

ASSET PLUS +
— MANAGED BY Centuria

Annual Meeting

2022

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Virtual meeting information



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Registering to vote

Click on the 'Get a voting card' box at the top of the webpage or below the virtual presentation and webcast.

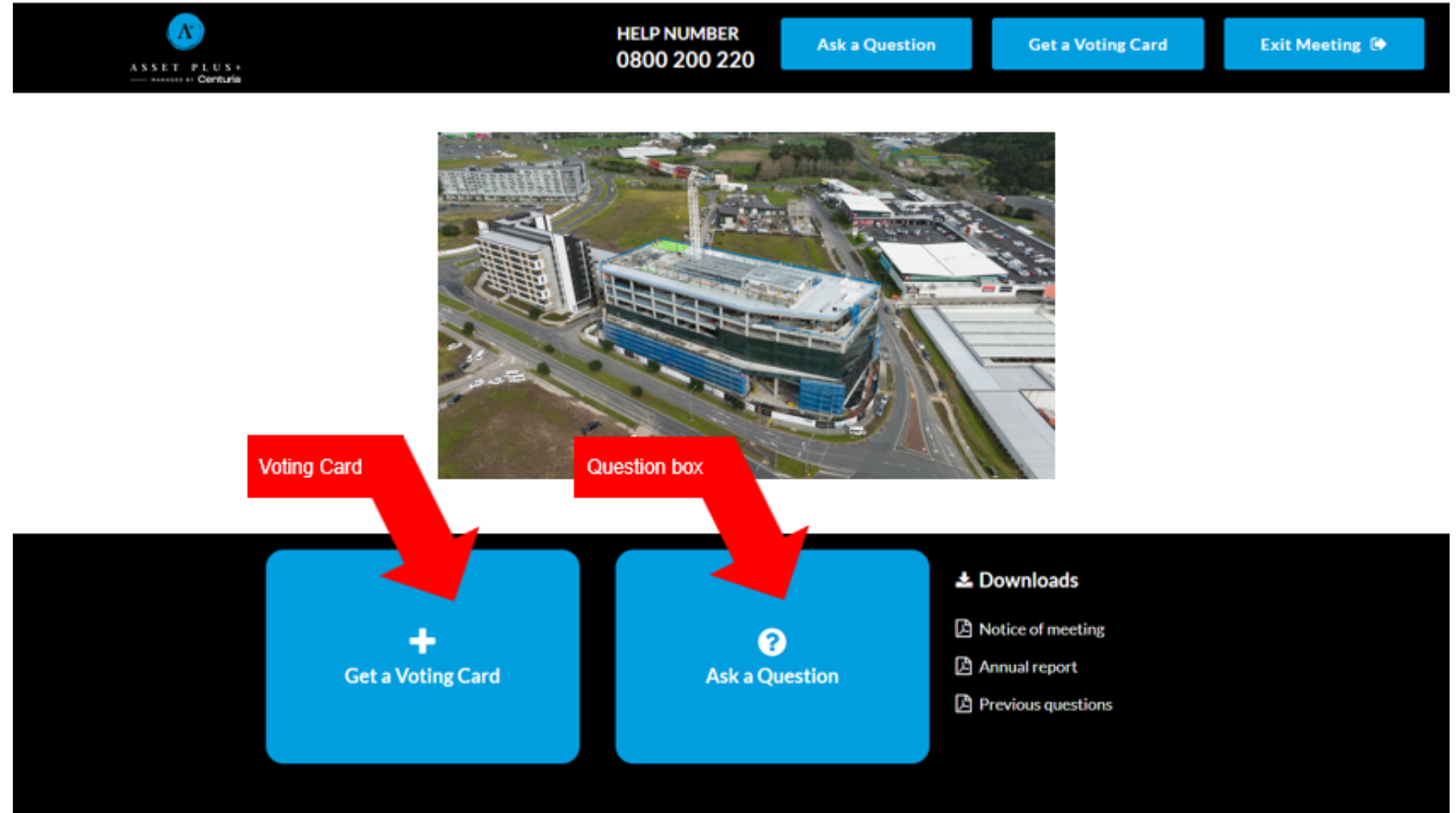
Asking questions

Only shareholders are eligible to ask questions.

You will only be able to ask a question after you have registered to vote.

If you would like to ask a question, click on the 'Ask a Question' box either at the top or bottom of the webpage.

Voting and asking questions



Voting virtually



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1. Click the “Get a Voting Card” button at the top or bottom of the page
2. Enter your CSN/Holder Number or Proxy Number and click “Submit Details and Vote”
3. Fill out your voting card for each item of business
4. Click “Submit Vote” or “Submit Partial Vote.”*

Voting and asking questions



**Not all questions are guaranteed to be answered during the Annual General Meeting, but we will do our best to address your concerns and each question submitted.*

Agenda



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01 Chairman's
address

02 Manager's
presentation

03 Outlook

04 Shareholder
questions

05 Resolutions

Chairman's address



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Manager's presentation



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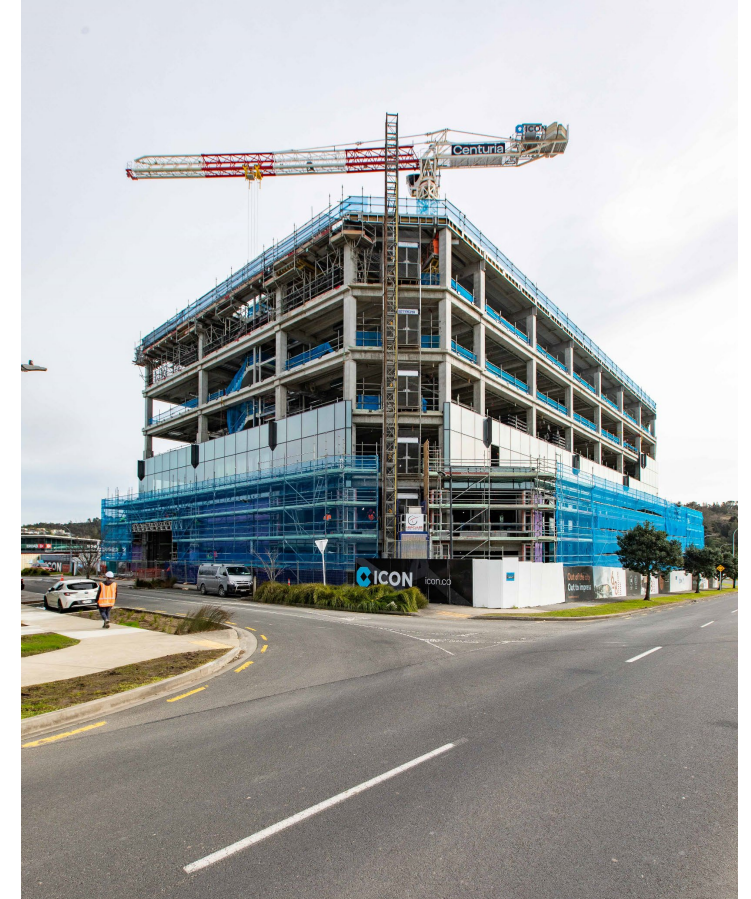
Overview



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- FY22 Total Profit net of tax of **\$2.93 million** (FY21 profit of \$15.95 million).
- FY22 Adjusted Funds From Operations¹ of **\$4.22 million** (FY21 AFFO of \$5.82m).
- Munroe Lane development progressing (68% complete), however delayed by COVID-19 impacts. Now expect completion mid-2023.
- Unconditional sale of 35 Graham Street for \$65.0 million with settlement to occur in December 2023, or December 2024.
- Eastgate settlement delayed – Building Act certificate issue identified and currently working towards resolution. Settlement expected to occur by 31 August 2022.

1. AFFO stands for 'Adjusted Funds From Operations', and is 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 Company'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.



Eastgate settlement delay



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- Delay arises from a Building Act certificate on the adjoining McDonald's restaurant title that binds it to Eastgate's title(s). Whilst Eastgate's title(s) have the certificate on them, that certificate is not linked to the adjoining owned McDonald's.
- As a result, Eastgate's titles are unable to be transferred and settlement cannot be completed until the Building Act certificate on McDonald's title is removed.
- After investigation, this appears to be a historical error arising from when the company completed a land swap with McDonald's in 2005/2006.
- An application was made to Christchurch City Council to remove the certificate.
- An agreement has now been reached with Council to complete minor fire protection works to the opening facing McDonald's. A cash bond is to be provided to secure Asset Plus' obligation to complete those works.
- This agreement is currently being drafted, and once executed the certificate will be removed from the McDonald's title. It is anticipated this process to be completed by the end of this week.

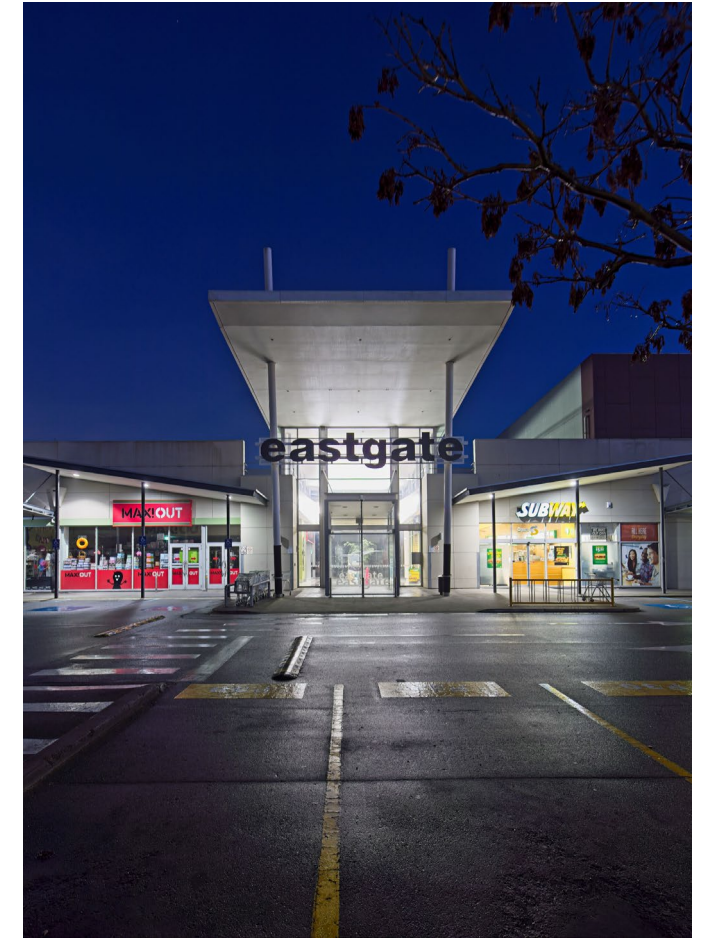


Eastgate settlement delay (continued)



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- Purchaser has issued a Settlement Notice, whereby if Asset Plus is unable to settle by 5pm on 31 August 2022, they can sue for specific performance or cancel the agreement, have the deposit and net interest returned, and are entitled to penalty interest.
- Given the anticipated timing for entering the agreement with Council, it is expected that settlement can occur prior to the expiry of the Settlement Notice on 31 August.
- The required physical works have also commenced, and may potentially be completed prior to settlement occurring.
- If Eastgate does not settle, the company will need to further restructure the future loan facility covenants as part of the upcoming loan refinance. BNZ are aware of the situation and remain supportive. Failure to settle will not impact on the ability to draw on the Munroe Lane development facility.



Key metrics



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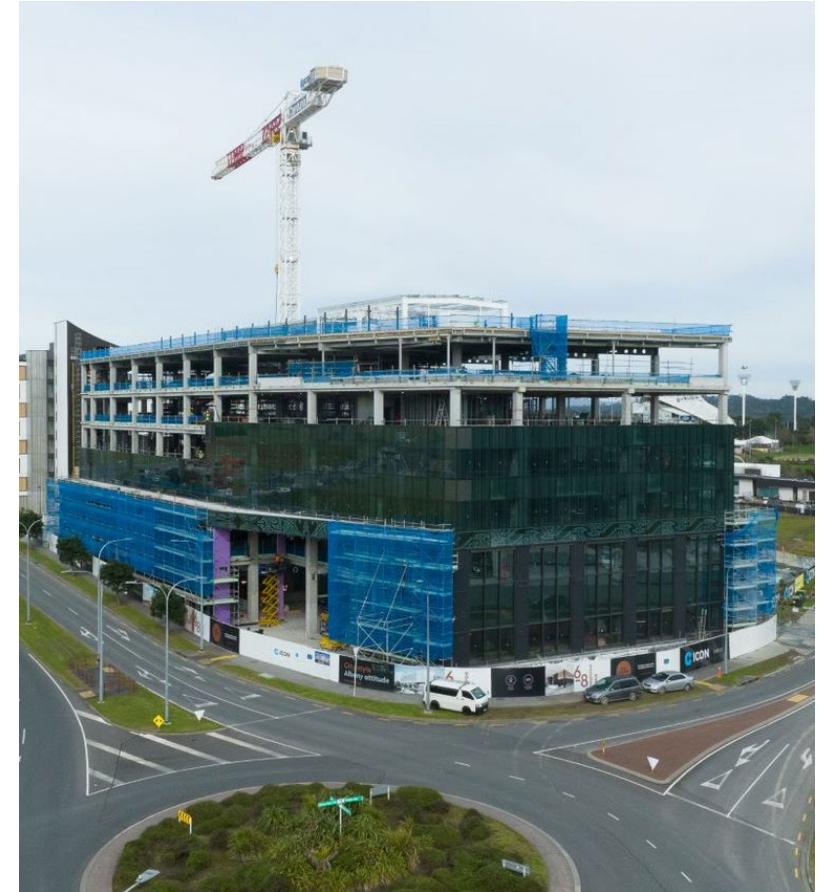
	31 March 2022	Post-Eastgate settlement
 Portfolio value	\$216.4m	\$197.3m
 Number of properties	5	4
 Number of tenants	73	22
 Occupancy	58.0%	42.0%
 Weighted Average Lease	2.21 years	1.40 years
 Loan-to-Value ratio	25.7%	21.3%
 Net Tangible Assets	0.440 cps	0.440 cps

Munroe Lane, Albany



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- As complete (fully-leased) valuation increased from \$146.85 million to \$147.50 million.
- Construction 68% complete as at 31 July 2022. Total cost to complete is \$43.5 million.
- Development delayed as a result of COVID-19 impacts, now expect completion by mid 2023 (original completion date was December 2022).
- 5 Star Green Star Design and Built rating obtained from NZ Green Building Council.
- Project budget has been re-set on the back of COVID-19 costs, delays, increased forecast leasing incentives, and associated funding cost increases due to extensions of time and interest rates increases (+\$6 million total costs, with funding representing 50% of this).
- Cost to complete to be funded from committed development loan facility \$41.5 million undrawn and working capital.
- Target development margin (fully-leased) now 7.2% (down from 9.8%) and yield on cost of 5.5% (down from 5.9%).



Munroe Lane, Albany (continued)



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- Actively targeting government tenants, and large corporate occupiers given building's credentials, potential synergies for co-locating with, and emulating Auckland Council's 'hub & spoke' model.
- COVID-19 created an abundance of surplus office space on the North Shore, and with macroeconomic conditions now changing tenant confidence remains muted.
- A number of substantial mandates are on the horizon with occupation required in the latter part of 2024 – potential timing disconnect between building completion and possible occupation by tenant(s).
- Fundamentals of the space remain attractive – CBD grade premises in de-centralised location, proximity to transport networks, campus style floor plates, sustainability credentials, affordable rentals.

Remaining space to be leased

Floor	Area
Ground	183m ² of F&B
Level 1	240m ² of F&B/retail/office
Level 2	1,951m ² of office
Level 6	2,737m ² of office

35 Graham Street, Auckland



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- Shareholders approved the divestment of 35 Graham Street on 3 June 2022 for \$65.0 million to Mansons TCLM.
- Settlement is scheduled for 1 December 2023, however Mansons have a right to extend to 1 December 2024 with purchase price increasing to \$68.0 million and deposit increasing to \$13.6 million.
- The \$6.5 million initial deposit has been used to retire debt. The balance of sale proceeds will also be utilised to repay debt once settlement occurs.
- Working on short-term leasing opportunities to bolster income ahead of settlement.



Stoddard Road, Auckland



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- Valuation increased from \$41.5 million to \$43.5 million.
- Lease renewals reflecting 14.7% of the centre's income secured during the year, centre maintains 100% occupancy.
- Modest rental abatement and relief was provided to ensure tenants' ongoing viability.
- WALE of 3.5 years, which will continue to reduce leading up to the anchor tenant's next renewal date (The Warehouse).

Eastgate, Christchurch



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- Unconditionally sold for \$43.45 million, with settlement currently delayed but expected to occur by 31 August 2022.
- \$40.0 million of the sale proceeds will be applied towards debt repayment with the balance retained as working capital.
- Taco Bell opened in June 2021 – fifth largest opening week for Taco Bell globally, and largest trading week ever in APAC region.
- Two new tenants secured during the period – Caroline Eve and Techpro.
- 11 lease renewals or extensions secured during the year.

Kamo, Whangarei



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- Unconditionally sold for \$2.7 million, with settlement scheduled for 30 November 2022
- Sale proceeds will be utilised to repay debt, but the facility limit is to be retained.



Funding update



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Loan facilities

	Limit \$m	Drawn \$m	Margin %	Line Fee %	Total %
Working Capital	12.6	12.6	1.80	1.20	3.00
Investment	44.7	44.7	1.80	1.20	3.00
Development	66.2	24.7	2.25	1.45	3.70
Total facility	123.5	82.0			

Loan covenants

	LVR at all times	ICR to Mar 23	ICR to Sep 23
Working Capital & Investment	45%	Not tested	> 1.0x to 30 Jun 23 then increases to > 1.5x to 30 Sep 23
Development	N/A	N/A	N/A
Total Facility	50%	N/A	N/A

- Sufficient development facility headroom to complete the Munroe Lane development alongside working capital.
- Total bank facility limit is \$123.5 million which is to reduce to \$83.5 million on settlement of Eastgate.
- All facilities expire on 30 September 2023 and APL is working on refinancing in the near term with a focus on the ICR servicing post the development period.
- Asset Plus has no hedging at present.
- The effective interest rates includes the base rate plus the margin on drawn debt. Line fees are payable on the total limit in addition.
- The current base rate is 3.42%. Therefore, including the margin of 1.80% the current effective interest rate is 5.22% on the investment and working capital facilities (excluding line fees). The effective interest rate on the development facility is 5.67% (excluding line fees).
- Interest on the development facility, which funds the balance of the Munroe Lane development, is capitalised.

Outlook



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- Immediate priority is resolution of the Building Act certificate issue at Eastgate, ensuring settlement can take place by 31 August 2022.
- Going forward, focus continues to be leasing the balance of Munroe Lane, and successfully completing the development.
- Moving to refinance the company's current debt facilities which expire in September 2023.
- Options remain limited until the Munroe Lane development is completed and fully leased, and settlements of Eastgate and 35 Graham Street occur.
- Dividend remains subject to quarterly review but is currently suspended until sufficient operating earnings are generated to support an ongoing sustainable dividend.



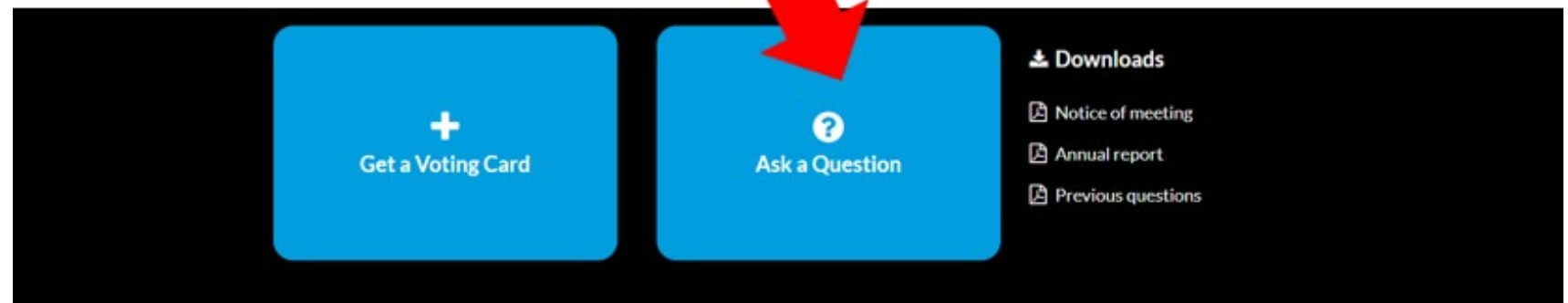
Shareholder questions



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Voting and asking questions

1. Click the “Ask a Question” button at either the top or bottom of the page.
2. Click “Text Question”, select the item of business from the drop-down menu and type your question in the space provided.
3. Click “Submit Question” once you have formatted and typed your question.



Resolutions



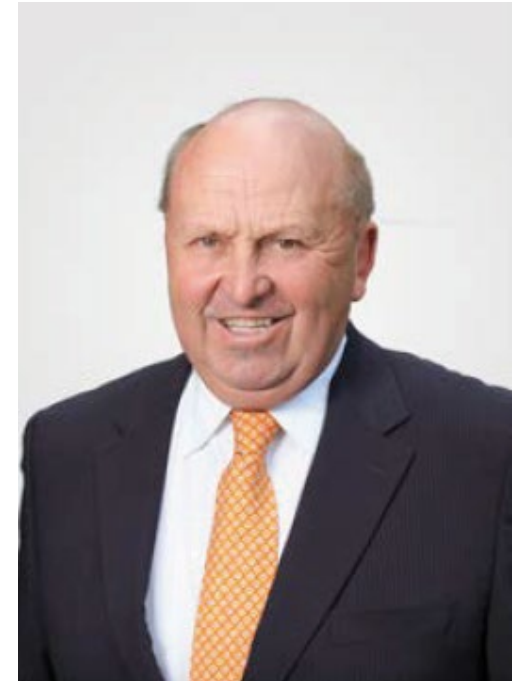
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Re-election of Paul Duffy as a Director

Paul Duffy retires under NZX Listing Rule 2.7.1 and, being eligible, offers himself for re-election as a Director of the Company.

“That Paul John Duffy be re-elected as a Director of the Company.”



Re-election of Bruce Cotterill as a Director

Bruce Cotterill retires under NZX Listing Rule 2.7.1 and, being eligible, offers himself for re-election as a Director of the Company.

“That Donald Bruce Cotterill be re-elected as a Director of the Company.”





Auditors' fees and expenses

“That the Board be authorised to fix the auditors' fees and expenses from time to time.”



Grant Thornton

Voting instructions



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In Room



- Will be conducted via a poll.
- Link will have provided you with a voting form on your entry to the meeting.
- Please complete and any shares that you may be acting as proxy for.
- Pass the form to Link who will move through the room to collect.

Online



- To vote, you will need to click **“Get Voting Card”** within the online meeting platform.
- You will be asked to enter your Shareholder or Proxy Number to validate.
- Please then mark your voting card in the way you wish to vote by clicking **“FOR”, “AGAINST”** or **“ABSTAIN”** on the voting card.
- Click **“Submit Vote”** on the bottom of the card to lodge your vote.

Results



- Will be published on Asset Plus' website and will be announced to the NZX this afternoon as soon as they are available.



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