



NZX release
Result for the six months ended 30 September 2024
26 November 2024

- **Total profit after tax of \$2.324 million, up from \$4.72 million loss in the prior corresponding period.**
- **35 Graham Street settlement to occur on 29 November 2024.**

Asset Plus Limited (NZX: APL) announces its interim financial result for the period ended 30 September 2024, reporting a total profit of \$2.324 million, up from a \$4.72 million loss in the prior corresponding period. Net operating performance was broadly in line with the prior corresponding period however the prior period reflected an unrealised loss on the fair value of investment property.

Adjusted Funds from Operations (AFFO¹) represented a loss of \$0.35 million against a \$0.23 million loss in the prior corresponding period. The current period reflected a full period of Munroe Lane rent and relevant finance costs.

Mark Francis, CEO Centuria NZ, commented “The result for the half year reflects a smaller portfolio and the impact of vacancy. The imminent settlement of the vacant 35 Graham Street which is scheduled to occur on 29 November 2024 will boost near term earnings as all debt is repaid.

The leasing of the Munroe Lane property remains the key priority as it will further improve our income stream, WALE and, as a result, better position the asset for divestment.”

Key points:

- Portfolio occupancy of 42% which is unchanged from March 2024. This increases to 65% post the 35 Graham Street settlement.
- WALE of 5.6 years down from 5.9 years at 31 March 2024. This improves to 8.9 years once 35 Graham Streets settles.
- An increase in the fair value of investment property (including property held for sale) of \$2.79 million since March 2024, largely reflecting the unwind of the discount on Graham Street.
- The portfolio fair value now stands at \$183.6 million but reduces to \$116.2 million post the 35 Graham St settlement.
- Loan-to-value ratio (LVR) of 18.0%, which reduces to 0% post the 35 Graham Street settlement.
- Debt drawn remains at \$32.97 million at balance date (\$11.9m of the facility remains undrawn). All debt is to be repaid following settlement of the sale of 35 Graham Street and the Company will then hold approximately \$27 million in cash reserves ahead of the intended special dividend.
- Net tangible assets (NTA) of 39.6 cents per share (cps), up from 38.9 cps as at 31 March 2024.
- Net revenues from the property portfolio increased by \$0.54 million due to full half impact of the Munroe Lane rental, offset by the Stoddard Rd divestment.

¹ AFFO is a non-GAAP financial information, calculated based on guidance issued by the Property Council of Australia. Asset Plus considers that AFFO is a useful measure for shareholders and management because it assists in assessing the Group’s underlying operating performance. This non-GAAP financial information does not have a standardised meaning prescribed by GAAP and therefore may not be comparable to similar financial information prescribed by other entities. The calculation of AFFO has been reviewed by Asset Plus’ auditor, Grant Thornton New Zealand Audit Limited. A reconciliation of AFFO to Total Comprehensive Income Net of Tax is included in the accompanying results presentation.



Munroe Lane

No independent valuation was commissioned as at 30 September 2024 as the Board determined there was no material movement in the fair value of the property.

Leasing the balance of the space at Munroe Lane continues to be challenging in the current environment, and these conditions are expected to subsist in the near term.

35 Graham Street deferred settlement

The 35 Graham Street settlement is contracted to occur on 29 November 2024. Immediately post settlement all bank debt will be repaid and the Company will hold \$27 million in cash reserves.

Special Dividend

The Board intends paying a 5 cents per share special dividend, subject to 35 Graham Street settling on 29 November. The dividend is expected to be declared on 2 December with payment on 18 December. The NTA will reduce to 34.7 cps post the payment of the dividend. The quarterly dividend remains subject to quarterly review.

Outlook

Bruce Cotterill, Chairman, commented “The leasing of the balance of the Munroe Lane development remains our core focus. Thereafter, we will look to sell Munroe Lane. As previously stated, any steps to sell Munroe Lane, or to subsequently wind up the Company, will require shareholder approval, and we would likely anticipate asking shareholders to vote on both decisions at the same time.”

Announcement authorised by the Board of Asset Plus Limited

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