billion[1] development pipeline to seed funds

Development projects include opportunities to upgrade, refurbish and redevelop properties to create high quality investment assets for our listed and unlisted funds.

$0.3 billion
FY24 gross development completions

$2.2 billion pipeline[1]
estimated value on completion:
Committed: $0.6 billion[2]
Future: $1.6 billion[3]

$1.0 billion industrial pipeline adds to Centuria's future development pipeline

CNI strategically uses its balance sheet to seed and expand its property funds
($47.6 million carrying value)

For personal use only

FY24 completed development GAV
$323 million across five separate projects including:

90 Bolinda Road
$116 million (CIP)

Munroe Lane
$116 million (APL)

75-97 Ricketts Road
$47 million (CHPF)

204 Bannister Road
$31 million (CIP)

860 Great South Road
$13 million (CNZIF)

Select project commencements[4]



$1 billion industrial pipeline

- Five-year development pipeline focused on key growth areas, capitalising on long standing industrial trends by providing multi-level facilities, cold storage/food logistics, data and distribution centres.
- Optionality to activate embedded value to create new, high quality industrial assets.



Private hospital development

- Four-level facility with four operating theatres, imaging, chemotherapy clinic and 30 beds.
- Est. completion value: $75 million
- Est. completion: late 2024



Repositioning office building to high end self storage

- Four-level 4,400 sqm: facility featuring temperature controlled wine storage, high security vaults, upscale retail.
- Est. completion value: NZD$55 million
- Est. completion: late 2025

1. Development projects and development capex pipeline, including fund throughs.
2. Committed pipeline includes planning commencements and projects under construction.
3. Includes opportunities undergoing development assessments or pre-planning approvals.
4. Artist impressions.

Unlisted property

$14.2 billion AUM

Centuria has a strong weighting to unlisted property funds (70%). Centuria's unlisted funds are supported by our 14,000 strong investor base and are a resilient, defensive linchpin of our success.

7
funds in the top 10 index[1]

$0.6 billion
new institutional capital

$0.55 billion
FY24 unlisted capital raising inflows

47%
unlisted AUM with no expiry or expiry review dates at or beyond five years

34%
unlisted AUM with no fund expiry review date

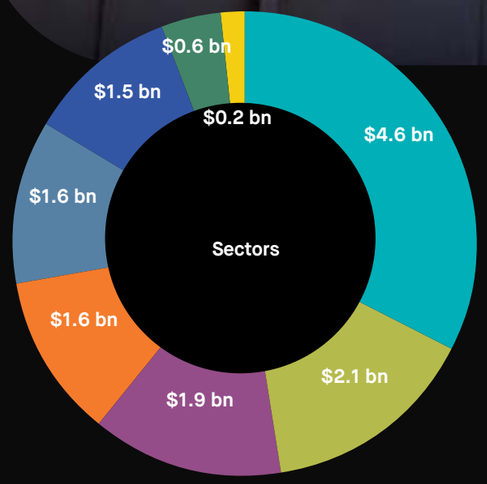
$6 million
FY24 recognised performance fees

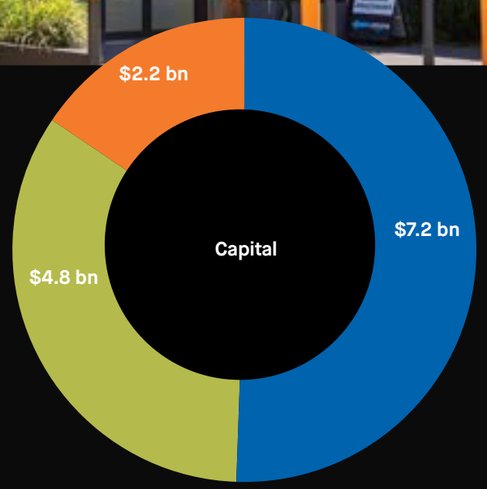
$112 million
FY24 latent unrecognised performance fees[2]

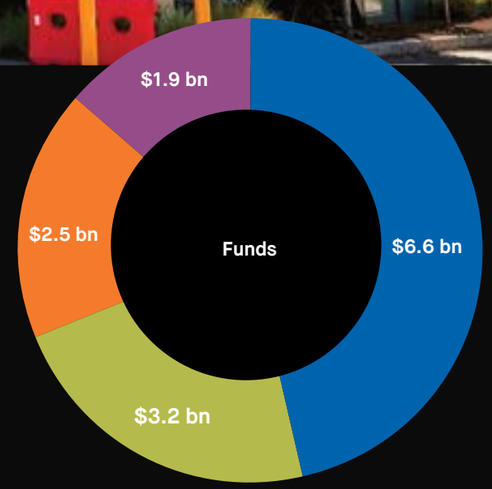
1. Seven of Centuria's unlisted funds were included in the top 10 Property Council of Australia/MSCI Australia Unlisted Retail Quarterly Property Fund index for the last four reporting periods.
2. The total amount of latent (unrecognised) future performance fees available to the Group are estimated at $112 million. Unrecognised performance fees are estimated based on current property valuations adopted within each fund and due to inherent uncertainties in relation to the future performance of each property do not qualify for recognition in the current period under Centuria's revenue recognition policy and may not entirely eventuate.



LISTED: 2-8 LEXINGTON DRIVE, BELLA VISTA NSW







For personal use only

Listed property

$6.0 billion AUM

CIP and COF – Australia's largest ASX-listed pure play industrial and office REITs



ASX:CIP
CENTURIA INDUSTRIAL REIT

16.1%
CNI co-investment[5]
highly aligned to an experienced real estate funds manager

$3.9 billion
AUM across 89 high quality assets

43%
FY24 avg. re-leasing spreads[1]

$1.0 billion
development pipeline[2]

97%
occupancy[3]

7.6yr
WALE[3]

$120 million
divestments strengthen balance sheet and demonstrate liquidity

34.5%
gearing[4], staggered debt, no expiry before FY26

93%
hedging at 30 June 2024

Index inclusions: S&P/ASX 200 index and FTSE EPRA Nareit Global Developed index

For personal use only



ASX:COF
CENTURIA OFFICE REIT

18.9%
CNI co-investment[5]
highly aligned to an experienced real estate funds manager

$2.0 billion
AUM across 19 high quality assets

211,700 sqm
c.77% portfolio NLA leased since COVID-19

93%
occupancy[3]

4.3yr
WALE[3]

$139 million
divestments demonstrate liquidity, proceeds used to repay debt

41.3%
gearing[4]

$862 million
refinanced, with no debt expiry until FY28

63%
hedging at 30 June 2024

Index inclusions: S&P/ASX 300 index and FTSE EPRA Nareit Global Developed index

1. On a net rent basis compared to prior passing rents. FY23 avg. re-leasing spreads of 30%.
2. Estimated value on completion. Includes land, development cost and estimated development upside.
3. By income.
4. Gearing is defined as total borrowings less cash divided by total assets less cash.
5. Includes ownership by associates of Centuria Capital Group.

LifeGoals investment bond

LifeGoals investment bond is a simple, tax effective solution to achieve long term financial goals.

$0.9 billion
AUM

7.9%
total Australian investment bond market share[1]

Approved by a wide range of dealer groups nationally

43 fund options
including two ESG fund options

Assets under management	FY24 ($m)	FY23 ($m)	FY24 change (%)	FY24 flows (applications) ($m)	FY24 flows (redemptions) ($m)
Prepaid funeral plans (Guardian)[2]	543.5	539.7	-0.70%	35.5	-48.2
Unitised bonds (Centuria Life)	216.7	222.4	-2.56%	3.6	-20.9
Centuria LifeGoals	94.9	58.1	63.33%	33.5	-3.6
Total	**855.1**	**820.2**	**4.25%**	**72.7**	**-72.7**

1. Plan for Life report 31 March 2024.
2. Centuria Life Limited (CLL) is the key service provider to Over Fifty Guardian Friendly Society.

For personal use only

Our Sustainability Framework

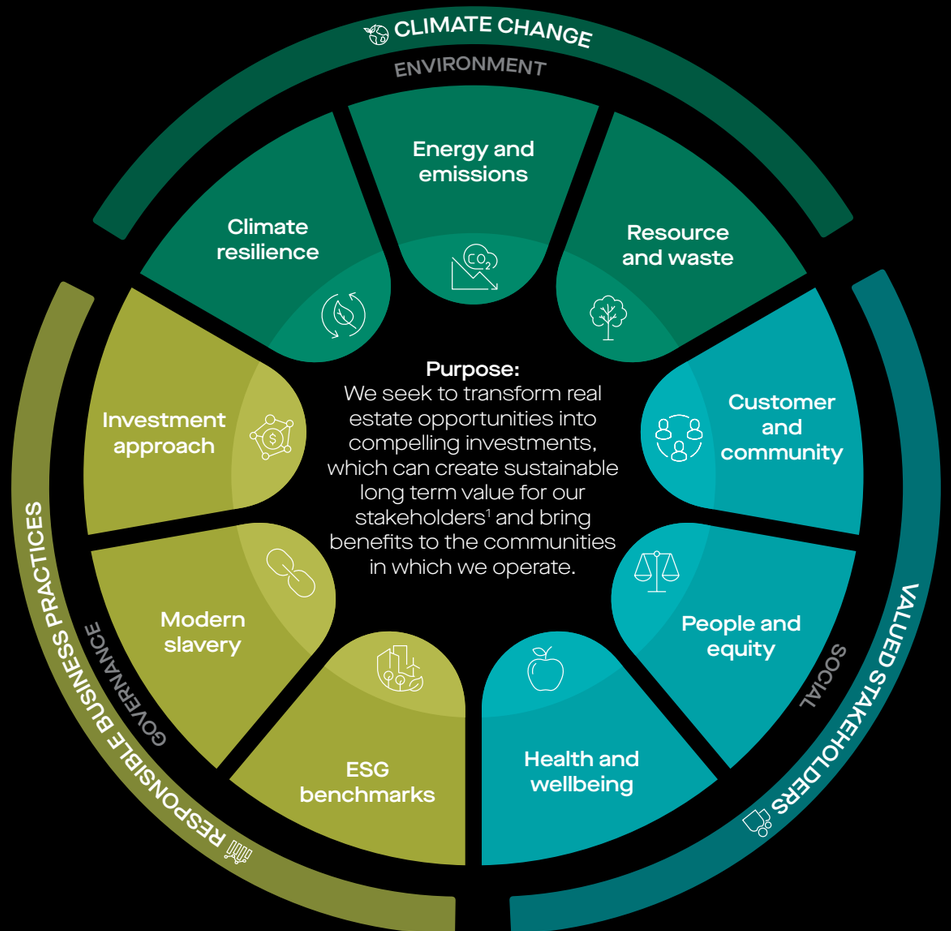
At Centuria, we are seeking to better understand the environmental, social and governance (ESG) implications of our operations and how we can effectively respond to these going forward.

Our approach to ESG is defined by Centuria's Sustainability Framework, a framework that outlines our ESG focus areas and helps to guide our related initiatives. These include climate change-related initiatives, which are addressed through the 'climate change' sustainability pillar.

Centuria's revised Sustainability Framework (revised in 2024) helps to drive the interaction and interdependence between Centuria's purpose, sources of value and business ESG strategy, while seeking to consider the interests of key stakeholders, as we understand them.

It comprises three pillars, the first of which is our focus in this report:

- Environment: Climate change
- Social: Valued stakeholders
- Governance: Responsible business practices



1. In the context of Centuria's purpose statement, Centuria Capital Group defines stakeholders as our investors, our tenant customers, our colleagues and our lending partners.

We have developed the Centuria Sustainability Framework to help us better understand the ESG impacts of our activities and to assist in driving improvements in those impacts through our ESG strategy.

	Climate change	Valued stakeholders	Responsible business practices
Objective	Environmental outcomes that can help to mitigate climate-related risks and opportunities.	Create shared value with our stakeholders.	Maintain honest, transparent and respectful business practices.
Overview	Increasing severity in weather patterns have the potential to impact both Centuria's business and the communities in which we operate. In response, we are striving to build strategic resilience into our operations to reduce the impact of future potential climate-related risks, both physical and transitional, in assets we manage.	For the purpose of the valued stakeholders pillar, we define valued stakeholders as customers, tenants, investors, suppliers, government, industry bodies, employees and communities in which we operate. As an asset and funds manager, we are working to understand how we can create shared value with these groups for our mutual benefit.	Centuria seeks to achieve honest, transparent and responsible business practices by investing in both our processes and people. By integrating ESG measures into our governance framework – including our Sustainability Framework – we aim to continue building an ethical and collaborative culture.
Focus areas	**Climate resilience** Build strategic resilience to potential future impacts of climate change. **Energy and emissions** Monitor and reduce energy consumption and GHG emissions in line with Centuria's targets. **Resources and waste** Manage natural resources and minimise waste.	**Customer and community** Engage our customers and community to create shared value. **People and equity** Focus on promoting growth for our people and encourage diversity, equity and inclusion. **Health and wellbeing** Prioritise the health and wellbeing of our staff and customers.	**Investment approach** Embedding ESG considerations into our asset acquisition processes. **Modern slavery** Seek to minimise modern slavery in our supply chain. **ESG benchmarks** Where appropriate, assess assets and portfolios against relevant ESG benchmarks and explore third party sustainability certifications such as Green Star.
Alignment to UN SDGs	7 AFFORDABLE AND CLEAN ENERGY 11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION	3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 5 GENDER EQUALITY 10 REDUCED INEQUALITIES 16 PEACE, JUSTICE AND STRONG INSTITUTIONS 17 PARTNERSHIPS FOR THE GOALS	8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Centuria's activities and progress across all three pillars of the Sustainability Framework in both New Zealand and Australia are detailed in **Centuria's Annual Sustainability Report**.

FY24 ESG highlights: CNI

Climate change

Centuria New Zealand released its first climate related disclosures.

Targeting the elimination of gas and diesel in operations (scope 1) for Centuria and COF where practicable by 2035[1]: Commenced electrification across c.50,000 sqm of COF NLA.

Targeting zero scope 2 emissions by 2035 for Centuria and 2028 for CIP and COF[2]: In FY24, Centuria's Australian corporate offices sourced the equivalent of 100% renewable energy.[3]

c.1,125 kW solar installed during FY24[4] increasing total installed capacity to c.9,600 kW.[5]

Valued stakeholders

450 hours volunteered in Australia and New Zealand and over $112,000 raised for community groups.[6]

89% of Centurians surveyed recommend Centuria as a great place to work.

43% female representation on CNI Board (up from 29% in FY23) and 45% female staff.

Mental health, medical and safety support platform implemented for all AU and NZ staff and their families.

New agreement with Two Good Co developed to use soap products in select assets: Two Good Co is a social enterprise that employs and empowers vulnerable women.

Responsible business practices

Centuria Sustainability Framework revised.

Over 9,000 training courses completed by all Centuria employees across cybersecurity, compliance competencies, risk and safety.

FY24 Centuria sustainability report expected to be released by November 2024.

Our memberships and industry participation

Member of the Diversity Council of Australia

Member of the Green Building Council of Australia

Member of the Property Council of Australia

Supporting partner of Healthy Heads[7]

Supported the pilot of the NABERS Energy rating tool for retail stores

Member of the Property Funds Association

1. Centuria and COF will focus on eliminating gas and diesel where practicable, from equipment owned and operated by the Group. Gas and diesel equipment owned and operated by our tenants is excluded from Centuria's sustainability target.
2. Centuria, CIP and COF will account for zero Scope 2 emissions by being powered by the equivalent of 100% renewable electricity through a combination of onsite solar and large scale generation certificate deals which match our consumption.
3. Achieved through the purchase of GreenPower and large scale generation certificate deals which match our corporate office electricity consumption.
4. 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.
5. Approximately 9,600 kW of solar is installed across assets in COF, CIP and Unlisted Funds, excluding solar installations by our tenants.
6. Corporate donations and employee fundraising directed to not-for-profits from Australian and New Zealand activities, including Centuria Bass.
7. CIP are supporting partners of Healthy Heads.

For personal use only



1055 NUMURKAH ROAD, KATUNGA VIC

Board of Directors



For personal use only

Jason Huljich

EXECUTIVE DIRECTOR
AND JOINT CEO

Garry Charny

CHAIRMAN

Susan Wheeldon

INDEPENDENT NON-
EXECUTIVE DIRECTOR

John Slater

INDEPENDENT NON-
EXECUTIVE DIRECTOR

Kristie Brown

INDEPENDENT NON-
EXECUTIVE DIRECTOR

John McBain

EXECUTIVE DIRECTOR
AND JOINT CEO

Joanne Dawson

INDEPENDENT NON-
EXECUTIVE DIRECTOR

For personal use only



Garry Charny

CHAIRMAN AND INDEPENDENT NON-EXECUTIVE DIRECTOR

Garry was appointed as Chairman of the Centuria Capital Group Board on 30 March 2016. He has significant board level experience with listed and unlisted companies across a diverse range of sectors including property (Trafalgar Corporate, which became 360 Capital, and Manboom); retail (Apparel Group, Sportscraft, and Saba); technology (General Electric EcXpress and 1st Available) and media (Boost Media, Macquarie Radio, Spotted Turquoise Films and April Entertainment).

Currently, he is Chairman, Managing Director and founder of Wolseley Corporate, an Australian corporate advisory and investment house that consults on local and international transactions in the USA, United Kingdom, Singapore, India and throughout South-East Asia. Wolseley specialises in mergers and acquisitions, strategic corporate advice and contentious matters resolution.

Garry is also Chairman of High End, an AI driven fashion tech company, and Chairman of Shero Investments, a Sydney based investment company.

In December 2022, he was appointed a Board Member of Racing NSW.

Previously, he was co-founder and Chairman of Boost Media International, an international media advisory business with offices in Sydney, New York, Toronto, Kuala Lumpur and Delhi. He was also President of Boost Media LLC (USA).

From 1983 to 1995, Garry practised as a Barrister-at Law at the Sydney Bar specialising in corporate, commercial, equity and media. He was an Adjunct Lecturer in Law at the University of NSW.



Kristie Brown

INDEPENDENT NON-EXECUTIVE DIRECTOR

Kristie is an experienced real estate investment and legal professional who was appointed to the Centuria Board on 15 February 2021 as an Independent Non-Executive Director as well as a member of the Group's Audit, Risk and Compliance Committee (ARCC) and the Conflicts Committee.

Kristie has a background in corporate law with over 17 years' experience in funds management and M&A. She has practiced at Clayton Utz and Ashurst (then, Blake Dawson Waldron) and has considerable experience working with large corporations, fund managers, financial institutions, private equity and hedge fund operators, real estate investment trusts, developers and financiers.

Subsequent to her legal career, Kristie established a private investment business, Danube View Investments, which primarily operates in the Australian property sector.

Kristie is also a founding partner of investment firm, Couloir Capital, which was established in 2020 to invest its own capital in unique investment opportunities and to introduce such opportunities to like-minded family office and high net worth investors.



John McBain

EXECUTIVE DIRECTOR AND JOINT CEO

Joint CEO John McBain's 40-year real estate career commenced after graduating from Auckland University with a valuation qualification. His experience spans the commercial and industrial markets in Australia, NZ and UK and the healthcare and agriculture sectors.

He is an executive director of Centuria Capital Limited, Centuria Life Limited, Centuria Healthcare Pty Limited and Centuria Property Funds No. 3 Limited (formerly Primewest Management Limited) and a director of Centuria Bass Credit Pty Limited. John is a director of NZX-listed Asset Plus Limited (NZX: APL). He also serves on the Centuria NZ and Centuria Healthcare Management committees.

John is a co-founder of Centuria Capital Limited and is responsible for Centuria's corporate team. This remit includes corporate strategy, M&A and leadership of the Finance, Governance, Compliance, Investor Relations, Communications and ESG teams. He also serves on the Non-Financial Risk Committee and the ESG Management Committee.

John has been instrumental in the integration of several businesses into the Centuria group, including the 360 Capital Group, Heathley Asset Management (now Centuria Healthcare), Augusta Capital Limited (now Centuria NZ) and the Primewest Group. These acquisitions, together with a successful asset program overseen by fellow joint CEO Jason Huljich, has seen the pair oversee significant corporate growth over the past 28 years culminating in Centuria Capital Limited entering the S&P ASX 200 index in 2021 with the group now managing $21 billion of assets.



Jason Huljich

EXECUTIVE DIRECTOR AND JOINT CEO

Joint CEO Jason Huljich's 28-year real estate career spans the commercial and industrial real estate sectors. Jason is a co-founder of Centuria Capital Limited and along with Joint CEO, John McBain, collectively oversee $21 billion of assets under management.

Jason is chiefly responsible for the company's real estate portfolio and funds management operations including the listed Centuria Industrial REIT (ASX:CIP) and Centuria Office REIT (ASX:COF), as well as Centuria's extensive range of unlisted funds across Australia and New Zealand.

Since Centuria was established, Jason has been pivotal in raising over $5 billion for the listed and unlisted vehicles. He has been central to positioning Centuria as Australia's fourth largest external property funds manager. CNI and CIP are included in the S&P/ASX 200 index. COF is included in the S&P/ASX 300 index. CIP and COF are part of the FTSE EPRA Nareit Global index.

Jason has a hands-on approach to the real estate operations throughout the Group's platform. The Transactions, Development, Funds Management, Distribution, Marketing and Asset Management teams all report directly to him.

Jason is a Property Funds Association (PFA) of Australia past President. The PFA is the peak industry body representing the $125 billion direct property investment industry. Jason currently sits on the Property Council's Capital Markets Division Committee.



John Slater

INDEPENDENT NON-EXECUTIVE DIRECTOR

John was appointed as a financial adviser to Centuria Life Limited in 2011 and as a member of its Board in 2013. On 22 May 2013, he was appointed as a Director of Centuria Capital Limited. He also serves on the Nomination and Remuneration Committee

John was previously a senior executive at KPMG Financial Services prior to establishing a financial advisory practice. Since the sale of that practice, he has focused on consulting activities and his non-executive roles with Centuria.

John has deep experience in all financial market sectors gained during his 36-year career. Over this time, he has been directly involved with investments and investment committees and sits on the Investment Committees of Centuria Life and the Over Fifty Guardian Friendly Society Limited. John continues to be active in investment committee activities in other non-aligned financial groups.



Susan Wheeldon

INDEPENDENT NON-EXECUTIVE DIRECTOR

Susan joined the Centuria Capital Group Board as an Independent Non-Executive Director in August 2016. She brings extensive experience across international commercial markets within ICT, real estate, legal, aviation and online retail sectors.

Currently, Susan is Airbnb's Country Director for Australia, New Zealand and Oceania. Previously, she served in a number of roles, including Head of Government, Performance and Agency at Google, working with major national and global companies.

During her career, Susan has held senior positions in Australia and the United Kingdom across a diverse range of industries including global law firms DLA Piper and King & Wood Mallesons, working with the Virgin Australia and Virgin Atlantic airline brands, as Vice President of Groupon, and as Head of Brand and Retail at AMP Capital Shopping Centres.

She holds an MBA from University of NSW (AGSM), and is a member of Australian Institute of Company Directors as well as holding a Corporate Director's Certificate from Harvard Business School.



Joanne Dawson

INDEPENDENT NON-EXECUTIVE DIRECTOR

Joanne Dawson joined the Centuria Board as an Independent Non-Executive Director as well as a member and Chair of the Group's Audit, Risk and Compliance Committee (ARCC) in November 2023.

Ms Dawson has experience in highly regulated, service businesses coupled with a long history of corporate transactions. She is presently a Non-Executive Director of PSC Insurance Group Limited (ASX:PSI), AMA Group Limited (ASX:AMA), Pacific Current Group Limited (ASX:PAC), Bank First Ltd, PetSure (Australia) Pty Ltd and an Independent Trustee Director and Chair of the Investment Committee of Vision Super.

Her previous board experience includes Templeton Global Growth Fund Limited (ASX:TGG). She worked with Deloitte in both Australia and the USA in their Financial Services, Assurance and Advisory Division including as a consultant to the US Department of Housing and Urban Development. She was also founder and CEO of Executive Wealth Strategies, is a Chartered Accountant and a Fellow of the Australian Institute of Company Directors. She has a Bachelor of Commerce from the University of Melbourne and a Master of Business Administration from RMIT.

For personal use only

Senior executives



For personal use only

John McBain

EXECUTIVE DIRECTOR AND JOINT CEO

Jason Huljich

EXECUTIVE DIRECTOR AND JOINT CEO



Simon Holt

CHIEF FINANCIAL OFFICER

As Chief Financial Officer, Simon has been responsible for Centuria's finance, information technology and treasury functions since 2016. Alongside the Joint CEOs, Simon is responsible for the Group's expansion across Australia, New Zealand and the Philippines, and he has been instrumental in debt and equity raisings across all the Centuria listed entities, in particular Centuria Capital Limited.

Simon has more than 25 years' experience across local and global financial markets and has held a range of senior financial positions which include Westfield Group and Westfield Trust. He is a Chartered Accountant and holds a Bachelor of Business degree (Accounting and Marketing majors) from the University of Technology, Sydney (UTS). He is also a Member of Australian Institute of Company Directors and a licenced Class 1 Agent for Real Estate Sales, Leasing and Auctions.



Anna Kovarik

GROUP CHIEF RISK OFFICER AND COMPANY SECRETARY

Anna joined Centuria as General Counsel and Company Secretary in 2018 and was promoted to Group Chief Risk Officer and Company Secretary in 2020. She is an experienced governance professional having worked with ASX-listed and unlisted boards, predominantly within the listed property and financial services sectors.

In her current role at Centuria, Anna is responsible for legal, risk management, regulatory compliance, insurance and governance activities across the Group.

Anna is a member of the Senior Executive Committee, the Non-Financial Risk Committee and the ESG Management Committee. She holds an Executive MBA from the University of Sydney and is a member of the Australian Institute of Company Directors and a Non-Executive Director of the Illawarra Community Housing Trust.



Mark Francis

CEO - CENTURIA NEW ZEALAND

CEO of Centuria's New Zealand division, Mark Francis, has a career spanning more than 25 years across financial and real estate markets. He founded Augusta Capital in 2001 and assumed his current position at the helm of Centuria's New Zealand entity following the companies' merger. He is a board member of the Centuria Funds Management NZ and the Centuria NZ Industrial Fund as well as a Centuria Capital Senior Executive Committee member. He is also Managing Director of the NZX-listed Asset Plus Limited (NZX: APL). Mark is responsible for overseeing an NZD $2.5 billion real estate portfolio spanning office, industrial, healthcare, retail, agriculture and tourism assets across listed and unlisted funds while managing a team of more than 40 staff across three offices. Mark graduated from the University of Otago with a Bachelor of Commerce (Finance).



Andrew Essey

CHIEF INVESTMENT OFFICER

As Chief Investment Officer, Andrew is responsible for the Group's investment strategy, transactions, and institutional capital. He has successfully executed more than $11 billion of direct real estate transactions for Centuria between 2017 and 2024. Andrew joined Centuria in early 2013 and has more than 17 years of experience across real estate capital transactions, leasing and funds management. He has held several senior positions within Centuria, including Group Head of Transactions, National Leasing Manager and Fund Manager. Prior to this, he worked in DTZ's Sydney agency for six years. Andrew holds a Bachelor of Business Administration from Radford University, Virginia, USA with a Major in Marketing and a Minor in Economics.



Andrew Hemming

MANAGING DIRECTOR, CENTURIA HEALTHCARE

As managing director of Centuria Healthcare, Andrew is responsible for strategic business growth, deal origination, asset transactions, and leads a team of healthcare property specialists. He has grown the business to 75 assets under management worth c.$1.5 billion (as at 30 June 2023). Andrew has more than 20 years of experience across investment markets and commercial real estate sectors, the latter focused on healthcare property. Andrew holds a Bachelor of Arts, majoring in Commerce, and a Master of Business Administration majoring in Accounting and Finance from Macquarie University.



Jesse Curtis

HEAD OF FUNDS MANAGEMENT

Jesse is Head of Real Estate Funds Management, responsible for both listed and unlisted property funds in the office, industrial, retail, healthcare and agricultural sectors. This includes Australia's largest ASX-listed pure-play office and industrial REITs (COF and CIP), institutional capital mandates and more than 100 open and closed-ended unlisted property funds with AUM exceeding $20 billion. Previously, he was Centuria's Head of Industrial and Centuria Industrial REIT (ASX:CIP) Fund Manager. Jesse joined Centuria in 2019 and has more than 17 years real estate experience across investment and funds management having held senior positions at Dexus, in capital transactions and portfolio management roles, and Goodman, in various industrial asset management roles. Jesse is an executive representative on the Property Funds Association's Executive Committee, a member of the Property Council of Australia's National: Industrial Roundtable committee and an associate of the Australian Property Institute. He holds a Master of Applied Finance from Macquarie University and Bachelor of Business (Property) from Western Sydney University.



André Bali

HEAD OF DEVELOPMENT

Since 2007, André has overseen all Centuria's project and property development functions, including development and debt funds. He is responsible for both passive and active management of Centuria's listed and unlisted portfolio including capital works, planning, strategic repositioning of assets to maximise returns, development and project management, joint ventures and partnerships and working closely with Centuria's leasing, capital transactions and funds management teams. André has more than 30 years of experience in development and investment management across numerous sectors including office, health, residential, industrial and retail. André sits on Centuria's Senior Executive Committee, Investment Committee, Risk Committees. He holds an Honours Degree in Applied Science from UNSW, Masters of Commerce (Land Economics) from UWS, and a Graduate Certificate of Finance from AGSM, AAPI, and MAICD.



Victor Georos

HEAD OF PORTFOLIO AND ASSET MANAGEMENT

Victor joined Centuria in 2013 and has operated in the commercial property markets for more than 30 years. He has previously held senior roles at GPT and Lendlease. In his role he is responsible for overseeing portfolio and asset management of Centuria's real estate assets, including the development and implementation of strategies to enhance value through active asset management and development. Victor has extensive experience in asset and investment management, development and funds management across the office, retail and industrial sectors, with a key focus on results and ability to build high performance teams across all sectors. He is a member of the Australian Institute of Company Directors and manages the Centuria Property Funds' Valuation program. Victor also serves on the Non-Financial Risk Committee and the ICT Steering Committee.

For personal use only



Michael Blake

HEAD OF CENTURIA LIFE

With more than three decades in the wealth management across blue chip Australian and multinational corporations, Michael Blake joined Centuria in 2016 and is currently the Head of Centuria Life. He is chiefly responsible for Centuria Life's P&L, strategic direction, funds under management growth, product development and reports directly to the Centuria Life Limited (CLL) Board. Prior to his current position, Michael was Head of Sales and Marketing at Centuria Property Funds Limited. Michael holds a Bachelor of Financial Administration from the UNE, a Diploma of Financial Planning from the RMIT, a MBA from Macquarie University and is a graduate of the Australian Institute of Company Directors. Michael has held Board and Investment Committee positions in Australia and New Zealand.



Emily Smith

HEAD OF OPERATIONS

Emily joined Centuria in mid-2016, holding various investment and corporate positions before her promotion to Head of Operations in 2022. Emily is responsible for the operational activities of the Group including policy and third-party governance, implementation of technology solutions, and development of efficient workflows to maximise productivity. Emily oversees registry services, IT support, cybersecurity, HR platforms including engagement analysis, document management, bank administration and is also the Internal Custodian for the Group. She manages a team that spans across Australia, New Zealand and the Philippines. Emily has 18 years of experience having worked for industry peers both in the financial services and property industries including Cromwell Property Group.



Thomasina Ralston

HEAD OF MARKETING

Thomasina joined Centuria in 2017 and is responsible for the Group's full end-to-end marketing strategy, planning and execution across Australia and New Zealand, which incorporates brand positioning, real estate capital fundraising campaigns and investment bond promotions. Thomasina has more than 20 years of marketing experience, with a focus on digital marketing within financial services. Her achievements in campaign management are recognised with marketing awards: MAX's 2022 Agency Campaign of the Year (winner) and MAX's 2022 Video Campaign of the Year (finalist).



Alexandra Koolman

GENERAL MANAGER – COMMUNICATIONS

Alexandra joined Centuria in early 2020 and is responsible for internal and external communications across Australia, New Zealand and the Philippines. This extends to communications for listed and unlisted equity and debt funds, corporate initiatives, ESG, development projects and investment bonds. She brings more than 20 years of experience from domestic and international markets within commercial property, residential, build to rent and property development.

Directors' report

For the year ended 30 June 2024

The Directors of Centuria Capital Limited (the Company) present their report together with the consolidated financial statements of the Company and its controlled entities (the Group) for the financial year ended 30 June 2024 and the auditor's report thereon.

ASX-listed Centuria Capital Group consists of the Company and its controlled entities including Centuria Capital Fund (CCF). The shares in the Company and the units in CCF are stapled, quoted and traded on the Australian Securities Exchange (ASX) as if they were a single security under the ticker code 'CNI'.

Directors and Directors' interests

Directors of Centuria Capital Limited during or since the end of the financial year are:

Name	Appointed	Resigned	Directorship of other listed companies
Mr Garry S. Charny	30 March 2016		None
Ms Kristie R. Brown	15 February 2021		None
Ms Joanne Dawson	28 November 2023		PSC Insurance Group Limited (ASX:PSI) AMA Group Limited (ASX:AMA) Pacific Current Group Limited (ASX:PAC)
Mr Jason C. Huljich	28 November 2007		None
Mr John E. McBain	10 July 2006		Asset Plus Limited (NZX:APL)
Mr John R. Slater	22 May 2013		None
Ms Susan L. Wheeldon	31 August 2016		None
Mr Peter J. Done	28 November 2007	17 November 2023	Centuria Industrial REIT (ASX:CIP)[1] Centuria Office REIT (ASX:COF)[2]

1. Director of Centuria Property Funds No. 2 Limited (CPF2L) as responsible entity for Centuria Industrial REIT.
2. Director of Centuria Property Funds Limited (CPFL) as responsible entity for Centuria Office REIT.

For personal use only

Mr Garry S. Charny, BA. LL.B.

INDEPENDENT NON-EXECUTIVE DIRECTOR AND CHAIRMAN

Experience and expertise

Garry was appointed as Chairman of the Centuria Capital Group Board on 30 March 2016. He has significant board level experience with listed and unlisted companies across a diverse range of sectors including property (Trafalgar Corporate, which became 360 Capital, and Manboom); retail (Apparel Group, Sportscraft, and Saba); technology (General Electric EcXpress and 1st Available) and media (Boost Media, Macquarie Radio, Spotted Turquoise Films and April Entertainment).

Currently, he is Chairman, Managing Director and founder of Wolseley Corporate, an Australian corporate advisory and investment house that consults on local and international transactions in the USA, United Kingdom, Singapore, India and throughout South-East Asia. Wolseley specialises in mergers and acquisitions, strategic corporate advice and contentious matters resolution.

Garry is also Chairman of High End, an AI driven fashion tech company, and Chairman of Shero Investments, a Sydney based investment company.

In December 2022, he was appointed a Board Member of Racing NSW.

Previously, he was co-founder and Chairman of Boost Media International, an international media advisory business with offices in Sydney, New York, Toronto, Kuala Lumpur and Delhi. He was also President of Boost Media LLC (USA).

From 1983 to 1995, Garry practised as a Barrister-at Law at the Sydney Bar specialising in corporate, commercial, equity and media. He was an Adjunct Lecturer in Law at the University of NSW.

Directorship of other listed companies

None

Responsibilities

- Chairman of the Centuria Capital Limited and Centuria Funds Management Limited Board
- Member of the Centuria Capital Limited and Centuria Funds Management Limited Nomination & Remuneration Committee
- Member of the Centuria Capital Limited and Centuria Funds Management Limited Conflicts Committee
- Member of the Centuria Capital Limited and Centuria Funds Management Limited Culture and ESG Committee
- Chairman of the Centuria Life Limited Board
- Member of the Centuria Life Limited Audit Committee
- Member of the Centuria Life Limited Risk & Compliance Committee
- Chairman of the Centuria Healthcare Pty Ltd Board

Interests in CNI

Ordinary stapled securities: 422,753

Ms Kristie R. Brown, B. Comm, B. Law (Hons)

INDEPENDENT NON-EXECUTIVE DIRECTOR

Experience and expertise

Kristie is an experienced real estate investment and legal professional who was appointed to the Centuria Board on 15 February 2021 as an Independent Non-Executive Director as well as a member of the Group's Audit, Risk and Compliance Committee (ARCC) and the Conflicts Committee.

Kristie has a background in corporate law with over 17 years' experience in funds management and M&A. She has practiced at Clayton Utz and Ashurst (then, Blake Dawson Waldron) and has considerable experience working with large corporations, fund managers, financial institutions, private equity and hedge fund operators, real estate investment trusts, developers and financiers.

Subsequent to her legal career, Kristie established a private investment business, Danube View Investments, which primarily operates in the Australian property sector.

Kristie is also a founding partner of investment firm, Couloir Capital, which was established in 2020 to invest its own capital in unique investment opportunities and to introduce such opportunities to like-minded family office and high net worth investors.

Directorship of other listed companies

None

Responsibilities

- Member of the Centuria Capital Limited and Centuria Funds Management Limited Boards
- Member of the Centuria Capital Limited and Centuria Funds Management Limited Audit, Risk & Compliance Committee
- Member of the Centuria Capital Limited and Centuria Funds Management Limited Conflicts Committee

Interests in CNI

Ordinary stapled securities: Nil

For personal use only

Mr Jason C. Huljich, B. Comm

EXECUTIVE DIRECTOR AND JOINT CHIEF EXECUTIVE OFFICER

Experience and expertise

Joint CEO Jason Huljich's 28-year real estate career spans the commercial and industrial real estate sectors. Jason along with joint CEO, John McBain, collectively oversee $21 billion of assets under management.

Jason is chiefly responsible for the company's real estate portfolio and funds management operations including the listed Centuria Industrial REIT (ASX:CIP) and Centuria Office REIT (ASX:COF), as well as Centuria's extensive range of unlisted funds across Australia and New Zealand.

Since Centuria was established, Jason has been pivotal in raising over $5 billion for the listed and unlisted vehicles. He has been central to positioning Centuria as Australia's fourth largest external property funds manager. CNI and CIP are included in the S&P/ASX 200 index. COF is included in the S&P/ASX 300 index. CIP and COF are part of the FTSE EPRA Nareit Global index.

Jason has a hands-on approach to the real estate operations throughout the Group's platform. The Transactions, Development, Funds Management, Distribution, Marketing and Asset Management teams all report directly to him.

Jason is a Property Funds Association (PFA) of Australia past President. The PFA is the peak industry body representing the $125 billion direct property investment industry. Jason currently sits on the Property Council's Capital Markets Division Committee.

Directorship of other listed companies

None

Responsibilities

- Joint Chief Executive Officer
- Member of the Centuria Capital Limited and Centuria Funds Management Limited Boards
- Member of the Centuria Capital Limited and Centuria Funds Management Limited Culture and ESG Committee
- Member of the Centuria Life Limited Board
- Member of the Centuria Healthcare Pty Ltd Board
- Member of Centuria Bass Credit Pty Limited Board

Interests in CNI

Ordinary stapled securities: 6,446,081
Performance Rights granted: 2,943,590

Mr John E. McBain, Dip. Urban Valuation

EXECUTIVE DIRECTOR AND JOINT CHIEF EXECUTIVE OFFICER

Experience and expertise

Joint CEO John McBain's 40-year real estate career commenced after graduating from Auckland University with a valuation qualification. His experience spans the commercial and industrial markets in Australia, NZ and UK and the healthcare and agriculture sectors.

He is an executive director of Centuria Capital Limited, Centuria Life Limited, Centuria Healthcare Pty Limited and Centuria Property Funds No. 3 Limited (formerly Primewest Management Limited) and a director of Centuria Bass Credit Pty Limited. John is a director of NZX-listed Asset Plus Limited (NZX: APL). He also serves on the Centuria NZ and Centuria Healthcare Management committees.

John is a founder of Centuria Capital Limited and is responsible for Centuria's corporate team. This remit includes corporate strategy, M&A and leadership of the Finance, Governance, Compliance, Investor Relations, Communications and ESG teams. He also serves on the Non-Financial Risk Committee and the ESG Management Committee.

John has been instrumental in the integration of several businesses into the Centuria group, including the 360 Capital Group, Heathley Asset Management (now Centuria Healthcare), Augusta Capital Limited (now Centuria NZ) and the Primewest Group. These acquisitions, together with a successful asset program overseen by fellow joint CEO Jason Huljich, has seen the pair oversee significant corporate growth over the past 28 years culminating in Centuria Capital Limited entering the S&P ASX 200 index in 2021 with the group now managing $21 billion of assets.

Directorship of other listed companies

Asset Plus Limited (NZX:APL)

Responsibilities

- Joint Chief Executive Officer
- Member of the Centuria Capital Limited and Centuria Funds Management Limited Boards
- Member of the Centuria Life Limited Board
- Member of the Centuria Healthcare Pty Ltd Board
- Member of Centuria Bass Credit Pty Limited Board

Interests in CNI

Ordinary stapled securities: 7,888,282
Performance Rights granted: 2,943,590

Mr John R. Slater, Dip.FS (FP), F Fin.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Experience and expertise

John was appointed as a financial adviser to Centuria Life Limited in 2011 and as a member of its Board in 2013. On 22 May 2013, he was appointed as a Director of Centuria Capital Limited. He also serves on the Nomination & Remuneration Committee

John was previously a senior executive at KPMG Financial Services prior to establishing a financial advisory practice. Since the sale of that practice, he has focused on consulting activities and his non-executive roles with Centuria.

John has deep experience in all financial market sectors gained during his 36-year career. Over this time, he has been directly involved with investments and investment committees and sits on the Investment Committees of Centuria Life and the Over Fifty Guardian Friendly Society Limited. John continues to be active in investment committee activities in other non-aligned financial groups.

Directorship of other listed companies

None

Responsibilities

- Member of the Centuria Capital Limited and Centuria Funds Management Limited Boards
- Member of the Centuria Capital Limited and Centuria Funds Management Limited Audit, Risk & Compliance Committee
- Member of the Centuria Capital Limited and Centuria Funds Management Limited Nomination & Remuneration Committee
- Member of the Centuria Life Limited Board
- Chair of the Centuria Life Limited Investment Committee

Interests in CNI

Ordinary stapled securities: 3,110,677

Ms Susan L. Wheeldon, MBA

INDEPENDENT NON-EXECUTIVE DIRECTOR

Experience and expertise

Susan joined the Centuria Capital Group Board as an Independent Non-Executive Director in August 2016. She brings extensive experience across international commercial markets within ICT, real estate, legal, aviation and online retail sectors.

Currently, Susan is Airbnb's Country Director for Australia, New Zealand & Oceania. Previously, she served in a number of roles, including Head of Government, Performance and Agency at Google, working with major national and global companies.

During her career, Susan has held senior positions in Australia and the United Kingdom across a diverse range of industries including global law firms DLA Piper and King & Wood Mallesons, working with the Virgin Australia & Virgin Atlantic airline brands, as Vice President of Groupon, and as Head of Brand & Retail at AMP Capital Shopping Centres.

She holds an MBA from the University of NSW (AGSM), and is a member of Australian Institute of Company Directors as well as holding a Corporate Director's Certificate from Harvard Business School.

Directorship of other listed companies

None

Responsibilities

- Member of the Centuria Capital Limited and Centuria Funds Management Limited Boards
- Chair of the Centuria Capital Limited and Centuria Funds Management Limited Nomination & Remuneration Committee
- Chair of the Centuria Capital Limited and Centuria Funds Management Limited Culture and ESG Committee

Interests in CNI

Ordinary stapled securities: Nil

For personal use only

Ms Joanne Dawson, B.Comm, MBA

INDEPENDENT NON-EXECUTIVE DIRECTOR

Experience and expertise

Joanne Dawson joined the Centuria Board as an Independent Non-Executive Director as well as a member and Chair of the Group's Audit, Risk and Compliance Committee (ARCC) in November 2023.

Ms Dawson has experience in highly regulated, service businesses coupled with a long history of corporate transactions. She is presently a Non-Executive Director of PSC Insurance Group Limited (ASX:PSI), AMA Group Limited (ASX:AMA), Pacific Current Group Limited (ASX:PAC), Bank First Ltd, PetSure (Australia) Pty Ltd and an Independent Trustee Director and Chair of the Investment Committee of Vision Super.

Her previous board experience includes Templeton Global Growth Fund Limited (ASX:TGG). She worked with Deloitte in both Australia and the USA in their Financial Services, Assurance and Advisory Division including as a consultant to the US Department of Housing and Urban Development. She was also founder and CEO of Executive Wealth Strategies, is a Chartered Accountant and a Fellow of the Australian Institute of Company Directors. She has a Bachelor of Commerce from the University of Melbourne and a Master of Business Administration from RMIT.

Directorship of other listed companies[1]

- PSC Insurance Group Limited (ASX:PSI)
- AMA Group Limited (ASX:AMA)
- Pacific Current Group Limited (ASX:PAC)

Responsibilities

- Member of the Centuria Capital Limited and Centuria Funds Management Limited Boards
- Chair of the Centuria Capital Limited and Centuria Funds Management Limited Audit, Risk & Compliance Committee
- Member of the Centuria Life Board
- Chair of the Centuria Life Audit Committee
- Chair of the Centuria Life Limited Risk & Compliance Committee

Interests in CNI

Ordinary stapled securities: Nil

Directors' meetings

The following table sets out the number of Directors' meetings (including meetings of committees of Directors) held during the financial year and the number of meetings attended by each Director (while they were a Director or Committee member).

Director	Board meetings		Audit, Risk and Compliance Committee meetings		Nomination and Remuneration Committee meetings		Conflicts Committee meetings		Culture and ESG Committee meetings	
	A	B	A	B	A	B	A	B	A	B
Mr Garry S. Charny	15	15	#	#	5	5	9	8	4	4
Ms Kristie R. Brown	15	15	6	6	#	#	9	8	#	#
Ms Joanne Dawson	10	10	4	4	#	#	#	#	#	#
Mr Peter J. Done*	5	5	2	2	#	#	#	#	#	#
Mr Jason C. Huljich	15	12	#	#	#	#	#	#	4	4
Mr John E. McBain	15	14	#	#	#	#	#	#	#	#
Mr John R. Slater	15	15	6	5	5	4	#	#	#	#
Ms Susan L. Wheeldon	15	15	#	#	5	4	#	#	4	4

A = Number of meetings held during the time the Director held office during the year.
B = Number of meetings attended.
# = Not a member of Committee.
*Mr Peter J. Done resigned on 17 November 2023.

1. Joanne Dawson was formerly a Director of Templeton Global Growth Fund Limited (ASX:TGG) with a resignation date of 1 November 2021.

Company secretary

Anna Kovarik joined Centuria as General Counsel and Company Secretary in 2018 and was promoted to Group Chief Risk Officer and Company Secretary in 2020. She is an experienced governance professional having worked with ASX-listed and unlisted boards, predominantly within the listed property and financial services sectors. In her current role at Centuria, Anna is responsible for legal, risk management, regulatory compliance, insurance and governance activities across the Group.

Anna is a member of the Senior Executive Committee, the Non-Financial Risk Committee and the ESG Management Committee. She holds an Executive MBA from the University of Sydney and is a member of the Australian Institute of Company Directors.

Principal activities

The principal activities of the Group during the financial year were the marketing and management of investment products including direct interest in property funds, friendly society investment bonds, property and development finance and other investments across Australasia.

Significant changes in the state of affairs

Significant changes in the state of affairs of the Group during the financial year were as follows:

- On 10 April 2024, the Centuria Capital Group increased its interest in the Centuria Bass Credit Pty Ltd from 50% to 80% for a consideration of $57 million. This incremental stake was funded via $28.5 million of cash and $28.5 million in CNI scrip, comprising of 16,056,337 securities issued at $1.775 per security. Increase in the ownership stake resulted in the Centuria Capital Group gaining control over Centuria Bass, leading to the consolidation of the Centuria Bass Credit Pty Ltd Group on 10 April 2024.
- On 13 June 2024, the Group negotiated two new loan notes, Loan Note A1 ($60 million) and Loan Note A2 ($40 million) with maturity terms of 13 June 2029.

Operating and financial review

The Group recorded a consolidated statutory net profit for the year of $102,161,000 (2023: $105,932,000). Statutory net profit after tax has been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards, which comply with International Financial Reporting Standards.

The Group recorded an operating profit after tax of $94,659,000 (2023: $115,588,000). Operating profit after tax excludes non-operating items such as transaction costs, mark to market movements and share of net profit of equity accounted investments in excess of distributions received.

The statutory NPAT includes a number of items that are not considered operating in nature, the table below provides a reconciliation from statutory profit to operating profit.

Reconciliation of statutory profit to operating profit	30 June 2024 $'000	30 June 2023 $'000
Statutory profit after tax	**102,161**	105,931
Statutory basic earnings per security (EPS) (cents)	**12.6**	13.3
LESS NON-OPERATING ITEMS		
Share of equity accounted net loss in excess of distributions received	**13,899**	6,180
Transaction and other costs	**4,652**	3,862
Unrealised (gain)/loss on mark to market movements of investments and derivatives	**(19,749)**	296
Profit attributable to controlled property funds	**(36)**	(24)
Tax impact of non-operating items	**(6,268)**	(657)
Operating profit after tax	**94,659**	115,588
Operating basic EPS (cents)	**11.7**	14.5

A summary of the Group's operating segments is provided in Note A5 of the Financial Report. The Operating NPAT for the Group comprises the result of the divisions which report to the Joint CEOs and Board of Directors for the purpose of resource allocation and assessment of performance.

Operational highlights for the key divisions were as follows:

	Operating profit after tax $'000		Increase/ (Decrease) $'000	Increase/ (Decrease) %	
Segment	**2024**	**2023**			**Highlights**
Property Funds Management	**57,770**	79,225	(21,455)	(27)	(a)
Co-investments	**17,502**	17,233	269	2	(b)
Developments	**812**	6,613	(5,801)	(88)	(c)
Property and Development Finance	**9,391**	4,606	4,785	104	(d)
Investment Bonds Management	**2,449**	2,424	25	1	(e)
Corporate	**6,735**	5,487	1,248	23	
Operating profit after tax	**94,659**	115,588			

	30 June 2024 $m	30 June 2023 $m	$m	%
Total assets	**2,284**	2,065	219	11
Total liabilities	**808**	651	157	24
Total net assets	**1,476**	1,414	62	4
Operating balance sheet gearing	**12.1%**	10.9%		
Assets under management	**21,100**	21,000	100	

A detailed Segment Profit and Loss as well as a detailed Segment Balance Sheet is outlined in Notes B1 and C1 respectively.

Operational highlights for the key segments were as follows:

(a) Property funds management

For the year ended 30 June 2024, Property Funds Management operating NPAT of $57,770,000 was lower than the prior year ending 30 June 2023 by $21,455,000 primarily due to the impact of fewer recognition of performance fees as well as lower property acquisitions.

For the year ended 30 June 2024, excluding the after tax impact of performance fees, the Property Funds Management segment operating NPAT decreased by $5,756,000 or 9.7% reflecting the lower number of acquisitions and underwrites for the period.

(b) Co-investments

For the year ended 30 June 2024, the co-investments segment operating NPAT increased by $269,000. This was primarily due to the increase of high yielding returns on underwrite support provided during the year.

The operating profit after tax for the co-investments segment represents the distributions and returns generated from investment stakes held less applicable financing costs.

(c) Developments

For the year ended 30 June 2024, the Developments segment operating net profit after tax was $812,000, a decrease of $5,801,000 from the year ended 30 June 2023. The decrease is primarily due to the completion of a number of projects.

(d) Property and development finance

For the year ended 30 June 2024, the Property and Development Finance segment's operating NPAT was $9,391,000. The Centuria Bass operating NPAT has increased by 104% compared to the prior year ended 30 June 2023 due to AUM increasing from $1.3 billion to $1.9 billion.

The increase in reported profitability for the business reflects both the continued growth in the underlying business as well as the increase in the Group's ownership stake from 50% to 80% on 10 April 2024. The increase in ownership stake resulted in the Centuria Capital Group gaining control over Centuria Bass, leading to the full consolidation of the Centuria Bass financials commencing from 10 April 2024.

The results of operations for Centuria Bass prior to 10 April 2024 have been retained and disclosed on an equity accounted basis, with its operating results shown in Note B1 at the Group's previous 50% proportionate share.

(e) Investment bonds management

For the year ended 30 June 2024, the Investment Bonds Management segment's operating NPAT remained in line with the prior year, increasing by $25,000.

For personal use only

Outlook

The Group remains focused on sourcing quality real estate investment opportunities, utilising the Group's deep real estate expertise and leveraging the platform to create value for our investors. The REIT management revenues, joint venture interests, institutional partnerships, and real estate credit business, combine to create a strong diverse and recurring revenue base.

Earnings per security (EPS)

	2024		2023	
	Operating	**Statutory**	**Operating**	**Statutory[1]**
Basic EPS (cents/security)	**11.7**	**12.6**	14.5	13.3
Diluted EPS (cents/security)	**11.5**	**12.5**	14.3	13.1

Dividends and distributions

Dividends and distributions paid or declared by the Group during the current financial year were:

	Cents per security	Total amount $'000	Date paid
DIVIDENDS/DISTRIBUTIONS PAID DURING THE YEAR			
Final 2023 dividend (100% franked)	0.50	3,999	18 August 2023
Final 2023 Trust distribution	5.30	42,389	18 August 2023
Interim 2024 dividend (100% franked)	0.40	3,220	20 February 2024
Interim 2024 Trust distribution	4.60	37,033	20 February 2024
DIVIDENDS/DISTRIBUTIONS DECLARED DURING THE YEAR			
Final 2024 dividend (100% franked)	0.40	3,296	22 August 2024
Final 2024 Trust distribution	4.60	37,902	22 August 2024

For personal use only

Events subsequent to the reporting date

On 1 August 2024, the Group settled the sale of 69 Moehau Street, Te Puke (Te Puke Lifecare) for NZ$8,400,000 (AU$7,644,000).

On 6 August 2024, Centuria Capital Group acquired a 50% stake in ResetData Pty Limited for up to $21,000,000, marking its entry into the data centre market. This investment leverages liquid immersion cooling (LIC) technology, which offers a smaller footprint, lower energy consumption, and reduced carbon emissions compared to traditional data centres.

The investment has been funded through existing debt headroom and is projected to be earnings neutral in FY25 and accretive to operating EPS (OEPS) from FY26 onwards. This acquisition aligns with Centuria's strategy to capitalise on growth in data storage and artificial intelligence (AI), providing a competitive edge in the real estate market.

Concurrent with the transaction, ResetData committed to a 10-year lease with the Centuria Office Fund (ASX:COF) at 818 Bourke Street, Vic, transforming it into one of Australia's first AI inferencing and ultra high density LIC data centres.

Other than the above, there has not arisen in the interval between 30 June 2024 and the date hereof any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial periods.

Business strategy, future opportunities and business risks effecting the Group

The Group continues to pursue its strategy of focusing on its core operations, boasting Assets Under Management in excess of $21.1 billion at the date of this report. During the year the Group undertook $2.3 billion in gross transactional activity, expanded its development pipeline to $2.2 billion and despite turbulent market conditions, raised additional unlisted capital exceeding $1.15 billion.

The progress on the Group's core operations were complemented with expansion of the Group's Property and Development finance offering, with the division increasing its Assets Under Management to $1.9 billion and the Group increasing its ownership stake in Centuria Bass Credit to 80%.

The growth in the size and scale of the Property and Development Finance business during the year was complemented with the recently announced expansion of the group into the fast emerging data centre sector through the 50% acquisition of the ResetData business.

The ResetData platform will enable the Group to offer a unique value proposition across the entire data storage and processing value chain, leveraging excess power from the grid, combined with the liquid immersion cooling of bespoke high density hardware and offering proprietary cloud platform solutions for customers.

This new business line is expected to benefit suitable properties within the Group's property portfolio delivering higher rent, the potential for increased valuations for investors as well as providing liquid cooled immersion technology benefiting new and existing tenants. The benefits for the Group's property platform investors are expected to be complemented with future revenue streams and profitability for the Group's Investors derived from the 50% stake in ResetData.

As a leading Australasian funds manager, the Group's strategy for the upcoming year is as follows:

- As financial markets stabilise in FY25/26, leverage relative attractiveness of Centuria's core and alternative sectors.
- Access and deploy capital from a matrix of new and existing investors.
- Scale newly established alternate vehicles.
- Maintain differentiation within Centuria's platform as a unique 'point of difference' for investors.

The Group expects to deliver on its strategy through the execution of the following:

- Continue to actively manage Centuria's property portfolio through the current cycle to best position assets for improved and resilient investor outcomes.
- Grow alternative real estate offerings that appeal to Centuria's unlisted investors.
- Continue to grow real estate credit revenues, taking advantage of attractive market conditions.
- Accelerate liquid immersion cooled edge data centre rollout across eligible offices and other property sectors.
- Execute organic real estate growth, assess innovative real estate based M&A opportunities.
- Extract embedded value from committed and future development pipelines, create new generation stock for Centuria funds.
- Select balance sheet support to grow and align with the real estate platform - cash on hand, mandates and partnerships available for immediate deployment.

Additional details in relation to the Groups operations including relevant opportunities and risks across each of its operating segments, which have been outlined below.

Property Funds Management

The Group manages an Australasian portfolio of property assets across listed and unlisted retail and wholesale scheme structures as well as through institutional mandates and partnerships. As at the date of this report, the Group's real estate assets under management were in excess of $20.2 billion. The Group supports a diversified range of property asset classes and has developed relevant skills across the platform enabling management to identify the optimal product and asset focus to support its growth objectives. This is delivered utilising the Group's deep inhouse expertise located in offices located throughout Australia, New Zealand and the Philippines.

The Group utilises its balance sheet resources to provide capital support in the form of co-investment or by providing temporary capital raising and financing support as new acquisition and product opportunities are brought to market. The Group will continue to identify the appropriate vehicle and structure to meet the appetite of investors across its listed, unlisted and institutional platforms and support a strong distribution and marketing footprint for these products.

The Group manages a number of institutional mandates and partnerships and seeks to secure further mandates as it identifies property investment opportunities. The Group oversees a diversified range of products that may operate differently depending on market conditions at a particular point of time. Accordingly, outcomes for these products may counterbalance each other during each market cycle as changes in appetite for particular products vary across differing asset classes. The performance of the underlying funds managed by the Group may therefore impact on the ability of the Group to grow and develop its property funds management business. Different funds command a range of revenue streams, which may increase or decrease overtime, impacting the Group's overall growth profile.

Investor sentiment and rapid rises in interest rates have negatively impacted some funds, in particular by increasing the cost of debt, reducing valuations for some assets and increasing liquidity demands with Centuria's open ended funds. Centuria's Funds Management Team is heavily focused on working through issues arising from these conditions and best positioning assets as conditions stabilise.

Diversification across Centuria's property portfolio is offsetting the impact of market conditions in any particular sector with some sectors such as industrial, retail and agriculture experiencing continued strength in market conditions whilst office assets continue to experience headwinds.

Other material business risks faced by the Property Funds Management business that may impact the financial performance of the Group include:

- loss of key personnel. The Group seeks to mitigate this risk through appropriate remuneration and incentives; and
- economic factors affecting fund performance, property valuations and investor appetite. Whilst these are predominately market driven factors, the Group seeks to actively manage its assets through the economic/asset cycle to maximise tenancy and other value add opportunities in order to best position its property assets and optimise fund performance.

For the forthcoming financial year, the Group expects to continue executing real estate transactions including acquisitions and divestments, which will generate transaction fees and improve its revenue mix across its diversified platform. This will include acquisition, financing, underwriting as well as sales fees.

During the year the Group's Unlisted platform benefitted from circa $550 million in direct capital inflows and approximately $600 million of new institutional capital which added to its Diversified portfolios of assets across Australia and New Zealand, which encompass circa 400 properties and close to 2,450 tenant customers.

Co-investments

The Group holds a range of co-investments. These holdings are diversified across real estate and credit funds within the Group. This diversification is expected to continue to deliver returns to the Group in line with the performance of these underlying funds as well as acting as a risk mitigant of exposure to any one sector.

The diversification of holdings means the performance of the Group's co-investments will vary through differing economic cycles. The relative performance of each holding and the differing time horizons each investment is held may also contribute to changing return profiles for the Group.

Ultimately, in addition to delivering returns, this operating segment supports the growth of the Group's real estate and credit funds management platform.

Developments

Centuria acts as the development manager for a portfolio of development projects and appoints well regarded building contractors to complete the development and take on construction risk. Growth in this area is driven by Centuria's ability to source development opportunities that meet feasibility assessment requirements and can be funded from Centuria's strong balance sheet or access to capital and debt.

Key risks to the future growth prospects of this division include the ability to source projects that meet the feasibility assessment criteria, particularly where building costs are elevated. Increased costs, project overruns and the ability of building contractors to deliver against contracted obligations are material risks that may impact on the financial performance of the Group.

Centuria seek to manage these risks by having a highly experienced development team sourcing opportunities, applying a stringent feasibility assessment process, closely monitoring the progress of development projects and partnering with well regarded and capitalised building contractors.

Development activity is predominantly undertaken to create a new generation of real estate, suitable for the Group's managed funds. Whilst development activity results in the generation of development fees, occasionally the Group may also hold certain projects on its own balance sheet with the aim of delivering development profits.

The development pipeline of the Group includes committed and future projects at various stages of feasibility, planning, approval and construction.

Property and Development Finance

During the year, the Group increased its interest in the Centuria Bass Credit Pty Ltd from 50% to 80% for a consideration of $57 million, leading to the full consolidation of the Centuria Bass Credit business commencing from 10 April 2024.

This operating segment has exposure to products investing in the provision of debt to residential property development projects. The growth of this division is expected to benefit from a higher interest rate environment coupled with favourable market conditions and growing market share for non-bank lenders.

Whilst loan defaults may occur, they are managed by Centuria Bass' experienced team with suitable credit risk assessment processes to ensure that sufficient loan to value (LVR) and other risk mitigants are in place. Where default situations are well managed, this can result in increased returns to investors and Centuria Bass. Other than via any co-investments held, the Group does not bear direct credit risk.

For personal use only

Material risks that may impact the future prospects of this business include:

- changes to interest rates, impacting the returns achievable for credit products both positively and negatively. This economic factor may have an impact on the relative attractiveness of this product to investors. It is important to note that interest rate changes are likely to have a counterbalancing change to the attractiveness of unlisted property products offered by the Group and highlights the importance of diversified product offerings;
- the ability of the Centuria Bass team to source suitable loans to grow the portfolio, which may have an impact on the growth strategy for this division. Centuria Bass seeks to manage this risk by focusing resourcing on the development of a strong broker distribution network and loan origination marketing presence; and
- changes to economic or market conditions which may impact the rate of loan defaults, particularly where defaults occur and where property values are also impacted. Centuria Bass's credit assessment and selection process seeks to manage this risk.

Investment Bonds Management

The Group has invested in substantial product development with the launch of its LifeGoals product and is seeking to offset outflows of legacy policies with new inflows. Legislative changes to superannuation have led to increased interest in the investment bonds sector.

Centuria also provides investment and administrative services to the Over Fifty Guardian Friendly Society Ltd (OFGFS) and derives fees as a percentage of funds under management. The funds under management for OFGFS are driven by the sale of pre-needs funeral contracts and the run off rate as policies mature. These two key factors may impact on the financial performance of the Group both positively and negatively by changing fees payable to the Group.

Material business risks faced by the Investment Bonds Management division that may impact the financial performance of the Group are as follows:

- Loss of key personnel. The Group seeks to mitigate this risk through appropriate remuneration and incentives.
- Failure to meet industry and customer expectations around product administration, impacting the ability of the division to attract and retain customers or financial advisers. The Group seeks to manage this risk by working with its external registry provider to ensure continual improvement and by closely monitoring service levels.
- Poor fund performance impacting the ability to attract and retains customers. The Group seeks to manage this risk by having a robust selection and monitoring process for those fund managers included in its LifeGoals product as well as by having a broad suite of investment options.
- Any changes to regulation or tax treatment of investment bonds may impact on the ability to attract and retain customers, as Investment Bonds currently provide tax benefits to certain investors when held over the medium term.

Operational risks

As well as the specific risks noted above, the Group is faced with a number of broad operational risks that may impact the future financial performance of the Group. These include:

- cyber security risk;
- regulatory risk;
- outsourcing risk;
- human resourcing risk (including culture risk);
- insurance risk;
- financial costs;
- access to capital (via capital markets);
- work health and safety (WHS) risks (both corporate and across the property portfolio); and
- business disruption/continuity.

Each of the Group's material risks are monitored and managed at both consolidated and subsidiary entity level applying a strong risk management framework supported by a strong risk culture, an experienced and specialist management team and Board and Committee oversight of the management of material risks within the risk appetite set by the Board.

Centuria's Operations and Risk Team are investing significant time and focus on Operational Risk and Resilience and cyber security as it uplifts to meet evolving risks and regulatory expectations. Significant focus has also been given by the Property Management and Risk Team to Centuria's WHS practices as the number and diversity of assets managed within the property portfolio has grown.

The Centuria sustainability framework addresses ESG-related topics that are relevant to Centuria and our business operations. The sustainability framework provides a strategic focus on ESG topics where risks may evolve, including climate change, energy, and emissions. Centuria has set a clear mandate for the Group to consider the impacts of climate change on its operations and investments through an approved ESG Policy.

The Group is continually enhancing its internal preparedness and capability to respond to the emerging Australian climate related disclosures from the Australian Accounting Standards Board (AASB) and mandatory climate related disclosures from the External Reporting Board (XRB) in New Zealand this fiscal year. Progress made against Centuria's climate related strategy this fiscal year included the creation of three climate scenarios that utilise the latest climate science from the sixth Assessment Report (AR6) from the Intergovernmental Panel on Climate Change (IPCC), the identification of climate related risks and opportunities for CNI, CIP, COF and NZ Schemes, and the assessment of potential business impacts for each of the Schemes required to report under XRB in New Zealand.

Environmental regulation

The Australian Accounting Standards Board (AASB) has released Exposure Draft ED SR1 Australian Sustainability Reporting Standards - Disclosure of Climate related Financial Information. ED SR1 includes three proposed Australian Sustainability Reporting Standards (ASRS) that are based on the International Financial Reporting Standards Sustainability Disclosure Standards.

The Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Bill 2024 was introduced into parliament in March 2024 to phase in new mandatory climate related financial disclosure obligations for entities based on the requirements outlined in ED SR1.

Based on the 'date of effect' outlined in the Bill, the Group expects its first year of mandatory reporting to be FY27 (Group 2). The Group is focussed on progressing its preparedness for mandatory climate related disclosures in Australia.

Other than the above, the Group's operations are not subject to any additional significant environmental regulation under Commonwealth, State or Territory legislation.

Indemnification of officers and auditor

The Company has agreed to indemnify all current and former directors and executive officers of the Company and its controlled entities against all liabilities to persons (other than the Company or a related body corporate) which arise out of the performance of their normal duties as a director or executive officer unless the liability relates to conduct involving a lack of good faith.

The Company has agreed to indemnify the directors and executive officers against all costs and expenses incurred in defending an action that falls within the scope of the indemnity and any resulting payments.

The directors have not included details of the nature of the liabilities covered or the amount of premium paid in respect of the directors' and officers' liability and legal expenses insurance contracts, as such disclosure is prohibited under the terms of the contracts. The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or any related body corporate against a liability incurred as an officer or auditor.

Non-audit services

During the financial year, KPMG, the Group's auditor, has performed services in addition to the audit and review of the financial statements. Details of amounts paid or payable to KPMG are outlined in Note F3 to the financial statements.

The directors are satisfied that the provision of non-audit services during the year, by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

The directors are of the opinion that the services as disclosed in the financial statements do not compromise the external auditor's independence, based on advice received from the Audit, Risk & Compliance Committee, for the following reasons:

- All non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor.
- None of the services undermine the general principles relating to auditor independence as set out in the Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 107.

Rounding of amounts

The Group is an entity of a kind referred to in ASIC Legislative Instrument 2016/191, related to the 'rounding off' of amounts in the Directors' Report and financial statements. Amounts in the Directors' Report and financial statements have been rounded off, in accordance with the instrument to the nearest thousand dollars, unless otherwise indicated.

For personal use only



Susan Wheeldon

INDEPENDENT NON-EXECUTIVE DIRECTOR

Nomination and Remuneration Committee Chair's letter

Dear Investor,

As the Chair of the Nomination and Remuneration Committee, it is my privilege to introduce the Remuneration Report for the financial year ended 30 June 2024.

This report, which has been endorsed by the Board, strives to provide a comprehensive and transparent overview of executive compensation, the link between pay and performance as well as its alignment with our short term and long term strategic business objectives.

This approach not only fulfils our statutory reporting obligations but also offers our investors a clear understanding of our commitment to fair and responsible remuneration practices.

Annually, the Board conducts a review of the Group's executive remuneration policies, ensuring that our strategies remain reflective of prevailing market practices. Such diligence is pivotal in ensuring the business is able to attract, retain, and motivate its executives who are not only incentivised towards delivering continued profitability but also adept at managing risks. This approach underscores our commitment in fostering leadership which is both dynamic and prudent.

Executive remuneration

Consistent with the prior year, whilst our overall philosophy on remuneration remains unchanged, we have refined our FY24 remuneration by rebalancing the Short Term Incentive (STI), including through the introduction of new performance measures. These changes were designed to ensure our remuneration practices remain aligned and responsive to the evolving dynamics of economic conditions as well as changes to the overall business landscape. The introduction of these supplementary short term performance hurdles, ensure that our Key Management Personnel (KMP) remain motivated in navigating current market challenges whilst delivering a resilient operating performance.

With respect to the FY24 STI plan structure, to ensure resilience in the Group's operating earnings and distributable income for our investors, greater emphasis was placed on the successful delivery of the FY24 operating earnings per share (EPS) guidance, with this measure attracting a 30% weighting. This was combined with a 15% weighting assigned to Equity Sources, retained from last year's structure as it remains an essential part of the Group's strategy.

Additionally, a new measure was imposed attracting a 15% overall weighting, measuring fund performance against the MSCI PCA Unlisted Benchmark. With the underlying performance of our managed funds representing the life blood of our business, this measure ensures our management prioritises the financial stability and resilience of our investor base.

Non-financial measures and weightings across Sustainability and Team Engagement has remained unchanged for the FY24 period, while the previous Diversity and Governance measure was expanded to also include hurdles relating to the Group's leadership capabilities and succession planning, underscoring their significance to Centuria's foundational strategy. Further, a new Risk Management measure, weighted at 10%, was introduced to reflect the increasing importance and complexity of the Group's regulatory environment in certain business units including Investment Bonds. Whilst these regulatory changes only impacted certain parts of the business, it was considered prudent by the Board to incentivise management to extend and replicate these enhancements across the entire platform.

Further details with respect to the STI plan structure are included on page 92 of the Remuneration Report.

Regarding long term incentives (LTI), the Board elected to maintain the now established blend of Relative and Absolute Total Securityholder Return (TSR) measures, assessed against A-REIT peers within the S&P/ASX 200. The Board upholds the view that these measures remain the most fitting, aligning the long term interests of executives with those of our securityholders. In line with previous years, the FY25-28 LTI is set to vest progressively over the third and fourth years.

Non-Executive Director (NED) remuneration

The NED fee schedule continues to be calibrated against A-REIT peers in the S&P/ASX 200 to ensure director remuneration remains in line with market norms and reflects the substantial responsibilities of each director across the various Boards and Committees they contribute to. It also reinforces our pursuit of independence and diversity within the Board by setting remuneration that attracts the highest calibre of talent.

Our structure encompasses roles within the Board and Board Committees across the Group, including CNI and other operational entities, and was designed to provide greater clarity of director compensation within our multifaceted business. Detailed information on the Group's NED fee structure is available on page 100 of the Remuneration Report, including a clear delineation of duties and associated fees to each NED across the various boards and committees they serve. These disclosures provide further transparency by establishing a direct correlation between the benchmarked fee schedule and the total remuneration disbursed to each NED.

FY24 performance and remuneration outcomes

I am delighted to announce that the business delivered against all three financial measures for the current year, despite the background of financial instability within capital markets, high interest rates, and pressure on property valuations. The business reported an Operating EPS of 11.7 cents, in line with guidance. Management performed well in relation to budgeted equity source raising, which included the launch of the Group's inaugural opportunistic style wholesale fund (Centuria Select Opportunities Fund), the over subscribed Centuria Halls Head Central Fund and the initial 30% deployment of the Group's $500 million Starwood Industrial mandate. In addition, at least seven of Centuria's Unlisted Funds were listed in the MSCI Top 10 Fund in all FY24 reporting periods.

While traditional financial measures will continue to be a fundamental facet in assessing Centuria's senior executive performance, our strategy for sustainable growth and diversification increasingly necessitates the inclusion of non-financial indicators. For FY24 these included measures relating to Sustainability, Team Engagement, Diversity, Leadership Capability, Succession Planning as well as the newly introduced Risk Management measure. It has been especially pleasing to witness the dedication and progress of management in relation to the environmental and social pillars of our revised sustainability framework. Significant progress has been made in climate related disclosures, with the Group's New Zealand funds completing their first year of mandatory reporting in compliance with the New Zealand External Reporting Board (XRB) standards.

These results demonstrate the diversity in Centuria's platform and the ability of management to harness tailwinds and capitalise on growth opportunities in a challenging market. In light of these achievements, STI outcomes for the Joint CEOs and CFO were 92% of the maximum FY24 award. Additional information with respect to the performance demonstrated by our senior executives against each measure, the rationale behind their selection and how they contribute to the overarching strategic goals of the business, have been outlined on pages 92 to 95 of the Remuneration Report.

The Remuneration Committee, after taking into consideration a range of market factors, recommended no increase to the fixed remuneration of the Joint CEOs for FY25. A 3.5% increase to the fixed remuneration of the CFO was considered appropriate and approved for FY25.

In the annual review of Centuria's executive KMP remuneration framework, the Board reaffirmed the significant securityholder test adopted last year. This test stipulates that a portion of the STI for the financial year will be deferred if the KMP does not meet the minimum security holding requirements (outlined on page 87 of the Remuneration Report). The test, introduced following a review of market best practice,

For personal use only

ensures that KMPs' interests are critically linked with the success of the business whilst continuing to recognise and reward performance.

Finally, the LTI remains a pivotal element of Centuria's remuneration framework, aligning the long term interests of our senior executives with Centuria's investors. It is noteworthy that the constraints introduced by capital markets and the well publicised general downturn in equities affected Tranche 9 of the LTI, which spanned the performance period commencing from 1 July 2021 to 30 June 2024. These factors resulted in the non-vesting of the Tranche 9 LTI awards for the second consecutive financial period for all relevant Group executives.

Despite the non-vesting of Tranche 9 LTIs, it has been especially pleasing to witness the continued commitment of management to long term growth, evidenced through recent progress in further diversifying and rejuvenating the Centuria platform. Notable steps taken by management in this regard included the Group increasing its stakes in the Centuria Bass business to 80%, now a major divisional profit centre. Another initiative is the recently announced expansion of the Group into Cloud Services and Data Centres, through its 50% investment in ResetData. Both transactions demonstrate the Group's continuing commitment to building a diversified and sustainable operating platform in addition to positioning the Group to take advantage of current and future growth opportunities.

The Board remains committed to fostering continued dialogue with our securityholders and stakeholders about our remuneration policies and framework. This ongoing dialogue is essential for highlighting concerns as well as staying informed of the best practices in both the local and global markets.

As always, we are grateful for your continued support and look forward to engaging with you in FY25.

Yours sincerely,



Susan L. Wheeldon
Chair of the Nomination & Remuneration Committee

825 ANN STREET, FORTITUDE VALLEY QLD

81

For personal use only

Audited Remuneration Report

The Board are pleased to present the Remuneration Report for the period ended 30 June 2024.

This Remuneration Report has been prepared in accordance with section 300A of the *Corporations Act 2001* (Cth) (**Act**) and the applicable *Corporations Regulations 2001* (Cth). The Remuneration Report provides information about the remuneration arrangements for key management personnel (**KMP**), which includes Non-Executive Directors and the Group's Senior Management for the year ended 30 June 2024.

The report is structured as follows:

- Details of KMP covered in this report.
- Remuneration oversight and key principles.
- Remuneration of Executive Directors and Senior Management.
- Key terms of employment contracts.
- Non-Executive Director remuneration.
- Director and Senior Management equity holdings and other transactions.

Details of KMP covered in this report

The following persons had authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any Director (whether executive or otherwise) of the Company during the full financial year.

Name	Role	Term
Non-Executive Directors		
Mr Garry S. Charny	Independent Non-Executive Director and Chairman	Full term
Ms Kristie R. Brown	Independent Non-Executive Director	Full term
Ms Joanne Dawson	Independent Non-Executive Director	Part year (from 28 November 2023)
Mr John R. Slater	Independent Non-Executive Director	Full term
Ms Susan L. Wheeldon	Independent Non-Executive Director	Full term
Mr Peter J. Done	Independent Non-Executive Director	Part year (to 17 November 2023)
Executive Directors		
Mr John E. McBain	Executive Director and Joint Chief Executive Officer	Full term
Mr Jason C. Huljich	Executive Director and Joint Chief Executive Officer	Full term
Executives		
Mr Simon W. Holt	Chief Financial Officer	Full term

The term 'Senior Management' is used in this remuneration report to refer to the Executive Directors and the Chief Financial Officer.

Nomination and Remuneration Committee (NRC)

The Board has an established Nomination & Remuneration Committee which operates under the delegated authority of the Board of Directors. A summary of the Nomination & Remuneration Committee Charter is included on the Centuria Capital Group website.

The functions of the Committee in respect of remuneration include:

- making recommendations to the Board regarding the remuneration of non-executive members of Centuria's Board, subsidiary boards and committees which shall be reviewed annually;
- an annual review of the KMP remuneration and the application of incentive programs; and
- an annual review of the structure and application of the short term and long term incentive schemes and policies for executives and staff.

Additionally, the function of the Committee in respect of Board, Joint CEOs and Senior Executive performance include:

- evaluating the performance of the Board, including Committees and individual Directors;
- assessing the performance of the Joint CEOs and Senior Executives against their key performance indicators; and
- ensuring other human resource management programs, including fit for purpose performance assessment programs.

The following Non-Executive Directors of Centuria are members of the Nomination and Remuneration Committee:

- Ms Susan L. Wheeldon (Non-Executive Director and Committee Chair)
- Mr Garry S. Charny (Non-Executive Director, Chairman of Centuria Capital Limited)
- Mr John R. Slater (Non-Executive Director)

The Committee is tasked by the Board to advise it in relation to remuneration outcomes and it may obtain external professional advice and secure the attendance of advisors with relevant experience if it considers this necessary.

Remuneration policy and link to performance

Group structure

Centuria Capital Group is an ASX-listed specialist investment manager with a 28-year track record of delivering a range of products and services to investors, advisers and securityholders. Our business now spans across property funds management, development, real estate finance in addition to co-investments and investment bonds, with the following key areas of focus:

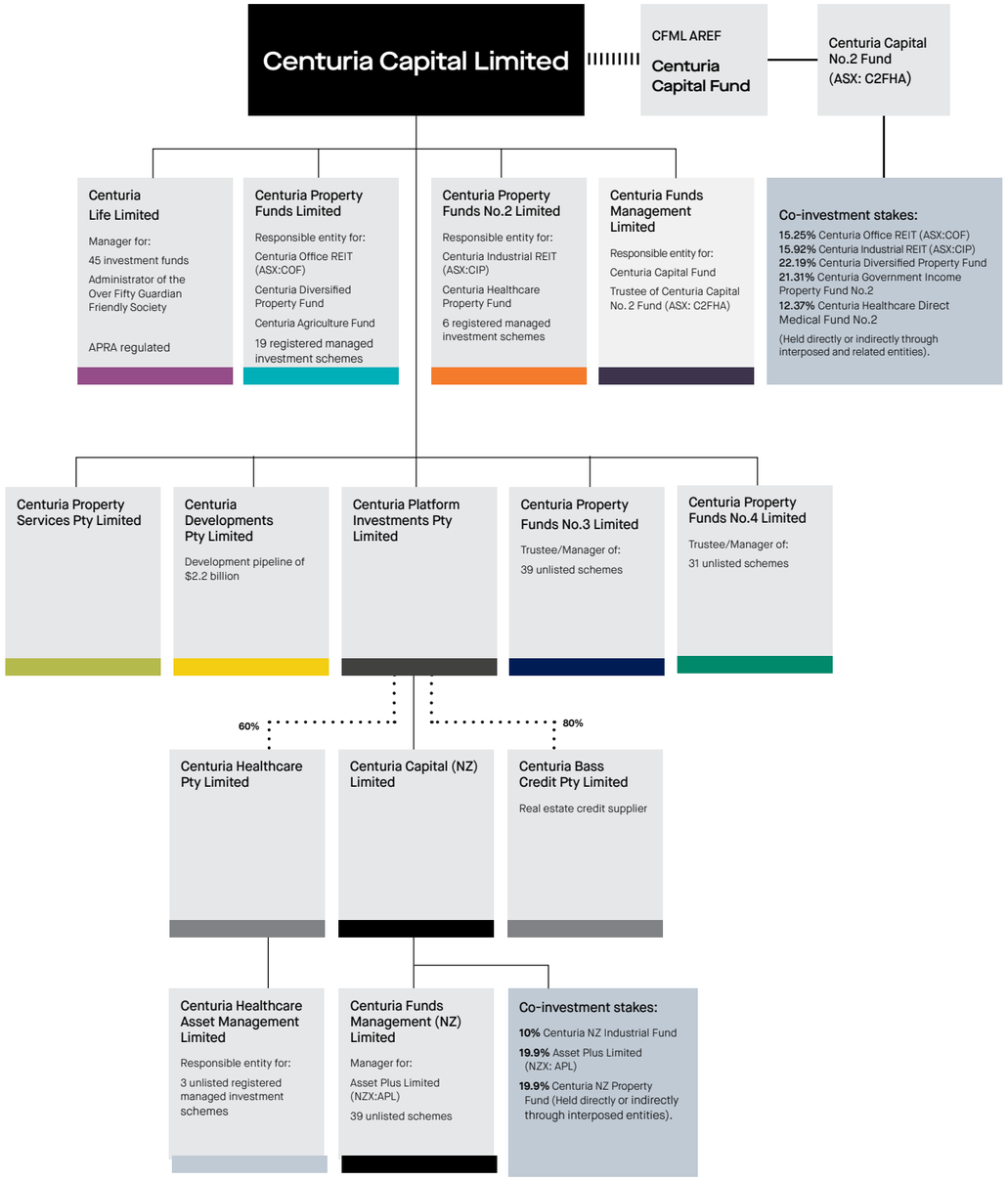
- Centuria Property Funds which specialises in listed property funds (A-REITs) and unlisted property funds including:
  - listed REITs, Centuria Office Fund (ASX:COF) and Centuria Industrial Fund (ASX:CIP) in Australia;
  - listed property fund in New Zealand, Asset Plus Limited (NZX:APL);
  - Centuria Agriculture Fund;
  - Centuria Diversified Property Fund;
  - Centuria Healthcare Property Fund;
  - Centuria NZ Industrial Fund;
  - 120 closed ended unlisted property funds in Australia and New Zealand; and
- Centuria Healthcare property and funds management business;
- Centuria Bass Credit real estate finance business;
- Centuria LifeGoals Investment Bonds.

The Group encompasses a portfolio of wholesale and retail funds, a healthcare business with related wholesale and retail funds, and a New Zealand business with listed and unlisted funds. It is noted that the listed REITs also are not staffed and responsibility for these are managed by the executive team and employees of CNI. The Group structure is outlined on page 84.

The combined market capitalisation of the listed headstock (Centuria Capital Group) and its three listed REITS comprising CIP, COF and APL, is approximately $4.1 billion.

Given the overall size of the Group, the complexities of the business it operates and its international scope, the Board has adopted a number of remuneration practices that reflect this. These are represented in our Joint CEO structure as well as the Directors' Fees Schedule, which are discussed further in pages 85 and 100 of this report, respectively.

The following group structure only outlines the key operating and management entities of the Centuria Capital Group (note: this is not a full list of controlled entities and associates).



Legend

Stapled entities

Wholly owned entities

Partially owned entities

For personal use only

Joint CEO structure

The Joint CEO structure was established in 2019 as an important part of the Group's long term management succession and retention plan. In support of the Joint CEO structure the Board takes into account the following matters:

- The Joint CEOs have a strong background in all aspects of the business and also have complementary skills sets, which given the Group's overall structure allows them to focus on different areas in managing the multiple complexities of the business. Mr Huljich has primary oversight of funds management, distribution and property services and Mr McBain has primary oversight of corporate functions (corporate strategy, M&A, finance, treasury, risk and governance, communications and investor relations) and the Life business.
- The Board recognises the significant importance that a strong succession plan has on any business. The Joint CEOs have worked seamlessly together for 28 years. By creating the Joint CEO role for Mr Huljich in 2019, the Board formally recognised Mr Huljich's historic and continuing contribution to the Group over an extended period. With Joint CEOs, the business has two strong leaders, collaborating to optimise investor value in a tried and tested way.

The remuneration of the Joint CEOs reflects the position they hold in the real estate funds management industry and their experience and achievements gained from working together since they formed Centuria. Given the complementary skill sets of the Joint CEOs and their division of key responsibilities (outlined above), the Board believes the remuneration of the Joint CEOs is a benefit for investors by removing the need for expensive secondary key executive resources which many other A-REIT peers require, such as Chief Operations Officers or Executive General Manager.

Through the Joint CEO structure, the Group is able to minimise the size of the senior executive to be leaner, less costly and nimbler than its peers. The Board believes this is a significant competitive advantage and in the long term interests of securityholders. As part of its benchmarking process, the Board believes the reduced senior executive team size in association with the Joint CEO structure is a significant cost saving practice for the Group in comparison to its peers.

The Nomination and Remuneration Committee, as well as the Board, annually review the appropriateness of the Joint CEO structure to ensure its efficiency and effectiveness by assessing the individual and the joint performance of the CEOs in delivering strong securityholder outcomes within the context of the Group's continued growth compared to A-REIT peers' performance and total executive team costs.

In consideration of a number of relevant market factors, the Committee recommended no increase for the fixed remuneration of the Joint CEOs for FY25. A 3.5% increase to the fixed Remuneration of the CFO was considered appropriate and approved for FY25.

The FY24 fixed remuneration quantum for the Joint CEOs was $1,614,600, representing a 4% increase from FY23.

Remuneration of Senior Management

Remuneration philosophy

The Group recognises the important role people play in the achievement of its business strategy and long term objectives and as a key source of competitive advantage. To grow and be successful across these two areas, the Group must be able to attract, motivate and retain capable individuals with exceptional talent, expertise, experience and relationships. Our Group is able to achieve this goal by following our remuneration principles outlined in the table below.

The main objective in rewarding the Group's senior management for their performances is to ensure that securityholders' wealth is both maximised and appropriately protected throughout a range of economic conditions.

Remuneration structure

The table on the next page outlines the Group's remuneration principles, the components of Senior Management's remuneration and the underpinning rationale for each element of the remuneration structure. The Nomination and Remuneration Committee ensures the criteria used to assess and reward staff includes financial and non-financial measures of performance.

Our remuneration principles

Delivering value for securityholders in the most efficient manner	Drive an ownership mentality	Attract, motivate and retain talent
The Joint CEO structure optimises the size of the senior executive group in relation to its peers to make it leaner and more agile than our peers.	Including senior staff in the LTI equity plan to provide a sense of ownership and alignment, as well as distributing securities to all non-LTI staff depending on Group performance.	Ensuring competitive, at risk rewards are provided to attract and retain the best executive talent.

	Total executive remuneration		
	Fixed	At risk	
Type of remuneration	Fixed remuneration	Short term incentive	Long term incentive
What is the objective?	• Attract and retain key talent • Be competitive	• Drive annual financial growth targets and securityholder returns • Reward value creation over a one-year period whilst supporting the long term strategy • Incentivise desired behaviours in line with the Group's risk appetite • Mandatory significant ownership in the Group's securities within the KMP group	• Support delivery of the business strategy and growth objectives • Incentivise long term value creation • Drive alignment of employee and securityholder interests
How is it set?	Fixed remuneration is set with reference to market competitive rates in comparison to ASX-listed A-REITs for similar positions, adjusted to account for the experience, ability and productivity of the individual employee.	Senior executives participate in the Group's STI plan which is assessed against key areas of financial and non-financial performance that are designed to create an ongoing annual focus on imperative business and operational issues that create the type of Group we all strive towards. Refer to the FY24 STI Scorecard for further details. Required KMP security ownership with the introduction of STI deferral metrics where security ownership is not significant.	Senior executives participate in the Group's LTI plan which is assessed against securityholder returns over a three-year performance period. The significant weighting towards relative TSR in the LTI aligns executive's interests with securityholder outcomes and provides a direct comparison of the Group's performance against their comparator group of peers. Refer to the LTI Structure section for further details.
How is it delivered?	• Base salary • Superannuation • Other benefits salary sacrifice benefits	Awarded in cash or shares at the Board's discretion.	Equity with performance assessed over three years (vesting in years three and four).
Opportunity		Joint CEOs • 125% of fixed remuneration at maximum CFO • 100% of fixed remuneration at maximum	Joint CEOs • 125% of fixed remuneration at maximum CFO • 95% of fixed remuneration at maximum

For personal use only

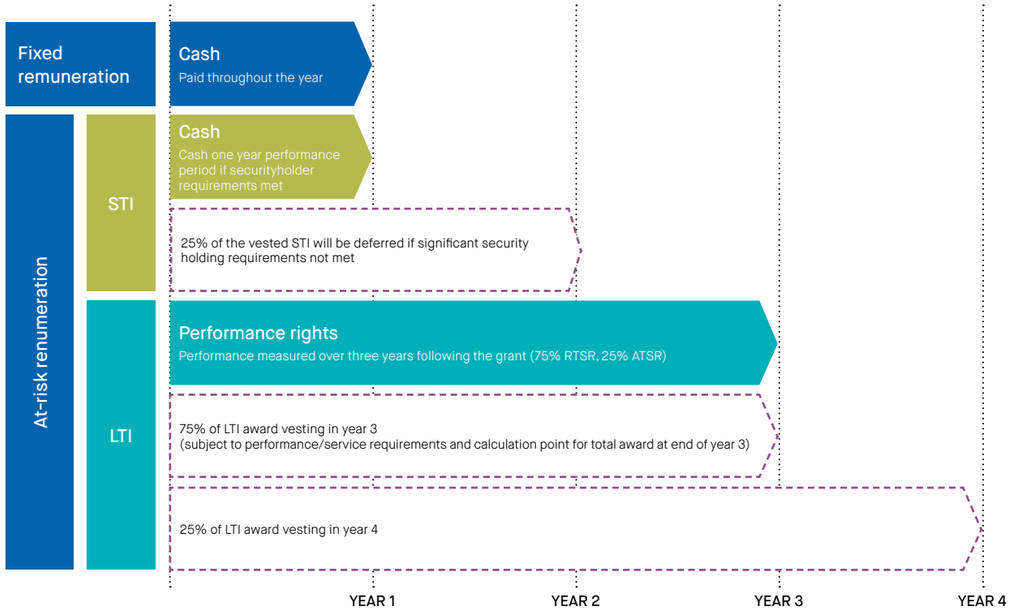
As part of the 2023 review, a short term incentive deferral mechanism contingent on a minimum executive share ownership requirement was introduced. This was coupled with the introduction of a new STI clawback arrangement on provisions similar to existing clawback requirements under the LTI plan. An outline of the rationale has been detailed in the following table:

Executive short term incentive deferral conditions	2024	Rationale
Executive security ownership guidelines	The joint CEOs must hold an equivalent of 200% of their fixed remuneration in the form of equity. The CFO must hold an equivalent of 100% of their fixed remuneration in the form of equity. Any new KMP must accumulate and hold an equivalent of 100% of their fixed remuneration in the form of equity within the first five years from the date of their appointment.	The Board believes that in combination with other remuneration elements, executive share ownership requirements minimise excessive risk taking that might lead to short term returns at the expense of long term value creation. In addition, it creates further alignment between individual executive wealth and the long term performance of the company. As such, the Board determined that share ownership requirements are appropriate for Centuria at this stage and will provide sufficient alignment with securityholders whilst minimising the potential for excessive risk taking.
STI deferral	Should the executive's share ownership fall below the required limit, the company will be deferred 25% of the vested STI in the form of equity for a period of one year, or longer if required to meet the threshold for ownership in Group.	The Board believes that the Joint CEOs are sufficiently aligned with the securityholders through their significant ownership in the Group's securities (approximately 0.9% of issued capital each). In addition, they both participate in the LTI plan, with an opportunity to receive additional equity subject to meeting performance criteria. The Board has considered the STI deferral in light of the market best practice and determined that due to the above reasons, a formal STI deferral is not appropriate at the current stage of the Group and structure of the executive team (provided that their share ownership meets the required share ownership threshold). As such, the STI deferral will only be triggered in order to meet that criteria.
Clawback	The clawback provisions, as described under LTI plan on page 97, will also apply to the deferred portion of the STI.	The Board is of the view that clawback policies continue to be appropriate for Centuria at this stage and will minimize the potential for excessive risk taking.

Delivery of FY24 executive remuneration components

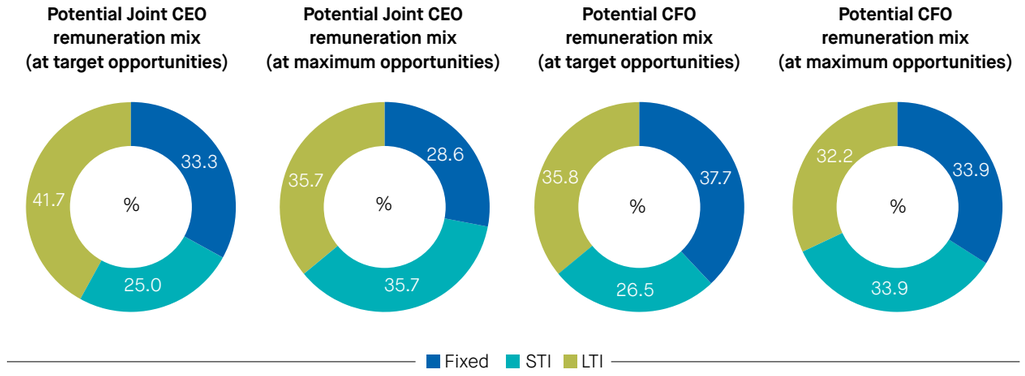
The diagram below outlines the payment/delivery timing of each element of executive remuneration.

When are the key FY24 remuneration components earned and received?



Remuneration mix

Remuneration packages include a mix of fixed and variable remuneration and short and long term performance based incentives.



For personal use only

Remuneration benchmarking

The Committee believes it is critical to understand the relevant market for key executive talent in order to ensure the Group's remuneration strategy and frameworks support the guiding principle which is to attract, motivate and retain capable individuals with exceptional talent, expertise, experience and relationships.

The Committee regularly reviews the composition of the benchmarking peer groups to ensure they continue to represent appropriate reference points for establishing total remuneration for the Group's executives. In general, the Committee considers companies with similarities to the Group on one or more of the following characteristics:

- similar industry or comparable lines of business;
- operate in multiple geographies;
- similar number of employees;
- similar revenue or AUM ($21.1 billion as at 30 June 2024) with a complex and diverse structure across a range of unlisted and listed vehicles; and
- similar market capitalisation on the ASX (using the combined market capitalisation for CNI, CIP and COF of approximately $4.1 billion, for benchmarking purposes).

The Committee reviews benchmarking data for a broad set of ASX-listed A-REIT peers that exhibit the above characteristics, however, it considers the following ASX-listed entities to be the most comparable peers for the Group and represent our main source of competition for executive talent:

- Charter Hall Group (ASX:CHC);
- Goodman Group (ASX:GMG);
- Stockland (ASX:SGP);
- Mirvac Group (ASX:MGR);
- Dexus (ASX:DXS);
- GPT Group (ASX:GPT);
- Scentre Group (ASX:SCG); and
- Vicinity Centres (ASX:VCX).

Whilst benchmarking data is used as one input into remuneration decisions, the Committee also considers various fundamental factors including:

- the size and complexity of the role, including geographical reach including offshore responsibilities;
- the criticality of the role to successful execution of the Group's business strategy;
- skills and experience of the individual;
- period of service;
- availability of talent;
- surrounding market conditions and sentiment;
- the Group's growth trajectory; and
- the Group's multi jurisdictional operating structure (Australia, New Zealand and Philippines).

For personal use only

Historical performance, shareholder wealth and remuneration

Financial performance

The Group's overall objective is to reward executive directors and senior management based on the Group's performance and build on securityholders' wealth, but this is subject to market conditions for the year.

The table below sets out summary information about the Group's earnings for the past five years.

Five year summary	30 June 2024	30 June 2023	30 June 2022	30 June 2021	30 June 2020
Operating profit after tax ($'000)	94,659	115,588	114,510	70,211	53,253
Statutory profit after tax attributable to Centuria Capital Group securityholders ($'000)	102,143	105,920	(37,852)	143,456	21,105
Share price at start of year	$1.65	$1.81	$2.78	$1.79	$1.77
Share price at end of year	$1.65	$1.65	$1.81	$2.78	$1.79
Interim dividend	5.0 cps	5.8 cps	5.5 cps	4.5 cps	4.5 cps
Final dividend	5.0 cps	5.8 cps	5.5 cps	5.5 cps	5.2 cps
Statutory basic earnings per Centuria Capital Group security	12.6 cps	13.3 cps	(4.8) cps	24.6 cps	4.7 cps
Operating basic earnings per Centuria Capital Group security	11.7 cps	14.5 cps	14.5 cps	12.0 cps	12.0 cps
Joint CEO STI outcome (% of maximum)	92%	88%	100%	100%	93%
Joint CEO LTI outcome (% of vesting of grant)	0%	0%	25%	100%	100%
CFO STI outcome (% of maximum)	92%	90%	100%	90%	93%
CFO LTI outcome (% of vesting of grant)	0%	0%	25%	100%	100%

Total securityholder return (TSR)

Centuria Capital is a constituent of the S&P/ASX 200 index.

Due to the factors set out on page 89 and subject to the qualification also outlined, the Group considers the following ASX-listed entities as its most comparable peers which forms the basis of its remuneration benchmarking exercises:

- Charter Hall Group (ASX:CHC);
- Goodman Group (ASX:GMG);
- Stockland (ASX:SGP);
- Mirvac Group (ASX:MGR);
- Dexus (ASX:DXS);
- GPT Group (ASX:GPT);
- Scentre Group (ASX:SCG); and
- Vicinity Centres (ASX:VCX).

The table below highlights Centuria's performance against the nominated A-REIT peers, the broader S&P/ASX 200 index and the S&P 200 A-REIT index.

Total shareholder return – selected peers summary

	1H24 1 Jul 23 to 31 Dec 23	2H24 1 Jan 24 to 30 Jun 24	FY24 1 Jul 23 to 30 Jun 24	Last 3 years 1 Jul 21 to 30 Jun 24
Centuria Capital Group	**9.4%**	**(3.2%)**	**5.8%**	**(29.8%)**
Peer 1	1.9%	(12.8%)	(11.2%)	(27.0%)
Peer 2	(5.5%)	(7.6%)	(12.7%)	(26.1%)
Peer 3	14.5%	(5.3%)	8.4%	(20.2%)
Peer 4	15.1%	(11.2%)	2.2%	(1.2%)
Peer 5	12.4%	(2.6%)	9.5%	8.2%
Peer 6	16.3%	7.2%	24.7%	33.9%
Peer 7	14.5%	(6.6%)	6.9%	38.5%
Peer 8	26.8%	37.9%	74.9%	70.9%
Indices				
S&P ASX 200	7.6%	4.2%	12.1%	20.3%
S&P ASX 200/A-REIT	13.1%	10.2%	24.6%	18.2%

Source: TSR data from IRESS.
Notes: TSR data includes reinvested distributions and represents total return, not an annualised figure. TSR is calculated on the closing price of the last trading day prior period to capture share price return from the first day of the relevant period. S&P ASX 200 and S&P ASX 200 A-REIT indices are accumulation indices.

A major focus for FY24 was maintaining the Group's strategy of ongoing diversification of our portfolio across multiple sectors as well as delivering a resilient operating EPS performance of 11.7 cps. This was combined with a continuing commitment to expanding the equity sources of the group which included the launch to Group's opportunistic style wholesale fund as well as the Centuria Halls Head Central Fund both of which were combined with the 30% deployment of Group's $500 million Starwood industrial mandate.

Despite the resilient earnings performance (achievement of earnings and distribution guidance) as well as the expansion and diversification of the Group's funding sources, like many of our peers, the Group's security price has been negatively impacted by the subdued global equity markets.

The Tranche 9 relative TSR entry hurdle is - equal to the Comparator Group 50th percentile.

This hurdle was not met resulting in full forfeiture of the absolute and relative TSR components of the Tranche 9 LTI awards.

Fixed remuneration

Fixed remuneration consists of base remuneration (which is calculated on a total cost basis and includes any FBT charges related to employee benefits), as well as employer contributions to superannuation funds.

For senior management excluding the Joint CEOs, this is reviewed annually by the Joint CEOs and the Nomination and Remuneration Committee. The process consists of a review of Group, business unit and individual performance as well as relevant comparative remuneration in the market. The same process is used by the Nomination and Remuneration Committee when reviewing the fixed remuneration of the Joint CEOs.

Senior Management are given the opportunity to receive their fixed remuneration in a variety of forms including cash and salary sacrifice items, as motor vehicle allowances and/or additional superannuation contributions.

Short term incentives (STI)

The objective of the STI program is to link the achievement of the Group's non-financial and financial targets with the remuneration received by senior management accountable for meeting those targets. The potential STI available is set at a level to provide sufficient incentive for senior management to achieve operational targets and such that the cost to the Group is reasonable in the circumstances.

For personal use only

STI structure

FY24 STI plan structure

Performance period	12 months	
Opportunity	Joint CEOs	125% of total fixed remuneration at maximum.
	CFO	100% of total fixed remuneration at maximum.
How the STI is paid	STI awards may be settled in either cash and/or shares at the Board's discretion.	
Performance measures and conditions	Financial measures (60%)	Operating earnings per share (EPS growth) Equity sources, sectors and new funds Cost management
	Non-financial measures (40%)	Sustainability Team engagement Diversity, leadership capability and succession planning Risk management
How are STI targets set?	In determining STI hurdle targets, the following factors are considered by the Committee and Board: Financial: • performance of peer fund managers over a range of asset classes; • direct returns from asset classes, in particular property, equities and fixed interest; • outlook for financial markets including fixed interest returns; • effect of financial market views on asset values e.g. cap rate compression or expansion; • performance of Centuria compared to other peer managers; and • quality of Centuria's financial products compared to market and how contemporary they are in this context. Non-financial: • Performance of the Group in developing and implementing sustainability, governance and risk management initiatives and frameworks that align to our strategy, reflect regulatory requirements and benchmarks, protect and further build our license to operate, and consider sustainability performance of peer fund managers. • Performance of the Group in terms of employee engagement using external platforms, compared with real estate industry benchmarks; and • Performance of the Group across measures including demographic representation, promotion and advancement rates, retention and turnover rates compared with industry benchmarks, peers and progressive year on year improvement.	
How is the STI assessed?	At the Board's absolute discretion, the Group's Senior Management may be provided with the opportunity to receive an annual, performance based incentive. The Nomination and Remuneration Committee assesses annually the individual scorecards of participants against the KPIs in determination of the annual STI outcome. The 'STI Achieved' section outlines the overall scorecard outcomes for FY24.	
What happens when an executive ceases employment?	Joint CEOs	If employment terminates part way through a financial year (other than for termination for serious misconduct), the Joint CEOs are entitled to the STI for the full financial year.
	CFO	If employment terminates part way through a financial year, the CFO forfeits any applicable STI for the relevant financial year.
Is there a KMP minimum securityholder requirement?	Yes. The Joint CEOs must hold an equivalent of 200% of their fixed remuneration in the form of equity. The CFO must hold an equivalent of 100% of his fixed remuneration in the form of equity. Any new KMP must accumulate and hold an equivalent of 200% for Joint CEOs and 100% for CFO of their fixed remuneration in the form of equity within the first five years from the date of their appointment.	
Is there any STI deferral?	Yes, if the minimum requirement for the above significant security holdings is not met by KMPs, 25% of the vested STI will be deferred in the form of equity for a period of one year, or longer if required to meet the threshold for ownership in the Group.	
Malus and clawback	In the event of fraud, dishonesty or material misstatement of financial statements, the Board may make a determination, including 'clawing back' of all deferred STIs, to ensure that no unfair benefit is obtained by a participant.	

FY24 performance measures and objectives

FY24 STI scorecard performance hurdle	Weighting	Rationale for use	Target criteria	Outcomes
Financial metrics				
Operating EPS	30%	Ensures continued focus on growing and managing the profitability of the business as a key driver of sustainable securityholder returns	Target: guidance of 11.5 – 12 cps, resulting in 100% of the award being granted. Outperformance target: greater than 12 cps, resulting in 125% of award being granted.	Operating profit of 11.7 cps was reached. Target achieved.
Equity sources, sectors and new funds	15%	Provides alignment to the Group's growth strategy	Target: Creation of a new opportunistic style wholesale fund; and Meet budgeted equity raisings as required. Outperformance: Creation of a new opportunistic style wholesale fund; and Raise greater than $500 million in equity raisings as required.	Centuria Select Opportunities Fund was established during FY24 and Centuria Halls Head Central Fund was oversubscribed. Achieved. Gross equity raised of $1.15 billion, including $600 million from institutional investors. Target achieved.
Performance of Funds relative to agreed benchmarks	15%	Ensures continued focus by management on the financial performance of managed funds	Target: Outperform peers when measured against the MSCI PACA unlisted Benchmark during FY24 by having 5 or more Funds listed in the top 10 performing Funds. Outperformance: Outperform peers when measured against the MSCI PACA unlisted Benchmark during FY24 by having 8 or more Funds listed in the top 10 performing Funds.	At least 7 of Centuria's Unlisted Funds were listed in the MSCI Top 10 Funds in the last four reporting period. Target achieved.

For personal use only

FY24 STI scorecard performance hurdle	Weighting	Rationale for use	Target criteria	Outcomes
Non-financial metrics				
Sustainability	10%	Provides alignment to the areas of focus under our sustainability framework: 'Valued Stakeholders', 'Responsible Business Principles' and being 'Conscious of climate change'.	Targets: Develop NZ climate related disclosures for first compulsory External Board (XRB) Climate related compulsory climate related reporting for FY24 Refine and update group wide sustainability strategy taking into account recent disclosure requirements which will impact NZ in FY24 and expected to impact Centuria Australia in FY27. Oversee the completion of a minimum of 1,200 KW of solar installations throughout portfolio in period. Ensure Office NABERs Sustainable Portfolio index star ratings for COF in relation to both water and energy both increase during the period.	Successfully completed 23 Scheme Climate Statements that complied with XRB climate disclosure requirements. Group wide sustainability strategy refined and updated through the revised Sustainability Framework approved by CNI Board (to be launched in FY24 sustainability report). 1,270 kW of solar operational in FY24. FY24 Office NABERS Sustainable Portfolio index - Water: 4.1 stars (from 3.9 in FY23) - Energy: 5 stars (from 4.9 in FY23). Target achieved.
Team engagement	10%	A motivated and engaged workforce will drive positive business	Target: maintain an overall engagement score of greater than 75%, resulting in award being granted.	The Team's overall engagements score for FY24 was 77%. An overall engagement higher than standard Culture Amp comparable benchmarks – Australian Companies 200-500 employees and Australian Real Estate. Target achieved.[1]
Diversity, leadership capability and succession planning	10%	Enhance demographic representation, ensure a focus on promotion and advancement rates, and continued focus on retention and turnover rates	Targets: Diversity benchmarks – increase female proportion of team from FY23 Improve team retention – increase retention rate across the Group from FY23 Improve leadership capability – demonstrate effective succession planning for senior managers and divisional staff.	As per the FY24 WGEA report, proportion of female team members has increased during FY24 The entire Group's turnover rate has dropped 38% from FY23 The Group promotes from within, illustrated by the promotions within the Funds Management division during the year. Target achieved.
Risk management	10%	Continuous development and maintenance of risk management and governance frameworks which exceed regulatory requirements	Target: manage commercial and non-financial risks within a framework that exceeds regulatory requirements, by introducing systems and capabilities regarding: Financial statement close process Treasury management system process CPS 230 legislation, CPS 234 legislation and FAR legislation.	Development and roll out of a bespoke financial close process environment. Development and roll out of a platform wide dedicated Treasury management system. Selection of a robust governance risk and compliance management and monitoring system to be used across the organisation. Target achieved.

1. Employee engagement is measured as a score through a bi-annual Group wide survey conducted independently through 'Culture Amp' and supported by an independent consultant who reported directly to the CNI Board.

In addition to the scorecard above, the Board took into consideration the following non-financial achievements and progress made in FY24 in determining the final outcome of the FY24 STI awards:

- increasing the Group's interest in the Centuria Bass business, now a major divisional profit centre to 80%;
- further progress on the Group's continuing commitment to building a diversified and sustainable operating platform through the expansion of the Group into newly emerging sectors, including the recently announced 50% acquisition of ResetData, an innovative Cloud Service and Data Centre provider;
- enhanced treasury management, increasing the Group's weighted average debt maturity in addition to delivering reduced operating interest expense in an increasing interest rate environment;
- continued focus on expansion of both listed and unlisted capital sources;
- the commencement of an integrated procurement strategy across the platform benefiting all stakeholders of the Group including tenants, platform investors and security holders;
- restructure of our external shared services partner located in Manila with the aim of delivering an improved Team member experience and engagement;
- delivery of a platform wide average 96% occupancy rate in a challenging macro-economic environment; and
- maintenance of a comprehensive approach to Employee Engagement through targeted surveys deployed across the business using Culture Amp, with the results exceeding real estate industry benchmarks for employee engagement.

STI achieved

The table below outlines the percentage of target STI achieved (and forfeited) in relation to financial and non-financial KPIs, and the total STI awarded, for each executive in 2024.

		Financial			Non-financial			
Executive	STI on maximum opportunity	Weighting	Achieved	Forfeited	Weighting	Achieved	Forfeited	STI awarded
John McBain (Joint CEO)	$2,018,250	60%	90%	10%	40%	94%	6%	$1,851,744
Jason Huljich (Joint CEO)	$2,018,250	60%	90%	10%	40%	94%	6%	$1,851,744
Simon Holt (CFO)	$817,960	60%	90%	10%	40%	94%	6%	$750,478

The FY24 STI awarded has not been deferred since the minimum executive security ownership requirements have been met throughout the year.

For personal use only

Long term incentives (LTI)

The Group has an Executive Incentive Plan (LTI Plan) which forms a key element of the Group's incentive and retention strategy for Senior Management under which Performance Rights (Rights) are issued.

The primary objectives of the LTI Plan include:

- focusing executives on the longer term performance of the Group to drive long term shareholder value creation;
- ensure Senior Management remuneration outcomes are aligned with securityholder interests, in particular, the strategic goals and performance of the Group; and
- ensure remuneration is competitive and aligned with general market practice by ASX-listed entities.

Rights issued under the LTI Plan are issued in accordance with the thresholds approved at the Annual General Meeting (AGM).

LTI structure

LTI plan structure			
Performance period	Three year performance with 75% of any LTI award vesting in Year 3 with the remaining 25% vesting in Year 4.		
Opportunity	Joint CEOs	125% of total fixed remuneration at maximum.	
	CFO	95% of total fixed remuneration at maximum.	
Instrument	Performance Rights. The allocation of the LTI grants is on a face value basis using the volume weighted average price of the Group's securities over the five ASX trading days immediately preceding 1 July of the grant year (being the date of the commencement of the performance period). Each Performance Right is a right to acquire one Security in the Group (or an equivalent cash amount), subject to the achievement of the 'performance hurdles' set out below.		
Performance metrics	Relative Total Securityholder Return (RTSR) (75%)	**RTSR (compounded) when ranked to the comparator group of S&P/ASX 200 A-REIT Accumulation index stocks over the performance period.**	**Performance Rights subject to RTSR Hurdle that vest.**
		Exceeds the comparator group 75th percentile	100%
		More than the comparator group 50th percentile and less than 75th percentile	Between 50% to 100% progressive pro-rata vesting (i.e. on a straight line basis)
		Equal to the comparator group 50th percentile	50%
		Less than the comparator group 50th percentile	0%
	Absolute Total Securityholder Return (ATSR) (25%)	**Annual ATSR achieved over the performance period.**	**Performance Rights subject to ATSR Hurdle that vest.**
		15% or greater	100%
		Between 10% and 15%.	Between 25% to 100% progressive pro-rata vesting (i.e. on a straight line basis).
		10%	25%
		Less than 10%.	0%

LTI plan structure	
Rationale for the performance metric and conditions	Both RTSR and ATSR measure the return securityholders would earn if they held a notional number of securities over a period of time. RTSR provides a relative measure of growth in the Group's security price in comparison to relative peers (being the S&P/ASX 200 A-REIT Accumulation index). ATSR provides an absolute measure of growth in the Group's security price. The ATSR target is determined with reference to the following factors which can impact future performance: • performance of peer fund managers over a range of asset classes; • direct returns from asset classes in particular property, equities and fixed interest; • outlook for financial markets including fixed interest returns; • effective financial market views on asset values e.g. cap rate compression or expansion; • performance of Centuria compared to other peer managers; and • quality of Centuria's financial products compared to market and how contemporary they are in this context. By combining RTSR with an ATSR measure, executives can be rewarded for driving positive returns and investors have the confidence that interests are aligned with long term business growth and the creation of shareholder wealth. The inclusion of an ATSR metric has been designed to counter balance RTSR outcomes which may vest when overall market conditions are down.
What happens when an executive ceases employment?	If a participant ceases to be employed by the Group before the end of the Performance Period, whether the Performance Rights lapse will depend on the circumstances of cessation. If a participant ceases employment due to resignation, termination for cause or termination for gross misconduct, all unvested Performance Rights will lapse at cessation unless the Board determines otherwise. If a participant ceases employment for any other reason prior to Performance Rights vesting, a pro-rata number of unvested Performance Rights (based on the Performance Period that has elapsed at the time of cessation) will remain unvested until the end of the original Performance Period and vest to the extent that the relevant performance hurdles have been satisfied at any time. The balance of Performance Rights will lapse at cessation.
Malus and clawback	In the event of fraud, dishonesty or material misstatement of financial statements, the Board may make a determination, including lapsing unvested Performance Rights or 'clawing back' securities allocated upon vesting, to ensure that no unfair benefit is obtained by a participant.
Dividends and voting rights	Rights do not carry a right to vote or to dividends or, in general, a right to participate in other corporate actions such as bonus issues.
Re-testing	Awards are tested once, at the end of the performance period of three years. There is no further retesting of the performance conditions.
Change of control provisions	If a change of control event occurs, the Board has the discretionary power to determine whether any unvested Performance Rights should ultimately vest, lapse or become subject to different vesting conditions. In making such a determination, the Board may have regard to any factors that the Board considers relevant, including the period elapsed, the extent to which the vesting conditions have been satisfied and the circumstances of the event.

LTI grants

Currently, the Group operates three tranches of the LTIP as below:

Tranche	Grant date (Joint CEOs)	Grant date (other participants)	Performance period
9	3 December 2021	12 August 2021	1 July 2021 to 30 June 2024 (Tranche to be fully forfeited)
10	5 December 2022	12 August 2022	1 July 2022 to 30 June 2025
11	4 December 2023	30 August 2023	1 July 2023 to 30 June 2026

For personal use only

The table below outlines Rights which were previously granted to Senior Management and testing against those conditions.

	Held at 1 July 2023	Rights granted during the year	Rights vested and exercised during the year	Rights forfeited during the year	Rights held at 30 June 2024	Grant date	Fair value to be expensed in future periods ($)
John McBain							
Tranche 8 Relative TSR	682,278	-	-	682,278	-	26-Nov-20	-
Tranche 8 Absolute TSR	227,426	-	-	227,426	-	26-Nov-20	-
Tranche 9 Relative TSR	530,806	-	-	-	530,806	03-Dec-21	-
Tranche 9 Absolute TSR	176,935	-	-	-	176,935	03-Dec-21	-
Tranche 10 Relative TSR	758,610	-	-	-	758,610	05-Dec-22	505,424
Tranche 10 Absolute TSR	252,870	-	-	-	252,870	05-Dec-22	132,757
Tranche 11 Relative TSR	-	918,277	-	-	918,277	04-Dec-23	587,697
Tranche 11 Absolute TSR	-	306,092	-	-	306,092	04-Dec-23	139,654
Total	**2,628,925**	**1,224,369**	**-**	**909,704**	**2,943,590**		**1,365,532**
Jason Huljich							
Tranche 8 Relative TSR	682,278	-	-	682,278	-	26-Nov-20	-
Tranche 8 Absolute TSR	227,426	-	-	227,426	-	26-Nov-20	-
Tranche 9 Relative TSR	530,806	-	-	-	530,806	03-Dec-21	-
Tranche 9 Absolute TSR	176,935	-	-	-	176,935	03-Dec-21	-
Tranche 10 Relative TSR	758,610	-	-	-	758,610	05-Dec-22	505,424
Tranche 10 Absolute TSR	252,870	-	-	-	252,870	05-Dec-22	132,757
Tranche 11 Relative TSR	-	918,277	-	-	918,277	04-Dec-23	587,697
Tranche 11 Absolute TSR	-	306,092	-	-	306,092	04-Dec-23	139,654
Total	**2,628,925**	**1,224,369**	**-**	**909,704**	**2,943,590**		**1,365,532**
Simon Holt							
Tranche 8 Relative TSR	274,630	-	-	274,630	-	26-Nov-20	-
Tranche 8 Absolute TSR	91,543	-	-	91,543	-	26-Nov-20	-
Tranche 9 Relative TSR	204,370	-	-	-	204,370	12-Aug-21	-
Tranche 9 Absolute TSR	68,123	-	-	-	68,123	12-Aug-21	-
Tranche 10 Relative TSR	292,078	-	-	-	292,078	12-Aug-22	239,504
Tranche 10 Absolute TSR	97,360	-	-	-	97,360	12-Aug-22	65,718
Tranche 11 Relative TSR	-	353,553	-	-	353,553	30-Aug-23	217,877
Tranche 11 Absolute TSR	-	117,851	-	-	117,851	30-Aug-23	57,747
Total	**1,028,104**	**471,404**	**-**	**366,173**	**1,133,335**		**580,846**
Executive total	**6,285,954**	**2,920,142**	**-**	**2,185,581**	**7,020,515**		**3,311,910**

- The Tranche 9 Relative TSR fair values are $1.92 (three-year vesting) and $1.85 (four-year vesting) for Joint CEOs and $2.05 (three-year vesting) and $1.98 (four-year vesting) for CFO.
- The Tranche 9 Absolute TSR fair value are $1.18 (three-year vesting) and $1.16 (four-year vesting) for Joint CEOs and $1.23 (three-year vesting) and $1.19 (four-year vesting) for CFO.
- The Tranche 10 Relative TSR fair values are $0.68 (three-year vesting) and $0.64 (four-year vesting) for Joint CEOs and $0.83 (three-year vesting) and $0.79 (four-year vesting) for CFO.
- The Tranche 10 Absolute TSR fair value are $0.53 (three-year vesting) and $0.51 (four-year vesting) for Joint CEOs and $0.69 (three-year vesting) and $0.65 (four-year vesting) for CFO.

- The Tranche 11 Relative TSR fair value are $0.65 (three-year vesting) and $0.61 (four-year vesting) for Joint CEOs and $0.63 (three-year vesting) and $0.59 (four-year vesting) for CFO.
- The Tranche 11 Absolute TSR fair value are $0.46 (three-year vesting) and $0.45 (four-year vesting) for Joint CEOs and $0.50 (three-year vesting) and $0.48 (four-year vesting) for CFO.
- The maximum value of the rights yet to vest is the fair value amount at grant date yet to be reflected in the Group's consolidated income statement. The minimum future value is $NIL as the future performance conditions may not be met.

Key terms of employment contracts

Joint Chief Executive Officers

Mr John E. McBain, was appointed as CEO of the Group in April 2008. Mr Jason C. Huljich, was appointed as Joint CEO of the Group in June 2019. Mr John E. McBain and Mr Jason C. Huljich are employed under contract. The summary of the major terms and conditions of their employment contracts are as follows:

- Fixed compensation plus superannuation contributions;
- Car parking within close proximity to the Group's office;
- Eligible to participate in the bonus program determined at the discretion of the Board;
- The Group may terminate their employment contract by providing six months written notice or provide payment in lieu of the notice period plus an additional six months. Any payment in lieu of notice will be based on the total fixed compensation package; and
- The Group may terminate their employment contract at any time without notice if serious misconduct has occurred. When termination with cause occurs, the Joint Chief Executive Officers are only entitled to remuneration up to the date of termination.

The Nomination and Remuneration Committee ensures severance payments due to the Joint Chief Executive Officers on termination are limited to pre-established contractual arrangements which do not commit the Group to making any unjustified payments in the event of non-performance.

Other Senior Management (standard contracts)

All Senior Management are employed under contract. The Group may terminate their employment agreement by providing three months written notice or providing payment in lieu of the notice period (based on the total fixed compensation package).

Summary of achieved forfeited STI and Tranche 9 LTI

The table below outlines the percentage of target STIs and LTIs achieved (and forfeited) in relation to financial and non-financial KPIs, and the total awarded, for each executive for the financial year ended 30 June 2024.

Short term incentives	John McBain FY24 maximum STI $2,018,250		Jason Huljich FY24 maximum STI $2,018,250		Simon Holt FY24 maximum STI $817,960	
	Achieved	**Forfeited**	**Achieved**	**Forfeited**	**Achieved**	**Forfeited**
%FY24 STI	92%	8%	92%	8%	92%	8%
Total STI ($)	**$1,851,744**	**$166,506**	**$1,851,744**	**$166,506**	**$750,478**	**$67,482**

Long term incentives	John McBain Tranche 9 performance rights at grant date $1,940,625		Jason Huljich Tranche 9 performance rights at grant date $1,940,625		Simon Holt Tranche 9 performance rights at grant date $747,175	
	Achieved	**Forfeited**	**Achieved**	**Forfeited**	**Achieved**	**Forfeited**
Performance rights achieved/to be forfeited	$0	$1,940,625	$0	$1,940,625	$0	$747,175
Maximum performance rights achieved/to be forfeited (%)	0%	100%	0%	100%	0%	100%
Total LTI ($)	$0	$1,940,625	$0	$1,940,625	$0	$747,175
Total incentives ($)	**$1,851,744**	**$2,107,131**	**$1,851,744**	**$2,107,131**	**$750,478**	**$814,657**

For personal use only

Statutory remuneration table to KMP

The following table discloses total remuneration of Executive Directors and Senior Management in accordance with the *Corporations Act 2001*:

		Short term employee benefits		Other long term benefits		
Executive KMP	Year	Salaries including superannuation ($)[1]	Short term incentive ($)	Long service leave ($)	Share based payments ($)	Total $
Mr John E. McBain	**2024**	**1,614,600**	**1,851,744**	**49,406**	**861,096**	**4,376,846**
	2023	1,552,500	1,707,750	45,406	1,114,435	4,420,091
Mr Jason C. Huljich	**2024**	**1,614,600**	**1,851,744**	**-**	**861,096**	**4,327,440**
	2023	1,552,500	1,707,750	397	1,114,435	4,375,082
Mr Simon W. Holt	**2024**	**844,055**	**750,478**	**1,209**	**345,245**	**1,940,987**
	2023	786,500	707,850	17,140	446,109	1,957,599
Total	**2024**	**4,073,255**	**4,453,966**	**50,615**	**2,067,437**	**10,645,273**
	2023	3,891,500	4,123,350	62,943	2,674,979	10,752,772

1. KMP fees are paid as cash and are inclusive of superannuation contributions which are paid in accordance with the applicable superannuation legislation. KMPs are not entitled to retirement benefits other than superannuation. Total fees for each KMP disclosed in the table above include superannuation contributions as follows:
   Mr John E. McBain $27,399 (2023: $25,292)
   Mr Jason C. Huljich $ 27,399 (2023: $25,292)
   Mr Simon W. Holt $27,399 (2023: $25,292)

Non-Executive Director remuneration

Objective

The Board seeks to set aggregate remuneration at a level that provides the Group with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

- Non-Executive Directors receive adequate remuneration to attract and retain the requisite talent;
- reflect the complexity of the Group structure and the time commitment associated with oversight of multi-faceted operating entities within the Group;
- reflects the risk and responsibility accepted by the Non-Executive Directors and their commercial expertise; and
- the structure should align the Non-Executive Directors with investors, not providing any disincentive to take independent action.

Structure

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of Non-Executive Directors shall be determined from time to time by a general meeting. An amount not exceeding the aggregate amount determined is then divided between the Directors as agreed. An aggregate maximum amount of not more than $2,000,000 per year was approved at the 2017 Annual General Meeting.

Each Director receives a fee for being a Director of Group companies. An additional fee is paid to the Chair and to the member of each Board Committee. The payment of the additional fees to each Chair recognises the additional time commitment and responsibility associated with the position. Non-Executive Directors do not receive equity as a form of payment.

As highlighted on page 84, the Centuria structure, whilst not unique, comprises multiple operating entities, both listed and unlisted. These include CNI, COF, CIP, Centuria Life, Centuria Healthcare, Centuria New Zealand, Centuria Bass Credit and Centuria WA. Each Board has specific requirements and obligations. In recognition of the complexity of the Group and in the interests of good governance and transparency, the Group has adopted a Directors' fee schedule which is disclosed in the table on the next page.

The fee schedule covers the Board and Board Committee roles across the headstock and other operating entities which the Centuria directors sit on. The fee schedule is designed to improve transparency while recognising that each board is responsible for actively overseeing the financial position and monitoring the business and affairs of the particular entity on behalf of its stakeholders, to whom directors are accountable.

In determining the fee schedule, the Non-Executive Director fees were benchmarked against the same peer group of S&P/ASX 200 A-REIT. Additionally, the complexity of the overall Group and the commitment levels required by Non-Executive Directors was considered in setting the level of fees.

As a result of a benchmarking exercise during the year, non-executive director fees were increased by 4% as at 1 July 2023, The non-executive director fees for Centuria Property Funds Limited and Centuria Property Funds No.2 Limited were further adjusted from 1 March 2024.

The annualised fee schedule, outlined below, were effective from 1 July 2023 to 30 June 2024:

Director fee schedule	Chair	Member
Centuria Capital Limited Board	$362,336	$118,976
Centuria Capital Limited Audit, Risk and Compliance Committee	$21,632	$10,816
Centuria Capital Limited Conflicts Committee	$54,080	$16,224
Centuria Capital Limited Nomination and Remuneration Committee	$21,632	$10,816
Centuria Capital Limited Culture, People and ESG Committee	$21,632	$10,816
Centuria Life Limited Board	$97,344	$32,448
Centuria Life Limited Audit Committee	-	$10,816
Centuria Life Limited Risk and Compliance Committee	-	-
Centuria Life Limited Investment Committee	$75,712	-
Centuria Property Funds Limited Board (1 July 2023 to 29 February 2024)	$118,976	$32,448/$59,488[1]
Centuria Property Funds Limited Audit, Risk and Compliance Committee (1 July 2023 to 29 February 2024)	$16,224	$10,816
Centuria Property Funds Limited Board (1 March 2024 to 30 June 2024)	$150,000	$90,000
Centuria Property Funds Limited Audit, Risk and Compliance Committee (1 March 2024 to 30 June 2024)	$16,224	$10,816
Centuria Property Funds No. 2 Limited Board (1 July 2023 to 29 February 2024)	$124,384	$32,448/$59,488
Centuria Property Funds No. 2 Limited Audit, Risk and Compliance Committee (1 July 2023 to 29 February 2024)	$16,224	$10,816
Centuria Property Funds No. 2 Limited Board (1 March 2024 to 30 June 2024)	$150,000	$90,000
Centuria Property Funds No. 2 Limited Audit, Risk and Compliance Committee (1 March 2024 to 30 June 2024)	$16,224	$10,816
Centuria Healthcare Pty Ltd Board	$75,712	$38,027
Centuria Healthcare Asset Management Ltd Board	$54,080	$32,448

1. Committee members who are also Directors on the Centuria Capital Group Board are remunerated $32,448 and all other committee members are remunerated $59,488.

Details of Boards and Board Committees

Centuria Capital Limited

The Board of Centuria Capital Limited sets the strategic direction and objectives of the Group. Through its regular monthly board meetings, as well as the many transaction specific meetings, it oversees the performance of the executive management team in delivering against the strategic goals across the entire operations of the Group.

The Board of Centuria Capital Limited and the Board of Centuria Funds Management Limited, as the responsibility entity of the Centuria Capital Fund, oversee and govern the complex stapled Group structure (ASX:CNI). Where appropriate, meetings take place concurrently for maximum efficiency.

Board committees chaired by independent Non-Executive Directors and established by the Centuria Capital Limited Board provide a forum for greater oversight of the governance requirements of the organisation.

Centuria Funds Management Limited

The Centuria Funds Management Limited Board concurrently with the Centuria Capital Limited Board and as the responsible entity of the stapled Centuria Capital Fund, provides oversight over management decision making, particularly in relation to the various co-investment stakes. This includes associated capital raisings and borrowings through facilities and note issuances in the market. Centuria Funds Management Limited holds an Australian Financial Services Licence that enables it to provide a wide range of financial products and investment advisory services as well as being the trustee of the Centuria Capital No. 2 Fund which is the issuer of listed redeemable debt notes (ASX:C2FHA).

Centuria Capital Fund is a fund that has each of its units stapled to Centuria Capital Limited shares, with the two securities traded alongside each other as a single instrument (ASX:CNI). The Centuria Capital Fund (CCF) holds various strategic co-investment stakes primarily in listed and unlisted funds managed by Centuria. CCF through its subsidiaries is also the vehicle through which the group:

- undertakes both long term and short term investment decisions;
- supports the establishment of new funds through the provision of initial seed capital;
- provides underwriting support as and when required;
- undertakes equity raisings; and
- raises finance through various external facilities and the issuance of both listed and unlisted notes.

Centuria Life Limited

Centuria Life Limited is an APRA regulated entity and is the vehicle through which the Centuria Capital Group issues and offers its full suite of Investment Bond products in addition to providing investment management and administration services to Over Fifty Guardian Friendly Society Limited (Guardian). Centuria Life has in excess of $800 million in assets under management. With the great majority of the products offered by the business having daily unit pricing, it requires the application of strict governance and compliance systems and processes to meet regulatory requirements in addition to the continuous monitoring of Board and APRA mandated capital adequacy requirements.

Centuria Healthcare Pty Limited

Centuria Capital Group owns 58.99% of Centuria Healthcare Pty Limited, formerly Heathley Healthcare. Through its various subsidiaries, including Centuria Healthcare Asset Management Limited the Responsible Entity for a number of unlisted healthcare registered scheme, this company provides extensive property, funds management and development management services across a range of established healthcare assets and development opportunities. The Centuria Capital Group currently has a majority interest in Centuria Healthcare Pty Limited with a put and call option exercisable in FY25 to acquire the remaining stake in the healthcare business. In the meantime, Centuria Capital has day to day control over the operating and financial decisions of the business and the Board meets on a monthly basis to set the strategic direction of Centuria's healthcare business.

Centuria Property Funds Limited

Centuria Property Funds Limited (CPFL) is the responsible entity of the ASX-listed Centuria Office REIT (ASX:COF), the responsible entity of the open ended fund Centuria Diversified Property Fund and Centuria Agriculture Fund, and ten closed ended registered schemes with over $4.2 billion total assets under management. CPFL is also regulated by ASIC to provide Custodian Services to various property funds. The Board must ensure that CPFL continually meets its obligations as an Australian Financial Services Licence holder including capital adequacy, minimum net tangible asset, liquidity and cashflow testing requirements.

Centuria Property Funds No. 2 Limited

Centuria Property Funds No.2 Limited (CPF2L) is the responsible entity of the ASX-listed Centuria Industrial Fund (ASX:CIP) and the responsible entity of the open ended Centuria Healthcare Property Fund and four closed ended registered schemes with over $4.2 billion total assets under management. CPF2L is also regulated by ASIC to provide Custodian Services to various property funds. The Board must ensure that CPF2L continually meets its obligations as an Australian Financial Services Licence holder including capital adequacy, minimum net tangible asset, liquidity and cashflow testing requirements.

Audit, Risk and Compliance Committee

The CNI Board has an established Audit, Risk and Compliance Committee to assist in relation to audit, risk management and compliance oversight responsibilities, ensuring the integrity of the Group's financial reporting and compliance with statutory and regulatory obligations mandated by ASIC and prudential requirements governed by APRA. This Committee meets on a quarterly basis and is also accountable for assessing the effectiveness of the Group's Risk Management Framework and ensuring there is a continuous process for the management of significant risks throughout the Group.

Conflicts Committee

Identifying and addressing all matters involving conflicts of interest, whether actual or perceived is the cornerstone of good corporate governance. The Board of Centuria Capital Group has established a Conflicts Committee to review and assess specific arrangements proposed to manage conflicts as and when they arise. The Committee has an independent Chairman, Professor Simon Rice AO, and its members are all independent Non-Executive Directors from within the Group. Meetings take place whenever required to provide the Board of the relevant Centuria entity with guidance on whether the measures proposed, if properly implemented, are adequate to manage the conflict. Amongst its A-REIT peers in the S&P/ASX 200, Centuria is the only company to have such a committee.

For personal use only

Nomination and Remuneration Committee

The Nomination & Remuneration Committee is tasked with ensuring that the Boards of the various Centuria Group entities comprise of members with the appropriate mix of skills, tenure, experience, training and diversity to provide the right balance of stewardship and oversight on behalf of its stakeholders. The Committee is also tasked with providing appropriate governance and monitoring of the Group's remuneration policies, adherence to codes of conduct as well as advice with respect to the appropriate quantum and structure of remuneration for Senior Management and staff. The aim of the Nomination & Remuneration Committee is to ensure the appropriate balance of risk and rewards for staff whilst ensuring appropriate stewardship of the Group's resources on behalf of its stakeholders.

Culture and ESG Committee

The Culture and ESG Committee was established by the Board as a result of the Board's recognition of the importance of ESG to the long term sustainability of the Group and the increasing relevance to Centuria's investors as the Group grows. The Board also recognised the Group's responsibility to the community in which it operates and as such, established the Committee to assist the Board in fulfilling its oversight responsibilities and to make recommendations on matters pertaining to culture and environmental, social and governance.

Investment Committees

Centuria Capital Group has various investment committees to oversee the relevant entity's investment and portfolio management practices to ensure they are in line with the risk and return requirements of its investors, as well as ensuring that investment decisions are made in accordance with the appropriate regulatory requirements. The Centuria Life and Over Fifty Guardian Friendly Society Investment Committees in particular monitor fund rules and target achieving the long term strategic objectives of investors.

Non-Executive Director - statutory remuneration table

The below table outlines total fees paid to NEDs for 2023 and 2024. All the fees below include superannuation.

Non-Executive KMP	Year	Total fees[1] $
Mr Garry S. Charny	**2024**	**535,392**
	2023	514,800
Ms Kristie R. Brown	**2024**	**146,019**
	2023	140,400
Mr Peter J. Done[2]	**2024**	**207,040**
	2023	239,200
Mr John R. Slater	**2024**	**248,768**
	2023	239,200
Ms Susan L. Wheeldon	**2024**	**162,240**
	2023	156,000
Ms Joanne Dawson[3]	**2024**	**102,952**
	2023	-
Total	**2024**	**1,402,411**
	2023	1,289,600

1. Board and Board Committee fees are paid as cash and are inclusive of superannuation contributions which are paid in accordance with the applicable superannuation legislation. Non-Executive Directors are not entitled to retirement benefits other than superannuation. Total fees for each Non-Executive Director disclosed in the table above include superannuation contributions as follows:
   Total fees for each Non-Executive Director disclosed in the table above include superannuation contributions as follows:
   - Mr Garry S. Charny $27,399 (2023: $30,110)
   - Ms Kristie R. Brown $14,470 (2023: 13,343)
   - Mr Peter J. Done $11,440 (2023: $12,847)
   - Mr John R. Slater $6,163 (2023: $31,924)
   - Ms Susan L. Wheeldon $4,020 (2023: $7,412)
   - Ms. Joanne Dawson $10,202 (2023: $nil)
2. Mr Peter J. Done resigned from the Board on 17 November 2023.
3. Ms. Joanne Dawson was appointed as a member of the Centuria Capital Board on 28 November 2023.

For personal use only

The below table shows how fees paid to each NED aligns with their roles in various subsidiary Boards and Committees as per the fee schedule on page 101. This new fee structure and schedule was effective from 1 June 2021.

Mr Garry S. Charny	Year	Board meetings attended	Board	Audit, Risk and Compliance Committee	Conflicts Committee	Nomination and Remuneration Committee	Culture and ESG Committee	Investment Committee	Total $
Centuria Capital Limited	**2024**	**15**	**362,336[3]**	**-**	**0[4,5,6]**	**0[1,2,4]**	**0[1,2,4]**	**-**	**326,336**
	2023	20	348,400[3]	-	0[1,2,4]	0[1,2,4]	0[1,2,4]	-	348,400
Centuria Life Limited	**2024**	**11**	**97,344[3]**	**0[2,4]**	**0[1]**	**-**	**-**	**-**	**97,344**
	2023	11	93,600[3]	0[2,4]	0[1]	-	-	-	93,600
Centuria Healthcare Pty Ltd	**2024**	**6**	**75,712[3]**	**-**	**0[1]**	**-**	**-**	**-**	**75,712**
	2023	8	72,800[3]	-	0[1]	-	-	-	72,800
Total	**2024**	**32**	**535,392**	**-**	**-**	**-**	**-**	**-**	**535,392**
	2023	39	514,800	-	-	-	-	-	514,800

1. All Centuria Capital Limited Board and Committee appointments including Chair and Member positions represent group wide accountabilities which extend across Audit Risk and Compliance, Conflicts, Culture and ESG as well as Nomination and Remuneration appointments across the entire platform and all controlled subsidiaries.
2. NED is chair/member of this committee, however receives no additional fee for their role on the committee.
3. The NED is a Chair of the applicable Board or Committee.
4. The NED is a member of the applicable Board or Committee.

Ms Kristie R. Brown	Year	Board meetings attended	Board	Audit, Risk and Compliance Committee	Conflicts Committee	Nomination and Remuneration Committee	Culture and ESG Committee	Investment Committee	Total $
Centuria Capital Limited	**2024**	**15**	**118,976[1]**	**10,819[1]**	**16,224[1,2]**	**-**	**-**	**-**	**146,019**
	2023	20	114,400[1,2]	10,400[1]	15,600[1,2]	-	-	-	140,400
Total	**2024**	**15**	**118,976**	**10,819**	**16,224**	**-**	**-**	**-**	**146,019**
	2023	20	114,400	10,400	15,600	-	-	-	140,400

1. The NED is a member of the applicable Board or Committee.
2. All Centuria Capital Limited Board and Committee appointments including Chair and Member positions represent group wide accountabilities which extend across Audit Risk and Compliance, Conflicts, Culture and ESG as well as Nomination and Remuneration appointments across the entire platform and all controlled subsidiaries.

Mr Peter J. Done	Year	Board meetings attended	Board	Audit, Risk and Compliance Committee	Conflicts Committee	Nomination and Remuneration Committee	Culture and ESG Committee	Investment Committee	Total $
Centuria Capital Limited	**2024**	**5**	**45,634[1]**	**8,297[2]**	**-**	**4,149[1,3]**	**-**	**-**	**58,080**
	2023	20	114,400[1]	20,800[2]	-	10,400[1,3]	-	-	145,600
Centuria Life Limited	**2024**	**4**	**12,446[1]**	**0[2,4]**	**-**	**-**	**-**	**0 [1,4]**	**12,446**
	2023	11	31,200[1]	0[2,4]	-	-	-	0[1,4]	31,200
Centuria Property Funds Limited	**2024**	**21**	**59,804[1]**	**6,764[1]**	**-**	**-**	**-**	**-**	**66,568**
	2023	18	31,200[1]	0[1,4]	-	-	-	-	31,200
Centuria Property Funds No. 2 Limited	**2024**	**23**	**59,804[1]**	**10,142[2]**	**-**	**-**	**-**	**-**	**69,946**
	2023	24	31,200[1]	0[2,4]	-	-	-	-	31,200
Total	**2024**	**53**	**177,688**	**25,203**	**-**	**4,149**	**-**	**-**	**207,040**
	2023	73	208,000	20,800	-	10,400	-	-	239,200

Note: Mr Peter Done resigned from the Centuria Capital Limited Board and Committees and Centuria Life Limited Board on 17 November 2023.
1. The NED is a member of the applicable Board or Committee.
2. The NED is a Chair of the applicable Board or Committee.
3. All Centuria Capital Limited Board and Committee appointments including Chair and Member positions represent group wide accountabilities which extend across Audit Risk and Compliance, Conflicts, Culture and ESG as well as Nomination and Remuneration appointments across the entire platform and all controlled subsidiaries.
4. NED is chair/member of this committee, however receives no additional fee for their role on the committee.

Mr John R. Slater	Year	Board meetings attended	Board	Audit, Risk and Compliance Committee	Conflicts Committee	Nomination and Remuneration Committee	Culture and ESG Committee	Investment Committee	Total $
Centuria Capital Limited	**2024**	**15**	**118,976[1]**	**10,816[1]**	**-**	**10,816[1,2]**	**-**	**-**	**140,608**
	2023	20	114,400[1]	10,400[1]	-	10,400[1,2]	-	-	135,200
Centuria Life Limited	**2024**	**11**	**32,448[3]**	**0[3,4]**	**0[3,4]**	**-**	**-**	**75,712[2]**	**108,160**
	2023	11	31,200[1]	0[1,4]	0[1,4]	-	-	72,800[2]	104,000
Total	**2024**	**26**	**151,424**	**10,816**	**-**	**10,816**	**-**	**75,712**	**248,768**
	2023	31	145,600	10,400	-	10,400	-	72,800	239,200

1. The NED is a member of the applicable Board or Committee.
2. All Centuria Capital Limited Board and Committee appointments including Chair and Member positions represent group wide accountabilities which extend across Audit Risk and Compliance, Conflicts, Culture and ESG as well as Nomination and Remuneration appointments across the entire platform and all controlled subsidiaries.
3. The NED is a member of the applicable Board or Committee.
4. NED is chair/member of this committee, however receives no additional fee for their role on the committee.

Ms Susan L. Wheeldon	Year	Board meetings attended	Board	Audit, Risk and Compliance Committee	Conflicts Committee	Nomination and Remuneration Committee	Culture and ESG Committee	Investment Committee	Total $
Centuria Capital Limited	**2024**	**15**	**118,976[1]**	**-**	**-**	**21,632[2,3]**	**21,632[2,3]**	**-**	**162,240**
	2023	20	114,400[1]	-	-	20,80[02,3]	20,800[2,3]	-	156,000
Total	**2024**	**15**	**118,976**	**-**	**-**	**21,632**	**21,632**	**-**	**162,240**
	2023	20	114,400	-	-	20,800	20,800	-	156,000

1. The NED is a member of the applicable Board or Committee.
2. The NED is a Chair of the applicable Board or Committee.
3. All Centuria Capital Limited Board and Committee appointments including Chair and Member positions represent group wide accountabilities which extend across Audit Risk and Compliance, Conflicts, Culture and ESG as well as Nomination and Remuneration appointments across the entire platform and all controlled subsidiaries.
4. NED is chair/member of this committee, however receives no additional fee for their role on the committee.

Ms Joanne Dawson	Year	Board meetings attended	Board	Audit, Risk and Compliance Committee	Conflicts Committee	Nomination and Remuneration Committee	Culture and ESG Committee	Investment Committee	Total $
Centuria Capital Limited	**2024**	**9**	**70,949[1]**	**12,801[2]**	**-**	**-**	**-**	**-**	**83,750**
	2023	-	-	-	-	-	-	-	-
Centuria Life Limited	**2024**	**7**	**19,202[1]**	**0[2,3]**	**-**	**-**	**-**	**-**	**19,202**
	2023	-	-	-	-	-	-	-	-
Total	**2024**	**16**	**90,151**	**12,801**	**-**	**-**	**-**	**-**	**102,952**
	2023	-	-	-	-	-	-	-	-

Note: Ms Joanne Dawson was appointed on 28 November 2023.
1. The NED is a member of the applicable Board or Committee.
2. The NED is a Chair of the applicable Board or Committee.
3. NED is chair/member of this committee, however receives no additional fee for their role on the committee.

Related party transactions

Since 2021 the Board has adopted a policy that, as a matter of general principle, third party consultancy fees should not be paid to entities that are related to independent directors. Any directors who are associated with entities that received consulting fees have had their independence tested and confirmed by reference to ASIC guidelines on independence and through an external review.

Accordingly, from 1 June 2021, no consulting fees have been paid to entities associated with CNI directors.

There were no fees paid during the year.

Director and Senior Management equity holdings and other transactions

Director and Senior Management equity holdings

Set out below are details of movements in fully paid ordinary shares held by Directors and Senior Management as at the date of this report.

Name	Balance at 1 July 2023	Securities acquired/ (sold)	Rights exercised	Balance at 30 June 2024	Changes prior to signing	Balance at signing date
Mr Garry S. Charny	422,753	-	-	422,753	-	**422,753**
Ms Kristie R. Brown	-	-	-	-	-	-
Ms Joanne Dawson	-	-	-	-	-	-
Mr Peter J. Done[1]	1,506,182	-	-	1,506,182	-	**1,506,182**
Mr John R. Slater	3,110,677	-	-	3,110,677	-	**3,110,677**
Ms Susan L. Wheeldon	-	-	-	-	-	-
Mr Jason C. Huljich	6,446,081	-	-	6,446,081	-	**6,446,081**
Mr John E. McBain	7,888,282	-	-	7,888,282	-	**7,888,282**
Mr Simon W. Holt	1,077,899	-	-	1,077,899	-	**1,077,899**

1. Resigned 17 November 2023.

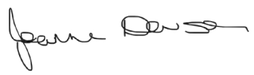
Set out below are the details of movement of performance rights held by KMPs during the year. The fair value attributable to these rights can be found on page 98.

Name	Balance at 1 July 2023	Rights granted during the year	Rights vested and exercised during the year	Rights forfeited during the year	Rights held at 30 June 2024
Mr Jason C. Huljich	2,628,925	1,224,369	-	(909,704)	**2,943,590**
Mr John E. McBain	2,628,925	1,224,369	-	(909,704)	**2,943,590**
Mr Simon W. Holt	1,028,104	471,404	-	(366,173)	**1,133,335**

This report is made in accordance with a resolution of Directors.



Mr Garry S. Charny
Director



Ms Joanne Dawson
Director

Sydney
22 August 2024

For personal use only

Lead Auditor's independence declaration

KPMG

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Centuria Capital Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Centuria Capital Group for the financial year ended 30 June 2024 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.



KPMG



Paul Thomas

Partner

Sydney

22 August 2024

KPMG, an Australian partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organisation. Liability limited by a scheme approved under Professional Standards Legislation.

Financial statements

For the year ended 30 June 2024

Consolidated statement of comprehensive income	**110**
Consolidated statement of financial position	**111**
Consolidated statement of changes in equity	**112**
Consolidated statement of cash flows	**114**
Notes to the financial statements	**116**
A About the report	**116**
A1 General information	116
A2 Material accounting policies	116
A3 Other new accounting standards and interpretations	117
A4 Use of judgements and estimates	118
A5 Segment summary	118
B Business performance	**120**
B1 Segment profit and loss	120
B2 Revenue	124
B3 Mark to market movements of financial instruments and property	128
B4 Expenses	128
B5 Finance costs	129
B6 Taxation	129
B7 Earnings per security	133
B8 Dividends and distributions	134
C Assets and liabilities	**136**
C1 Segment balance sheet	136
C2 Receivables	140
C3 Financial assets	141
C4 Secured real estate mortgages receivable	145
C5 Inventory	147
C6 Intangible assets	149
C7 Payables	151
C8 Borrowings	151
C9 Limited recourse loans payable	152
C10 Call/put option liability	154
C11 Right of use asset/lease liability	156
C12 Contributed equity	156
C13 Commitments and contingencies	156
D Cash flows	**158**
D1 Operating segment cash flows	158
D2 Cash and cash equivalents	159
D3 Reconciliation of profit for the period to net cash flows from operating activities	159
E Group Structure	**160**
E1 Interests in associates and joint ventures	160
E2 Business combination	164
E3 Material interests in subsidiaries	166
E4 Parent entity disclosure	167
F Other	**170**
F1 Share-based payment arrangements	170
F2 Financial instruments	171
F3 Remuneration of auditors	180
F4 Events subsequent to the reporting date	180
Consolidated entity disclosure statement	**181**
Directors' declaration	**190**
Independent auditor's report	**192**

For personal use only



UNLISTED: SUNDROP GLASSHOUSE, PORT AUGUSTA SA

For personal use only

Consolidated statement of comprehensive income

For the year ended 30 June 2024

	Notes	30 June 2024 $'000	30 June 2023 $'000
Revenue	B1, B2	**327,027**	370,115
Share of net (loss)/profit of equity accounted investments		**(1,412)**	4,281
Net movement in policyholder liability		**(15,584)**	(10,001)
Mark to market movements of financial instruments and property	B3	**28,870**	6,928
Expenses	B4	**(166,812)**	(206,052)
Finance costs	B5	**(62,689)**	(38,538)
Profit before tax		**109,400**	126,733
Income tax expense	B6	**(7,239)**	(20,801)
Profit after tax		**102,161**	105,932
PROFIT AFTER TAX IS ATTRIBUTABLE TO:			
Centuria Capital Limited		**73,209**	32,289
Centuria Capital Fund (non-controlling interests)		**28,934**	73,631
External non-controlling interests		**18**	12
Profit after tax		**102,161**	105,932
Foreign currency translation reserve		**(794)**	4,487
Total comprehensive income for the year		**101,367**	110,419
TOTAL COMPREHENSIVE INCOME FOR THE YEAR IS ATTRIBUTABLE TO:			
Centuria Capital Limited		**72,415**	36,776
Centuria Capital Fund (non-controlling interests)		**28,934**	73,631
External non-controlling interests		**18**	12
Total comprehensive income		**101,367**	110,419
PROFIT AFTER TAX ATTRIBUTABLE TO:			
Centuria Capital Limited		**73,209**	32,289
Centuria Capital Fund (non-controlling interests)		**28,934**	73,631
Profit after tax attributable to Centuria Capital Group securityholders		**102,143**	105,920
		Cents	**Cents**
EARNINGS PER CENTURIA CAPITAL GROUP SECURITY			
Basic (cents per stapled security)	B7	**12.6**	13.3
Diluted (cents per stapled security)	B7	**12.5**	13.1
EARNINGS PER CENTURIA CAPITAL LIMITED SHARE			
Basic (cents per share)	B7	**9.0**	4.0
Diluted (cents per share)	B7	**8.9**	3.9

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

As at 30 June 2024

	Notes	30 June 2023 $'000	30 June 2022 $'000[1]
Cash and cash equivalents	D2	**206,936**	225,460
Receivables	C2	**118,095**	133,278
Income tax receivable	B6(b)	**-**	4,988
Financial assets[1]	C3	**980,984**	897,846
Secured real estate mortgages receivable	C4	**849,561**	41,887
Other assets		**11,188**	12,714
Inventory	C5	**85,127**	88,708
Deferred tax assets	B6(c)	**8,266**	8,637
Equity accounted investments	E1	**56,554**	90,682
Right of use assets	C11	**27,743**	32,590
Intangible assets	C6	**1,062,764**	793,072
Total assets		**3,407,218**	2,329,862
Payables	C7	**117,252**	92,418
Provisions		**5,865**	5,419
Borrowings	C8	**435,971**	371,347
Limited recourse loans payable	C9	**801,958**	3,870
Provision for income tax	B6(b)	**1,585**	600
Interest rate swaps at fair value		**19,273**	19,339
Benefit Funds policyholder's liability		**306,970**	278,793
Call/Put option liability	C10	**91,090**	38,255
Deferred tax liabilities	B6(c)	**115,836**	66,307
Lease liabilities	C11	**31,888**	35,725
Total liabilities		**1,927,688**	912,073
NET ASSETS		**1,479,530**	1,417,789
Equity			
Equity attributable to Centuria Capital Limited			
Contributed equity	C12	**415,337**	394,811
Reserves		**12,567**	10,063
Retained earnings		**360,927**	297,353
Total equity attributable to Centuria Capital Limited		**788,831**	702,227
Equity attributable to Centuria Capital Fund (non-controlling interests)			
Contributed equity	C12	**1,055,857**	1,034,779
Accumulated losses		**(368,551)**	(322,592)
Total equity attributable to Centuria Capital Fund (non-controlling interests)		**687,306**	712,187
Total equity attributable to Centuria Capital Group securityholders		**1,476,137**	1,414,414
Equity attributable to external non-controlling interests			
Contributed equity		**3,358**	3,358
Accumulated losses		**35**	17
Total equity attributable to external non-controlling interests		**3,393**	3,375
Total equity		**1,479,530**	1,417,789

1. Reverse mortgages receivable was previously disclosed as a financial asset and has been reclassified into the Secured real estate mortgages receivable line. Refer to Note C4 for further details.

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

For the year ended 30 June 2024

	Centuria Capital Limited				Centuria Capital Fund (non-controlling interests)			Total attributable to Centuria Capital Group Securityholders	External non-controlling interests			
	Contributed equity $'000	Reserves $'000	Retained earnings $'000	Total	Contributed equity $'000	Accumulated losses $'000	Total $'000	$'000	Contributed equity $'000	Retained earnings $'000	Total $'000	Total equity $'000
Balance at 1 July 2023	394,811	10,063	297,353	702,227	1,034,779	(322,592)	712,187	**1,414,414**	3,358	17	3,375	**1,417,789**
Profit for the year	-	-	73,209	73,209	-	28,934	28,934	**102,143**	-	18	18	**102,161**
Foreign currency translation reserve	-	(794)	-	(794)	-	-	-	**(794)**	-	-	-	**(794)**
Total comprehensive income for the year	**-**	**(794)**	**73,209**	**72,415**	**-**	**28,934**	**28,934**	**101,349**	**-**	**18**	**18**	**101,367**
Equity settled share based payments expense	-	3,298	-	3,298	-	-	-	**3,298**	-	-	-	**3,298**
Dividends and distributions paid/accrued	-	-	(9,635)	(9,635)	-	(74,893)	(74,893)	**(84,528)**	-	-	-	**(84,528)**
Stapled securities issued	20,646	-	-	20,646	21,119	-	21,119	**41,765**	-	-	-	**41,765**
Cost of equity raising	(120)	-	-	(120)	(41)	-	(41)	**(161)**	-	-	-	**(161)**
Balance at 30 June 2024	**415,337**	**12,567**	**360,927**	**788,831**	**1,055,857**	**(368,551)**	**687,306**	**1,476,137**	**3,358**	**35**	**3,393**	**1,479,530**

	Centuria Capital Limited				Centuria Capital Fund (non-controlling interests)			Total attributable to Centuria Capital Group	External non-controlling interests			
	Contributed equity $'000	Reserves $'000	Retained earnings $'000	Total	Contributed equity $'000	Accumulated losses $'000	Total $'000	Securityholders $'000	Contributed equity $'000	Retained earnings $'000	Total $'000	Total equity $'000
Balance at 1 July 2022	389,717	3,491	284,478	677,686	1,025,584	(313,452)	712,132	1,389,818	15,683	27,700	43,383	**1,433,201**
Profit for the year	-	-	32,289	32,289	-	73,631	73,631	105,920	-	12	12	**105,932**
Foreign currency translation reserve	-	4,487	-	4,487	-	-	-	4,487	-	-	-	**4,487**
Total comprehensive income for the year	**-**	**4,487**	**32,289**	**36,776**	**-**	**73,631**	**73,631**	**110,407**	**-**	**12**	**12**	**110,419**
Equity settled share based payments expense	2,970	2,085	-	5,055	-	-	-	5,055	-	-	-	**5,055**
Dividends and distributions paid/accrued	-	-	(17,264)	(17,264)	-	(79,121)	(79,121)	(96,385)	-	-	-	**(96,385)**
Stapled securities issued	2,125	-	-	2,125	9,201	-	9,201	11,326	-	-	-	**11,326**
Cost of equity raising	(1)	-	-	(1)	(6)	-	(6)	(7)	-	-	-	**(7)**
Capital invested to non-controlling interests	-	-	-	-	-	-	-	-	464	-	464	**464**
Deconsolidation of controlled property funds[1]	-	-	(2,150)	(2,150)	-	(3,650)	(3,650)	(5,800)	(12,789)	(27,695)	(40,484)	**(46,284)**
Balance at 30 June 2023	**394,811**	**10,063**	**297,353**	**702,227**	**1,034,779**	**(322,592)**	**712,187**	**1,414,414**	**3,358**	**17**	**3,375**	**1,417,789**

1. Included in the deconsolidation of controlled property funds is a correction of the allocation of prior year profits between Centuria Capital Limited, Centuria Capital Fund and external non-controlling interests.

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

For personal use only

Consolidated statement of cash flows

For the year ended 30 June 2024

	Note	30 June 2024 $'000	30 June 2023 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Management fees received		**198,692**	204,747
Performance fees received		**6,184**	143
Distributions received		**62,011**	54,738
Interest received		**54,339**	7,987
Rent received		**4,844**	5,731
Cash received on development projects		**-**	3,813
Payments to suppliers and employees		**(128,844)**	(122,526)
Interest paid		**(48,215)**	(31,796)
Income taxes paid		**(3,477)**	(8,616)
Applications - Benefits Funds		**40,123**	23,630
Redemptions - Benefits Funds		**(29,337)**	(24,169)
Net cash provided by operating activities	D3	**156,320**	113,682
CASH FLOWS FROM INVESTING ACTIVITIES			
Loans repaid from SPVs		**175,841**	-
Proceeds from sale of related party investments		**146,216**	61,966
Loans repaid from other parties		**85,950**	39,734
Repayment of loans by related parties		**37,768**	36,644
Sale of property held for sale		**10,794**	31,708
Disposal of equity accounted investments		**8,322**	65,402
Collections from reverse mortgage holders		**4,670**	2,521
Cash balance on acquisition of subsidiaries		**2,056**	-
Payments for property, plant and equipment		**(238)**	(2,314)
Purchase of equity accounted investments		**(11,387)**	(49,036)
Benefit Funds net disposals of investments in financial assets		**(48,601)**	28,725
Loans to related parties		**(65,040)**	(39,838)
Loans to other parties		**(85,950)**	(39,734)
Purchase of investments in related parties		**(230,444)**	(63,736)
Loans provided to SPVs		**(162,054)**	-
Cash balance on deconsolidation of property funds		**-**	(6,043)
Loans provided to other parties		**-**	(13,883)
Purchase of property held for development		**-**	(20,246)
Sale of property held for development		**-**	30,203
Net cash used in (investing activities		**(132,097)**	62,073
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from SPV borrowings		**302,870**	-
Proceeds from borrowings		**247,500**	96,650
Proceeds from issue of securities to securityholders of Centuria Capital Group		**13,265**	11,326
Equity raising costs paid		**(161)**	(7)
Capitalised borrowing costs paid		**(1,396)**	(1,094)
Distributions paid to securityholders of Centuria Capital Group		**(86,168)**	(93,474)
Repayment of borrowings		**(186,193)**	(162,749)
Repayment of SPV borrowings		**(330,908)**	-
Net cash used in financing activities		**(41,191)**	(149,348)
Net (decrease)/increase in cash and cash equivalents		**(16,968)**	26,407
Cash and cash equivalents at the beginning of the financial year		**225,460**	200,565
Effects of exchange rate changes on cash and cash equivalents		**(1,556)**	(1,512)
Cash and cash equivalents at end of year		**206,936**	225,460

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

For personal use only

For personal use only

Notes to the financial statements

For the year ended 30 June 2024

A About the report

A1 General information

The shares in Centuria Capital Limited, (the Company) and the units in Centuria Capital Fund (CCF) are stapled and trade together as a single stapled security (Stapled Security) on the ASX as 'Centuria Capital Group' (the Group) under the ticker code CNI.

The Group is a for-profit entity and its principal activities are the marketing and management of investment products including property investment funds and friendly society investment bonds, co-investments in property investment funds, as well as property and development finance.

Statement of compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The consolidated financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB).

The consolidated financial statements of the Group comprising the Company (as Parent) and its controlled entities for the year ended 30 June 2024 were authorised for issue by the Group's Board of Directors on 22 August 2024.

Basis of preparation

The consolidated financial statements have been prepared on the basis of historical cost, except for financial assets at fair value through profit and loss, other financial assets, investment properties and derivative financial instruments which have been measured at fair value at the end of each reporting period. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, which is the company's functional currency, unless otherwise noted.

Assets and liabilities have been presented on the face of the statement of financial position in decreasing order of liquidity and do not distinguish between current and non-current items.

Going concern

The financial report has been prepared on a going-concern basis, which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

Rounding of amounts

The Group is an entity of a kind referred to in ASIC Legislative Instrument 2016/191, related to the 'rounding off' of amounts in the Directors' Report and financial statements. Amounts in the Directors' Report and financial statements have been rounded off, in accordance with the instrument to the nearest thousand dollars, unless otherwise indicated.

A2 Material accounting policies

The accounting policies and methods of computation in the preparation of the consolidated financial statements are consistent with those adopted in the previous financial year ended 30 June 2023 with the exception of the adoption of new accounting standards outlined below or in the relevant notes to the consolidated financial statements.

When the presentation or classification of items in the consolidated financial statements has been amended, comparative amounts are also reclassified, unless it is impractical. Accounting policies are selected and applied in a manner that ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported.

These financial statements contain all material accounting policies that summarise the recognition and measurement basis used and which are relevant to provide an understanding of the financial statements. Accounting policies that are specific to a note to the financial statements are described in the note to which they relate.

Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rate at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

However, foreign currency differences arising from the translation of the following items are recognised in Other Comprehensive Income (OCI):

- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the Australian dollar (AUD) at the exchange rate at the reporting date. The income and expenses of foreign operations are translated into AUD at the exchange rates at the date of the transactions.

Foreign currency differences arising from the translation of foreign operations are recognised in OCI and accumulated into the translation reserve, except to the extent that the translation difference is allocated to NCI.

A3 Other new accounting standards and interpretations

The AASB has issued new or amendments to standards that are first effective from 1 July 2024.

The following amended standards and interpretations that have been adopted do not have a significant impact on the Group's consolidated financial statements.

Standards now effective:

- AASB 17 Insurance Contracts
- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates
- AASB 2021-5 Amendments to Australian Accounting Standards - Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- AASB 2021-7(b) Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections
- AASB 2022-1 Amendments to Australian Accounting Standards - Initial application of AASB 17 and AASB 9 - Comparative Information
- AASB 2022-2 Amendments to Australian Accounting Standards - Extending Transition Relief Under AASB 1

Standards not yet effective:

A number of new standards are effective for annual periods beginning after 1 July 2024 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements.

The following new and amended standards are not expected to have a significant impact on the Group's consolidated financial statements.

- AASB 18 - Presentation and Disclosure in Financial Statements
- AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants
- AASB 2021-7(c) Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections
- AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

A4 Use of judgements and estimates

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense that are not readily apparent from other sources. The judgements, estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates and revision to accounting estimates are recognised prospectively.

Information about critical judgements, estimates and assumptions in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements are included in the following notes:

- Note B2 Revenue - Performance fees
- Note C5 Inventory
- Note C6 Intangible assets
- Note F2 Financial instruments

A5 Segment summary

As at 30 June 2024, the Group has six reportable operating segments. These reportable operating segments are the divisions which report to the Group's Joint Chief Executive Officers and Board of Directors (the Group's chief operating decision makers) for the purpose of resource allocation and assessment of performance.

The reportable operating segments are:

Operating segments	Description
Property Funds Management	Management of listed and unlisted property funds.
Co-investments	Direct interest in property funds, properties held for sale and other liquid investments
Developments	Management of development projects and completion of structured property developments which span sectors ranging from Commercial Office, Industrial, Healthcare through to Residential Mixed Use.
Property & Development Finance	Provision of real estate secured non-bank finance for bridging finance, land sub-division, development projects and residual stock.
Investment Bonds Management	Management of the Benefit Funds of Centuria Life Limited and management of the Over Fifty Guardian Friendly Society Limited. The Benefit Funds include a range of financial products, including single and multi-premium investments.
Corporate	Overheads for supporting the Group's operating segments.

For personal use only

In addition, the Group also provides disclosures in relation to a further four non-operating segments, which are:

Non-operating segments	Description
Non-operating items	Comprises transaction costs, mark-to-market movements in investment, property and financial instruments, share of equity accounted net profit in excess of distributions received and all other non-operating activities.
Controlled non-operating entities	Represents the operating results and financial position of entities controlled by the group which are required to be consolidated into the Group's financial statements in accordance with accounting standards. This segment includes: • Equity property funds that are controlled • Operating result and financial position of the benefit funds of Centuria Life Limited • Results and financial position of Centuria Bass Credit's Special Purpose Vehicles (SPVs) used to source capital from investors through Limited Recourse Loan Agreements with the resultant funding extended to borrowers through Syndicated Facility Agreements. • Results of the management of a reverse mortgage lending portfolio.
Eliminations	Elimination of transactions between the operating segments and the other non-operating segments above, including transactions between the operating entities within the Group, property and benefit funds as well as Centuria Bass Credit's Financing SPVs controlled by the Group

The accounting policies of reportable segments are the same as the Group's accounting policies, unless otherwise noted.

Commencing the year ended 30 June 2024, the Controlled Property Funds and the Benefits Funds non-operating Segments have been combined with the Financing SPVs of the Centuria Bass business and reverse mortgages lending portfolio and presented as a single non-operating segment, representing all controlled entities and Funds of the Group which are not considered to form part of the operating results of the Group reportable to its CEOs. The equivalent June 2023 disclosures with respect to non-operating Controlled Property Funds and the Benefits Funds have also been restated accordingly.

Refer below for an analysis of the Group's segment results:

- Note B1 Segment profit and loss
- Note C1 Segment balance sheet
- Note D1 Operating segment cash flows
- Note E2 Business combination



LISTED: 8 CENTRAL AVENUE, EVELEIGH NSW

For personal use only

B Business performance

B1 Segment profit and loss

Commencing the year ended 30 June 2024, the Controlled Property Funds, Reverse Mortgages and Benefits Funds non-operating Segments have been combined with the Financing SPVs of the Centuria Bass business and presented as a single non-operating segment, representing all controlled entities and Funds of the Group which are not considered to form part of the operating results of the Group reportable to its CEOs.

For the year ended 30 June 2024	Notes	Property funds management $'000	Co-investments $'000	Development $'000	Property and development finance $'000	Investment bonds management $'000	Corporate $'000	Operating profit $'000	Non operating items $'000	Controlled non-operating entities $'000	Eliminations $'000	Statutory profit $'000
Management fees		145,382	-	9,668	-	8,834	-	**163,884**	-	-	(3,581)	**160,303**
Development and property sales revenue		-	-	34,776	-	-	-	**34,776**	4,500	-	-	**39,276**
Distribution/dividend revenue		-	43,419	-	-	-	-	**43,419**	(3,438)	13,437	-	**53,418**
Property performance fees		6,030	-	-	-	-	-	**6,030**	-	-	-	**6,030**
Property acquisition fees		9,182	-	-	-	-	-	**9,182**	-	-	(215)	**8,967**
Interest revenue		-	7,645	52	18,034	-	2,699	**28,430**	(11,956)	36,760	(6,380)	**46,854**
Rental income		1,315	2,927	-	-	-	143	**4,385**	-	19	-	**4,404**
Underwriting fees		898	-	-	-	-	-	**898**	-	-	-	**898**
Financing fees		1,590	-	-	7,452	-	-	**9,042**	(4,382)	-	(3,070)	**1,590**
Property sales fees		2,313	-	-	-	-	-	**2,313**	-	-	-	**2,313**
Other income		324	135	-	1,255	848	127	**2,689**	(73)	358	-	**2,974**
Total revenue	B2	**167,034**	**54,126**	**44,496**	**26,741**	**9,682**	**2,969**	**305,048**	**(15,349)**	**50,574**	**(13,246)**	**327,027**
Share of net (loss)/profit of equity accounted investments	E1	-	-	-	-	-	-	**-**	(1,412)	-	-	**(1,412)**
Net movement in policyholder liabilities		-	-	-	-	-	-	**-**	-	(15,584)	-	**(15,584)**
Mark to market movements of financial instruments and property	B3	-	-	-	-	-	-	**-**	19,749	9,121	-	**28,870**
Expenses	B4	(81,510)	(170)	(8,103)	(12,573)	(6,069)	(19,812)	**(128,237)**	4,799	(10,509)	6,866	**(127,081)**
Cost of sales	B4	-	-	(35,231)	-	-	-	**(35,231)**	(4,500)	-	-	**(39,731)**
Finance costs	B5	(2,861)	(32,629)	(1)	(715)	(1)	(1,635)	**(37,842)**	(2,089)	(29,138)	6,380	**(62,689)**
Profit before tax		**82,663**	**21,327**	**1,161**	**13,453**	**3,612**	**(18,478)**	**103,738**	**1,198**	**4,464**	**-**	**109,400**
Income tax benefit/(expense)	B6	(24,893)	(3,825)	(349)	(4,062)	(1,163)	25,213	**(9,079)**	6,268	(4,428)	-	**(7,239)**
Profit after tax		**57,770**	**17,502**	**812**	**9,391**	**2,449**	**6,735**	**94,659**	**7,466**	**36**	**-**	**102,161**
Profit/(loss) after tax attributable to:												
Centuria Capital Limited		57,770	5,784	812	9,391	2,449	(77,689)	**(1,483)**	74,674	18	-	**73,209**
Centuria Capital Fund		-	11,718	-	-	-	84,424	**96,142**	(67,208)	-	-	**28,934**
Profit after tax attributable to Centuria Capital Group securityholders		**57,770**	**17,502**	**812**	**9,391**	**2,449**	**6,735**	**94,659**	**7,466**	**18**	**-**	**102,143**
Non-controlling interests		-	-	-	-	-	-	**-**	-	18	-	**18**
Profit after tax		**57,770**	**17,502**	**812**	**9,391**	**2,449**	**6,735**	**94,659**	**7,466**	**36**	**-**	**102,161**

For personal use only

For the year ended 30 June 2023	Notes	Property funds management $'000	Co-investments $'000	Development $'000	Property and development finance $'000	Investment bonds management $'000	Corporate $'000	Operating profit $'000	Non operating items $'000	Controlled property funds $'000	Eliminations $'000	Statutory profit $'000
Management fees		142,260	-	12,919	-	8,605	-	163,784	-	-	(3,595)	160,189
Property acquisition fees		14,923	-	-	-	-	-	14,923	-	-	-	14,923
Property performance fees		28,457	-	-	-	-	-	28,457	-	-	-	28,457
Financing fees		975	-	-	6,200	-	-	7,175	(6,200)	-	-	975
Development and property sales revenue		-	-	30,649	-	-	-	30,649	67,612	-	-	98,261
Property sales fees		911	-	-	-	-	-	911	-	-	-	911
Interest revenue		-	4,232	463	5,622	-	2,751	13,068	(5,622)	1,659	(59)	9,046
Rental income		204	4,988	-	-	-	-	5,192	-	18	-	5,210
Distribution/dividend revenue		-	43,474	-	-	-	-	43,474	(3,875)	8,381	-	47,980
Underwriting fees		2,982	-	-	-	-	-	2,982	-	-	-	2,982
Other income		314	21	2	-	684	-	1,021	-	160	-	1,181
Total revenue	**B2**	**191,026**	**52,715**	**44,033**	**11,822**	**9,289**	**2,751**	**311,636**	**51,915**	**10,218**	**(3,654)**	**370,115**
Share of net (loss)/profit of equity accounted investments	E1	-	-	-	-	-	-	-	4,281	-	-	4,281
Net movement in policyholder liabilities		-	-	-	-	-	-	-	-	(10,001)	-	(10,001)
Mark to market movements of financial instruments and property	B3	-	-	-	-	-	-	-	(296)	7,224	-	6,928
Expenses	B4	(76,301)	(331)	(8,523)	(5,236)	(5,827)	(18,626)	(114,844)	2,985	(4,083)	3,595	(112,347)
Cost of sales	B4	-	-	(26,093)	-	-	-	(26,093)	(67,612)	-	-	(93,705)
Finance costs	B5	(2,160)	(32,996)	(3)	(5)	(1)	(1,818)	(36,983)	(1,610)	(4)	59	(38,538)
Profit/(Loss) before tax		**112,565**	**19,388**	**9,414**	**6,581**	**3,461**	**(17,693)**	**133,716**	**(10,337)**	**3,354**	**-**	**126,733**
Income tax benefit/(expense)	B6	(33,340)	(2,155)	(2,801)	(1,975)	(1,037)	23,180	(18,128)	657	(3,330)	-	(20,801)
Profit/(Loss) after tax		**79,225**	**17,233**	**6,613**	**4,606**	**2,424**	**5,487**	**115,588**	**(9,680)**	**24**	**-**	**105,932**
Profit/(loss) after tax attributable to:												
Centuria Capital Limited		79,225	3,468	6,613	4,606	2,424	(65,891)	30,445	1,832	12	-	32,289
Centuria Capital Fund		-	13,765	-	-	-	71,378	85,143	(11,512)	-	-	73,631
Profit/(loss) after tax attributable to Centuria Capital Group securityholders		79,225	17,233	6,613	4,606	2,424	5,487	115,588	(9,680)	12	-	105,920
Non-controlling interests		-	-	-	-	-	-	-	-	12	-	12
Profit/(loss) after tax		**79,225**	**17,233**	**6,613**	**4,606**	**2,424**	**5,487**	**115,588**	**(9,680)**	**24**	**-**	**105,932**

For personal use only

B2 Revenue

Revenue has been disaggregated in the segment profit and loss in Note B1.

(a) Recognition and measurement

Type of revenue	Description	Revenue recognition policy
Management fees	The Group provides:	
	a. fund management services to property funds in accordance with the fund constitutions. The services are provided on an ongoing basis and revenue is calculated and recognised in accordance with the relevant constitution. The fees are primarily calculated based on a fixed percentage of a defined metric or a fixed amount. The fees are invoiced and paid monthly in arrears.	Over-time
	b. property management services to the owners of property assets in accordance with property services agreements. The services are utilised on an ongoing basis and revenue is calculated and recognised in accordance with the specific agreement. The fees are primarily calculated based on a fixed percentage of a defined metric or a fixed amount. The fees are invoiced monthly with variable payment terms depending on the individual agreements.	Over-time
	c. lease management services to the owners. The revenue is recognised when the specific service is delivered (e.g. on lease execution) and consideration is due 30 days from invoice date. The fees are primarily calculated based on a fixed percentage of a defined metric or a fixed amount.	Point-in-time
	d. development management services to the owners of property assets in accordance with development management agreements. Revenue is calculated in accordance with the specific agreement and invoiced in accordance with the contract terms with revenue recognised progressively as the services are provided in proportion to the state of completion by reference to costs. Consideration is due from the customer based on the specific terms agreed in the contract and is recognised when the Group has control of the benefit.	Over-time
Distribution/ dividend revenue	Distribution/dividend revenue from investments is recognised when the shareholder has a right to receive payment.	Point-in-time
Interest	Accrued over-time by reference to the outstanding amount using the effective interest rate.	Over-time
Rental	Rent from investment property is recognised in profit or loss on a straight line basis over term of the lease.	Over-time
Financing fees	Financing fees charged by the Group's Property and Development Finance (PDF) operating segment include, loan application and discharge fees, which are charged at set amounts, as well as establishment fees, early discharge fees and risk review fees, which are calculated based on a fixed percentages of the underlying commitment or the facility amount. Administration fees which are either charged at set amounts or based on a percentage of the Facility amount are the only financing fees charged on a monthly basis. Financing fees with respect to the Group's PDF operations, which are considered integral to the origination and issuance of the financial instruments are accounted for using the Effective Interest Method (EIR). This method requires all cash flows, including any upfront fees and fees received at the end of the financing arrangement, to be quantified, and spread over the life of the expected financial instrument. This spread, reflecting an overall yield, approximates the emergence of the fees over the expected life of the financial instrument. Whilst financing fees are recovered at a point-in-time or as services are performed, their eventual collectability is dictated by the future performance of the underlying borrower, its continued financial viability as well as the quality of the underlying secured asset at the end of the arrangement to meet all the financial obligations arising from each syndicated facility agreement.	Over-time

Type of revenue	Description	Revenue recognition policy
Financing fees continued	The recoverability of the Group's entitlement to its Financing fees and its interest margin are subject to significant variability and are impacted by future external factors. Management track and monitor the performance of each syndicated facility agreement throughout its life against the following factors: a. Deal Status, which assess the actual progress of construction of the underlying development against the original planned draw downs, costing and cashflows from the project. b. Presence of Default event(s), with all defaults considered to negatively impact the recoverability of fees. c. Loan to Value Ratio (LVR), assessed separately and specifically for each Syndicated Facility Agreement, with ratios less than 60% considered low risk, and ratios above 70% considered high risk. d. Assessment of Refinance Risk, which monitors the availability of external sources, costing and quality of debt funding available for each borrower under each syndicated facility agreement, with higher refinance risk (representative of an inability to source alternative debt funding) resulting in a higher risk assessment in relation to the ultimate recoverability of the Group's revenue entitlement. The above are then consolidated and used to forecast the 'Aggregate amount available'. This assessment reflects the expected excess funding to be available in each Financing SPV to meet the contractual and commercial expectations of the limited recourse loan holders (investors) for each of the financial arrangements. This assessment is then expressed as overall fee probability estimate and used to derive the expected credit loss with respect to each arrangement considering factors specific to each arrangements as well as past experience in relation to the recoverability of fees compared with similar arrangement and across the entire population of current and past financial instruments.	
Finance work fees	Liquidity management services to property funds in accordance with the fund constitutions. The revenue is recognised when the specific service is delivered (e.g. on facility execution) and consideration is due 30 days from invoice date. The fees are primarily calculated based on a fixed percentage of the facility amount.	Point-in-time
Performance fees	The Group receives a performance fee for providing management services where the property fund outperforms a set internal rate of return (IRR) benchmark at the time the property is sold. Consideration is due upon successful sale of the investment property if the performance hurdles are satisfied. In measuring the performance fees to be recognised each period, consideration is given to the facts and circumstances with respect to each investment property including external factors such as its current valuation, passage of time and outlook of the property market. Performance fees are only recognised when they are deemed to be highly probable and the amount of the performance fees will not result in a significant reversal in future periods. The Group's performance fees are recognised over-time under AASB 15 Revenue from Contracts with Customers. The key assumptions made in estimating the amount of performance fee revenue that is highly probable include: **>2 years from forecast fund end date:** It is assumed that the highly probable threshold is only met when the forecast end date of the fund is within two years from balance date. The forecast end date is generally based on the relevant fund end date as expressed in the relevant PDS or a revised fund end date in the event that an alternative strategy is undertaken by the Group, in which case the unbooked portion of any forecast performance fees are recognised over the extended term of the fund. In instances where the fund term is extended beyond two years from the reporting date and the Group has already accrued a performance fee in prior periods, the Group will continue to accrue any additional fee over the extended remaining period.	Over-time

Type of revenue	Description	Revenue recognition policy
Performance fees continued	**Probability thresholds for sensitivity to property valuations:** The level of constraint applied to performance fee revenue is adjusted depending on remaining fund tenure. Specifically, a discount in property values between 10.0% to 20.0% is applied, depending on when in the two-year window the fund is expected to wind up. In instances where the fund term is extended beyond two years from the reporting date and the Group has already accrued a performance fee in prior periods, a discount in property values between 2.5% to 10.0% is applied depending on the remaining fund term as it is assumed the fund term extension was on the basis that fund performance can be further enhanced, thereby reducing the risk of valuation decrements and increasing the likelihood of achieving the full performance fee. **Fair value of investment properties:** The fair value of investment properties is based on the latest available valuation of the underlying property from the published financial statements or board approved valuations.	Over-time
Recoverable outgoings	The Group recovers the costs associated with general building and tenancy operation from lessees in accordance with specific clauses within lease agreements. These are invoiced monthly based on an annual estimate. The consideration is due 30 days from invoice date. Should any adjustment be required based on actual costs incurred, this is recognised in the statement of financial performance within the same reporting period and billed annually.	Over-time
Property acquisition fees	The Group provides property acquisition related services to property funds and the revenue is based on a fixed percentage of a defined metric included in the PDS issued at the establishment of the fund. The consideration is due upon successful settlement of the investment property.	Point-in-time
Property sales fees	The Group provides sales services to the owners of property assets in accordance with property management agreements and the revenue is based on a fixed percentage of a defined metric included in the relevant property management agreement. The consideration is due upon successful sale of the investment property.	Point-in-time
Development revenue	Where the Group has control of the underlying asset, revenue from the sale of development assets is recognised when control has been transferred to the customer. Where development assets have been recognised in relation to the enhancement of an asset controlled by the customer, revenue from the realisation of the development costs are recognised over time in accordance with the performance obligations of the contract and in proportion to the stage of completion of the relevant contracts by reference to costs. Any variable consideration is constrained to the amount that is highly probable to not significantly reverse. Proceeds from the sale of development assets are invoiced and receivable in accordance with the relevant terms of the contract.	Over-time

For personal use only

(b) Transaction price allocated to the remaining performance obligations

The following table represents additional information not required by accounting standards of revenue expected to be recognised in the future relating to performance conditions that are unsatisfied (or partially unsatisfied) at period end. These amounts represent the unconstrained values of expected future revenue.

	Recognised in 2024 $'000	Balance of unrecognised performance obligations 2024 $'000	Recognised in 2023 $'000	Balance of unrecognised performance obligations 2023 $'000
Property performance fees[1]	6,030	112,558	28,457	125,996
Development revenue[2]	34,776	29,691	30,649	63,698
Management fees[3]	40,598	90,049	34,215	120,268

1. The underlying property funds managed by the Group have total estimated performance fees payable of $172,446,000 as at 30 June 2024 (30 June 2023: $185,500,000) based on the current financial performance of the underlying property funds. These represent an estimate of the total expected performance fee revenue due to the Group from the property funds over their remaining lives. Of these performance fees, the Group has recognised $6,030,000 in FY24, with $28,457,000 recognised in the prior year. The total estimated amount of performance fees available to the Group to recognise in the future is $112,558,000 (30 June 2023: $125,996,000).
   These amounts are expected to be recognised in future periods based on expected fund expiries which range up to FY30. Unrecognised performance fees are based on current property valuations and anticipated fund expiration dates and as a result may not be fees that will eventuate upon actual Fund expiry. Further, these amounts may not be in line with the point performance fees recognition, and will normally be triggered based on the Group's accounting policy outlined in B2(a) i.e. amounts disclosed are not constrained to represent the amount of future revenue that is highly probable of not being realised.
2. Relates to property development contracts where the Group is acting as developer and is based on contracted revenue. The Group expects to recognise the revenue in the coming 12 months as the development activity is completed.
3. Relates only to unlisted property funds management fees which have a defined fund life. The amount is an estimated amount based on the 30 June 2024 balance of defined metrics or fixed amount as set out in the Group's accounting policy outlined in B2(a). The Group expects to recognise the revenue over the next seven years. As defined metrics are primarily driven by property valuations, the unrecognised management fees may not be fees that will eventuate over the life of the fund.

(c) Transactions with related parties

Fees are charged to related parties in accordance with the respective trust deeds and management agreements.

	2024 $	2023 $
Management fees from Property Funds managed by Centuria	**144,977,687**	155,178,975
Distributions from Property Funds managed by Centuria	**37,754,376**	37,174,386
Development revenue from Property Funds managed by Centuria	**34,775,674**	61,763,557
Interest from Debt Funds managed by Centuria	**17,804,134**	5,622,451
Development management fees from Property Funds managed by Centuria	**9,667,865**	12,918,642
Property acquisition fees from Property Funds managed by Centuria	**8,967,025**	14,923,473
Fees from Debt funds managed by Centuria	**7,451,501**	6,199,936
Performance fees from Property Funds managed by Centuria	**6,030,301**	28,456,851
Management fees from Over Fifty Guardian Friendly Society	**3,385,728**	3,372,860
Interest income on loans to Property Funds managed by Centuria	**2,339,323**	2,721,891
Sales fees from Property Funds managed by Centuria	**2,312,645**	910,504
Underwriting fees in relation to Property Funds managed by Centuria	**898,175**	2,982,378
Interest income on loan to Bass Property Credit Fund	**648,011**	589,705
Interest income on loan to Centuria Bass Credit Fund	**348,798**	98,533
	277,361,243	332,914,142

Terms and conditions of transactions with related parties

Investments in property funds and benefit funds held by certain directors and director-related entities are made on the same terms and conditions as all other investors and policyholders. Directors and director-related entities receive the same returns on these investments as all other investors and policyholders.

The Group pays some expenses on behalf of related entities and receives a reimbursement for those payments. As at 30 June 2024, the amount receivable from related parties per note C2(a) is $13,786,838 (30 June 2023: $21,045,276).

For personal use only

B3 Mark to market movements of financial instruments and property

The following table provides a summary of fair value and impairment movements of investments during the year.

	2024 $'000	2023 $'000
Movement in Centuria Office REIT's listed market price	**(24,140)**	(29,993)
Movement in Centuria Industrial REIT's listed market price	**(9,099)**	29,317
Movement in put/call options	**(3,008)**	10,440
Impairment of Inventory	**(2,992)**	(5,630)
Fair value gain on consolidation of Centuria Bass[1]	**84,744**	-
Other mark to market movements	**(16,635)**	2,794
Total mark to market movement	**28,870**	**6,928**

1. Relates to the fair value gain on previously equity accounted investment of Centuria Bass revalued on consolidation. Refer to Note E1 for details.

B4 Expenses

	2024 $'000	2023 $'000
Employee benefits expense	**82,817**	75,419
Cost of sales - development	**39,731**	93,705
Depreciation expense	**6,615**	5,596
Consulting and professional fees	**5,112**	3,254
Superannuation contribution expense	**4,843**	4,253
Property management fees paid	**4,355**	4,050
Insurance costs	**3,927**	5,404
Information technology expenses	**3,542**	2,886
Travel and entertainment expenses	**2,890**	2,689
Administration fees	**2,129**	1,789
Transaction costs	**1,287**	1,631
Marketing expenses	**840**	662
Other expenses	**8,724**	4,714
	166,812	206,052

(a) Transactions with key management personnel

1. Directors' remuneration

The aggregate remuneration paid to directors' of the Group is set out below:

	2024 $'000	2023 $'000
Board and Committee fees	**1,402,411**	1,289,600

Detailed information on directors' remuneration is included in Audited Remuneration Report on page 103.

2. Key management personnel compensation

The aggregate compensation paid to key management personnel of the Group is set out below:

	2024 $'000	2023 $'000
Short-term employee benefits	**9,775,848**	9,150,494
Post-employment benefits	**153,784**	153,957
Other long-term employment benefits	**50,615**	62,943
Share-based payments	**2,067,437**	2,674,979
	12,047,684	12,042,373

Detailed information on key management personnel compensation is included in the Audited Remuneration Report on pages 100 and 103.

B5 Finance costs

	2024 $'000	2023 $'000
Group interest charges	**32,388**	33,025
Limited recourse loan interest charges	**23,050**	-
Finance charge - puttable instruments	**3,528**	2,146
Reverse mortgage facility interest charges	**1,578**	1,754
Lease interest	**2,145**	1,613
Fair value loss on financial assets	**1,174**	277
Fair value gain on derivatives	**(1,174)**	(277)
	62,689	38,538

Recognition and measurement

The Group's finance costs include interest expense recognised using the effective interest rate method.

B6 Taxation

	2024 $'000	2023 $'000
Current tax expense in respect of the current year	**7,365**	4,235
Adjustments to current tax in relation to prior years	**(318)**	2,552
	7,047	6,787
Deferred tax expense relating to the origination and reversal of temporary differences	**(543)**	17,060
Adjustments to deferred tax in relation to prior years	**735**	(3,046)
Income tax expense	**7,239**	20,801

For personal use only

(a) Reconciliation of income tax expense

The prima facie income tax expense on profit before income tax reconciles to the income tax expense in the consolidated financial statements as follows:

	2024 $'000	2023 $'000
Profit before tax	**109,400**	126,732
Less: profit not subject to income tax	**(88,940)**	(63,053)
	20,460	63,679
Income tax expense calculated at 30%	**6,138**	19,104
Add/(deduct) tax effect of amounts which are not deductible/(assessable)		
Tax offsets	**(601)**	(1,217)
Non-allowable expenses - other	**2,047**	1,000
Adjustments to income tax expense in relation to prior years	**(318)**	2,552
Effects of different tax rates of subsidiaries operating in other jurisdictions	**(27)**	(638)
Income tax expense	**7,239**	20,801

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable for Australian corporate entities on taxable profits under Australian tax law. There has been no change in the corporate tax rate when compared with the previous reporting period. Taxable income derived for New Zealand tax purposes is at the tax rate of 28%.

(b) Current tax assets and liabilities

The prima facie income tax expense on profit before income tax reconciles to the income tax expense in the consolidated financial statements as follows:

	2024 $'000	2023 $'000
CURRENT TAX ASSETS/(LIABILITIES) ATTRIBUTABLE TO:		
Income tax receivable/(payable) - Australia	**(499)**	4,988
Income tax payable to benefit fund policy holders - Australia	**(1,086)**	(600)
	(1,585)	4,388

(c) Movement of deferred tax balances

	2024 $'000	2023 $'000
NET DEFERRED TAX ASSETS/(LIABILITIES) ATTRIBUTABLE TO		
Net deferred tax liabilities - Australia	**(115,836)**	(66,307)
Net deferred tax assets - New Zealand	**8,266**	8,637
	(107,570)	(57,670)

Financial year ended 30 June 2024	Opening balance $'000	Movement $'000	Closing balance $'000
DEFERRED TAX ASSETS			
Provisions	**4,798**	**5,304**	**10,102**
Transaction costs	**3,137**	**(1,295)**	**1,842**
Capital losses	**23,093**	**(453)**	**22,640**
Financial derivatives	**9,224**	**(2,138)**	**7,086**
Revenue tax losses	**5,869**	**(23)**	**5,846**
Property held for development	**3,801**	**(75)**	**3,726**
Right of use asset/Lease liability	**494**	**(392)**	**102**
Equity accounted investment	**523**	**(523)**	**-**
	50,939	**405**	**51,344**
DEFERRED TAX LIABILITIES			
Indefinite life management rights	**(86,678)**	**(51,986)**	**(138,664)**
Accrued performance fees	**(17,075)**	**(192)**	**(17,267)**
Accrued income	**(408)**	**-**	**(408)**
Unrealised gain/(loss) on financial assets	**(2,692)**	**1,619**	**(1,073)**
Unrealised foreign exchange gains	**(1,263)**	**198**	**(1,065)**
Other	**(493)**	**56**	**(437)**
	(108,609)	**(50,305)**	**(158,914)**
Net deferred tax liabilities	**(57,670)**	**(49,900)**	**(107,570)**

During the current year, the net deferred tax liabilities increased by $49,900,000, of which $198,000 was recognised directly in equity, $49,654,000 recognised in goodwill and $192,000 was recognised in deferred tax expense, offset by $144,000 recognised in current tax benefit.

For personal use only

Financial year ended 30 June 2023	Opening balance $'000	Movement $'000	Closing balance $'000
DEFERRED TAX ASSETS			
Provisions	2,865	1,933	4,798
Transaction costs	4,582	(1,445)	3,137
Capital losses	23,313	(220)	23,093
Financial derivatives	11,353	(2,129)	9,224
Revenue tax losses	1,541	4,328	5,869
Property held for development	5,714	(1,913)	3,801
Right of use asset/Lease liability	115	379	494
Equity accounted investment	523	-	523
	50,006	933	50,939
DEFERRED TAX LIABILITIES			
Indefinite life management rights	(86,678)	-	(86,678)
Accrued performance fees	(11,534)	(5,541)	(17,075)
Accrued income	(408)	-	(408)
Unrealised foreign exchange gains	-	(1,263)	(1,263)
Unrealised loss/(gain) on financial assets	3,492	(6,184)	(2,692)
Other	(394)	(99)	(493)
	(95,522)	(13,087)	(108,609)
Net deferred tax liabilities	(45,516)	(12,154)	(57,670)

Recognition and measurement

Income tax expense represents the sum of the tax currently payable and payable on a deferred basis.

1. Current tax

The tax currently payable is based on taxable income for the year. Taxable income differs from profit as reported in the consolidated profit or loss because of items of income or expense that are assessable or deductible in other years as well as items that are never assessable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases.

Deferred tax liabilities are generally recognised for all assessable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and tax offsets, to the extent that it is probable that sufficient future taxable profits will be available to utilise them.

However, deferred tax assets and liabilities are not recognised for:

- assessable temporary differences that arise from the initial recognition of assets or liabilities in a transaction that is not a business combination which affects neither taxable income nor accounting profit;
- assessable temporary differences relating to investments in subsidiaries, associates and joint ventures to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- assessable temporary differences arising from goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The applicable rates are 30% for deferred tax assets and liabilities arising

to the Australian subsidiaries of the Company and 28% for deferred tax asset and liabilities arising to the New Zealand subsidiaries of the Company. The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

3. Tax consolidation

The Company and all its wholly-owned Australian resident subsidiaries are part of a tax consolidated group under Australian taxation law. The Company is the head company of the tax consolidated group. Tax (expense)/benefit, deferred tax assets and deferred tax liabilities arising from temporary differences of the members of the tax consolidated group are recognised in their separate financial statements using a 'standalone taxpayer' approach. Under the tax funding agreement between members of the tax consolidated group, amounts are recognised as payable to or receivable by each member in relation to the tax contribution amounts paid or payable between the Company and the members of its tax consolidated group.

The Benefit Funds are part of the tax consolidated group, and they are allocated a share of the income tax liability attributable to Centuria Life Limited equal to the income tax liability that would have arisen to the Benefit Funds had they been stand-alone entities.

Centuria Capital Fund (CCF) and its sub-trusts are not part of the tax consolidated group. Under current Australian income tax legislation, trusts are not liable for income tax, provided their securityholders are presently entitled to the net (taxable) income of the trust including realised capital gains, each financial year.

Centuria Healthcare Pty Ltd (Centuria Healthcare) is not a wholly-owned subsidiary of the Company at 30 June 2024. Centuria Healthcare has its own tax consolidated group with its wholly-owned subsidiaries for the full year. Centuria Healthcare is the head company of the Centuria Healthcare tax consolidated group. Tax (expense)/benefit, deferred tax assets and deferred tax liabilities arising from temporary differences of the members of the tax consolidated group are recognised in their separate financial statements using a 'standalone taxpayer' approach. Under the tax funding agreement between members of the tax consolidated group, amounts are recognised as payable to or receivable by each member in relation to the tax contribution amounts paid or payable between Centuria Healthcare and the members of its tax consolidated group.

The New Zealand tax resident subsidiaries of the Company are all stand-alone taxpayers from a New Zealand income tax perspective as they have not elected to form a consolidated group for New Zealand tax purposes.

Centuria Bass Credit Pty Ltd (Centuria Bass) is not a wholly owned entity and therefore does not form part of the Company's tax consolidated group. Centuria Bass and its wholly owned subsidiaries are part of a separate tax consolidated group under Australian Taxation law, with the head entity being the Centuria Bass Credit Pty Ltd. Tax (expense)/benefit, deferred tax assets and deferred tax liabilities arising from temporary differences of the members of the Centuria Bass tax consolidated group are recognised in their separate financial statements using a 'standalone taxpayer' approach. Under the tax funding agreement between members of the tax consolidated group, amounts are recognised as payable to or receivable by each member in relation to the tax contribution amounts paid or payable between Centuria Bass and the members of its tax consolidated group.

4. Current and deferred tax for the period

Income taxes relating to items recognised directly in equity are recognised directly in equity and not in the statement of comprehensive income. In the case of a business combination, the tax effect is included in the accounting for the business combination.

B7 Earnings per security

	2024 cents	2023 cents
EARNINGS PER CENTURIA CAPITAL GROUP SECURITY		
Basic (cents per share)	**12.6**	13.3
Diluted (cents per share)	**12.5**	13.1
EARNINGS PER CENTURIA CAPITAL LIMITED SHARE		
Basic (cents per share)	**9.0**	4.0
Diluted (cents per share)	**8.9**	3.9

The earnings used in the calculation of basic and diluted earnings per security is the profit for the year attributable to Centuria Capital Group securityholders as reported in the consolidated statement of comprehensive income.

The weighted average number of ordinary securities used in the calculation of basic and diluted earnings per security are as follows:

	2024 $'000	2023 $'000
Weighted average number of ordinary securities (basic)	**808,998,967**	797,325,988
Weighted average number of ordinary securities (diluted)[1]	**820,213,230**	808,051,046

1. The weighted average number of ordinary securities used in the calculation of diluted earnings per security is determined as if 30 June 2024 was the end of the performance period of the grants of Rights under the LTI Plan. All Rights that would have vested if 30 June 2024 was the end of the performance period are deemed to have been issued at the start of the financial year.

B8 Dividends and distributions

	2024		2023	
	Cents per security	Total $'000	Cents per security	Total $'000
DIVIDENDS/DISTRIBUTIONS PAID DURING THE YEAR				
Final year-end dividend (fully franked)	**0.50**	**3,999**	0.90	7,114
Final year-end distribution	**5.30**	**42,389**	4.60	36,363
Interim dividend (fully franked)	**0.40**	**3,220**	1.20	9,557
Interim distribution	**4.60**	**37,033**	4.60	36,634
DIVIDENDS/DISTRIBUTIONS DECLARED DURING THE YEAR				
Final dividend (fully franked)[1]	**0.40**	**3,296**	0.50	3,999
Final distribution[1]	**4.60**	**37,902**	5.30	42,389

1. The Group declared a final dividend/distribution in respect of the year ended 30 June 2024 of 5.0 cents per stapled security which included a fully franked dividend of 0.4 cents per share and a trust distribution of 4.6 cents per unit. The final dividend/distribution had a record date of 28 June 2024 and payable on 22 August 2024. The total amount payable of $41,198,000 (2023: $46,388,000) has been provided for as a liability in these financial statements.

(a) Franking credits

	2024 $'000	2023 $'000
Amount of franking credits available to shareholders of the Company[1]	**19,270**	21,173

1. Before taking into account the impact of the final dividend payable on 22 August 2024.

Of the franking credit balance of $19,270,000 at 30 June 2024, $13,267,000 relates to the Centuria Capital Limited tax consolidated group, $2,011,000 relates to the Centuria Healthcare tax consolidated group and $3,992,000 relates to the Centuria Bass tax consolidated group.

For personal use only



UNLISTED: 208 FORDYCE ROAD, HELENSVILLE NZ

C Assets and liabilities

C1 Segment balance sheet

Commencing the year ended 30 June 2024, the Controlled Property Funds and the Benefits Funds non-operating Segments have been combined with the Financing SPVs of the Centuria Bass business and presented as a single non-operating segment, representing all controlled entities and Funds of the Group which are not considered to form part of the operating results of the Group reportable to its CEOs.

As at 30 June 2024	Notes	Property funds management $'000	Co-investments $'000	Development $'000	Property and development finance $'000	Investment bonds management $'000	Corporate $'000	Operating balance sheet $'000	Controlled non-operating entities $'000	Eliminations $'000	Statutory balance sheet $'000
ASSETS											
Cash and cash equivalents	D2	136,947	12,801	4,109	5,155	19,877	5,386	**184,275**	22,661	-	**206,936**
Receivables	C2	77,670	36,716	12,365	12,078	-	9,204	**148,033**	10,527	(40,465)	**118,095**
Income tax receivable	B6(b)	-	-	-	-	-	-	**-**	-	-	**-**
Financial assets	C3	-	696,933	-	-	-	-	**696,933**	294,905	(10,854)	**980,984**
Secured real estate mortgages receivable	C4	-	-	-	-	-	-	**-**	849,561	-	**849,561**
Other assets		480	-	104	-	88	10,516	**11,188**	-	-	**11,188**
Inventory	C5	-	60,255	18,330	-	-	-	78,585	6,542	-	85,127
Deferred tax assets	B6(c)	-	1,997	4,136	-	-	11,408	**17,541**	-	(9,275)	**8,266**
Equity accounted investments	E1	-	53,324	3,230	-	-	-	**56,554**	-	-	**56,554**
Right of use assets	C11	10,198	-	-	145	-	17,400	**27,743**	-	-	**27,743**
Intangible assets	C6	792,803	-	-	269,961	-	-	**1,062,764**	-	-	**1,062,764**
Total assets		**1,018,098**	**862,026**	**42,274**	**287,339**	**19,965**	**53,914**	**2,283,616**	**1,184,196**	**(60,594)**	**3,407,218**
LIABILITIES											
Payables	C7	12,730	43,577	4,746	20,423	3,082	31,539	**116,097**	42,079	(40,924)	**117,252**
Provisions		2,894	-	-	576	-	2,395	**5,865**	-	-	**5,865**
Borrowings	C8	-	439,061	-	-	-	-	**439,061**	-	(3,090)	**435,971**
Limited recourse loans payable	C9	-	-	-	-	-	-	**-**	806,113	(4,155)	**801,958**
Provision for income tax	B6(b)	24,134	557	(1,138)	3,021	923	(27,263)	**234**	1,086	265	**1,585**
Interest rate swaps at fair value		-	-	-	-	-	-	**-**	19,273	-	**19,273**
Benefit Funds policyholders' liability		-	-	-	-	-	-	**-**	306,970	-	**306,970**
Deferred tax liability	B6(c)	74,185	-	-	48,413	661	-	**123,259**	1,852	(9,275)	**115,836**
Call/Put option liability	C10	-	-	-	-	-	91,090	**91,090**	-	-	**91,090**
Lease liabilities	C11	10,289	-	-	147	-	21,452	**31,888**	-	-	**31,888**
Total liabilities		**124,232**	**483,195**	**3,608**	**72,580**	**4,666**	**119,213**	**807,494**	**1,177,373**	**(57,179)**	**1,927,688**
Net assets		**893,866**	**378,831**	**38,666**	**214,759**	**15,299**	**(65,299)**	**1,476,122**	**6,823**	**(3,415)**	**1,479,530**

For personal use only

As at 30 June 2023	Notes	Property funds management $'000	Co-investments $'000	Development $'000	Property and development finance $'000	Investment bonds management $'000	Corporate $'000	Operating balance sheet $'000	Controlled non-operating entities $'000	Eliminations $'000	Statutory balance sheet $'000
ASSETS											
Cash and cash equivalents	D2	69,999	58,263	1,838	-	10,138	39,137	**179,375**	46,085	-	**225,460**
Receivables	C2	86,227	11,445	23,750	-	826	7,027	**129,275**	3,738	265	**133,278**
Income tax receivable	B6(b)	337	-	-	-	-	4,651	**4,988**	-	-	**4,988**
Financial assets	C3	-	672,363	-	-	-	41,887	**714,250**	233,009	(7,526)	**939,733**
Other assets		233	-	24	-	47	12,410	**12,714**	-	-	**12,714**
Inventory	C5	-	65,765	16,918	-	-	-	**82,683**	6,025	-	**88,708**
Deferred tax assets	B6(c)	8,637	294	4,386	-	-	12,492	25,809	-	(17,172)	8,637
Equity accounted investments		-	61,547	2,973	26,162	-	-	**90,682**	-	-	**90,682**
Right of use assets	C11	10,810	-	-	-	-	21,780	**32,590**	-	-	**32,590**
Intangible assets	C6	793,072	-	-	-	-	-	**793,072**	-	-	**793,072**
Total assets		**969,315**	**869,677**	**49,889**	**26,162**	**11,011**	**139,384**	**2,065,438**	**288,857**	**(24,433)**	**2,329,862**
LIABILITIES											
Payables	C7	27,451	47,778	7,348	-	1,965	5,904	**90,446**	1,972	-	**92,418**
Provisions		3,024	-	-	-	-	2,395	**5,419**	-	-	**5,419**
Borrowings	C8	-	375,504	-	-	-	3,859	**379,363**	-	(4,146)	**375,217**
Provision for income tax	B6(b)	-	-	-	-	-	-	**-**	335	265	**600**
Interest rate swaps at fair value		-	-	-	-	-	19,339	**19,339**	-	-	**19,339**
Benefit Funds policyholders' liability		-	-	-	-	-	-	**-**	278,793	-	**278,793**
Deferred tax liability	B6(c)	81,863	-	-	-	614	-	**82,477**	1,002	(17,172)	**66,307**
Call/Put option liability	C10	-	-	-	-	-	38,255	**38,255**	-	-	**38,255**
Lease liabilities	C11	10,949	-	-	-	-	24,776	**35,725**	-	-	**35,725**
Total liabilities		**123,287**	**423,282**	**7,348**	**-**	**2,579**	**94,528**	**651,024**	**282,102**	**(21,053)**	**912,073**
Net assets		**846,028**	**446,395**	**42,541**	**26,162**	**8,432**	**44,856**	**1,414,414**	**6,755**	**(3,380)**	**1,417,789**

For personal use only

For personal use only

C2 Receivables

	Notes	2024 $'000	2023 $'000
Receivables from related parties	C2(a)	**103,705**	110,624
Other receivables		**14,390**	21,498
Contract assets - development		**-**	1,156
		118,095	133,278

All receivables are current except for $13,300,000 (2023: $36,500,000) of performance fees receivable which are non-current. These are located in Note C2(a).

The Group does not hold any collateral or other credit enhancements over these balances nor does it have a legal right of offset against any amounts owed by the Group to the counterparty.

(a) Receivables from related parties

The following amounts were owed by related parties of the Group at the end of the financial year:

	2024 $'000	2023 $'000
Performance fees owing from property funds managed by Centuria	**60,789,367**	60,381,343
Management fees owing from property funds managed by Centuria	**20,955,447**	13,352,737
Recoverable expenses owing from property funds managed by Centuria	**13,786,838**	21,045,276
Distribution receivable from Centuria Industrial REIT	**4,043,791**	4,045,118
Distribution receivable from Centuria Office REIT	**2,732,801**	3,211,042
Distribution receivable from unlisted property funds managed by Centuria	**1,396,443**	1,220,648
Development revenue receivable from property funds managed by Centuria	**-**	6,054,148
Deposits receivable from property funds managed by Centuria	**-**	1,314,069
	103,704,688	**110,624,381**

The ageing of receivables from the related parties of the Group at the reporting date was as follows:

	2024 $'000	2023 $'000
Not due	**94,852**	97,433
Past due:		
1 to 30 days	**4,725**	4,862
31 to 60 days	**814**	4,062
>60 days overdue	**3,314**	4,267
	103,705	110,624

As at 30 June 2024, the Group had $8,853,000 receivables from related parties (2023: $13,191,000) past due but not impaired.

Collectability of the receivables from related parties is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off in the year in which they are identified. A provision for expected credit losses is processed based on historical default percentages and current observable data including forecasts of economic conditions. The amount of the provision is the difference between the carrying amount and estimated future cash flows.

Recognition and measurement

Receivables are initially recognised at fair value and subsequently at amortised cost using the effective interest rate method, less an allowance for impairment. Due to the short-term nature of these financial rights, their carrying amounts are estimated to represent their fair values.

1. Contract assets - development

The timing of revenue recognition, billings and cash collections results in billed accounts receivable (trade receivables) and unbilled receivables (contract assets) on the consolidated statement of financial position.

2. Recoverability of loans and receivables

At each reporting period, the Group assesses whether financial assets carried at amortised cost are 'credit-impaired'. A receivable is 'credit-impaired' when one or more events that has a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Group recognises loss allowances at an amount equal to lifetime ECL on trade and other receivables. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Lifetime ECLs result from all possible default events over the expected life of the trade receivables and are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive.

The Group analyses the age of outstanding receivable balances and applies historical default percentages adjusted for other current observable data as a means to estimate lifetime ECL, including forecasts of interest rates and inflation, as well as the financial stress of counterparties and their ability to operate as a going concern. Debts that are known to be uncollectable are written off when identified.

The Group has continued to analyse the age of outstanding receivable balances post balance sheet date and applied estimated percentages of recoverability to estimate ECL, as well as the financial stress of counterparties and their ability to operate as a going concern. Debts that are known to be uncollectible are written off when identified.

C3 Financial assets

	Notes	2024 $'000	2023 $'000
Investment in related party unit trusts at fair value	C3(a)	**638,008**	637,537
Investments in trusts, shares and other financial instruments at fair value[1]		**269,682**	215,149
Loans receivable from related parties	C3(b)	**73,294**	45,160
		980,984	897,846

1. The amounts include investments that are held by the Benefit Funds that are not related parties.

Financial assets are classified as non-current assets unless otherwise noted below as the Group is not intending to dispose of financial assets within the next twelve months.

For personal use only

(a) Investments in related party unit trusts carried at fair value through profit or loss

The following table details related party investments carried at fair value through profit and loss.

	2024			2023		
	Fair value $	Units held	Ownership	Fair value $	Units held	Ownership
FINANCIAL ASSETS HELD BY THE GROUP						
Centuria Industrial REIT	**304,295,261**	**101,094,771**	**15.92%**	313,393,790	101,094,771	15.92%
Centuria Office REIT	**100,658,171**	**91,093,367**	**15.25%**	124,797,913	91,093,367	15.25%
Centuria Healthcare Property Fund	**41,830,849**	**52,106,190**	**14.18%**	-	-	0%
Centuria NZ Industrial Fund	**32,736,801**	**25,015,037**	**10.00%**	35,813,852	25,015,037	10.00%
Prime Healthcare Holding Trust	**25,745,420**	**25,745,420**	**10.00%**	22,347,535	22,392,320	10.00%
Centuria Healthcare Direct Medical Fund No. 2	**24,017,155**	**19,253,771**	**12.37%**	23,423,708	18,673,473	12.04%
Centuria NZ Property Fund	**15,809,163**	**19,986,894**	**19.98%**	16,922,848	19,986,894	19.98%
Dragon Hold Trust	**13,135,312**	**969,622,257**	**10.00%**	13,135,312	969,622,257	10.00%
Asset Plus Limited	**13,934,777**	**72,507,288**	**19.99%**	17,627,919	72,507,288	19.99%
Centuria 111 St Georges Terrace Fund	**12,832,360**	**3,485,539**	**18.06%**	13,155,329	3,485,539	18.06%
Matrix Trust	**9,067,757**	**12,803,849**	**5.00%**	13,435,129	12,803,849	5.00%
Pialba Place Trust	**3,590,542**	**5,129,345**	**23.32%**	3,660,653	5,129,345	23.32%
Centuria Select Opportunities Fund	**3,530,800**	**3,530,800**	**15.37%**	-	-	0%
Centuria Healthcare Aged Care Property Fund No.1	**3,515,445**	**5,513,559**	**9.21%**	3,599,019	5,513,559	9.21%
Centuria Wholesale Agricultural Trust No. 2	**3,415,960**	**4,324,000**	**12.64%**	4,659,877	4,324,000	12.64%
Centuria NZ Healthcare Property Fund	**3,303,181**	**4,749,192**	**6.72%**	6,524,916	8,780,442	12.43%
Centuria Industrial Income Fund No. 2	**3,061,307**	**3,227,865**	**14.38%**	3,563,945	3,563,945	15.88%
Centuria Penrose Limited	**2,847,835**	**4,445,471**	**3.74%**	3,792,925	4,445,471	3.74%
Centuria Government Income Property Fund	**501,960**	**643,539**	**0.48%**	662,845	643,539	0.48%
Centuria ATP Fund	**197,591**	**104,545**	**0.23%**	226,864	104,545	0.17%
251 St Georges Terrace Trust	**105,500**	**100,000**	**0.26%**	116,000	100,000	0.26%
Centuria 25 Grenfell Street Fund	**36,729**	**40,010**	**0.08%**	42,811	40,010	0.08%
	618,169,876			**620,903,190**		
FINANCIAL ASSETS HELD BY THE BENEFIT FUNDS						
Bass Property Credit Fund	**7,563,884**	**7,507,577**	**4.04%**	-	-	0%
Centuria Office REIT	**7,476,782**	**6,766,319**	**1.13%**	9,269,857	6,766,319	1.13%
Centuria Industrial REIT	**3,853,763**	**1,280,320**	**0.20%**	3,968,992	1,280,320	0.20%
Centuria SOP Fund	**943,600**	**1,000,000**	**3.28%**	1,068,100	1,000,000	3.28%
Centuria Bass First Mortgage Fund No. 2	**-**	**-**	**0%**	1,250,000	1,250,000	6.59%
Centuria Bass First Mortgage Fund No. 3	**-**	**-**	**0%**	1,076,923	1,076,923	8.47%
	19,838,029			**16,633,872**		
	638,007,905			**637,537,062**		

	2024 $'000	2023 $'000
RELATED PARTY UNIT TRUSTS CARRIED AT FAIR VALUE THROUGH PROFIT AND LOSS		
Opening balance	**637,537**	608,729
Investment purchases	**209,841**	63,736
Disposals	**(151,351)**	(61,966)
Mark to market movement	**(59,847)**	(6,044)
Return of capital	**(961)**	-
Foreign currency translation	**(248)**	2,085
Carrying value transferred from equity accounted investments	**3,037**	30,997
	638,008	637,537

(b) Loans receivable from related parties

The following loans were receivable from related parties of the Group at the end of the financial year:

	2024 $'000	2023 $'000
Centuria NZ Healthcare Property Fund	**44,132**	45,160
CHPF 4 Sub Trust	**28,567**	-
BFNZ No. 4 Limited	**595**	-
	73,294	**45,160**

Movement during the period as follows:

	2024 $'000	2023 $'000
Opening balance	**45,160**	70,045
Loans issued	**44,764**	-
Repayments	**(15,602)**	(24,618)
Provision	**(846)**	(1,275)
Foreign currency translation	**(182)**	1,008
	73,294	45,160

$44,131,548 of the loan receivable from Centuria NZ Healthcare Property Fund (CNZHPF) accrues interest at 4.75% per annum and does not have a maturity date and therefore is considered non-current.

As of 30 June 2024, the Group assessed the recoverability of the loan receivable from CNZHPF and recognised $846,000 (2023: $1,275,000) loss allowance against the asset. The total loss allowance provided as at 30 June 2024, is $2,121,000. Refer to note F2(d) for details.

$28,566,752 of the loan receivable from CHPF 4 Sub Trust accrues interest equivalent to the underlying properties net operating income and has a maturity date of 20 March 2025 or such other date as the Group and borrower may agree in writing. Therefore it is considered current.

Recognition and measurement

All financial assets are recognised and derecognised on trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned. Financial assets are initially measured at fair value plus transaction costs, except for those financial assets classified as at fair value through profit or loss (FVTPL), which are initially measured at fair value only.

Financial assets are classified as financial assets at FVTPL when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the statement of comprehensive income.

AASB 9 contains three principal classification categories for financial assets:

- measured at amortised cost;
- measured at fair value through other comprehensive income (FVOCI); and
- measured at FVTPL.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

There are no measurements of FVOCI as at 30 June 2024.

1. Financial assets at amortised cost

Loans and receivables are initially recognised at fair value and subsequently at amortised cost using the effective interest rate method less any allowance under the Expected Credit Loss (ECL) model.

2. Recoverability of loans and receivables

At each reporting period, the Group assesses whether financial assets carried at amortised cost are 'credit-impaired'. A financial asset is 'credit-impaired' when one or more events that has a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Group recognises loss allowances at an amount equal to lifetime ECL on trade and other receivables. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Lifetime ECLs result from all possible default events over the expected life of the trade receivables and are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive.

The Group analyses the age of outstanding receivable balances and applies historical default percentages adjusted for other current observable data as a means to estimate lifetime ECL, including forecasts of interest rates and inflation, as well as the financial stress of counterparties and their ability to operate as a going concern. Debts that are known to be uncollectable are written off when identified.

The Group has continued to analyse the age of outstanding receivable balances post balance sheet date and applied estimated percentages of recoverability to estimate ECL, as well as the financial stress of counterparties and their ability to operate as a going concern. Debts that are known to be uncollectible are written off when identified.

3. Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or FVOCI or FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets recognised at FVTPL include reverse mortgage loan receivables, reverse mortgage derivatives and investments in shares and others.

For personal use only

C4 Secured real estate mortgages receivable

	Notes	2024 $'000	2023 $'000
Secured real estate mortgages receivable	C4(a)	**820,523**	-
Secured real estate mortgage receivable - ECL		**(10,901)**	-
Reverse mortgage receivables[1,2]	C4(b)	**39,939**	41,887
		849,561	41,887

1. Reverse mortgages receivable was previously disclosed as a financial asset and has been reclassified into Secured real estate mortgages receivable line.
2. Whilst some mortgages are likely to be repaid during the next 12 months, the Group does not control the repayment date therefore considered non-current.

Secured real estate mortgages receivables contain both current and non-current loans as at 30 June 2024.

(a) Secured asset mortgage receivable

The following table details the total drawn balances of secured real estate mortgages receivable with respect to each Syndicated Facility Agreement as at 30 June 2024.

	2024 $'000	2023 $'000
Opening balance	**-**	-
Acquired on control of Centuria Bass Credit SPVs[1]	**833,640**	-
Drawdowns	**132,517**	-
Repayments	**(175,841)**	-
Fees and charges	**29,796**	-
Foreign currency translation	**411**	-
	820,523	-

1. Represents the total drawn balances of secured real estate mortgages receivable with respect to each Syndicated Facility Agreement as at 10 April 2024, being the date the Group assumed control of the Centuria Bass Credit business and its controlled entities. Refer to note E2 for details.

A summary of the secured real estate mortgages receivable is as follows:

	Classification	Average effective interest rate	Due date	Total limit $'000	Facility available $'000	2024 $'000	2023 $'000
Fixed	Current	10.7%	Various	963,600	218,327	745,273	-
Fixed	Non-current	9.0%	Various	213,800	138,550	75,250	-
				1,177,400	**356,877**	**820,523**	-

As at 30 June 2024, the Group had $820,523,000 (2023: $nil) in secured real estate mortgages receivable, through a number of its consolidated financing SPVs secured over the value of the underlying property with respect to each of its syndicated facility agreements. The loans are variable interest rate instruments offering a variable lower rate (BBSY + Margin) and a variable higher rate (Lower rate + Margin) in the event of the breach of certain covenants or loan requirements with respect to each Syndicated Facility Agreement. Default interest triggered under the syndicated facility agreements also trigger a higher interest rate under the limited recourse loan agreements, passing through higher interest rates to the underlying limited recourse loan holders.

On a consistent basis, any extension or variation to the duration of the Syndicated Facility Agreement will pass through and will trigger the equivalent extension or the early repayment of the associated limited recourse loan arrangements. The back-to-back and the non-recourse nature of the limited recourse loans ensure that Centuria Capital Group retains no material residual liquidity, credit risks nor any interest rate risks associated with each arrangement. The only credit risk associated with each arrangement is therefore limited to the value of the interest margin and fees recognised by the Group with respect to each arrangement.

As at 30 June 2024, $745,273,000 of the secured real estate mortgages receivable are considered current with underlying syndicated facility agreements expected to be collected within the next financial year. The remaining value of $75,250,000 of the secured real estate mortgages receivable are in relation to syndicated facility agreements expected to mature in the following financial year and are therefore considered to be non-current.

For personal use only

(b) Secured asset mortgages receivable - reverse mortgages

The following loans were receivable from external parties of the Group at the end of the financial year:

	2024 $'000	2023 $'000
Opening balance	**41,887**	40,084
Loans repaid	**(4,670)**	(2,521)
Accrued interest	**3,136**	3,001
Attributable to interest rate and other risk	**(836)**	1,139
Attributable to credit risk	**422**	184
	39,939	41,887

Recognition and measurement - secured asset mortgage receivable

All secured real estate mortgages receivable are recognised and derecognised on trade date where the purchase or sale of a secured real estate mortgages receivable is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned. Financial assets are initially measured at fair value plus transaction costs, except for those financial assets classified as at fair value through profit or loss (FVTPL), which are initially measured at fair value only.

Secured real estate mortgages receivable are classified as financial assets at FVTPL when the secured real estate mortgages receivable is either held for trading or it is designated as at fair value through profit or loss.

Secured real estate mortgages receivable at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the secured real estate mortgages receivable and is included in the statement of comprehensive income.

AASB 9 contains three principal classification categories:

- measured at amortised cost;
- measured at fair value through other comprehensive income (FVOCI); and
- measured at FVTPL.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

There are no measurements of FVOCI as at 30 June 2024.

1. Secured real estate mortgages receivable at amortised cost

Loans and receivables are initially recognised at fair value and subsequently at amortised cost using the effective interest rate method less any allowance under the Expected Credit Loss (ECL) model.

2. Recoverability of loans and receivables

At each reporting period, the Group assesses whether financial assets carried at amortised cost are 'credit-impaired'. A secured real estate mortgages receivable is 'credit-impaired' when one or more events that has a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Group recognises loss allowances at an amount equal to lifetime ECL on trade and other receivables. Loss allowances for secured real estate mortgages receivables measured at amortised cost are deducted from the gross carrying amount of the assets.

Lifetime ECLs result from all possible default events over the expected life of the receivables and are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive.

The Group analyses the age of outstanding receivable balances and applies historical default percentages adjusted for other current observable data as a means to estimate lifetime ECL, including forecasts of interest rates and inflation, as well as the financial stress of counterparties and their ability to operate as a going concern. Debts that are known to be uncollectable are written off when identified.

The Group has continued to analyse the age of outstanding receivable balances post balance sheet date and applied estimated percentages of recoverability to estimate ECL, as well as the financial stress of counterparties and their ability to operate as a going concern. Debts that are known to be uncollectible are written off when identified.

3. Recoverability of secured mortgages receivable - SPVs

At each reporting period, the Group assesses whether secured mortgages receivable financial assets carried at amortised costs are 'credit impaired'.

Whilst the back-to-back nature of the limited recourse loans financing each Secured asset mortgage receivable ensures that Centuria Capital Group retains no material residual liquidity, credit risks nor interest rate risks, the eventual collectability of the Groups receivables with respect to its entitlement to income is dictated by the future performance of the underlying borrower, continued financial viability of the borrower, as well as the quality of the underlying secured asset at the end of the arrangement to meet all the financial obligations arising from each syndicated facility agreement.

The Group's entitlement to its Financing fees and its interest margin which are brought to account under the effective interest method are subject to significant variability and are impacted by future external factors. Management track and monitor the performance of each syndicated facility agreement throughout its life against the following factors:

a. Deal Status, which assess the actual progress of construction on the underlying development against the original planned draw downs, costing and cashflows from the project.
b. Presence of Default event(s), with all defaults considered to negatively impact the recoverability of fees.
c. Loan to Value Ratio (LVR), assessed separately and specifically for each Syndicated Facility Agreement, with a ratios less than 60% considered low risk, and ratios above 70% considered high risk.
d. Assessment of Refinance Risk, which monitors the availability of external sources, costing and quality of debt funding available for each borrower under each syndicated facility agreement, with higher refinance risk (representative of an inability to source alternative debt funding) resulting in a higher risk assessment in relation to the ultimate recoverability of the Groups receivables.

Based on the above factors, significant individual financial assets which are considered 'medium to high risk' are tested for impairment on an individual basis. The remaining financial assets are assessed groups depending on their credit risk characteristics.

As the secured mortgages loans are measured at amortised cost, expected credit loss allowances are measured on either of the following bases:

- Stage 1: Financial assets where credit risk has not increased significantly since initial recognition. Recognise 12-month ECL.
- Stage 2: Financial assets where credit risk has increased significantly since initial recognition. Recognise lifetime ECL.
- Stage 3: Financial assets that are credit-impaired. Recognise lifetime ECL and adjust interest income based on the net carrying amount.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both probability weighted quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information. Considerations include underlying security quality and whether the secured property is under construction, macro-economic business cycle factors and whether there is any loan subordination.

Loss allowances for financial assets measured at amortised cost are deducted from gross amounts of the assets. Refer to F2(d)(iii).

C5 Inventory

	Notes	2024 $'000	2023 $'000
Property held for development	C5(a)	**47,560**	43,949
Properties held for sale	C5(b)	**37,567**	44,759
		85,127	88,708

Property held for sale are classified as current.

Property held for development are classified as non-current.

For personal use only

(a) Property held for development

	2024 $'000	2023 $'000
Properties held for development - New Zealand	**39,529**	36,465
Properties held for development - Australia	**8,031**	7,484
	47,560	43,949

	2024 $'000	2023 $'000
Opening balance	**43,949**	45,679
Acquisitions	**-**	20,246
Reversal of impairment/(impairment)	**-**	2,882
Foreign currency translation	**(324)**	2,027
Capital expenditure	**3,935**	3,318
Disposals	**-**	(30,203)
	47,560	43,949

Recognition and measurement

Properties held for development relates to land and property developments that are held for development and sale in the normal course of the Group's business. Properties held for development are carried at the lower of cost or net realisable value. The calculation of net realisable value requires estimates and assumptions which are regularly evaluated and are based on historical experience and expectations of future events that are believed to be reasonable under the circumstances. Properties held for development are classified as non-current assets unless they are contracted to be sold within 12 months of the end of the reporting period, in which case they are classified as current assets.

(b) Properties held for sale

	2024 $'000	2023 $'000
Properties held for sale - New Zealand	**37,567**	44,759

	2024 $'000	2023 $'000
Opening balance	**44,759**	89,104
Additions	**224**	148
Disposals	**(4,500)**	(37,408)
Impairment	**(2,992)**	(8,512)
Foreign currency translation	**76**	1,427
	37,567	44,759

Recognition and measurement

Properties held for sale are carried at the lower of cost or net realisable value. The calculation of net realisable value requires estimates and assumptions which are regularly evaluated and are based on historical experience and expectations of future events that are believed to be reasonable under the circumstances. Properties held for sale are classified as current assets.

C6 Intangible assets

	2024 $'000	2023 $'000
Goodwill	**580,941**	484,456
Indefinite life management rights	**481,823**	308,616
	1,062,764	793,072

	2024 $'000	2023 $'000
Opening balance	**793,072**	791,521
Acquired goodwill	**96,675**	
Acquired indefinite life management rights	**173,286**	-
Foreign currency translation	**(269)**	1,551
	1,062,764	793,072

Goodwill and intangible assets are classified as non-current.

Goodwill and management rights are attributable to the Property Funds Management and Property and Development Finance cash generating units with recoverability determined by a value in use calculation using profit and loss projections covering a five year period, with a terminal value determined after five years.

Additions to goodwill and management rights in the period relate to the acquisition of Centuria Bass. Refer to Note E2 for more details.

A summary of the goodwill and intangible assets by CGU is as follows:

	Goodwill 2024 $'000	Goodwill 2023 $'000	Indefinite life management rights 2024 $'000	Indefinite life management rights 2023 $'000
Property funds management	**484,266**	484,456	**308,537**	308,616
Property and development finance	**96,675**	-	**173,286**	-
	580,941	484,456	**481,823**	308,616

Recognition and measurement

1. Indefinite life management rights

Management rights acquired in a business combination are initially measured at fair value and reflect the right to provide asset and fund/SPV management services.

2. Goodwill

Goodwill acquired in a business combination is measured at cost and subsequently measured at cost less any impairment losses. The cost represents the excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired.

3. Impairment

Goodwill and intangible assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash generating units or CGUs). Non-financial assets other than goodwill that were previously impaired are reviewed for possible reversal of the impairment at each reporting date.

For personal use only

Key estimates and judgements - Property Funds Management

The key assumptions used in the value in use calculations for the Property Funds Management cash-generating unit are as follows:

Revenue

Revenues from 2025-2029 are assumed to increase at an average rate of 6.3% (2023: 4.5%) per annum. The directors believe this is a prudent and achievable growth rate based on past experience.

Expenses

Expenses from 2025-2029 are assumed to increase at an average rate of 4.4% (2023: 5.3%) per annum. The directors believe this is an appropriate growth rate based on past experience.

Discount rate

Discount rates are determined to calculate the present value of future cash flows. A pre-tax rate of 11.2% (2023: 10.0%) is applied to cash flow projections. In determining the appropriate discount rate, regard has been given to relevant market data as well as Group specific inputs.

Terminal growth rate

Beyond 2029, a growth rate of 3.0% (2023: 3.0%), in line with long term economic growth, has been applied to determine the terminal value of the asset.

Sensitivity to changes in assumptions

As at 30 June 2024, the estimated recoverable amount of intangibles including goodwill relating to the Property Funds Management cash-generating unit exceeded its carrying amount by $395,648,000 (2023: $397,800,000). The table below shows the key assumptions used in the value in use calculation and the amount by which each key assumption must change in isolation in order for the estimated recoverable amount to be equal to its carrying value.

	Revenue growth rate	Pre-tax discount rate	Expenses growth rate
Assumptions used in value-in-use calculation	**6.31%**	**11.21%**	**4.40%**
Rate required for recoverable amount to equal carrying value	**0.98%**	**15.07%**	**14.14%**

Key estimates and judgements - Property and Development Finance

The key assumptions used in the value in use calculations for the Property and Development Finance cash-generating unit are as follows:

Revenue

Revenues from 2025-2029 are assumed to increase at an average rate of 19.1% (2023: N/A) per annum. The directors believe this is a prudent and achievable growth rate based on past experience.

Expenses

Expenses from 2025-2029 are assumed to increase at an average rate of 17.4% (2023: N/A) per annum. The directors believe this is an appropriate growth rate based on past experience.

Discount rate

Discount rates are determined to calculate the present value of future cash flows. A pre-tax rate of 16.5% (2023: N/A) is applied to cash flow projections. In determining the appropriate discount rate, regard has been given to relevant market data as well as Group specific inputs.

Terminal growth rate

Beyond 2029, a growth rate of 3.0% (2023: N/A), in line with long term economic growth, has been applied to determine the terminal value of the asset.

Sensitivity to changes in assumptions

As at 30 June 2024, the estimated recoverable amount of intangibles including goodwill relating to the Property and Development Finance cash-generating unit exceeded its carrying amount by $77,226,000 (2023: N/A). The table below shows the key assumptions used in the value in use calculation and the amount by which each key assumption must change in isolation in order for the estimated recoverable amount to be equal to its carrying value.

	Revenue growth rate	Pre-tax discount rate	Expenses growth rate
Assumptions used in value-in-use calculation	**19.12%**	**16.46%**	**17.43%**
Rate required for recoverable amount to equal carrying value	**16.68%**	**20.36%**	**23.85%**

C7 Payables

	2024 $'000	2023 $'000
Sundry creditors[1]	**44,448**	26,954
Dividend/distribution payable	**44,748**	46,388
Accrued expenses	**28,056**	19,076
	117,252	92,418

1. Sundry creditors are non-interest bearing liabilities and are payable on commercial terms of 7 to 60 days.

All trade and other payables are considered to be current as at 30 June 2024 due to their short-term nature.

Recognition and measurement

Payables are recognised when the Group becomes obliged to make future payments resulting from the purchase of goods and services. Due to the short-term nature of these financial obligations, their carrying amounts are estimated to represent their fair values.

Dividend and distribution payable is made for the amount of any dividend/distribution the Group has declared, on or before the end of the reporting period but not distributed at the end of the reporting period.

C8 Borrowings

	Notes	2024 $'000	2023 $'000
Secured listed redeemable notes (ASX:C2FHA)	C8(a)	**195,603**	195,693
Floating rate secured notes	C8(b)	**173,500**	80,000
Fixed rate secured notes	C8(b)	**70,000**	99,407
Borrowing costs capitalised		**(3,132)**	(3,753)
		435,971	371,347

	2024 $'000	2023 $'000
Opening balance	**371,347**	624,786
Drawdowns	**247,500**	96,650
Repayments	**(184,553)**	(159,018)
Capitalised borrowing costs	**(1,396)**	(1,094)
Amortisation of borrowing costs	**2,017**	1,919
Adjustment for benefit funds investment	**1,056**	(2,981)
Foreign currency translation	**-**	1,324
Net movement in controlled property funds	**-**	(190,239)
	435,971	371,347

The terms and conditions relating to the above facilities are set out below.

For personal use only

(a) Secured listed redeemable notes (ASX:C2FHA)

On 21 April 2021, the Fund issued $198,693,000 of listed redeemable notes with a variable interest rate of 4.25% plus the bank bill rate which is due to mature on 21 April 2026.

On 24 February 2023, the Centuria Benefit Funds invested $3,000,000 into the listed redeemable notes.

The secured listed redeemable notes are secured by the first ranking general security deeds over all assets of the issuer and sit pari-passu with the secured notes.

(b) Secured notes

	Classification	Coupon rate	Due date	Total limit $'000	Facility available $'000	2024 $'000	2023 $'000
FLOATING							
Tranche 8	Current	BBSW +3.35%	25 March 2025	30,000	-	**30,000**	30,000
Revolver A	Non-current	BBSY +2.35%	30 June 2027	50,000	30,000	**20,000**	
Revolver B	Non-current	BBSY +1.95%	30 June 2027	25,000	11,500	**13,500**	-
Term Loan	Non-current	BBSY +2.60%	6 April 2028	50,000	-	**50,000**	50,000
Loan Note A1 - Term Loan	Non-current	BBSY +2.95%	13 June 2029	60,000	-	**60,000**	
Loan Note A2 - Revolver	Non-current	BBSY +2.95%	13 June 2029	40,000	40,000	**-**	-
				255,000	**81,500**	**173,500**	**80,000**

	Classification	Coupon rate	Due date	Total limit $'000	Facility available $'000	2024 $'000	2023 $'000
FIXED							
Tranche 5	Current	5.00%	21 April 2024	-	-	**-**	29,407
Tranche 7	Current	5.46%	25 March 2025	70,000	-	**70,000**	70,000
				70,000	**-**	**70,000**	**99,407**

On 21 April 2024, the Fund fully repaid Tranche 5.

On 17 June 2024, the Fund negotiated two new loan notes, Loan Note A1 ($60 million) and Loan Note A2 ($40 million) with maturity terms of 13 June 2029.

The secured notes are secured by the first ranking general security deeds over all assets of the issuer and sit pari-passu with the secured listed redeemable notes.

Recognition and measurement

Borrowings are initially recognised at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest rate method.

C9 Limited recourse loans payable

	Notes	2024 $'000	2023 $'000
Limited recourse SPV loans	C9(a)	**800,735**	-
Reverse mortgage bill facilities and notes	C9(b)	**1,223**	3,870
		801,958	3,870

The terms and conditions relating to the above facilities are set out below.

(a) Limited recourse SPV loans

	2024 $'000	2023 $'000
Opening balance	**-**	-
Acquired on control of Centuria Bass Credit SPVs	**820,337**	-
Drawdowns	**302,870**	-
Repayments	**(330,907)**	-
Capitalised interest	**12,615**	-
Foreign currency translation	**(25)**	-
Adjustment for benefit funds investment in SPVs[1]	**(4,155)**	-
	800,735	-

1. On 6 May 2024, the Centuria Benefit Funds invested $4,155,000 into the SPVs.

As at 30 June 2024, the Group had $800,735,000 (2023: $nil) limited recourse SPV loans through a number of its consolidated financing SPVs. The limited recourse loan agreements are fixed rate instruments offering a fixed lower rate and a fixed higher rate in the event of the breach of certain covenants or loan requirements with respect to each Syndicated Facility Agreement. Default interest under the back-to-back underlying syndicated facility agreements trigger the higher interest term, passing through the higher interest rates to the limited recourse loan holders.

On a consistent basis any extension or variation to the duration of the Syndicated Facility Agreement will pass through and will trigger the equivalent extension or the early repayment of the associated limited recourse loan arrangements. The back-to-back and the non-recourse nature of the loans ensure that Centuria Capital Group retains no residual liquidity, credit risks nor any interest rate risks associated with each arrangement. The only credit risk associated with each arrangement is therefore limited to the value of the interest margin and fees recognised by the Group with respect to each arrangement.

As at 30 June 2024 $725,362,000 of the limited recourse loan balances are considered current with underlying syndicated facility agreements expected to be collected within the next financial year. The remaining value of the limited recourse loans payable are in relation to syndicated facility agreements expected to mature in the following financial year and are therefore considered to be non-current.

	Classification	Average effective interest rate	Due date	Total limit $'000	Facility available $'000	2024 $'000	2023 $'000
FIXED							
Limited recourse loans	Current	10.7%	Various	959,445	234,083	**725,362**	-
Limited recourse loans	Non-current	9.0%	Various	313,800	238,427	**75,373**	-
				1,273,245	**472,510**	**800,735**	**-**

(b) Reverse mortgage bill facilities and notes (secured)

As at 30 June 2024, the Group had $1,223,000 (2023: $3,870,000) non-recourse notes on issue to ANZ Bank, secured over the remaining reverse mortgages held in Senex Warehouse Trust No.1 (a subsidiary of the Group) due to mature on 30 November 2025 and is classified as non-current as at 30 June 2024. The non-recourse notes have a coupon rate of BBSY+2.35%.

The facility limit as at 30 June 2024 is $1,800,000 (2023: $4,700,000) and is reassessed every 6 months with a view to reducing the facility in line with the reduction in the reverse mortgage book. Under the facility agreement, surplus funds (being mortgages repaid (including interest) less taxes, administration expenses and any derivatives related payments) are required to be applied against the facility each month.

	2024 $'000	2023 $'000
Facility	**1,800**	4,700
Amount used at reporting date	**(1,223)**	(3,870)
Facility available	**577**	830

For personal use only

Recognition and measurement

Limited recourse loans payable are initially recognised at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest rate method.

C10 Call/put option liability

	2024 $'000	2023 $'000
Healthcare call/put option	**41,837**	38,255
Property and development finance call/put option	**49,253**	-
	91,090	38,255

	2024 $'000	2023 $'000
Opening balance	**38,255**	84,095
Movement	**3,008**	(10,440)
New call/put option entered	**49,827**	-
Call/put option exercised	**-**	(35,400)
	91,090	38,255

The Healthcare call/put option is considered current as at 30 June 2024.

The Property and development finance call/put option is considered non-current as at 30 June 2024.

The Healthcare Call/Put option liability relates to a simultaneous call option and put option over the remaining shares in Centuria Healthcare which are held by existing management shareholders of Centuria Healthcare. The call option is in favour of the Group, whilst the put option is in favour of the management shareholders. The options are exercisable in September 2024 which is five years from the date of completion of the current 59% economic interest in Centuria Healthcare, with an exercise price equal to 10x EBIT for the last financial year prior to exercise of the option plus Net Tangible Assets.

The Property and development finance Call/Put option liability relates to a call option and put option over the remaining 20% of shares in Centuria Bass Credit Pty Ltd which continue to be held by existing management shareholders. The call option is in favour of the Group, whilst the put option is in favour of the management shareholders. The call option is exercisable in July 2026. The equivalent management put option is exercisable in July 2027. The exercise price in each case is 8.4x the Average EBIT for the last two financial years closed, prior to the option exercise notice date plus Net Tangible Assets.

Recognition and measurement

The option liabilities are measured at net present value at recognition (including transaction costs, for assets and liabilities not measured at fair value through profit or loss). Subsequently at each reporting period, for changes in the expected exercise price and time value impacts, the Group recognises the movement in the profit and loss.

C11 Right of use asset/lease liability

The Group has nine lease commitments. The current right of use assets are $5,087,000 (2023: $4,988,000) and the current lease liabilities are $4,563,000 (2023: $3,972,000). The remaining right of use assets and lease liabilities are classified as non-current.

Right of use asset	2024 $'000	2023 $'000
Opening balance	**32,590**	17,006
Additions of new leases	**-**	20,213
Derecognition	**-**	(953)
Depreciation on right of use assets	**(5,017)**	(3,676)
Acquisition of subsidiary balance	**170**	-
	27,743	32,590

Lease liabilities	2024 $'000	2023 $'000
Opening balance	**35,725**	19,443
Additions	**-**	20,213
Cash lease payments	**(6,152)**	(4,431)
Lease interest	**2,145**	1,613
Acquisition of subsidiary balance	**170**	-
Derecognition	**-**	(1,113)
	31,888	35,725

C12 Contributed equity

	2024		2023	
Centuria Capital Limited	**No. of securities**	**$'000**	**No. of securities**	**$'000**
Balance at beginning of the period	**799,796,794**	**394,811**	792,787,120	389,717
Stapled securities issued	**24,162,791**	**20,646**	6,309,299	2,125
Equity settled share based payments expense	**-**	**-**	700,375	2,970
Cost of equity raising	**-**	**(120)**	-	(1)
Balance at end of period	**823,959,585**	**415,337**	799,796,794	394,811

	2024		2023	
Centuria Capital Fund (non-controlling interests)	**No. of securities**	**$'000**	**No. of securities**	**$'000**
Balance at beginning of the period	**799,796,794**	**1,034,779**	792,787,120	1,025,584
Stapled securities issued	**24,162,791**	**21,119**	6,309,299	9,201
Equity settled share based payments expense	**-**	**-**	700,375	-
Cost of equity raising	**-**	**(41)**	-	(6)
Balance at end of the period	**823,959,585**	**1,055,857**	799,796,794	1,034,779

Fully paid ordinary securities carry one vote per security and carry the right to distributions.

The Group issued 5,275,935 stapled securities on 18 August 2023 in relation to the distribution reinvestment plan undertaken for the 2023 final distribution.

The Group issued 2,830,519 units on 20 February 2024 in relation to the distribution reinvestment plan undertaken for the 2024 interim distribution.

The Group issued 16,056,337 units on 10 April 2024 in relation to the scrip issue on the acquisition of shares in Centuria Bass Credit Pty Limited.

C13 Commitments and contingencies

Australian guarantees

The Group has provided bank guarantees of $2,059,823 (30 June 2023: $2,007,143) for commercial leases with respect to its Sydney and Melbourne office premises. These bank guarantees are cash collateralised.

The above guarantees are issued in respect of the Group and do not constitute an additional liability to those already existing in interest bearing liabilities on the statement of financial position.

New Zealand guarantees

Under the Development Agreement with Queenstown Lakes District Council (QLDC) as part of the Lakeview joint venture, the Group have provided a guarantee of the Partnership's obligations under the Development Agreement, with a maximum capital commitment of NZ$14,000,000 (AU$12,812,000). The Group's total aggregate liability under this guarantee is capped at NZ$4,250,000 (AU$3,889,000). Refer to Note E1 Interests in associates and joint ventures for more information.

Capital commitments

At 30 June 2024, the Group has committed up to NZ$10,400,000 (AU$9,518,000) of capital over approximately the next 8 years in its joint venture partnership with Ninety Four Feet.

Contingent liabilities

The directors of the Group are not aware of any contingent liabilities in relation to the Group, other than those disclosed in the financial statements, which should be brought to the attention of security holders as at the date of completion of this report.

From time to time, the Group is subject to various claims and legal actions arising in the ordinary course of its development management activities. Whilst the possibility of outflows arising from such action are remote, the Group maintains sufficient insurance coverage to mitigate potential, material financial impacts arising from such claims and legal actions. As of the reporting date, the Group does not have any material exposures that can be recorded as a provision or liability in the financial statements.

For personal use only



UNLISTED: 8 ELIZABETH MACARTHUR DRIVE, BELLA VISTA NSW

For personal use only

D Cash flows

D1 Operating segment cash flows[1]

For the year ended 30 June 2024	2024 $'000	2023 $'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Management fees received	**184,495**	192,277
Performance fees received	**6,184**	143
Distributions received	**55,581**	46,582
Interest received	**33,209**	6,967
Cash received on development projects	**-**	3,498
Rent received	**4,824**	5,711
Payments to suppliers and employees	**(126,067)**	(127,790)
Income tax paid	**(3,477)**	(12,169)
Interest paid	**(32,767)**	(31,855)
Net cash provided by operating activities	**121,982**	83,364
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of related party investments	**146,216**	52,364
Purchase of investments in related parties	**(230,444)**	(52,410)
Repayment of loans by related parties	**37,768**	27,507
Loans to related party for purchase of property	**(65,040)**	-
Purchase of equity accounted investments	**(11,387)**	(49,036)
Loans repaid by other parties	**85,950**	31,313
Payments for plant and equipment	**(238)**	(2,314)
Payments of balances held in trust for related parties	**-**	(14,802)
Sale of property held for development	**-**	29,049
Collections from reverse mortgage holders	**-**	2,521
Proceeds from investments	**10,794**	31,708
Loans provided to other parties	**(85,950)**	(39,734)
Proceeds from sale of equity accounted investments	**8,322**	65,402
Purchase of properties held for development	**-**	(20,246)
Net cash (used in)/provided by investing activities	**(104,009)**	61,322
Cash flows from financing activities		
Proceeds from issue of securities	**13,265**	8,884
Equity raising costs paid	**(161)**	(7)
Proceeds from borrowings	**247,500**	96,650
Repayment of borrowings	**(184,553)**	(159,749)
Costs paid to issue debt	**(1,396)**	(1,094)
Distributions paid	**(86,168)**	(93,483)
Net cash used in financing activities	**(11,513)**	(148,799)
Net increase/(decrease) in operating cash and cash equivalents	**6,460**	(4,113)
Cash and cash equivalents at the beginning of the period	**179,375**	184,999
Effects of exchange rate changes on cash and cash equivalents	**(1,560)**	(1,511)
Cash and cash equivalents at the end of the period	**184,275**	179,375

1. The operating segment cash flows support the segment note disclosures of the Group and provide details in relation to the operating segment cash flows performance of the Group. The operating segment cash flows exclude the impact of cash flows attributable to Benefit Funds and Controlled Property Funds.

The statutory cash flow movements for the Group per pages 114 and 115 are as follows:

- Net cash provided by operating activities $156,320,000
- Net cash used by investing activities $132,097,000
- Net cash used in financing activities $41,191,000

D2 Cash and cash equivalents

Included in total cash and cash equivalents of $206,936,000 (2023: $225,460,000) is $22,417,000 (2023: $46,738,000) relating to amounts held by Senex Warehouse Trust No.1, Benefit Funds and the Property and Development Finance Special Purpose Vehicles which is not readily available for use by the Group.

D3 Reconciliation of profit for the period to net cash flows from operating activities

	2024 $'000	2023 $'000
Profit for the year	**102,161**	105,931
ADJUSTMENTS FOR		
Depreciation and amortisation	**6,615**	5,596
Non-cash development income	**455**	(4,555)
Share-based payment expense	**3,298**	6,311
Amortisation of borrowing costs	**2,016**	1,919
Non-cash performance and sales fees	**(408)**	(28,556)
Mark to market movement of financial assets	**(31,861)**	(12,424)
Interest revenue from special purpose vehicles and reverse mortgages	**3,668**	(3,733)
Interest expense reverse mortgage facility	**(202)**	1,510
Equity accounted profit in excess of distribution paid	**13,899**	3,804
Unrealised foreign exchange loss	**(2,770)**	2,523
Unrealised (gain)/loss on properties	**3,124**	5,496
Costs paid for debt issuance	**1,395**	1,094
Loss allowance for loans receivable	**5,265**	1,275
Lease interest	**(4,008)**	1,613
CHANGES IN NET ASSETS AND LIABILITIES:		
(Increase)/decrease in assets:		
Receivables	**26,091**	13,654
Deferred tax assets	**2,775**	41,440
Increase/(decrease) in liabilities:		
Other payables	**1,217**	(411)
Tax provision	**(2,203)**	(8,140)
Deferred tax liability	**(2,481)**	(29,239)
Provisions	**97**	338
Policyholder liability	**28,177**	8,236
Net cash flows provided by operating activities	**156,320**	113,682

Recognition and measurement

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and in banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value and have an initial maturity of three months or less at the date of acquisition. Bank overdrafts are shown within borrowings in the statement of financial position.

E Group structure

E1 Interests in associates and joint ventures

Set out below are the associates of the Group as at 30 June 2024 which, in the opinion of the directors, were material to the Group and were accounted for using the equity method. The entities listed below have share capital consisting solely of ordinary units, which are held directly by the Group. The proportion of ownership interest is the same as the proportion of voting rights held.

	% of ownership interest			Carrying amount	
Name of entity	30 June 2024 %	30 June 2023 %	Principal activity	30 June 2024 $'000	30 June 2023 $'000
Centuria Diversified Property Fund	**22.19**	21.54	Property investment	**29,799**	35,860
Allendale Square Fund	**25.27**	25.91	Property investment	**18,353**	18,426
Centuria Government Income Property Fund No.2	**21.31**	21.59	Property investment	**5,172**	7,261
QT Lakeview Developments Limited	**25.00**	25.00	Property investment	**3,230**	2,973
Centuria Bass Credit	**0.00**	50.00	Non-bank finance	**-**	26,162
Total equity accounted investments				**56,554**	90,682

Equity accounted investments are classified as non-current.

Recognition and measurement

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of the associates and joint ventures, until the date on which significant influence or joint control ceases.

For personal use only

The below table shows the movement in carrying amounts of equity accounted investments from 1 July 2023 to 30 June 2024.

	Centuria Diversified Property Fund $'000	Centuria Bass Credit $'000	Allendale Street Fund $'000	Centuria NZ Value-Add Fund No. 2 LP $'000	Centuria Government Income Property Fund No. 2 $'000	QT Lakeview Developments Limited $'000	Total $'000
Carrying amounts of equity accounted investments							
Opening balance as at 1 July 2023	**35,860**	**26,162**	**18,426**	**-**	**7,261**	**2,973**	**90,682**
Acquisition of investments	**8**	**-**	**-**	**10,790**	**-**	**589**	**11,387**
Share of net profit/(loss) after tax	**(4,275)**	**3,144**	**1,669**	**-**	**(1,638)**	**(312)**	**(1,412)**
Distributions received/ receivable	**(1,794)**	**(9,050)**	**(1,292)**	**-**	**(351)**	**-**	**(12,487)**
Carrying value transferred to financial assets	**-**	**-**	**-**	**(3,037)**	**-**	**-**	**(3,037)**
Disposals	**-**	**-**	**(450)**	**(7,772)**	**(100)**	**-**	**(8,322)**
Carrying value transferred on consolidation	**-**	**(105,000)**	**-**	**-**	**-**	**-**	**(105,000)**
Fair value gain/(loss)	**-**	**84,744**	**-**	**-**	**-**	**-**	**84,744**
Foreign currency translation	**-**	**-**	**-**	**19**	**-**	**(20)**	**(1)**
Closing balance as at 30 June 2024	**29,799**	**-**	**18,353**	**-**	**5,172**	**3,230**	**56,554**

The below table shows the movement in carrying amounts of equity accounted investments from 1 July 2022 to 30 June 2023.

	Centuria Diversified Property Fund $'000	Centuria Bass Credit $'000	Allendale Square Fund $'000	Centuria Government Income Property Fund No. 2 $'000	QT Lakeview Developments Limited $'000	Centuria Industrial Income Fund No. 2 $'000	Centuria 111 St Georges Terrace Fund $'000	Centuria Agricultural Fund $'000	Total $'000
Carrying amounts of equity accounted investments									
Opening balance as at 1 July 2022	39,021	25,765	-	7,743	2,240	-	-	-	74,769
Acquisition of investments	-	-	31,638	-	807	10,929	-	5,662	49,036
Carrying value transferred from controlled property funds	-	-	-	-	-	-	31,754	35,400	67,154
Share of net profit/ (loss) after tax	(200)	4,607	1,227	71	-	(815)	190	(799)	4,281
Distributions received/ receivable	(1,961)	(4,210)	(926)	(403)	-	(148)	(15)	(422)	(8,085)
Carrying value transferred to financial assets	-	-	-	-	-	(4,802)	(12,394)	(13,801)	(30,997)
Disposals	(1,000)	-	(13,513)	(150)	-	(5,164)	(19,535)	(26,040)	(65,402)
Foreign currency translation	-	-	-	-	(74)	-	-	-	(74)
Closing balance as at 30 June 2023	35,860	26,162	18,426	7,261	2,973	-	-	-	90,682

For personal use only

(a) Summarised financial information for associates and joint ventures

The tables below provide summarised financial information for those associates. The information disclosed reflects the amounts presented in the consolidated financial statements of the relevant associates and not the Group's share of those amounts.

	Centuria Diversified Property Fund		Centuria Government Income Property Fund No. 2		QT Lakeview Developments Limited		Allendale Square Fund		Total	
Summarised statement of financial position	**30 June 2024 $'000**	**30 June 2023 $'000**	**30 June 2024 $'000**	**30 June 2023 $'000**	**30 June 2024 $'000**	**30 June 2023 $'000**	**30 June 2024 $'000**	**30 June 2023 $'000**	**30 June 2024 $'000**	**30 June 2023 $'000**
Cash and other cash equivalents	**1,394**	4,898	**588**	538	**-**	-	**6,101**	13,753	**8,083**	19,189
Other current assets	**4,760**	4,171	**1,494**	1,944	**-**	-	**1,071**	1,177	**6,477**	7,292
Total current assets	**6,154**	9,069	**2,082**	2,482	**-**	-	**7,172**	14,930	**14,560**	26,481
Non-current assets	**208,402**	231,182	**53,270**	61,821	**12,920**	11,890	**125,623**	122,599	**400,215**	427,492
Total non-current assets	**208,402**	231,182	**53,270**	61,821	**12,920**	11,890	**125,623**	122,599	**400,215**	427,492
Current liabilities	**4,953**	4,251	**545**	448	**-**	-	**8,636**	13,451	**13,286**	18,150
Total current liabilities	**4,953**	4,251	**545**	448	**-**	-	**8,636**	13,451	**13,286**	18,150
Non-current liabilities	**91,950**	86,530	**30,952**	30,634	**-**	-	**52,963**	52,963	**175,865**	170,127
Total non-current liabilities	**91,950**	86,530	**30,952**	30,634	**-**	-	**52,963**	52,963	**175,865**	170,127
Net tangible assets	**117,653**	149,470	**23,855**	33,221	**12,920**	11,890	**71,196**	71,115	**225,624**	265,696
Group's share in %	**22.19%**	21.54%	**21.31%**	21.59%	**25.00%**	25.00%	**25.27%**	25.91%		
Group's share	**26,104**	32,199	**5,083**	7,172	**3,230**	2,973	**17,990**	18,426		
Goodwill	**3,695**	3,661	**89**	89	**-**	-	**363**	-		
Carrying amount	**29,799**	35,860	**5,172**	7,261	**3,230**	2,973	**18,353**	18,426		

	Centuria Diversified Property Fund		Centuria Government Income Property Fund No. 2		QT Lakeview Developments Limited		Allendale Square Fund		Total	
Summarised statement of comprehensive income	**30 June 2024 $'000**	**30 June 2023 $'000**	**30 June 2024 $'000**	**30 June 2023 $'000**	**30 June 2024 $'000**	**30 June 2023 $'000**	**30 June 2024 $'000**	**30 June 2023 $'000**	**30 June 2024 $'000**	**30 June 2023 $'000**
Revenue	**18,038**	19,304	**4,232**	4,173	**-**	-	**14,421**	8,985	**36,691**	32,462
Net loss on fair value of investment properties	**(21,686)**	(6,339)	**(3,185)**	(1,317)	**-**	-	**-**	-	**(24,871)**	(7,656)
Gain/(loss) on fair value of investments and derivatives	**(4,937)**	(1,939)	**(809)**	(199)	**-**	-	**-**	-	**(5,746)**	(2,138)
Finance costs	**(3,475)**	(3,583)	**(908)**	(789)	**-**	-	**(2,875)**	(1,558)	**(7,258)**	(5,930)
Other expenses	**(7,206)**	(8,370)	**(1,694)**	(1,541)	**(1,248)**	-	**(4,941)**	(2,689)	**(15,089)**	(12,600)
Profit/(loss) for the period	**(19,266)**	(927)	**(2,364)**	327	**(1,248)**	-	**6,605**	4,738	**(16,273)**	4,138
Other comprehensive income	-	-	-	-	**-**	-	**-**	-	**-**	-
Total comprehensive income	**(19,266)**	(927)	**(2,364)**	327	**(1,248)**	-	**6,605**	4,738	**(16,273)**	4,138
Group's share in %	**22.19%**	21.54%	**21.31%**	21.59%	**25.00%**	25.00%	**25.27%**	25.91%		
Group's share in $'000	**(4,275)**	(200)	**(1,638)**	71	**(312)**	-	**1,669**	1,227		

For personal use only

E2 Business combination

(a) Centuria Bass Credit Pty Ltd

On 10 April 2024, the Group, through its wholly owned subsidiary Centuria Platform Investments Pty Limited, acquired an additional 30% interest in Centuria Bass Credit Pty Ltd (Centuria Bass), taking the total ownership interest to 80%. The Group had initially acquired a 50% interest in Centuria Bass on 22 April 2021. At that time, the Group was taken to have significant influence over Centuria Bass and recognised its investment in Centuria Bass under the equity method. As a result of the increased stake in Centuria Bass, the Group gained control of Centuria Bass.

The original 50% was purchased for consideration of $24,000,000 which was funded with existing cash reserves of the Group. The incremental 30% stake was funded via $28,500,000 of cash and $28,500,000 in Centuria issued scrip (ASX:CNI). The scrip was issued at $1.775 per security comprising a total issuance of 16,056,337 CNI securities. The cash component of the consideration was funded with existing cash reserves of the Group.

The additional stake of Centuria Bass is part of the Group's strategy of growing its non-bank lending platform, diversifying its platform product, and increasing recurring revenues through additional co-investment in managed funds.

For the year ended 30 June 2024, Centuria Bass contributed $9,391,000 profit after tax to the Group's results.

Consideration transferred

The following table summarises the acquisition date fair value of each major class of consideration transferred.

	$'000
Cash (i)	28,500
Equity (Company shares issued) (ii)	14,187
Equity (Fund units issued) (ii)	14,313
Total consideration transferred	**57,000**

(i) Cash

On 10 April 2024, the Group paid the $28,500,000 cash component of the Offer consideration.

(ii) Equity issued

The fair value of the ordinary shares issued by the Company and ordinary units issued by the Fund is based on the listed security price of CNI at 9 April 2024 of A$1.775 and attributed 49.78% to Company shares and 50.22% to Fund units.

Identifiable assets acquired and liabilities assumed

The fair value of assets and liabilities acquired has been measured on a provisional basis pending the completion of any final valuation or determination. If information obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date to the below amounts, or any additional provisions that existed at the acquisition date, then the accounting for the acquisition will be revised.

The assets and liabilities recognised as a result of the acquisition are as follows:

	Fair value $'000
Cash and cash equivalents	2,056
Receivables	910
Secured asset mortgages receivable	833,640
Indefinite life management rights	173,286
Other assets	255
Deferred tax assets	2,332
Payables	(3,220)
Provisions	(4,222)
Dividend payable	(10,100)
Deferred tax liabilities	(51,986)
Income tax payable	(3,188)
Limited recourse loans payable	(820,337)
Provision for doubtful debts	(4,274)
Total identifiable net assets acquired	**115,152**

Provisional goodwill

Provisional goodwill arising from the acquisition has been recognised as follows:

	$'000
Consideration transferred	57,000
Contingent consideration - call/put option liability (i)	49,827
Fair value of pre-existing interests in Centuria Bass (ii)	105,000
Fair value of identifiable net assets	(115,152)
Provisional goodwill (iii)	**96,675**

(i) Non-controlling interest

The Call/Put option liability relates to a call option and put option over the remaining shares in Centuria Bass which are held by existing management shareholders of Centuria Bass. The call option is in favour of the Group, whilst the put option is in favour of the management shareholders. The call option is exercisable in 2026 and put option is exercisable in 2027, with an exercise price equal to 8.4x EBIT for the average of the last two financial years prior to exercise of the option plus Net Tangible Assets.

The Group has applied the anticipated-acquisition method in accounting for the business combination as the Group has the right and the obligation to purchase any remaining non-controlling interest under a put/call arrangement.

Under the anticipated acquisition method, the interests of the non-controlling shareholders are recognised by the Group as a financial liability relating to the purchase of those interests. The recognition of the financial liability implies that the interests subject to the purchase are deemed to have already been acquired, meaning no non-controlling or outside equity interests are recognised. The corresponding interests are therefore presented as already owned by the Group even though the non-controlling shareholders retain legal ownership. The initial measurement of the fair value of the financial liability recognised by the Group forms part of the contingent consideration for the acquisition.

(ii) Remeasurement of pre-existing interest

As the business combination was achieved in stages, the Group is required to remeasure its equity interests in Centuria Bass held before the acquisition date at their acquisition date fair value and recognise the resulting gain in profit or loss.

(iii) Provisional goodwill

The provisional goodwill is attributable mainly to Centuria Bass' work force and established business practices and relationships which will form the basis for the Group's Credit platform from which to grow. None of the goodwill recognised is expected to be deductible for tax purposes.

Transaction related costs

Transaction related costs of $539,778 were incurred for the year in respect of the acquisition of Centuria Bass, of which $500,000 were expensed in the profit and loss and $39,778 were recorded against equity.

E3 Material interests in subsidiaries

The Group's principal subsidiaries at 30 June 2024 are set out below. Unless otherwise stated, they have issued capital consisting solely of ordinary shares or units that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The subsidiaries of the Group were incorporated in the following jurisdictions, Australia and New Zealand with principal places of business corresponding with the respective geographic jurisdictions. The parent entity of the Group is Centuria Capital Limited.

	Ownership interest %	
Australian subsidiaries	**30 June 2024**	**30 June 2023**
Centuria Capital Fund	**0% (100% NCI)**	0% (100% NCI)
Centuria Bass Credit Pty Ltd	**80%**	50%
Centuria Business Services Pty Limited	**100%**	100%
Centuria Capital Health Fund	**100%**	100%
Centuria Capital No. 2 Fund	**100%**	100%
Centuria Capital No. 2 Industrial Fund	**100%**	100%
Centuria Capital No. 2 Office Fund	**100%**	100%
Centuria Capital No. 3 Fund	**100%**	100%
Centuria Capital No. 5 Fund	**100%**	100%
Centuria Capital No. 8 Fund	**100%**	100%
Centuria Capital No. 9 (PW) Fund	**100%**	100%
Centuria Developments Pty Limited	**100%**	100%
Centuria Finance Pty Ltd	**100%**	100%
Centuria Funds Management Limited	**100%**	100%
Centuria Healthcare Pty Ltd[1]	**59%**	59%
Centuria Healthcare Asset Management Limited[1]	**59%**	59%
Centuria Healthcare Property Services Pty Limited[1]	**59%**	59%
Centuria Life Limited	**100%**	100%
Centuria Platform Investments Pty Limited	**100%**	100%
Centuria Property Funds Limited	**100%**	100%
Centuria Property Funds No. 2 Limited	**100%**	100%
Centuria Property Funds No. 3 Limited	**100%**	100%
Centuria Property Funds No. 4 Limited	**100%**	100%
Centuria Property Services Pty Limited	**100%**	100%
Over Fifty Seniors Equity Release Pty Ltd	**100%**	100%

	Ownership interest %	
New Zealand subsidiaries	**30 June 2024**	**30 June 2023**
Centuria Capital (NZ) Limited	**100%**	100%
Centuria Funds Management (NZ) Limited	**100%**	100%

1. The ownership percentage outlined above for these subsidiaries reflects the Group's economic ownership. The Group holds a 50% voting right in each of these subsidiaries.

Recognition and measurement

(i) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

The Company is required by AASB 10 Consolidated Financial Statements to recognise the assets, liabilities, income, expenses and equity of the benefit funds of its subsidiary, Centuria Life Limited (the Benefit Funds). The assets and liabilities of the Benefit Funds do not impact the net profit after tax or the equity attributable to the securityholders of the Company and the securityholders of the Company have no rights over the assets and liabilities held in the Benefit Funds.

In order to reflect the assets and liabilities pertaining to the Benefit Funds being attributable to policyholders (as approved by securityholders) an equal and offsetting policyholder liability is recognised on consolidation. In addition, on consolidation of the various income and expenses attributable to the Benefit Funds an equal and opposite net change in policyholder liabilities is recorded in the statement of comprehensive income.

The Company has majority representation on the Board of the Over Fifty Guardian Friendly Society Limited (Guardian). However, as Guardian is a mutual organisation, the Company has no legal rights to Guardian's net assets, nor does it derive any benefit from exercising its power and therefore does not control Guardian.

E4 Parent entity disclosure

As at, and throughout the current and previous financial year, the parent entity of the Group was Centuria Capital Limited.

	2024 $'000	2023 $'000
RESULT OF PARENT ENTITY		
Profit for the year	**122,917**	6,936
Total comprehensive income for the year	**122,917**	6,936
FINANCIAL POSITION OF PARENT ENTITY AT YEAR END		
Total assets	**1,132,849**	1,120,216
Total liabilities	**(324,564)**	(452,156)
Net assets	**808,285**	668,060

The parent entity classifies its assets and liabilities as current, except for the parent entity's investments in subsidiaries. The assets of the parent entity mainly consist of cash, short term receivables, investments in subsidiaries and deferred tax assets. The parent entity's investment in subsidiaries are measured at cost. The liabilities of the parent entity mainly consist of short term payables.

TOTAL EQUITY OF THE PARENT ENTITY COMPRISING OF:		
Share capital	**415,337**	394,811
Share-based incentive reserve	**14,314**	11,016
Retained earnings	**378,634**	262,233
Total equity	**808,285**	668,060

For personal use only

(a) Guarantees entered into by the parent entity

The parent entity has, in the normal course of business, entered into guarantees in relation to the debts of its subsidiaries during the financial year.

(b) Commitments and contingent liabilities of the parent entity

The parent entity has bank guarantees of $2,007,143 for commercial leases with respect to its Sydney and Melbourne office premises. These bank guarantees are cash collateralised.

The above guarantees are issued in respect of the parent entity and do not constitute an additional liability to those already existing in liabilities on the statement of financial position.

The directors of the Company are not aware of any other contingent liabilities in relation to the parent entity, other than those disclosed in the financial statements.

For personal use only


ANACONDA
ANACONDA
SPORTSLIGHT
Kmart
Kmart
Kmart

For personal use only

F Other

F1 Share-based payment arrangements

(a) LTI plan details

The Company has an Executive Incentive Plan (LTI Plan) which forms a key element of the Company's incentive and retention strategy for senior executives under which Performance Rights (Rights) are issued.

Each employee receives ordinary securities of the Group on vesting of the performance rights. No amounts are paid or payable by the recipient on receipt of the performance rights or on vesting. The performance rights carry neither rights to dividends nor voting rights prior to vesting.

It is expected that future annual grants of performance rights will be made, subject to the Board's determination of the overall performance of the Group and market conditions. The vesting of any performance rights awarded will be subject to attainment of appropriate performance hurdles and on the basis of continuing employment with the Group.

Further details of the LTI Plan are included in the Audited Remuneration Report from pages 82 to 106.

	2024 $'000	2023 $'000
Performance rights outstanding at the beginning of the year	**11,824,030**	9,858,881
Performance rights granted during the year	**5,977,365**	4,766,656
Performance rights lapsed during the year	**(4,976,877)**	(2,101,132)
Performance rights vested during the year	**-**	(700,375)
Performance rights outstanding at the end of the year	**12,824,518**	11,824,030

The performance objectives for 5,510,463 of the performance rights issued under Tranche 9 were not met as at 30 June 2024. As a result all Tranche 9 rights will lapse.

(b) Measurement of fair values

The fair value of the rights was calculated using a binomial tree valuation methodology for the Rights with non-market vesting conditions and a Monte-Carlo simulation for the Rights with market vesting conditions.

The inputs used in the measurement of the fair values at grant date of the rights were as follows:

	Tranche 9	Tranche 10	Tranche 11
Expected vesting date	31 August 2024 and 31 August 2025	31 August 2025 and 31 August 2026	31 August 2026 and 31 August 2027
Share price at the grant date	$3.13 and $3.25	$1.825 and $1.935	$1.475 and $1.495
Expected life	2.8 - 4.1 years	2.7 - 4.1 years	2.7 - 4.0 years
Volatility	26%	30%	34%
Risk free interest rate	0.11% and 0.86%	2.99% and 3.16%	3.77% and 4.02%
Dividend yield	3.8%	5.3%	6.2%

The following table sets out the fair value of the rights at the respective grant date:

Performance condition	Tranche 9	Tranche 10	Tranche 11
Absolute TSR	$1.85 and $2.15[1]	$0.51 and $0.69[3]	$0.45 and $0.50[5]
Relative TSR	$1.16 and $1.32[2]	$0.64 and $0.83[4]	$0.61 and $0.63[6]

1. $1.85 and $1.92 for Chief Executive Officers, $1.98 and $2.05 for senior executive committee members and $2.15 for other employees.
2. $1.16 and $1.18 for Chief Executive Officers, $1.19 and $1.23 for senior executive committee members and $1.32 for other employees.
3. $0.51 and $0.53 for Chief Executive Officers, $0.65 and $0.69 for senior executive committee members and $0.69 for other employees.
4. $0.64 and $0.68 for Chief Executive Officers, $0.79 and $0.83 for senior executive committee members and $0.83 for other employees.
5. $0.45 and $0.46 for Chief Executive Officers, $0.48 and $0.50 for senior executive committee members and $0.50 for other employees.
6. $0.61 and $0.65 for Chief Executive Officers, $0.59 and $0.63 for senior executive committee members and $0.63 for other employees.

During the year, share based payment expenses were recognised of $3,298,000 (2023: $5,055,000).

Recognition and measurement

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates with respect to non-market vesting conditions, if any, is recognised in profit for the year such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

F2 Financial instruments

(a) Management of financial instruments

The Board is ultimately responsible for the Risk Management Framework of the Group.

The Group employs a cascading approach to managing risk, facilitated through delegation to specialist committees and individuals within the Group.

The Group is exposed to a variety of financial risks as a result of its activities. These risks include market risk (including interest rate risk and price risk), credit risk and liquidity risk. The Group's risk management and investment policies, approved by the Board, seek to minimise the potential adverse effects of these risks on the Group's financial performance. These policies may include the use of certain financial derivative instruments.

Centuria Group has various investment committees to oversee the relevant entity's investment and portfolio management practices to ensure they are in line with the risk and return requirements of its investors, as well as ensuring that investment decisions are made in accordance with the appropriate regulatory requirements. The Centuria Life investment committee in particular monitor fund rules and target achieving the long-term strategic objectives of investors.

From time to time, the Group outsources certain parts of the investment management of the Benefit Funds to specialist investment managers including co-ordinating access to domestic and international financial markets, and managing the financial risks relating to the operations of the Group in accordance with an investment mandate set out in the Group's constitution and the Benefit Funds' product disclosure statements. The Benefit Funds' investment mandates are to invest in equities and fixed interest securities via unit trusts, discount securities and may also invest in derivative instruments such as futures and options.

The Group uses interest rate swaps to manage interest rate risk and not for speculative purposes in any situation. Hedging is put in place where the Group is either seeking to minimise or eliminate cash-flow variability, i.e. converting variable rates to fixed rates, or changes in the fair values of underlying assets or liabilities, i.e. to convert fixed rates to variable rates.

Derivative financial instruments of the Benefit Funds, consolidated into the financial statements of the Group under AASB 10 Consolidated Financial Statements, are used only for hedging factual or anticipated exposures relating to investments. The use of financial derivatives in respect of Benefit Funds is governed by the Benefit Funds' investment policies, which provide written principles on the use of financial derivatives.

(b) Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of debt and equity capital. This overall strategy remains unchanged from the prior year.

The Group's capital structure consists of net debt (borrowings, offset by cash and cash equivalents) and equity of the Group (comprising issued capital, reserves and retained earnings).

The Group carries on business throughout Australia and New Zealand, primarily through subsidiary companies that are established in the markets in which the Group operates. The operations of Centuria Life Limited (CLL) are regulated by APRA and the management fund of CLL has a minimum Prescribed Capital Amount (PCA) that must be maintained at all times. It is calculated monthly and these results are reported to the Board each month. The current level of share capital of CLL meets the PCA requirements.

In addition, Centuria Property Funds Limited, Centuria Funds Management Limited, Centuria Property Funds No. 2 Limited, Centuria Healthcare Asset Management Limited, Centuria Property Funds No. 3 Limited and Centuria Property Funds No. 4 Limited have AFS licences so as to operate registered property trusts. Regulations require these entities to hold a minimum net asset amount which is maintained by way of cash term deposits and listed liquid investments.

Operating cash flows are used to maintain and, where appropriate, expand the Group's funds under management as well as to make the routine outflows of tax, dividends and repayment of maturing debt. The Group regularly reviews its anticipated funding requirements and the most appropriate form of funding (capital raising or borrowings) depending on what the funding will be used for.

For personal use only

The capital structure of the Benefit Funds (and management fund) consists of cash and cash equivalents, bill facilities and mortgage assets. The Benefit Funds also hold a range of financial assets for investment purposes including investments in unit trusts, equity and floating rate notes. The Investment Committee aims to ensure that there is sufficient capital for possible redemptions by policyholders of the Benefit Funds by regularly monitoring the level of liquidity in each fund.

The Benefit Funds have no restrictions or specific capital requirements on the application and redemption of units. The Benefit Funds' overall investment strategy remains unchanged from the prior year.

(c) Fair value of financial instruments

1. Fair value measurements recognised in the statement of financial position

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value.

The table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There was one transfer between Level 2 and 3 in the period.

Unless outlined below, detailed information in relation to recognition and measurement principals applied across all financial instruments are outlined in the respective notes accompanying the balance sheet.

30 June 2024	Measurement basis	Fair value hierarchy	Carrying amount $'000	Far value $'000
FINANCIAL ASSETS				
Cash and cash equivalents	**Amortised cost**	**Not applicable**	**206,936**	**206,936**
Receivables	**Amortised cost**	**Not applicable**	**118,095**	**118,095**
Financial assets	**Fair value**	**Level 1**	**464,700**	**464,700**
Financial assets	**Fair value**	**Level 2**	**439,690**	**439,690**
Financial assets - other assets	**Fair value**	**Level 3**	**3,300**	**3,300**
Reverse mortgages receivables	**Fair value**	**Level 3**	**39,939**	**39,939**
Financial assets	**Amortised cost**	**Not applicable**	**73,294**	**73,294**
Secured real estate mortgages receivable	**Amortised cost**	**Not applicable**	**820,523**	**821,025**
			2,166,477	**2,166,979**
FINANCIAL LIABILITIES				
Payables	**Amortised cost**	**Not applicable**	**117,252**	**117,252**
Benefit Funds policy holders' liability	**Amortised cost**	**Not applicable**	**306,970**	**306,970**
Borrowings (net of borrowing costs)	**Amortised cost**	**Not applicable**	**435,971**	**435,706**
Interest rate swaps - reverse mortgage fixed-for-life	**Fair value**	**Level 3**	**19,273**	**19,273**
Call/Put option liability	**Amortised cost**	**Not applicable**	**91,090**	**91,090**
Limited recourse loans payable	**Amortised cost**	**Not applicable**	**801,958**	**802,412**
			1,772,514	**1,772,703**

30 June 2023	Measurement basis	Fair value hierarchy	Carrying amount $'000	Far value[1] $'000
FINANCIAL ASSETS				
Cash and cash equivalents	Amortised cost	Not applicable	225,460	225,460
Receivables	Amortised cost	Not applicable	133,278	133,278
Financial assets	Fair value	Level 1	630,078	630,078
Financial assets	Fair value	Level 2	221,427	221,427
Financial assets - other assets	Fair value	Level 3	1,181	1,181
Reverse mortgages receivables	Fair value	Level 3	41,887	41,887
Financial assets	Amortised cost	Not applicable	45,160	45,160
			1,298,471	1,298,471
FINANCIAL LIABILITIES				
Payables	Amortised cost	Not applicable	92,418	92,418
Benefit Funds policy holders' liability	Amortised cost	Not applicable	278,793	278,793
Borrowings (net of borrowing costs)	Amortised cost	Not applicable	375,217	371,368
Interest rate swaps - reverse mortgage fixed-for-life	Fair value	Level 3	19,339	19,339
Call/Put option liability	Amortised cost	Not applicable	38,255	38,255
			804,022	800,173

1. For financial asset amounts classified at amortised cost, the fair value amount is equal to the carrying amount.

2. Valuation techniques and assumptions applied in determining fair value

The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices (includes listed redeemable notes, bills of exchange, debentures and perpetual notes).

The fair values of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments. Discount rates are determined based on market rates applicable to the financial asset or liability.

The fair values of derivative instruments are calculated using quoted prices. Where such prices are not available, discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives.

Level 2 fair values:

The Group determines Level 2 fair values for financial assets, which are investments in unlisted securities, by giving consideration to the unit prices and net assets of the underlying funds. The unit prices and net asset values are largely driven by the fair values of investment properties and derivatives held by the funds.

Level 3 fair values:

The Level 3 financial asset held by the Group is the fair value of the residential mortgage receivables attributable to interest rate risk. The Level 3 financial liability held by the Group is the fixed-for-life interest rate swaps.

Key estimates and judgements

Due to the illiquid nature of fixed-for-life residential mortgage loans and their associated interest rate swaps, their fair valuation are calculated using assumptions that are not supported by prices observable in the market place. A discounted cash flow model is employed in fair valuing these instruments based on their respective expected net cash flows applying a reporting date discount rate derived from the Australian intra-bank interest rate yield curve sourced from the swap provider.

For personal use only

The valuation techniques used in determining the fair value of the Group's reverse mortgage loan book as well as the associated interest rate swaps are as follows:

- The weighted average reverse mortgage holders' age is 84 years at reporting date.
- The loan interest compounding period is estimated using the remaining life of the borrower based on externally published 2013-2015 Life Tables consistent with those adopted by the swap provider.
- The compounding interest rate is the fixed rate of loan for each contract, commencing from the inception of each loan up to the point in time when the carrying amount of the loan including capitalised interest equals the forecast maturity date property value. After this point any future interest rate applied is reduced to ensure alignment of the fair value of the loans with the forecast maturity residential property valuation of the underlying mortgaged property. This ensures that the reporting date loan value including applicable accrued interest does not exceed the forecast maturity date property valuation.
- The reporting date Australian intra-bank interest rate yield curve supplied by the swap provider plus a credit risk margin is applied in discounting future cash flows back to their balance date fair values.

Additional assumptions applied in valuation of the reverse mortgage fixed-for-life loans and their associated swaps:

- The property growth rates are assumed to be nil% for FY24, and assumed to revert to a long-term average growth rate of 3.5% p.a from FY25 onwards.
- A 1% flat credit risk margin is added to the reporting date discount rate applied to the cash flows arising from each borrower.
- 49% of the residential mortgage loan portfolio consists of loans with joint borrowers.
- The mortality rate for joint borrowers is calculated based on the estimated life expectancy of the youngest borrower.
- A 1.016% flat credit risk margin, is added to the monthly cash flow discount factor in calculating the fair value of the swaps associated with the fixed-for-life reverse mortgage loans.

Recognition and measurement

The Group enters into derivative financial instruments such as interest rate swaps to manage its exposure to interest rate risk.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event, the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

3. Reconciliation of Level 3 fair value measurements of financial assets and liabilities

Year ended 30 June 2024	Other assets at fair value $'000	Reverse mortgages fair value $'000	Fixed-for-life interest rate swaps $'000	Total $'000
Balance at 1 July 2023	**1,181**	**41,887**	**(19,339)**	**23,729**
Addition - reclass from level 2	**2,119**	**-**	**-**	**2,119**
Loan repaid	**-**	**(4,670)**	**1,958**	**(2,712)**
Accrued interest	**-**	**3,136**	**(1,327)**	**1,809**
Attributable to interest rate and other risk	**-**	**(836)**	**1,173**	**337**
Attributable to credit risk	**-**	**422**	**(1,738)**	**(1,316)**
Balance at 30 June 2024	**3,300**	**39,939**	**(19,273)**	**23,966**

Year ended 30 June 2023	Other assets at fair value $'000	Reverse mortgages fair value $'000	Fixed-for-life interest rate swaps $'000	Total $'000
Balance at 1 July 2022	1,181	40,084	(18,750)	22,515
Loan repaid	-	(2,521)	742	(1,779)
Accrued interest	-	3,001	(1,516)	1,485
Attributable to interest rate and other risk	-	1,139	278	1,417
Attributable to credit risk	-	184	(93)	91
Balance at 30 June 2023	1,181	41,887	(19,339)	23,729

(d) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral or other security, where appropriate, as a means of mitigating risk of financial loss from default. The credit risk on financial assets of the Group and the parent recognised in the statement of financial position is generally the carrying amount, net of allowance for impairment loss.

Concentration of risk may exist when the volume of transactions limits the number of counterparties.

1. Credit risk of reverse mortgages

Concentration of credit risk in relation to reverse mortgage loans is minimal, as each individual reverse mortgage loan is secured by an individual residential property. The loan is required to be settled from the proceeds of disposal of the secured property after the borrower's death.

Individual property valuations are conducted at least every 3 years in accordance with financier's requirements. At 30 June 2024, the highest loan to value ratio (LVR) of a loan in the reverse mortgage loan book is 153% (2023: 141%), and there are 35 out of 133 (2023: 41 out of 154) reverse mortgage loans where the LVR is higher than 50%.

2. Credit risk on other financial assets

Credit risk on other financial assets such as investments in floating rate notes, standard discount securities and unit trusts is managed through strategic asset allocations with creditworthy counterparties and the on-going monitoring of the credit quality of investments, including the use of credit ratings issued by well-known rating agencies.

Loan receivable from related party:

As of 30 June 2024, the Group recognised a loss allowance of $846,000 (2023: $1,275,000) for the related party loan receivable from Centuria NZ Healthcare Property Fund (CNZHPF). The loss allowance was measured at the lifetime expected credit loss from future possible scenarios and are probability weighted. The estimated scenarios and probabilities of loss are based on the market data collected, Group's view of future economic conditions and CNZHPF's forecast business plan. This does not have significant impact on the Group's credit risk exposure in other financial assets.

Receivables:

The exposure of credit risk in respect of financial assets remains minimal as the majority of other financial assets are due from related parties of the Group. The Group does not have any significant credit risk exposure to any single entity in other financial assets or any group of counterparties having similar characteristics.

The aging of receivables at the reporting date was as follows:

	2024 $'000	2023 $'000
Not due	**107,760**	119,936
Past due:		
1 to 30 Days	**4,725**	4,885
31 to 60 Days	**814**	4,189
> 60 days overdue	**3,314**	4,268
	116,613	133,278

For personal use only

Secured real estate mortgages receivable

As at 30 June 2024, the Group had $820,523,000 (2023: $nil) in secured real estate mortgages receivable, through a number of its consolidated financing SPVs secured over the value of the underlying property with respect to each of its syndicated facility agreements.

The loans are variable interest rate instruments offering a variable lower rate (BBSY + Margin) and a variable higher rate (Lower rate + Margin) in the event of the breach of certain covenants or loan requirements with respect to each Syndicated Facility Agreement. Default interest triggered under the syndicated facility agreements also trigger a higher interest rate under the limited recourse loan agreements, passing through higher interest rates to the underlying limited recourse loan holders.

On a consistent basis any extension or variation to the duration of the Syndicated Facility Agreement will pass through and will trigger the equivalent extension or the early repayment of the associated limited recourse loan arrangements. The back-to-back and the non-recourse nature of the limited recourse loans ensure that Centuria Capital Group retains minimal residual liquidity, credit risks nor any interest rate risks associated with each arrangement. The only credit risk associated with each arrangement is therefore limited to the value of the interest margin and fees recognised by the Group with respect to each arrangement.

As at 30 June 2024 $745,273,000 of the secured real estate mortgages receivable are considered current with underlying syndicated facility agreements expected to be collected within the next financial year. The remaining value of $75,250,000 of the limited recourse loans payable are in relation to syndicated facility agreements expected to mature in the following financial year and are therefore considered to be non-current.

Due to the Limited Recourse Nature of the Loans the Group is exposed to minimal credit risk. This ensures that other than the Interest margin which is part of the 'aggregate amount available' any credit loss exposure arising from the impairment of the principal value of the loan and the interest payable by the SPV to its investors would be offset.

This limits the commercial exposure of the Group to the interest margin recorded by its SPV and the fees and charges.

As at 30 June 2024:

	At amortised cost $'000	Expected credit loss $'000	Carrying amount $'000	Expected loss rate
Stage 1	654,024	(665)	653,359	0.10%
Stage 2	22,598	(721)	21,877	3.19%
Stage 3	143,901	(9,515)	134,386	6.61%
Total	**820,523**	**(10,901)**	**809,622**	

As at acquisition of Centuria Bass Credit:

	At amortised cost $'000	Expected credit loss $'000	Carrying amount $'000	Expected loss rate
Stage 1	672,150	(419)	671,731	0.06%
Stage 2	119,023	(790)	118,233	0.66%
Stage 3	42,467	(3,065)	39,402	7.22%
Total	**833,640**	**(4,274)**	**829,366**	

Stage 1: 12-month ECL. Where credit risk has not increased significantly since initial recognition.

Stage 2: Lifetime ECL. Where credit risk has increased significantly since initial recognition.

Stage 3: Lifetime ECL and credit impaired.

The Group's accounting policy for credit impairment is outlined in Note C4(iii)

When measuring the expected credit loss (ECL) of the secured mortgage loans of the Group, a credit loss model uses a probability of default applied against exposure, with the following key components:

- Exposure at Default (EAD): Estimate the amount outstanding at the time of default.
- Probability of Default (PD): Estimate the likelihood of default over a given period. This involves historical data and forward-looking information.
- Loss Given Default (LGD): Estimate the loss if a default occurs, considering recoveries from collateral or other sources.

The movement for the allowance for impairment provisions and expected credit loss for the year ended 30 June 2024 are as follows:

	Gross exposure $'000	Provision $'000	Total $'000
Balance at 1 July 2024	-	-	-
Loans acquired through business combination	**833,640**	**(4,274)**	**829,366**
New loans drawn	**162,313**	-	**162,313**
Transfers:			
Transfers to stage 1	**(3,188)**	**(246)**	**(3,434)**
Transfers to stage 2	**(97,835)**	**69**	**(97,766)**
Transfers to stage 3	**101,434**	**(6,450)**	**94,984**
Loans repaid	**(175,841)**	-	**(175,841)**
Write-offs	-	-	-
Total	**820,523**	**(10,901)**	**809,622**

(e) Liquidity risk

The Group's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities.

The liquidity risk is managed for the Group at a corporate level. Bank account balances across all entities, current and future commitments, and expected cash inflows are reviewed in detail when the monthly cash flow projection is prepared for management purposes and presented to the Board at its regular monthly meetings. By comparing the projected cash flows with the assets and liabilities shown in the individual and consolidated statements of financial position, which are also prepared on a monthly basis for management purposes and presented to the Board, liquidity requirements for the Group can be determined. Based on this review, if it is considered that the expected cash inflows plus liquidity on hand, may not be sufficient in the near term to meet cash outflow requirements, including repayment of borrowings, a decision can be made to carry out one or more of the following:

- renegotiate the repayment terms of the borrowings;
- sell assets that are held on the statement of financial position; and/or
- undertake an equity raising.

This, combined with a profitable business going forward, should ensure that the Group continues to meet its commitments, including repayments of borrowings, as and when required.

The Group's overall strategy to liquidity risk management remains unchanged from the prior year.

The policyholders in the Benefit Funds are able to redeem their policies at any time and the Benefit Funds are therefore exposed to the liquidity risk of meeting policyholders' withdrawals at any time. The Investment Committee aims to ensure that there is sufficient capital for possible redemptions by policyholders of the Benefit Funds by regularly monitoring the level of liquidity in each fund.

For personal use only

The following table summarises the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been prepared based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the parent can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are at floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period.

Non-derivative financial liabilities	On demand $'000	Less than 3 months $'000	3 months to 1 year $'000	1–5 years $'000	5+ years $'000	Total $'000
2024						
Borrowings	**-**	**10,363**	**125,741**	**388,970**	**-**	**525,074**
Limited recourse loans - SPVs	**554,201**	**224,580**	**43,378**	**-**	**-**	**822,159**
Payables	**-**	**119,146**	**-**	**-**	**-**	**119,146**
Call/Put option liability	**-**	**41,837**	**-**	**61,646**	**-**	**103,483**
Benefit Funds policyholder's liability	**306,970**	**-**	**-**	**-**	**-**	**306,970**
Lease liabilities	**-**	**1,594**	**4,958**	**26,937**	**4,295**	**37,784**
Total	**861,171**	**397,520**	**174,077**	**477,553**	**4,295**	**1,914,616**
2023						
Borrowings	-	6,138	52,994	403,555	-	462,687
Payables	-	114,340	-	-	-	114,340
Call/Put option liability	-	-	-	41,857	-	41,857
Benefit Funds policyholder's liability	278,793	-	-	-	-	278,793
Lease liabilities	-	1,510	4,604	26,307	11,916	44,337
Total	278,793	121,988	57,598	471,719	11,916	942,014

The following table summarises the maturing profile of derivative financial liabilities. The table has been drawn up based on the undiscounted net cash flows on the derivative instruments that settle on a net basis.

Derivative financial liabilities	On demand $'000	Less than 3 months $'000	3 months to 1 year $'000	1-5 years $'000	5+ years $'000	Total $'000
2024						
Interest rate swaps	**-**	**-**	**17**	**1,093**	**21,502**	**22,612**
Total	**-**	**-**	**17**	**1,093**	**21,502**	**22,612**
2023						
Interest rate swaps	-	-	20	1,127	25,929	27,076
Total	-	-	20	1,127	25,929	27,076

(f) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk and price risk. Due to the nature of assets held by the Group (excluding the Benefit Funds), there is an asset and liability management process which determines the interest rate sensitivity of the statement of financial position and the implementation of risk management practices to hedge the potential effects of interest rate changes. The Group manages the market risk associated with its Benefit Funds by outsourcing its investment management. The Investment Manager manages the financial risks relating to the operations of the Benefit Funds in accordance with an investment mandate set out in the Benefit Funds' constitution and PDS. There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk.

1. Equity price risk

The Group is exposed to equity price risk arising from investments held and classified as at fair value through profit or loss. The exposure to equity price risk at the end of the reporting period, assuming equity prices had been 10% higher or lower while all other variables were held constant, would increase/decrease net profit by $90.8 million (2023: $85.3 million).

2. Interest rate risk management

The Group is exposed to interest rate risk because entities in the Group borrow funds at floating interest rates. Management of this risk is evaluated regularly and interest rate swaps are used accordingly.

The tables below detail the Group's interest bearing financial assets and liabilities.

2024	Weighted average effective interest rate %	Variable rate $'000	Fixed rate $'000	Total $'000
FINANCIAL ASSETS				
Cash and cash equivalents	**4.50%**	**206,936**	**-**	**206,936**
Other financial assets held by Benefit Funds	**6.11%**	**10,649**	**1,041**	**11,690**
Secured mortgages receivable - SPV	**10.35%**	**578,862**	**241,661**	**820,523**
Other interest bearing loans	**7.34%**	**28,567**	**44,132**	**72,699**
Reverse mortgage receivables	**8.71%**	**699**	**39,240**	**39,939**
Total financial assets		**825,713**	**326,074**	**1,151,787**
FINANCIAL LIABILITIES				
Borrowings - gross of borrowing costs	**7.74%**	**(367,194)**	**(70,000)**	**(437,194)**
Limited recourse loans payable - SPV	**10.03%**	**(58,713)**	**(742,022)**	**(800,735)**
Total financial liabilities		**(425,907)**	**(812,022)**	**(1,237,929)**
Net interest bearing financial assets/(liabilities)		**399,806**	**(485,948)**	**(86,142)**

2023	Weighted average effective interest rate %	Variable rate $'000	Fixed rate $'000	Total $'000
FINANCIAL ASSETS				
Cash and cash equivalents	4.04%	202,918	22,542	225,460
Other financial assets held by Benefit Funds	2.02%	3,216	5,866	9,082
Other interest bearing loans	4.90%	-	47,129	47,129
Reverse mortgage receivables	8.70%	672	41,215	41,887
Total financial assets		206,806	116,752	323,558
FINANCIAL LIABILITIES				
Borrowings - gross of borrowing costs	7.54%	(275,810)	(99,407)	(375,217)
Total financial liabilities		(275,810)	(99,407)	(375,217)
Net interest bearing financial assets/(liabilities)		(69,004)	17,345	(51,659)

For personal use only

3. Interest rate swap contracts

Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the fair value of fixed rate financial assets held and the cash flow exposures on the issued variable rate debt.

The following table details the notional principal amounts and remaining expiry of the Group's outstanding interest rate swap contracts as at reporting date. These swaps are at fair value through profit and loss.

	Average contracted rate		Notional principal amount		Fair value	
Pay fixed for floating contracts	2024 %	2023 %	2024 $'000	2023 $'000	2024 $'000	2023 $'000
50 year swaps contracts	**7.47%**	7.47%	**6,882**	7,992	**(19,273)**	(19,339)
	7.47%	7.47%	**6,882**	7,992	**(19,273)**	(19,339)

4. Interest rate sensitivity

The sensitivity analysis below has been determined based on the parent and the Group's exposure to interest rates at the balance date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period, in the case of financial assets and financial liabilities that have variable interest rates. A 100 basis points (1.00%) increase or decrease represents management's assessment of the reasonably possible change in interest rate.

At reporting date, if variable interest rates had been 100 (2023: 100) basis points higher or lower and all other variables were held constant, the impact to the Group would have been as follows:

			Effect on profit after tax	
	Change in variable 2024	Change in variable 2023	2024 $'000	2023 $'000
CONSOLIDATED				
Interest rate risk	**+1.00%**	+1.00%	**(1,538)**	(1,866)
CONSOLIDATED				
Interest rate risk	**-1.00%**	-1.00%	**2,747**	2,351

The sensitivity analysis takes into account interest-earning assets and interest-bearing liabilities attributable to the securityholders only, and does not take into account the bank bill facility margin changes.

F3 Remuneration of auditors

Amounts received or due and receivable by KPMG:

	2024 $	2023 $
Audit and review of the financial report	**938,896**	926,643
Other services including AFSL and compliance plan audits	**158,984**	151,415
Non-audit services	**217,849**	30,096
	1,315,729	1,108,154

F4 Events subsequent to the reporting date

On 1 August 2024, the Group settled the sale of 69 Moehau Street, Te Puke (Te Puke Lifecare) for NZ$8,400,000 (AU$7,644,000).

On August 6, 2024, Centuria Capital Group acquired a 50% stake in ResetData Pty Limited for up to $21,000,000, marking its entry into the data centre market. This investment leverages liquid immersion cooling (LIC) technology, which offers a smaller footprint, lower energy consumption, and reduced carbon emissions compared to traditional data centres.

The investment will be funded through existing debt headroom and is projected to be earnings neutral in FY25 and accretive to Operating EPS (OEPS) from FY26 onwards. This acquisition aligns with Centuria's strategy to capitalise on growth in data storage and AI, providing a competitive edge in the real estate market.

Concurrent with the transaction, ResetData committed to a 10-year lease with the Centuria Office Fund (ASX: COF) at 818 Bourke Street, Vic, transforming it into one of Australia's first AI inferencing and ultra high-density LIC data centres.

Other than the above, there has not arisen in the interval between 30 June 2024 and the date hereof any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial periods.

Consolidated entity disclosure statement

Basis of preparation:

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with section 295(3A) of the *Corporations Act 2001* and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

The Group's entities that are consolidated in these consolidated financial statements at 30 June 2024 are set out below. Unless otherwise stated, they have issued capital consisting solely of ordinary shares or units that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The entities of the Group were incorporated in the following jurisdictions, Australia and New Zealand with principal places of business corresponding with the respective geographic jurisdictions. The parent entity of the Group is Centuria Capital Limited.

Determination of tax residency:

Section 295 (3A)(vi) of the *Corporation Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*. In determining tax residency, the consolidated entity has applied the following interpretations:

- Australian tax residency: The Group has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5;
- Foreign tax residency: The Group has applied current legislation and where available judicial precedent in the determination of foreign tax residency.

	Type	Place incorporated/ formed	Tax residency	Ownership interest %
Centuria Capital Limited	Body corporate	Australia	Australia	100%
Centuria Capital Fund	Trust	Australia	Australia	0% (100% NCI)
57 Wyatt Street Sub Trust	Trust	Australia	Australia	100%
80 Grenfell Street ST Pty Ltd	Body corporate	Australia	Australia	50%
A.C.N. 062 671 872 Pty Ltd	Body corporate	Australia	Australia	100%
Allendale Square Pty Ltd	Body corporate	Australia	Australia	100%
Amberlee Nominees Pty Ltd	Body corporate	Australia	Australia	100%
Belmont Road Development Pty Limited	Body corporate	Australia	Australia	100%
Belmont Road Management Pty Limited	Body corporate	Australia	Australia	100%
Centuria 57 Wyatt Street Pty Ltd[1]	Body corporate	Australia	Australia	100%
Centuria 61-67 Wyatt St Pty Ltd	Body corporate	Australia	Australia	100%
Centuria 80 Flinders Street Pty Ltd	Body corporate	Australia	Australia	100%
Centuria Agri Logistics REIT I	Trust	Australia	Australia	100%
Centuria ALRI (A) Trust	Trust	Australia	Australia	100%
Centuria ALRI (B) Trust	Trust	Australia	Australia	100%
Centuria ALRI (C) Trust	Trust	Australia	Australia	100%
Centuria Business Services Pty Limited	Body corporate	Australia	Australia	100%
Centuria Canberra No. 3 Pty Limited	Body corporate	Australia	Australia	100%
Centuria Capital Cirque Pty Limited	Body corporate	Australia	Australia	100%

For personal use only

	Type	Place incorporated/ formed	Tax residency	Ownership interest %
Centuria Capital Health Fund	Trust	Australia	Australia	100%
Centuria Capital No. 2 Fund	Trust	Australia	Australia	100%
Centuria Capital No. 2 Industrial Fund	Trust	Australia	Australia	100%
Centuria Capital No. 2 Office Fund	Trust	Australia	Australia	100%
Centuria Capital No. 3 Fund	Trust	Australia	Australia	100%
Centuria Capital No. 4 Fund	Trust	Australia	Australia	100%
Centuria Capital No. 5 Fund	Trust	Australia	Australia	100%
Centuria Capital No. 6 Fund	Trust	Australia	Australia	100%
Centuria Capital No. 7 Fund	Trust	Australia	Australia	100%
Centuria Capital No. 8 Fund	Trust	Australia	Australia	100%
Centuria Capital No. 9 (PW) Fund	Trust	Australia	Australia	100%
Centuria Developments (Cardiff) Pty Limited	Body corporate	Australia	Australia	100%
Centuria Developments (Mann Street) Pty Limited	Body corporate	Australia	Australia	100%
Centuria Developments (Mayfield) Pty Limited	Body corporate	Australia	Australia	100%
Centuria Developments (Young Street) Pty Limited	Body corporate	Australia	Australia	100%
Centuria Developments Pty Limited	Body corporate	Australia	Australia	100%
Centuria Employee Share Fund Pty Ltd	Body corporate	Australia	Australia	100%
Centuria Finance Pty Ltd	Body corporate	Australia	Australia	100%
Centuria Funds Management Limited[1]	Body corporate	Australia	Australia	100%
Centuria Healthcare Asset Management Limited	Body corporate	Australia	Australia	59%
Cudgen Health Precinct Pty Limited[1]	Body corporate	Australia	Australia	50.1%
Cudgen Health Precinct SPV Trust	Trust	Australia	Australia	50.1%
Centuria Lane Cove Debt Fund	Trust	Australia	Australia	100%
Centuria Tweed Valley Developments Pty Limited	Body corporate	Australia	Australia	100%
Centuria Healthcare Asset Management Nominee 1 Pty Ltd	Body corporate	Australia	Australia	59%
Centuria Healthcare Asset Management Nominee 2 Pty Ltd	Body corporate	Australia	Australia	59%
Centuria Healthcare Energy Company Pty Ltd	Body corporate	Australia	Australia	59%
Centuria Healthcare Funds Distributions Pty Ltd	Body corporate	Australia	Australia	59%
Centuria Healthcare Investments Pty Ltd	Body corporate	Australia	Australia	59%
Centuria Healthcare Property Services Pty Limited	Body corporate	Australia	Australia	59%
Centuria Healthcare Pty Ltd	Body corporate	Australia	Australia	59%
Centuria Industrial Property Services Pty Ltd	Body corporate	Australia	Australia	100%
Centuria Institutional Investments No. 3 Pty Limited	Body corporate	Australia	Australia	100%
Centuria Investment Holdings No. 4 Pty Limited	Body corporate	Australia	Australia	100%
Centuria Investment Holdings Pty Limited[1]	Body corporate	Australia	Australia	100%
Centuria Investment Management (CDPF) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria Investment Management (CDPF) No. 2 Pty Ltd	Body corporate	Australia	Australia	100%

	Type	Place incorporated/ formed	Tax residency	Ownership interest %
Centuria Investment Management (CIP) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria Investment Management (CMA) No. 2 Pty Ltd	Body corporate	Australia	Australia	100%
Centuria Investment Management (CMA) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria Investment Management (CSOF) No. 1 Pty Ltd	Body corporate	Australia	Australia	100%
Centuria Investment Management (CSOF) No. 2 Pty Ltd	Body corporate	Australia	Australia	100%
Centuria Investment Management (CSOF) No. 3 Pty Ltd	Body corporate	Australia	Australia	100%
Centuria Investment Management (CSOF) No. 4 Pty Ltd	Body corporate	Australia	Australia	100%
Centuria Investment Management (Property) No. 1 Pty Ltd	Body corporate	Australia	Australia	100%
Centuria Investment Management (Property) No. 2 Pty Ltd	Body corporate	Australia	Australia	100%
Centuria Investment Management (Property) No. 3 Pty Ltd	Body corporate	Australia	Australia	100%
Centuria Investment Management (Property) No. 4 Pty Ltd	Body corporate	Australia	Australia	100%
Centuria Investment Management (Property) No. 5 Pty Ltd	Body corporate	Australia	Australia	100%
Centuria Investment Services Pty Limited	Body corporate	Australia	Australia	100%
Centuria IM Agri No. 1 Pty Limited[1]	Body corporate	Australia	Australia	100%
Centuria IM Agri No. 2 Pty Limited[1]	Body corporate	Australia	Australia	100%
Centuria IM Agri No. 3 Pty Limited	Body corporate	Australia	Australia	100%
Centuria IM Agri No. 4 Pty Limited	Body corporate	Australia	Australia	100%
Centuria Life Limited	Body corporate	Australia	Australia	100%
Centuria Nominees No. 3 Pty Limited	Body corporate	Australia	Australia	100%
Centuria Platform Investments Pty Ltd	Body corporate	Australia	Australia	100%
Centuria Prime Partnership Pty Limited	Body corporate	Australia	Australia	100%
Centuria Prime Partnership No.1 Pty Ltd	Body corporate	Australia	Australia	100%
Centuria Prime Partnership No.2 Pty Ltd	Body corporate	Australia	Australia	100%
Centuria Properties No. 3 Pty Ltd	Body corporate	Australia	Australia	100%
Centuria Property Funds Limited[1]	Body corporate	Australia	Australia	100%
Centuria Property Funds No. 2 Limited	Body corporate	Australia	Australia	100%
Centuria Property Funds No. 3 Limited	Body corporate	Australia	Australia	100%
Centuria Property Funds No. 4 Limited[1]	Body corporate	Australia	Australia	100%
Centuria Property Services Pty Limited	Body corporate	Australia	Australia	100%
Centuria Richlands Pty Ltd[1]	Body corporate	Australia	Australia	100%
Centuria Richlands Sub Trust	Trust	Australia	Australia	100%
Centuria SubCo Pty Limited	Body corporate	Australia	Australia	100%
CHPF 1 Pty Ltd	Body corporate	Australia	Australia	100%
CHPF 2 Pty Ltd	Body corporate	Australia	Australia	100%
CHPF 3 Pty Ltd	Body corporate	Australia	Australia	100%
CHPF 4 Pty Ltd	Body corporate	Australia	Australia	100%
CHPF 5 Pty Ltd	Body corporate	Australia	Australia	100%

For personal use only

	Type	Place incorporated/ formed	Tax residency	Ownership interest %
CHPF 6 Pty Ltd	Body corporate	Australia	Australia	100%
CHPF Cairns Pty Ltd	Body corporate	Australia	Australia	100%
CHPF Kallangur Pty Ltd	Body corporate	Australia	Australia	100%
CHPF South Bunbury Pty Ltd	Body corporate	Australia	Australia	100%
Crestway Nominees Pty Ltd	Body corporate	Australia	Australia	100%
Just Across The River Pty Ltd	Body corporate	Australia	Australia	100%
Over Fifty Capital Pty Ltd	Body corporate	Australia	Australia	100%
Over Fifty Funds Management Pty Ltd	Body corporate	Australia	Australia	100%
Over Fifty Investments Pty Ltd	Body corporate	Australia	Australia	100%
Over Fifty Seniors Equity Release Pty Ltd[1]	Body corporate	Australia	Australia	100%
Centuria WA (1 Forrest Place) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA (1060 Hay Street) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA (15 Ogilvie Road) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA (307 Murray Street) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA (359 Scarb Beach Rd) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA (380 Scarborough Beach Road) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA (380A Scarborough Beach Road) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA (382 Scarborough Beach Road) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA (384 Scarborough Beach Road) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA (511 Abernethy Road) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA (607 Bourke Street) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA (616 St Kilda Road) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA (Australia Place) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA (Busselton) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA (Cannington) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA (Cottesloe Central) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA (Erskine) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA (Gauge Circuit) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA (Joondalup House) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA (Melville) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA (Northlands) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA (Osborne Park) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA (Wattleup) Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA Agrichain Management Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA Corporate Holdings Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA Enterprises Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA Pty Limited	Body corporate	Australia	Australia	100%

	Type	Place incorporated/ formed	Tax residency	Ownership interest %
Centuria WA P/Q Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA Real Estate Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA USA Pty Ltd[1]	Body corporate	Australia	Australia	100%
Centuria WA US Holdings Pty Ltd	Body corporate	Australia	Australia	100%
Centuria WA Property Pty Ltd	Body corporate	Australia	Australia	100%
Exercise Holdings Pty Ltd	Body corporate	Australia	Australia	100%
PPIF No.1 Pty Ltd	Body corporate	Australia	Australia	100%
Primewest 140 STG Trust	Trust	Australia	Australia	100%
Primewest USA Trust	Trust	Australia	Australia	100%
PWQ Pty Ltd	Body corporate	Australia	Australia	100%
Riodell Holdings Pty Ltd	Body corporate	Australia	Australia	100%
Senex Warehouse Trust No.1	Trust	Australia	Australia	100%
Silverkey Pty Ltd	Body corporate	Australia	Australia	100%
Starfest Holdings Pty Ltd	Body corporate	Australia	Australia	100%
Stead Road Pty Ltd	Body corporate	Australia	Australia	100%
SVAF II Head Co Pty Ltd	Body corporate	Australia	Australia	100%
SVAF II Mid Co Pty Ltd	Body corporate	Australia	Australia	100%
SVAF II Property Co Pty Ltd	Body corporate	Australia	Australia	100%
SVAF Property Co Pty Ltd	Body corporate	Australia	Australia	100%
SVAF Property Co 4 Pty Ltd	Body corporate	Australia	Australia	100%
SVAF Property Co 5 Pty Ltd	Body corporate	Australia	Australia	100%
Yamanto LFR Pty Ltd	Body corporate	Australia	Australia	100%
Yamanto SV Pty Ltd	Body corporate	Australia	Australia	100%
Zimara Enterprises Pty Ltd	Body corporate	Australia	Australia	100%
Augusta Kedron Partners Pty Ltd	Body corporate	Australia	Australia	100%
Bradman St Partners Pty Ltd	Body corporate	Australia	Australia	100%
Enterprise St Estate Pty Ltd	Body corporate	Australia	Australia	100%
Enterprise St Partners Pty Ltd	Body corporate	Australia	Australia	100%
Evans Rd Partners Pty Limited	Body corporate	Australia	Australia	100%
Formation St Estate Pty Ltd	Body corporate	Australia	Australia	100%
Formation St Partners Pty Ltd	Body corporate	Australia	Australia	100%
Heathwood Estate Pty Ltd	Body corporate	Australia	Australia	100%
Heathwood Partners Pty Ltd	Body corporate	Australia	Australia	100%
Kippa Ring Holdings Pty Ltd	Body corporate	Australia	Australia	100%
Kippa Ring Investments Pty Ltd	Body corporate	Australia	Australia	100%
Redland Bay Investments Pty Ltd	Body corporate	Australia	Australia	100%
Redland Bay Properties Pty Ltd	Body corporate	Australia	Australia	100%

For personal use only

	Type	Place incorporated/ formed	Tax residency	Ownership interest %
Sherbrooke Rd Partners Pty Ltd	Body corporate	Australia	Australia	100%
Centuria Bass Credit Pty Limited	Body corporate	Australia	Australia	80%
Bass Securities Pty Ltd	Body corporate	Australia	Australia	80%
Bass Loan Services Pty Limited	Body corporate	Australia	Australia	80%
Centuria Bass Financial Services Limited	Body corporate	Australia	Australia	80%
Grosvenor Street Services Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 14 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 22 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 23 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 24 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 29 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 32 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 33 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 34 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 34A Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 35 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 37 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 39 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 40 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 41 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 42 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 43 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 45 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 46 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 48 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 49 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 50 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 51 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 52 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 54 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 55 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 56 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 58 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 59 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 60 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 61 Pty Ltd	Body corporate	Australia	Australia	80%

	Type	Place incorporated/ formed	Tax residency	Ownership interest %
Bass Finance No 62 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 63 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 64 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 65 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 66 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 67 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 68 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 70 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 71 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 72 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 73 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 74 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 75 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 76 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 77 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 78 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 79 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 80 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 81 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 82 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 83 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 84 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 86 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 87 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 88 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 89 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 90 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 91 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 92 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 93 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 94 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 95 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 96 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 97 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 98 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 99 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 100 Pty Ltd	Body corporate	Australia	Australia	80%

For personal use only

	Type	Place incorporated/ formed	Tax residency	Ownership interest %
Bass Finance No 101 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 102 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 103 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 104 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 105 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 106 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 107 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 108 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 109 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 110 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 111 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 112 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 113 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 114 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 115 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 116 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 117 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 118 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 119 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 120 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 121 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 122 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 123 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 124 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 125 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 126 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 127 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 128 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 129 Pty Ltd	Body corporate	Australia	Australia	80%
Bass Finance No 130 Pty Ltd	Body corporate	Australia	Australia	80%
Prestare Securities Pty Ltd	Body corporate	Australia	Australia	80%
Prestare Holdings Pty Ltd	Body corporate	Australia	Australia	80%
Prestare Investments Pty Ltd	Body corporate	Australia	Australia	80%
Prestare No 3 Pty Ltd	Body corporate	Australia	Australia	80%
Prestare No 2 Pty Ltd	Body corporate	Australia	Australia	80%
Prestare Pty Ltd	Body corporate	Australia	Australia	80%
Quinns Hill Rd Partners Pty Ltd	Body corporate	Australia	Australia	100%

	Type	Place incorporated/ formed	Tax residency	Ownership interest %
BFNZ No.4 Limited	Body corporate	New Zealand	New Zealand	80%
BFNZ No.5 Limited	Body corporate	New Zealand	New Zealand	80%
Branston Street Nominees Limited	Body corporate	New Zealand	New Zealand	100%
Centuria Bass NZ Financial Services Limited	Body corporate	New Zealand	New Zealand	80%
Centuria Capital (NZ) Limited	Body corporate	New Zealand	New Zealand	100%
Centuria Capital (NZ) No. 1 Limited	Body corporate	New Zealand	New Zealand	100%
Centuria Capital (NZ) No. 2 Limited	Body corporate	New Zealand	New Zealand	100%
Centuria Funds Management (NZ) Limited	Body corporate	New Zealand	New Zealand	100%
Centuria Lakeview Holdings Limited	Body corporate	New Zealand	New Zealand	100%
Centuria Property Holdco Limited	Body corporate	New Zealand	New Zealand	100%
CFM GP (Ashburton Central) Limited	Body corporate	New Zealand	New Zealand	100%
CFM GP (Building A Graham Street) Limited	Body corporate	New Zealand	New Zealand	100%
CFM GP (Building B Graham Street) Limited	Body corporate	New Zealand	New Zealand	100%
CFM GP (Hugo Johnston Drive) Limited	Body corporate	New Zealand	New Zealand	100%
CFM GP (Peachgrove Road) Limited	Body corporate	New Zealand	New Zealand	100%
CFM GP (Shands Road) Limited	Body corporate	New Zealand	New Zealand	100%
CFM GP (Sir William Pickering Drive) Limited	Body corporate	New Zealand	New Zealand	100%
CFM GP (VAF 2) Limited	Body corporate	New Zealand	New Zealand	100%
CFM LP Limited	Body corporate	New Zealand	New Zealand	100%
Courtenay St Equities Limited	Body corporate	New Zealand	New Zealand	100%
Evans Road Limited	Body corporate	New Zealand	New Zealand	100%
Manukau Rd Equities Limited	Body corporate	New Zealand	New Zealand	100%
Ronwood Ave Equities Limited	Body corporate	New Zealand	New Zealand	100%
Te Rapa Rd Nominees Limited	Body corporate	New Zealand	New Zealand	100%
Vickery Street Nominees Limited	Body corporate	New Zealand	New Zealand	100%

1. As a trustee of a trust within the consolidated Group.

Directors' declaration

In the opinion of the Directors' of Centuria Capital Limited:

a. the consolidated financial statements and notes set out on pages 110 to 181 and the Remuneration Report set out on pages 83 to 106 in the Directors' Report, are in accordance with the *Corporations Act 2001*, including:

   i. complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and

   ii. giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date.

b. the Consolidated entity disclosure statement as at 30 June 2024 set out on pages 112 to 117 is true and correct, and

c. there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Note A1 confirms that the consolidated financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Joint Chief Executive Officers and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of Directors.

Mr Garry S. Charny
Director

Ms Joanne Dawson
Director

Sydney
22 August 2024

For personal use only



UNLISTED: 132 BUSSELL HIGHWAY, MARGARET RIVER WA

Independent Auditor's report

For personal use only

KPMG

Independent Auditor's Report

To the stapled security holders of Centuria Capital Group

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Centuria Capital Group (the Stapled Group).

In our opinion, the accompanying ***Financial Report*** of the Stapled Group gives a true and fair view, including of the ***Stapled Group***'s financial position as at 30 June 2024 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** of the Stapled Group comprises:

- Consolidated statement of financial position as at 30 June 2024
- Consolidated statement of comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended
- Consolidated entity disclosure statement and accompanying basis of preparation as at 30 June 2024
- Notes, including material accounting policies
- Directors' Declaration.

The ***Stapled Group*** consists of the Centuria Capital Limited and the entities it controlled at the year-end or from time to time during the financial year and Centuria Capital Fund and the entities it controlled at the year-end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Stapled Group, Centuria Capital Limited and Centuria Funds Management Limited (as Responsible Entity for Centuria Capital Fund) in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

KPMG, an Australian partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organisation. Liability limited by a scheme approved under Professional Standards Legislation.

KPMG

Key Audit Matters

The ***Key Audit Matters*** we identified for the Stapled Group are:

- Acquisition accounting;
- Recognition of performance fee income; and
- Recoverable amount of goodwill and indefinite life management right.

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Acquisition accounting

Refer to Note E2 to the Financial Report

The key audit matter	How the matter was addressed in our audit

On 10 April 2024, the Stapled Group has increased its stake in Centuria Bass Credit Pty Ltd to 80% by acquiring an additional 30% of the company for a consideration of $57m, resulting in the recognition of financial assets, financial liabilities, management rights as an intangible asset, and goodwill.
 	
This transaction is considered to be a key audit matter due to the:
• Size of the acquisition having a significant impact on the Stapled Group's consolidated financial statements;
• Stapled Group's judgement and complexity relating to the determination of the fair values of assets and liabilities acquired in the acquisition requiring significant audit effort. The Stapled Group engaged external valuation experts to assess the fair value of certain assets including the value of identifiable intangible assets (e.g. management rights);
• Stapled Group's valuation model used to determine the fair value of acquired intangibles assets is complex and sensitive to changes in a number of key assumptions. This drives additional audit effort specifically on the feasibility of these key assumptions and consistency of application to the Stapled Group's strategy.
	In performing our procedures, we:
	• Evaluated the acquisition accounting by the Stapled Group against the requirements of the accounting standards;
	• Read the underlying transaction agreements to understand the terms of the acquisition and nature of the assets and liabilities acquired;
	• Assessed the accuracy of the calculation and measurement of consideration paid to acquire Centuria Capital Bass Credit Pty Ltd based on the underlying transaction agreements and the Stapled Group's bank statements;
	• Evaluated the valuation methodology used to determine the fair value of assets and liabilities acquired, considering accounting standard requirements and observed industry practices;
	• Worked with our valuation specialist to assess the key assumptions in the Stapled Group's external valuation expert report prepared in relation to the identification and valuation of intangible assets (e.g. management rights) including:
	  ◦ checking forecast earnings assumptions for consistency with the Stapled Group's valuation model used as part of the pre-acquisition due diligence process;
	  ◦ independently developing a discount rate range considered comparable using

For personal use only

The key assumptions we focused on in the valuations of intangible assets included forecast earnings and discount rates. We involved our valuation specialists to supplement our senior audit team members in assessing this key audit matter.	publicly available market data for comparable entities, adjusted by risk factors specific to the Stapled Group and the industry it operates in. • Recalculated the goodwill balance recognised as a result of the transaction and compared it to the goodwill amount recorded by the Stapled Group; and • Assessed the adequacy of disclosures in the financial report using our understanding obtained from our testing and against the requirements of the accounting standard.
Recognition of performance fee income ($6.0m)	
Refer to Note B2 to the Financial Report	
The key audit matter	**How the matter was addressed in our audit**
The Stapled Group, in its capacity as a property fund manager, receives performance fees where the managed property fund outperforms a set internal rate of return benchmark (hurdle rate). Performance fees are recognised by the Stapled Group when they are deemed to be highly probable and the amount of the performance fees will not result in a significant reversal in future periods. Recognition of performance fee income is a key audit matter due to the significant judgement exercised by us to assess the amount of performance fee income estimated by the Stapled Group. The key assumptions impacting the amount of performance fee income are subject to estimation uncertainty, bias and inconsistent application. This increases the risk of inaccurate forecasts or a wider range of possible outcomes for us to consider. Increased time and effort is spent by the audit team in assessing these key assumptions. We focused on the following key assumptions made by the Stapled Group in estimating the amount of performance fee income including: • Fair value of underlying properties held – The valuation of investment properties contains assumptions with estimation uncertainty such as expected capitalisation rates and market rental yields. This leads to	In performing our procedures, we: • Inspected a sample of the Stapled Group's agreements with managed property funds to understand the key terms related to performance fees, including hurdle rates; • Evaluated the Stapled Group's accounting policies regarding the recognition of performance fee income against accounting standard requirements. This included assessing the Stapled Group's policies for constraining performance fee income and valuing investment properties against accounting standard requirements; • Assessed the scope, competence and objectivity of the investment property valuers to fair value the underlying investment properties held by the funds; • Obtained a sample of the investment property valuations and challenged key property fair value assumptions such as capitalisation rates and market rental yields. To do this, we used market analysis published by industry experts, recent market transactions, historical performance of the underlying investment properties and our industry experience, taking into account asset classes, geographies and characteristics of individual investment properties. We assessed the valuation methodology used against accounting standard

additional audit effort for us to assess the differing assumptions based on asset classes, geographies and characteristics of individual investment properties. • Forecast fund end date – The fund end date impacts the level of returns that can be achieved over the course of the fund's life and may change depending on the Stapled Group's strategy. • Constraint – This is impacted by the Stapled Group's expectations of how much of the performance fee is highly probable of being received with reference to the remaining tenure of the fund in accordance with accounting standard requirements.	requirements and industry practice; • Assessed the Stapled Group's determination of the forecast fund end date against a sample of the underlying managed property fund agreements, the Stapled Group's fund strategy and history of extending fund term end dates; • Recalculated a sample of the Stapled Group's performance fee income based on hurdles in the underlying performance fee agreements with managed property funds and compared to the performance fee income recorded in the Stapled Group's general ledger; • Challenged the constraints applied by the Stapled Group. We used our knowledge of the Stapled Group, their past performance, business, and our industry experience to inform our expectations of current and forecast property fund performance and likelihood of performance fees being received; and • Assessed the appropriateness of disclosures in the Financial Report, using our understanding obtained from our testing and against the requirements of the accounting standards.
Recoverable amount of goodwill and indefinite life management rights ($1,062.8m)	
Refer to Note C6 to the Financial Report	
The key audit matter	**How the matter was addressed in our audit**
A key audit matter is the Stapled Group's testing of goodwill and indefinite life management rights for impairment, given the size of the balance (being 31% of total assets). We focused on the significant forward-looking assumptions the Stapled Group applied in their value in use models, including: • Forecast operating cash flows (including revenue and expenses), growth rates and terminal growth rates – The Stapled Group's models are sensitive to changes in these assumptions, which may reduce available headroom. This drives additional audit effort specific to their feasibility and consistency of application to the Stapled Group's strategy. • Discount rate – This is complicated in nature and varies according to the conditions and	In performing our procedures, we: • Considered the Stapled Group's determination of its CGUs based on our understanding of the Stapled Group's business, and how independent cash inflows were generated against the requirements of the accounting standards; • Analysed the Stapled Group's internal reporting to assess their monitoring and management of activities, and the consistency of the allocation of goodwill to CGUs; • Considered the appropriateness of the value in use method applied by the Stapled Group, to perform its impairment test of goodwill and indefinite life management rights against the requirements of the accounting standards; • Assessed the integrity of the value in use models used, including the accuracy of the

For personal use only

environment the specific Cash Generating Unit (CGU) is subject to from time to time. The Stapled Group's modelling is highly sensitive to changes in the discount rate. We exercised significant judgement in assessing the value in use estimated by the Stapled Group. The key assumptions impacting the value in use are subject to estimation uncertainty and bias. This increases the risk of inaccurate forecasts or a wider range of possible outcomes for us to consider. Increased time and effort is spent by the audit team in assessing these key assumptions. We involved our valuation specialists to supplement our senior audit team members in assessing this key audit matter.	underlying calculation formulas; • Assessed the accuracy of previous Stapled Group forecasts to inform our evaluation of forecasts incorporated in the models; • Compared the cash flows, including revenue and expenses contained in the value in use models to the Board approved forecast; • Challenged the Stapled Group's significant forecast cash flow and growth assumptions by: - Assessing baseline cash flows, including revenue and expenses by comparing to actual historic cash flows and key events to the Board approved plan and strategy; - With the assistance of our valuation specialists, comparing growth rates and terminal growth rates to published studies of industry trends and expectations, and considered differences to the Stapled Group's operations. We used our knowledge of the Stapled Group, their past performance, business and customers, and our industry experience; and - Checking the consistency of the forecast growth rates to the Stapled Group's stated plan and strategy, past performance of the Stapled Group and our experience regarding the feasibility of these in the economic environment in which they operate. • Worked with our valuation specialists to independently develop a discount rate range considering publicly available market data for comparable entities, adjusted by risk factors specific to the Stapled Group and the industry it operates in; • Considered the sensitivity of the models by varying key assumptions, such as forecast growth rates, terminal growth rates and discount rates, within a reasonably possible range. We considered the interdependencies of key assumptions when performing the sensitivity analysis and what the Stapled Group consider to be reasonably possible. We did this to identify those assumptions at higher risk of bias or inconsistency in application and to focus our further procedures; • Assessed the disclosures in the financial report using our understanding obtained from our testing and against the requirements of the accounting standards.

Other Information

Other Information is financial and non-financial information in Centuria Capital Group's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors of Centuria Capital Limited are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Directors' Report, Remuneration Report, the Stock Exchange Appendix 4E and Additional stock exchange information. Other than these items, the remaining other information included in the Centuria Capital Group Annual Report is expected to be made available to us after the date of the Auditor's Report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not and will not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the Corporations Act 2001, including giving a true and fair view of the financial position and performance of the Stapled Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*;
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the Corporations Act 2001, including giving a true and fair view of the financial position and performance of the Stapled Group, and that is free from material misstatement, whether due to fraud or error; and
- assessing the Stapled Group's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Stapled Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and

For personal use only

- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Centuria Capital Limited for the year ended 30 June 2024, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of Centuria Capital Limited are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 82 to 106 of the Directors' report for the year ended 30 June 2024.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG

Paul Thomas

Partner

Sydney

22 August 2024

Corporate governance statement

The Corporate Governance Statement for CNI is available on the Centuria website at **centuria.com.au/centuria-capital/corporate/governance**.



UNLISTED: SPRINGWOOD HEALTH HUB, 4 PAXTON ST, SPRINGWOOD QLD

Additional stock exchange information

The securityholder information set out below was applicable as at 30 July 2024.

Distribution of securities

Analysis of numbers of securityholders by size of holding:

Holding	Number of holders	Number of securities
1 - 1000	2,178	1,019,002
1,001 - 5,000	4,504	11,468,614
5,001 - 10,000	1,463	10,532,654
10,001 - 100,000	1,753	47,494,513
100,001 and over	205	753,444,802
	10,103	**823,959,585**

As at 30 July 2024, there were 803 holdings of less than a marketable parcel (less than $500 in value or 301 number of shares based on the market price of $1.66 per share) which is less than 0.082% of the total holding of ordinary shares.

Top 20 securityholders

The names of the twenty largest holders of securities are listed below:

	Number held	Percentage of issued securities
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	199,910,209	24.26
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	157,467,571	19.11
CITICORP NOMINEES PTY LIMITED	84,807,034	10.29
PENTEK HOLDINGS PTY LTD <J LITIS INV NO 2 A/C>	32,862,905	3.99
CIRCLESTAR PTY LTD <DAVID SCHWARTZ FAM HOLD A/C>	28,377,402	3.44
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	26,633,787	3.23
NATIONAL NOMINEES LIMITED	18,129,617	2.20
MR PETER KARL CHRISTOPHER HULJICH & MR JOHN HAMISH BONSHAW IRVING <THE PKCH A/C>	16,566,486	2.01
TOPSFIELD PTY LTD <JB INVESTMENT A/C>	15,826,336	1.92
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	15,260,583	1.85
MR C P HULJICH & MRS C M F HULJICH & P K C HULJICH <THE CPH A/C>	14,890,525	1.81
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>>	11,202,338	1.36
BNP PARIBAS NOMS PTY LTD	9,836,607	1.19
CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	8,378,987	1.02
PARITAI PTY LIMITED <PARITAI A/C>	6,192,811	0.75
HWM (NZ) HOLDINGS LIMITED	5,552,970	0.67
MR JASON TIMOTHY KILGOUR & MR VAUGHAN CHARLES ATKIN <E A HULJICH FAMILY A/C>	5,117,517	0.62
GBNF PTY LIMITED <BORTEN FAMILY A/C>	4,992,540	0.61
RESOLUTE FUNDS MANAGEMENT <HANOVER GRP STAFF SUPER A/C>	4,344,364	0.53
MR PAT REDPATH O'CONNOR	4,000,000	0.49
	670,350,589	**81.36**

Substantial holders

Substantial holders in the Group are set out below as at 30 July 2024.

	Number held	Percentage
The Vanguard Group, Inc.	76,303,304	9.48%
Yarra Capital Management Limited	40,505,979	5.03%
	116,809,283	**14.51%**

Voting rights

All ordinary securities carry one vote per security without restriction.

For personal use only

Corporate directory

Contact us

Unitholder Inquiries
Centuria Investor Services
GPO Box 3993
Sydney NSW 2000

T. 1800 182 257

Mail to

Centuria Capital Limited
Level 41, Chifley Tower,
2 Chifley Square
SYDNEY NSW 2000

Centuria Head Office

Level 41, Chifley Tower,
2 Chifley Square
SYDNEY NSW 2000

T. (02) 8923 8923
F. (02) 9460 2960

contactus@centuria.com.au

Group Chief Risk Officer and Company Secretary

Anna Kovarik

Level 41, Chifley Tower,
2 Chifley Square
SYDNEY NSW 2000

T. (02) 8923 8923
F. (02) 9460 2960

For personal use only

Disclaimer

Centuria Property Funds Limited (ABN 11 086 553 639, AFSL 231149) (CPFL) is the Responsible Entity of Centuria Office REIT (ARSN 124 364 718) (COF).

This report has been prepared for general information purposes only. It is not a product disclosure statement, pathfinder document or any other disclosure document for the purposes of the *Corporations Act* and has not been, and is not required to be, lodged with the Australian Securities & Investments Commission.

The information contained in this report does not constitute financial product advice. Before making an investment decision, the recipient should consider its own financial situation, objectives and needs, and conduct its own independent investigation and assessment of the contents of this report, including obtaining investment, legal, tax, accounting and such other advice as it considers necessary or appropriate.

This report may contain forward-looking statements, guidance, forecasts, estimates, prospects, projections or statements in relation to future matters (Forward Statements). Forward Statements can generally be identified by the use of forward looking words such as 'anticipate', 'estimates', 'will', 'should', 'could', 'may', 'expects', 'plans', 'forecast', 'target' or similar expressions. Forward Statements including indications, guidance or outlook on future revenues, distributions or financial position and performance or return or growth in underlying investments are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Past performance is not a reliable indicator of future performance.

Opt in to electronic Annual Report

If you would prefer to receive this digitally, you can opt in by emailing cof.enquiry@centuriainvestor.com.au and requesting to receive the annual report via email. We recommend using your personal email address. Not only will you be helping the environment, you will also help reduce costs and increase profitability for all unitholders in the fund. You can update your email, or change your annual report delivery method back to post at any time by emailing cof.enquiry@centuriainvestor.com.au with your request.

If you have any questions, please contact Centuria Investor Services on 1800 182 257.



LISTED: 818 BOURKE ST, DOCKLANDS VIC

Centuria

centuria.com.au