

Centuria



For an offer of ordinary shares in

Augusta Industrial Fund Limited

PRODUCT DISCLOSURE STATEMENT

Augusta Industrial Fund Limited is managed by Centuria Funds Management (NZ) Limited. This Offer is underwritten by Centuria Platform Investments Pty Limited.

This document gives you important information about this investment to help you decide whether you want to invest. There is other useful information about this offer on <https://disclose-register.companiesoffice.govt.nz>. Augusta Industrial Fund Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial advice provider to help you to make an investment decision.

11 MAY 2021



12 Brick Street, Henderson, Auckland

Key information summary

Section 1

1.1 What is this?

This is an offer of ordinary shares (the **Shares**) in Augusta Industrial Fund Limited (**Augusta Industrial**). Ordinary shares give you a stake in the ownership of Augusta Industrial. You may receive a return if dividends are paid or Augusta Industrial increases in value and you are able to sell your Shares at a higher price than you paid for them.

If Augusta Industrial runs into financial difficulties and is wound up, you will be paid only after all creditors have been paid. You may lose some or all of your investment.

1.2 About Augusta Industrial

Augusta Industrial was established by Centuria Funds Management (NZ) Limited (previously named Augusta Funds Management Limited) (the **Manager** or **Centuria NZ**), with the purpose of investing in industrial property. The Industrial Portfolio currently comprises 11 properties and Augusta Industrial has contracted to acquire an additional property, located at 78 Tidal Road, Mangere, Auckland (**Tidal Road**). Following acquisition of Tidal Road, across the 12 properties in the Industrial Portfolio there will be 50 tenants with the Industrial Portfolio valued as at 31 March 2021 at \$463.25 million (Tidal Road is valued on an "as if complete" basis). 10 properties are located in Auckland, one in Wellington and one in Christchurch.

Augusta Industrial is managed by Centuria NZ which is a subsidiary of Centuria Capital Group (**CNI**). CNI is an ASX-listed specialist investment management company with approximately A\$10.5 billion of assets under management (including the Manager's assets under management), which is expected to increase to A\$15.5 billion of assets under management when CNI completes its proposed acquisition of ASX-listed Primewest Group. As detailed in Section 2.8, the Manager has an experienced management team who provide a wide range of management services including asset management, development and project management, treasury and financial management, and legal and compliance services. It has total assets under management of approximately NZ\$2.2 billion.

Augusta Industrial is a limited liability company incorporated in New Zealand. The Board of Augusta Industrial intends to change the name of the company to Centuria NZ Industrial Fund Limited later in 2021 as part of Augusta's adoption of the Centuria brand.

Investors in Augusta Industrial receive ordinary shares in this company. It is not a "Managed Investment Scheme" for the purposes of the Financial Markets Conduct Act 2013 and does not have a Financial Markets Authority (**FMA**) licensed manager or a FMA licensed independent supervisor to govern its investment activities.

Investor rights are set out in the constitution of Augusta Industrial and in the Companies Act 1993.

1.3 Purpose of this Offer

The purpose of the Offer is to raise sufficient capital to enable Augusta Industrial to purchase Tidal Road, with the balance of any proceeds used to repay debt, fund further acquisitions and investment in the Industrial Portfolio, and to meet Offer costs.

1.4 Key terms of the Offer

Description of the equity securities being offered	Ordinary shares in a limited liability company, Augusta Industrial, which is a portfolio investment entity (PIE) for New Zealand tax purposes.
Issue Price	\$1.33 per Share
Total number of Shares being offered	<p>Up to \$80 million is targeted to be raised in the Offer, being 60,150,375 Shares. Additional Shares may be issued at the discretion of the Board.</p> <p>The total number of Shares being offered will be up to 24.05% of the total Shares on issue immediately following the Offer, depending on the number of Shares issued under this Offer.</p> <p>Centuria Capital NZ has provided a firm commitment to subscribe for \$8 million of the Shares issued under this Offer (being 6,015,037 Shares), which will maintain its existing 10% shareholding in Augusta Industrial if the targeted amount of \$80 million is raised under the Offer.</p>
Minimum number of Shares that may be applied for¹	Shares available in multiples of \$1,000 with a \$10,000 minimum investment, rounded down to the nearest whole Share.
Maximum number of Shares that may be held by any shareholder¹	Except in circumstances allowed by Augusta Industrial, no Shareholder and its associates may together hold more than 20% of Augusta Industrial's Shares following the Offer. Based on the targeted number of Shares being offered (60,150,375 Shares) the maximum number of Shares that may be held by any Shareholder and its associates is expected to be 50.03 million Shares.
Minimum and maximum amount of equity to be raised	There is no minimum amount to be raised in order for the Offer to proceed. However, Augusta Industrial is targeting an Offer size of up to \$80 million. Additional Shares may be issued at the discretion of the Board.
Forecast cash distribution to 31 March 2022	<p>5.00% per annum pre-tax - the equivalent of 6.65 cents per Share per annum.</p> <p>These cash distributions are not guaranteed. The actual distribution rate may vary. The forecast cash distributions are for the period commencing on the day following allotment to 31 March 2022 and represent the percentage forecast return per annum from cash distributions on Shares acquired in the Offer at the Issue Price. Details on how the forecast pre-tax cash distributions are calculated (including the key assumptions upon which they are based), and the risks associated with the investment are set out in Section 7: "Augusta Industrial's financial information" and Section 8: "Risks to Augusta Industrial's business and plans" of this PDS. The forecast pre-tax cash distributions are based on prospective financial statements prepared by Augusta Industrial in accordance with Financial Reporting Standard 42: Prospective Financial Statements, which are available on the Offer Register.</p>

(1) Augusta Industrial and the Manager reserve the right to amend the minimum and maximum subscription amounts and the maximum number of Shares that may be held.

Key information summary (cont.)

Section 1

Existing Shareholders in Augusta Industrial	<p>Applications for Shares from existing Shareholders in Augusta Industrial will receive priority over other applications for Shares, at the Board's discretion.</p> <p>Existing Shareholders must return a completed application form by 3 June 2021 to be eligible to receive a priority allocation in the Offer unless subscriptions for the targeted amount have been received prior.</p>	Liabilities, fees and charges	<p>If you sell your Shares, you may be required to pay brokerage or other sale expenses. You may also be liable for tax on the sale of your Shares, depending on your personal circumstances (including if you acquired the Shares with the intention to sell). You should seek your own tax advice in relation to your Shares.</p>
Underwriting and subordinated loan arrangements	<p>\$72 million of the targeted \$80 million to be raised is underwritten by Centuria Platform Investments Pty Limited (the Underwriter or CPIPL) by way of an underwriting agreement between Augusta Industrial and CPIPL and a subordinated loan agreement that may be entered into between Augusta Industrial's wholly owned subsidiary Augusta Industrial Fund No.1 Limited (Augusta Industrial No.1) and CPIPL if required by Augusta Industrial.</p> <p>In the event that the targeted amount of \$80 million is not raised by the Offer close date, CPIPL has committed to subscribe for Shares under the underwriting agreement that will result in it holding (together with its associates) up to 20% of the Shares in Augusta Industrial (the Shareholding Cap). Any further shortfall to the targeted amount will be met by CPIPL advancing the Subordinated Loan. If more than \$38.7 million is raised in the Offer from investors other than CPIPL and its associates, the Subordinated Loan will not be drawn.</p> <p>The Underwriter will receive an establishment and underwriting fee of \$2.16 million (calculated at 3% of \$72 million), will be entitled to receive cash distributions in respect of any Shares it acquires under the underwriting agreement and will be paid interest at a rate of 4.75% per annum on any outstanding balance of the Subordinated Loan (in place of the cash distributions that would have been payable on Shares acquired under an underwrite). If drawn, the Subordinated Loan is repayable from the subscription monies received from the issue of Follow-On Offer Shares (other than any Shares issued to CPIPL under the underwriting agreement). Payments to the Underwriter under the Subordinated Loan and underwriting arrangements (including any cash distributions paid to CPIPL as a Shareholder) will not impact forecast FY22 cash distributions.</p>	Management	<p>Centuria NZ has been appointed to manage Augusta Industrial and provides asset management, development and project management, treasury and financial management, investor relations, and legal and compliance services.</p> <p>The key terms of the Management Agreement (including fees) were set having regard to what the Manager and Augusta Industrial considered appropriate and industry benchmarks for property funds.</p> <p>The fees payable to Centuria NZ include:</p> <ul style="list-style-type: none"> • A management fee of 0.50% per annum of the total average value of Augusta Industrial's tangible assets up to \$0.5 billion of assets under management and 0.40% per annum of the total average value of any tangible assets above \$0.5 billion. • A property management fee equal to 1.5% of the gross rental income from any properties owned by Augusta Industrial and its subsidiaries. This fee is recoverable from tenants where permitted under the relevant lease. • A performance fee equal to 10% of any shareholder returns above 10% per annum and capped at 15% per annum. Any performance fee is payable (in cash, or Shares if agreed by Augusta Industrial and the Manager) once Augusta Industrial is listed. • Certain other transaction fees are payable to the Manager as set out in Section 2.9, including an acquisition fee, sale fee, leasing fee and development/capital expenditure fee. <p>If the Management Agreement is terminated without cause and Shareholders support that termination by Special Resolution, Augusta Industrial must pay the Manager a sum equal to 30% of the aggregate of all fees paid to the Manager in the preceding five years before termination. No termination fee is payable where the Management Agreement is terminated in any other scenario.</p> <p>Details of the Management Agreement are set out in Section 2.9. The Management Agreement is also available on the Offer Register at https://disclose-register.companiesoffice.govt.nz/.</p>
PDS registration date	11 May 2021	Offer to investors	<p>The Offer is only being made to potential investors in New Zealand, Australia and any other jurisdictions in which Augusta Industrial is able to make the Offer without having to prepare a disclosure document, at its discretion. Augusta Industrial reserves its rights to decline applications from overseas investors to ensure Augusta Industrial does not become an overseas person under the Overseas Investment Act 2005.</p>
Offer open date	19 May 2021*		
Offer close date	23 June 2021*		
Follow-On Offer close date	30 September 2021* (if subscriptions for the targeted amount of \$80 million have not been received by 23 June 2021, Augusta Industrial may make the Follow-On Offer)		
Allotment date	Offer Shares will be issued on or about 29 June 2021 for all subscriptions received in the Offer Period. During the Follow-On Offer, subscriptions received by 3pm three business days prior to the last calendar day of a month and on the Follow-On Offer closing date will be processed in that month with Shares allotted monthly on the first day of the following month.*		

*These dates are indicative only and may change. In particular, Augusta Industrial reserves the right to close the Offer and/or the Follow-On Offer at any time prior to those dates or extend the Offer Period and/or the Follow-On Offer Period by up to 25 working days without prior notice.

Key information summary (cont.)

Section 1

1.5 How you can get your money out

As part of this Offer, Augusta Industrial does not intend to quote these Shares on a market licensed in New Zealand and there is no other established market for trading them. This means that you may not be able to sell your Shares.

1.6 Key drivers of returns

Augusta Industrial believes its returns will be driven by the following key current and future factors:

Key factor driving return	Strategies and plans to manage this factor
Rental income and tenant retention and attraction	
Increases in Augusta Industrial's rental income will be driven by rent review provisions in the various leases across the Industrial Portfolio, as well as either retention of tenants or re-leasing to new tenants.	Augusta Industrial has dedicated asset managers for each property. The asset managers are responsible for engaging with each of the tenants and developing those relationships to attract and retain tenants and negotiate rental increases.
The frequency and mechanism of rent reviews across the leases, either at fixed periods during a lease term or on renewal will drive returns.	Where possible Augusta Industrial will target properties for acquisition with leases which provide fixed rental increases and will aim to negotiate any new leases in the future with fixed rental increases to the extent possible.
Future acquisitions	
Augusta Industrial has a strategy to grow the value of the Industrial Portfolio over time through further property purchases, including during the Offer Period. The ability to source value and earnings accretive acquisitions will help to drive future returns and provide further diversification. Augusta Industrial has assumed for the purpose of its PFI that it will not make any future acquisitions in FY22 other than Tidal Road but it is still actively looking to expand the Industrial Portfolio.	Augusta Industrial will target, in the medium term, a 75% weighting towards industrial property in Auckland, Hamilton and Tauranga. Any future properties will only be purchased if they maintain or increase current returns to Shareholders, provide diversification benefits or provide potential capital growth.
Market value of the Industrial Portfolio	
The market value of each property in the Industrial Portfolio is subject to change as a result of overall market conditions (including rental yields, market rents and sales of other similar properties), as well as property specific factors such as the remaining lease term, tenant covenant, age and quality of the building(s) and income growth prospects of the property.	Augusta Industrial's strategy for the acquisition of properties (described in Section 2.2) has a focus on assets with strong property fundamentals such as the proximity to key infrastructure and strong tenant covenants.
	Each property is actively managed by Centuria NZ in order to maintain or increase property values and achieve growth in rental income.
Interest rates	
Interest expense incurred by Augusta Industrial as a result of its bank borrowings is a material expense. Interest costs on bank borrowings are forecast to be approximately 20% of Augusta Industrial's net property income in FY22. Increases or decreases in interest rates will affect Augusta Industrial's returns.	The Manager will monitor interest rate markets and regularly review the base rate, margin and line fee components of Augusta Industrial's borrowings, including the portion of borrowings that is subject to a fixed interest rate.
	Margins and line fees will be benchmarked against similar market transactions and Augusta Industrial will consider changing lenders if materially better margins and line fees are available elsewhere.

More information on these key factors and other current and future aspects that will have, or may have, the most impact on the financial performance of Augusta Industrial as well as the key strategies and plans to manage those factors can be found in Section 2.3.

Key information summary (cont.)

Section 1

1.7 Key risks affecting this investment

Investments in shares are risky. You should consider if the degree of uncertainty about Augusta Industrial's future performance and returns is suitable for you. The price of these Shares should reflect the potential returns and the particular risks of these Shares.

Augusta Industrial considers that the most significant risk factors that could affect the value of the Shares are:

Increase in interest rates	<p>Interest expense incurred by Augusta Industrial as a result of its bank borrowings is a material expense that affects distributions to Shareholders (refer to Section 2.6 for a summary of Augusta Industrial's bank borrowings). Any changes in interest rates cannot be accurately predicted.</p> <p>The Loan Facility base rate is floating while line fees and margins are fixed for the term of each Loan Facility tranche (unless refinanced earlier). As at the PDS registration date, Augusta Industrial holds interest rate swap agreements that fix the base rate on \$72 million of its borrowings with expiry dates between March 2022 and April 2024.</p> <p>The Manager and the Board will monitor interest rate markets and regularly review the base rate, margin and line fee components of Augusta Industrial's borrowings, including the portion of borrowings that is subject to a fixed interest rate. Interest rates will likely continue to be a key risk for so long as Augusta Industrial has outstanding borrowings.</p>
Lease expiries and existing vacancies	<p>The current WALT of the Industrial Portfolio (excluding Tidal Road) is 4.7 years as at 31 March 2021 which will increase incrementally by 0.6 years upon settlement of Tidal Road, and portfolio occupancy is 96.6%. There are currently three vacant tenancies located at The Hub with a further vacant tenancy at Castle Rock which is subject to a vendor rental underwrite until 31 March 2022. Lease expiries are currently reasonably spread across the existing 48 tenants in the Industrial Portfolio, however, leases representing rental income of 5.9% are due to expire in FY22, with a further 10.5% in FY23 and 9.2% in FY24.</p> <p>There is a risk that existing vacancies at The Hub continue and the tenancies due to expire in FY22 are not renewed or re-let. These vacancies will not impact forecast FY22 cash distributions. However, a significant decline in total occupancy across the Industrial Portfolio in FY22 and beyond may affect Augusta Industrial's ability to maintain distributions after FY22 at 6.65 cents per Share.</p> <p>Augusta Industrial considers the likelihood of significant vacancies arising and continuing in FY23 and FY24 to be low. Augusta Industrial aims to achieve early lease renewals with existing tenants where possible through its strong relationship with tenants. In addition, Augusta Industrial believes it can attract new tenants as required given industrial property in Auckland, Wellington and Christchurch is currently experiencing low vacancy rates and restricted supply.</p>

This summary does not cover all of the risks of investing in the Shares. You should also read Section 8: "Risks to Augusta Industrial's business and plans" and other places in the PDS that describe risk factors (for example, risks arising for investors from the nature of the product).

1.8 Where you can find Augusta Industrial's financial information

The financial position and performance of Augusta Industrial are essential to an assessment of this Offer. You should also read Section 7: "Augusta Industrial's financial information".

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Letter from the Chair

Dear Investor,

Augusta Industrial is a limited liability company that was established in April 2018 as an open-ended, unlisted property fund. Its purpose is to provide investors with the opportunity to invest in a portfolio of strategically selected industrial assets that provide both tenant and location diversification within this strongly performing sector of the New Zealand property market.

Augusta Industrial has performed well with an annualised pre-tax total return (cash distributions and capital growth) of 15% per annum since inception.² A key long term strategic investment objective for Augusta Industrial is to deliver sustainable and stable income distributions paid to investors monthly, along with the potential for long term capital growth.

In line with the industrial property sector as a whole, Augusta Industrial has seen strong demand from investors, with the initial and subsequent equity raises (totalling \$190 million) both oversubscribed. Accordingly, we are pleased to advise that another quality asset has been secured (detailed below). Augusta Industrial is using this opportunity to seek further investment for the purpose of acquiring this new asset, funding further acquisitions and investment within the existing Industrial Portfolio and to reduce gearing to provide a platform for growth.

The Industrial Portfolio, including Tidal Road (see below), is made up of 12 assets and was independently valued at \$463.25 million (as at 31 March 2021, with Tidal Road valued on an "as if complete" basis). Augusta Industrial is strategic in its choice of assets with only quality properties meeting specific selection criteria. Diversification of tenant risk is provided through 50 tenants including global and multinational names such as Toll, Downer, Linfox, Repco and Fletcher Steel along with well-known national tenants such as Macpac, Pacific Steel and Icepak (Hall's Group). The weighted average lease term for the Industrial Portfolio (excluding Tidal Road) is 4.7 years (as at 31 March 2021) which will increase incrementally by 0.6 years upon settlement of Tidal Road. 10 of the assets are located in Auckland, with one in Wellington and one in Christchurch.

Augusta Industrial provides exposure to a sector that continues to out-perform the commercial office and retail sectors, a continuation of the long term trend over the past 15 years as described in Bayleys Research commentary on page 32. As noted in the commentary on the industrial property sector; "Investors in the industrial sector continue to be attracted to its resilient and robust characteristics, with demand for industrial space and development land remaining strong".

The Industrial Portfolio is managed by Centuria Funds Management (NZ) Limited (previously named Augusta Funds Management Limited). The Manager was established in 2003 and manages approximately NZ\$2.2 billion of assets with a strong track record. In 2020, Augusta and the ASX listed Centuria Capital Group (CNI) (one of Australia's largest property fund managers) merged to create a leading Australasian property fund management platform, with approximately A\$10.5 billion of Trans-Tasman assets under management on behalf of investors. CNI's assets under management are expected to increase to A\$15.5 billion of assets under management when CNI completes its proposed acquisition of ASX-listed Primewest Group. Augusta has adopted the Centuria brand and maintains the same conservative approach and focus on quality assets with strong long term fundamentals. For investors everything is "business as usual" with the same team in place including Augusta's founder Mark Francis as Centuria NZ's Chief Executive Officer, Bryce Barnett as Centuria NZ's Executive Director and Ben Harding as the Fund Manager of Augusta Industrial. The Board of Augusta Industrial intends to change the name of the company to Centuria NZ Industrial Fund Limited later in 2021 as part of Augusta's adoption of the Centuria brand.

Augusta Industrial provides the ability to capitalise on new opportunities, continuing to increase existing investors' diversification and providing investment opportunities for both existing and new investors. Tidal Road is described in detail on page 17 but in summary is a brand new, large scale, architecturally designed, A Grade industrial facility that is currently under construction in Auckland. Tidal Road provides a new 12 year lease from Settlement to the well-known liquor distributor Hancocks for use as their national office and distribution facility. Hancocks are a leading beverage distributor that is 100% New Zealand family owned and operated. A second smaller warehouse is subject to a 4 year lease from Settlement to AutoPacific, a market leader in vehicle accessories and towing solutions. The substantial 4.9 hectare property is well located in a new industrial business park in one of Auckland's most central logistics locations, Mangere and only minutes from State Highway 20 and Auckland airport. The purchase price for Tidal Road is \$48.83 million and it is valued at \$55 million (on an "as if complete basis" as at 31 March 2021).

Augusta Industrial intends to continue to grow the number of assets in the portfolio along with adding further value to Existing Properties. The gearing ratio as at 31 March 2021 is 37.0% and is forecast to reduce to 27.9% on Settlement of Tidal Road.³ The intention is to maintain a gearing target of 30% to 40% (which may increase to 45% on a short term basis to facilitate acquisitions in the future). Assets will continue to be strategically selected for their ability to maintain or increase cash distributions to Shareholders, provide diversification benefits or provide potential capital growth.

(2) Calculated from 15 June 2018 to 31 March 2021 based on a \$1.00 original issue price, dividends paid during the period and net tangible assets of \$1.33 per Share as at 31 March 2021.

(3) The gearing ratio tells you how much Augusta Industrial owes (debt) as a portion of what it owns (total assets). The higher the gearing ratio, the higher the risk as it indicates a higher proportion of Augusta Industrial's assets will need to be applied to repay its debt. This ratio is calculated on the basis that the Subordinated Loan is not drawn.

Letter from the Chair (cont.)

Targeted investment attributes will continue to be:

- Functional broad user or logistics based warehouses, temperature-controlled storage facilities and manufacturing facilities.
- In close proximity to major infrastructure with strong tenant covenants.
- Low capital expenditure real-estate (unless specifically required for repositioning) or older, well-located assets underpinned by land value.

As noted above, Augusta Industrial will continue to look for opportunities to grow its portfolio which this equity raise supports and, depending on market conditions, may look to list Augusta Industrial on the NZX Main Board in the future.⁴

One of the most frequently asked questions we receive relates to liquidity, specifically, can an investor sell their investment? As outlined above, Augusta Industrial may quote these Shares on a market licensed in New Zealand in the future but there is no other established market for trading them. However, the Manager does operate a secondary market facility which matches the buyers and sellers of shares. The liquidity of a share is very much related to the performance of the underlying assets. Since 2014, the Manager has facilitated secondary sale transactions with a total sales value of over \$41 million. While this value is a small percentage of the Manager's total equity under management, liquidity can also be provided through the sale of properties and return of equity. Since 2014, approximately \$400 million of equity has been realised through the sale of properties and returned to investors. Neither the Manager nor Augusta Industrial is obligated to provide liquidity for Shareholders.

The Issue Price per Share is \$1.33. Investment in this third equity raise of Augusta Industrial will provide a forecast pre-tax cash distribution of 5.0% per annum on the invested amount for this Offer for the period commencing on the day following allotment to 31 March 2022, the equivalent of 6.65 cents per Share per annum. We understand the importance of cash flow to our investors, so distributions are paid to investors monthly. The investment is available in multiples of \$1,000 with a minimum \$10,000 investment (rounded down to the nearest whole Share) increasing New Zealanders' accessibility to this high performing asset class.

As the cornerstone investor in Augusta Industrial, Centuria Capital NZ's interests are aligned with other Shareholders. Centuria Capital NZ has provided a firm commitment to subscribe for \$8 million of Shares in the Offer, which will maintain its 10% shareholding in Augusta Industrial if the targeted amount of \$80 million is raised.

Existing investors in Augusta Industrial will receive a priority allocation in the Offer over other applications for Shares until 3 June 2021, at the Board's sole discretion, unless the Offer is fully subscribed prior. With the previous oversubscriptions, quality assets and the strong performance of the sector, along with the objectives of diversification, sustainable and stable income, we expect strong interest in this Offer and recommend your earliest attention. Augusta Industrial welcomes the opportunity for you to co-invest with Centuria Capital NZ in this investment opportunity.⁵

This PDS contains important information about this Offer. I encourage you to read the PDS carefully and consider in particular Section 8: "Risks to Augusta Industrial's business and plans" before making your investment decision.

Yours sincerely,



Mark Petersen
Chair, Augusta Industrial Fund Limited

(4) No guarantee is given that Augusta Industrial will apply to have the Shares quoted or that Augusta Industrial will be listed. Augusta Industrial has not made, and does not intend to make any application to NZX for permission to list Augusta Industrial as part of this Offer. NZX Main Board is a licensed market operated by NZX, which is a licensed exchange regulated under the Financial Markets Conduct Act 2013.

(5) Neither Centuria NZ nor any other person guarantees the Shares offered under this Offer, nor warrants or guarantees the future performance of Augusta Industrial, the Shares or any return on investment pursuant to this Offer.

Augusta Industrial and what it does

Section 2

In this section, you will find information on:

- Augusta Industrial and its investment philosophy and strategy
- Key drivers of Augusta Industrial's future financial performance
- Augusta Industrial's property portfolio
- The industrial property market
- Augusta Industrial's bank facilities
- The Directors of Augusta Industrial
- The Manager
- The Management Agreement between Centuria NZ and Augusta Industrial
- Substantial Shareholder and relevant interests held by directors and senior managers
- Interests of Augusta Industrial's directors

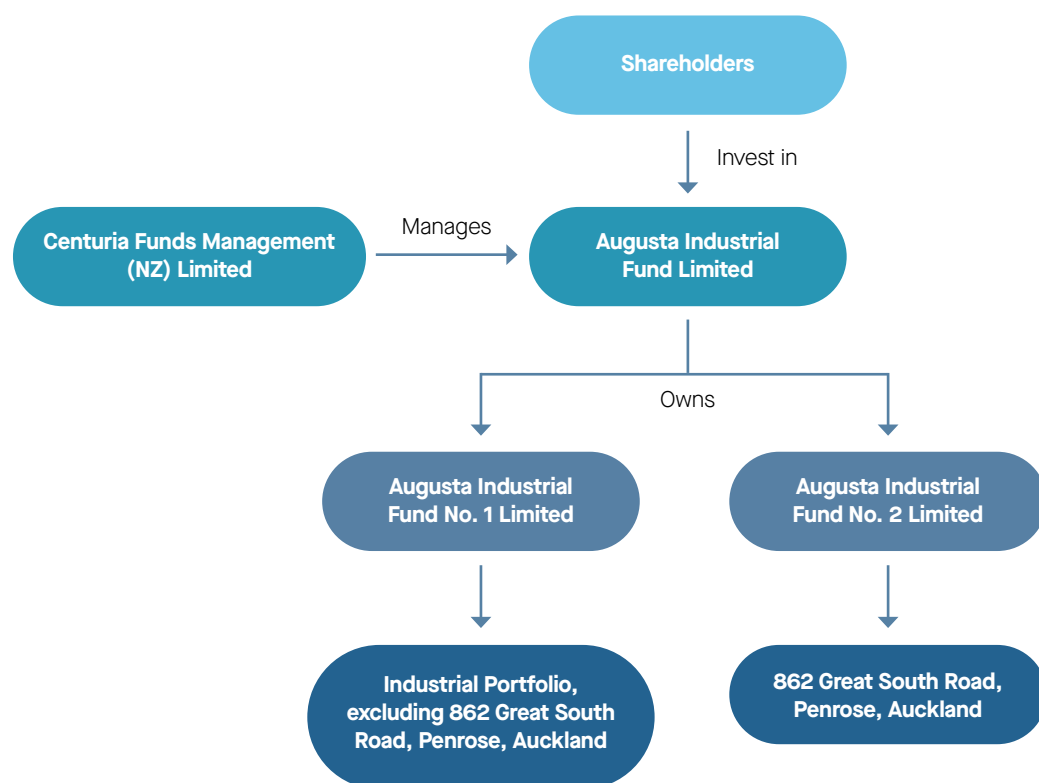
2.1 Overview of Augusta Industrial

Augusta Industrial was established by Centuria NZ (previously named Augusta Funds Management Limited) in April 2018 to invest in industrial property. Augusta Industrial issued 75,000,000 ordinary shares on 15 June 2018 and 115,000,000 ordinary shares on 29 March 2019. Augusta Industrial used the \$190 million of equity and bank funding from ASB and Westpac to purchase the Existing Properties in 2018 and 2019 (nine located in Auckland, one located in Wellington and one located in Christchurch).

Augusta Industrial's main activities since its establishment have been managing the Existing Properties and investigating new investment opportunities. Consistent with Augusta Industrial's investment strategy to grow its asset base, Augusta Industrial has identified Tidal Road (located in Auckland) as an appropriate property for Augusta Industrial to acquire. Further details on Tidal Road are set out in Section 2.4, together with summary details on the Existing Properties.

Augusta Industrial is managed on a day to day basis by Centuria NZ who currently manages approximately NZ\$2.2 billion of commercial property across New Zealand and Brisbane, Australia. Further details about Centuria NZ are set out in Section 2.8.

Augusta Industrial was incorporated on 16 April 2018 and has two subsidiaries – Augusta Industrial Fund No. 1 Limited, and Augusta Industrial Fund No. 2 Limited, who each hold legal title to one or more of the properties in the Industrial Portfolio.



What is Industrial Property?

Industrial property is land and buildings utilised for industrial purposes such as logistics, production, manufacturing, assembly, warehousing, storage and distribution.

Augusta Industrial and what it does (cont.)

Section 2

2.2 Investment philosophy and strategy

Investment Philosophy

Augusta Industrial is a limited liability company that has been established to invest directly or indirectly in a diversified portfolio of industrial real estate located in New Zealand's major economic centres.

Investment Strategy

Augusta Industrial's long term strategic investment objectives are:

- A sustainable and stable income, plus the potential for capital growth.
- A target geographic weighting (by capital value) of 75% or greater in Auckland, Hamilton and Tauranga, and the balance of assets located in major cities outside Auckland, Hamilton and Tauranga where it is considered necessary for yield enhancement and geographic diversification.
- A target WALT of 5 years or greater (previously 6 years) which reflects the larger size of the Industrial Portfolio.
- A gearing target of 30% to 40% (previously 35% to 40%), but with the ability to increase gearing to 45% on a short term basis to facilitate acquisitions.

An interest rate management strategy is in place that considers both the length of the remaining loan facility term and the WALT for the Industrial Portfolio when hedging interest rate risk.

To deliver this investment strategy, Augusta Industrial may invest in:

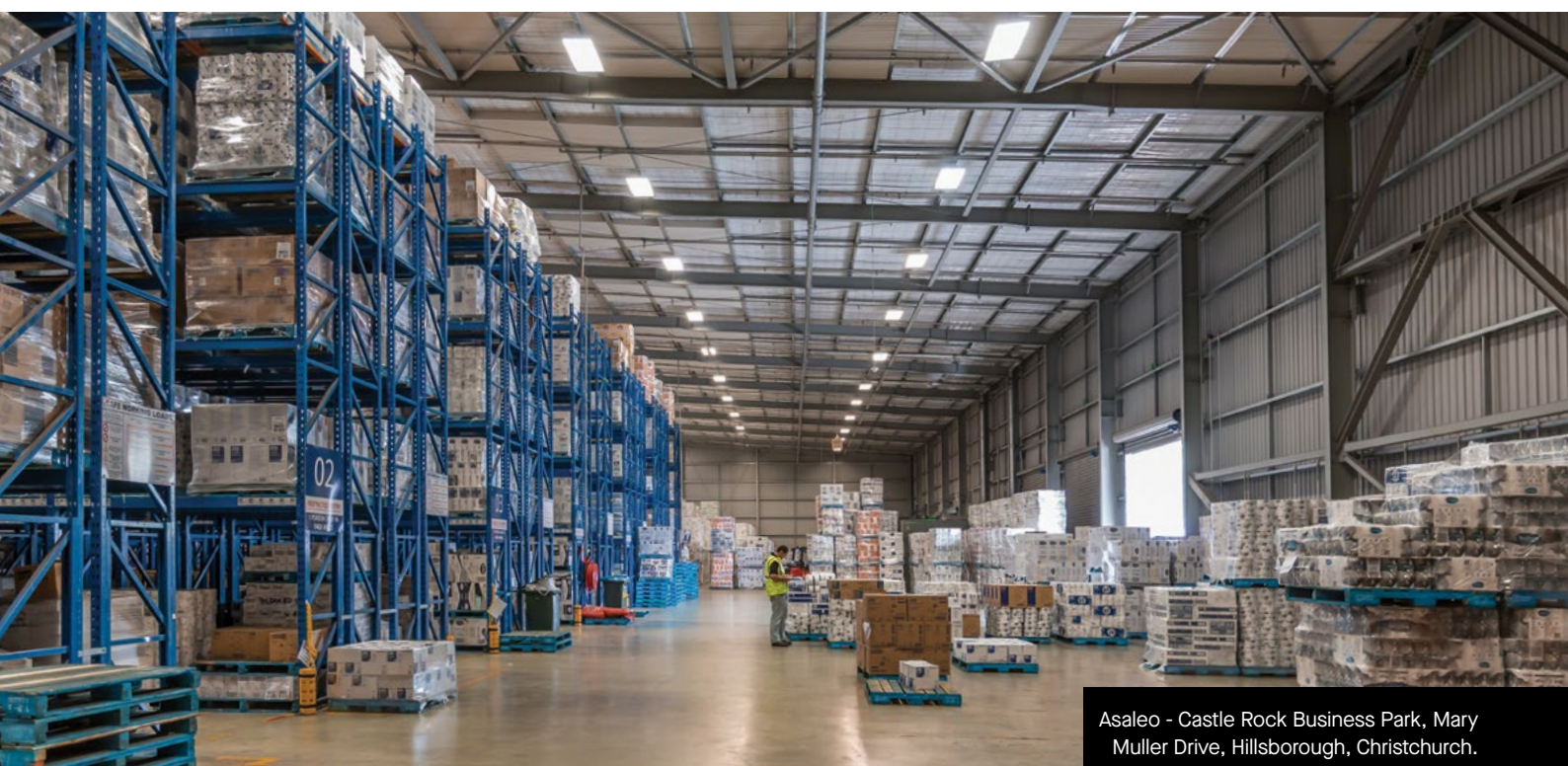
- functional warehouse and/or logistics assets;
- temperature controlled storage facilities;
- manufacturing sites;
- properties located in close proximity to major infrastructure including major roads, airports, ports, rail and CBDs;

- assets with strong tenant covenants;
- assets with long lease terms or the ability to convert to long lease terms through active management;
- mixed-use assets with predominantly industrial use (current or future);
- industrial zoned land (which will provide the opportunity for developing new industrial investments);
- properties where capital expenditure is expected to be low (unless the capital expenditure is specifically required to re-position the asset);
- older, well located assets underpinned by land value and solid long term leasing demand; and
- interests in property investment schemes and property funds managed by Centuria NZ.

Augusta Industrial will continue to look for opportunities to grow and, depending on market conditions, may look to list on the NZX Main Board in the future. No guarantee is given that Augusta Industrial will apply to have the Shares quoted or that Augusta Industrial will be listed in the future. Augusta Industrial has not made, and does not intend to make, an application to NZX for permission to list Augusta Industrial at this time. The NZX Main Board is a licensed market operated by NZX, which is a licensed exchange regulated under the Financial Markets Conduct Act 2013. Augusta Industrial cannot be listed on the NZX without the prior approval of Shareholders.

Augusta Industrial has a strategy to grow the value of the Industrial Portfolio over time, however, Augusta Industrial has assumed for the purpose of its PFI that it will not make any future acquisitions in FY22 other than Tidal Road.

Augusta Industrial will continue to review its strategy to reflect market conditions and opportunities.



Asaleo - Castle Rock Business Park, Mary Muller Drive, Hillsborough, Christchurch.

Augusta Industrial and what it does (cont.)

Section 2

2.3 Key drivers of Augusta Industrial's future financial performance

The current and future aspects of Augusta Industrial's business that will have, or may have, the most impact on the financial performance of Augusta Industrial are set out below, as well as the key strategies and plans to manage those aspects.

Key aspect of Augusta Industrial's business	Strategies and plans to manage this aspect
Rental income and tenant retention and attraction	
<p>Increases in Augusta Industrial's rental income will be driven by a combination of rent review provisions in the various leases across the Industrial Portfolio, retention of tenants and re-leasing of any vacancies to new tenants.</p> <p>There are fixed annual or biannual increases ranging between 1.5% to 3.5% across approximately 42% of the rental income in the Industrial Portfolio and CPI increases across approximately 31% of the rental income in the Industrial Portfolio.</p> <p>The frequency and extent of rent reviews across the leases, either at fixed periods during a lease term or on renewal will drive returns.</p>	<p>The Industrial Portfolio provides a diverse tenant mix with 50 tenants. The Industrial Portfolio's WALT is 4.7 years (as at 31 March 2021 and excluding Tidal Road). Upon Settlement of Tidal Road the Industrial Portfolio's WALT will increase incrementally by 0.6 years.</p> <p>The five largest tenants by income and remaining lease terms as at 31 March 2021 are as follows:</p> <ol style="list-style-type: none">1. Icepak Limited (Hall's Group) at 20 Paisley Place which represents 7.0% of the rental income for the Industrial Portfolio. Icepak has a remaining lease term of 10.7 years;2. GPC Asia Pacific (Repco) at 510 Mt Wellington Highway which represents 6.3% of the current income for the Industrial Portfolio. GPC Asia Pacific has a weighted average remaining lease term of 4.8 years.⁽⁶⁾3. D & H Steel at Brick Street which represents 6.2% of the current income for the Industrial Portfolio. D & H Steel have a remaining lease term of 12 years (7 years should the tenant exercise its break clause);4. Blue Star Group at 116-152 Swanson Road which represents 6.0% of the current income for the Industrial Portfolio. Blue Star Group have a remaining lease term of 5.5 years, with one further right of renewal of 8 years; and5. Vulcan Steel at 27-29 Neales Road which represents 5.4% of the rental income for the Industrial Portfolio and has a remaining lease term of 6.3 years. <p>From Settlement, Hancocks at Tidal Road will be the largest tenant and is assumed to represent 8.1% of the rental income of the Industrial Portfolio (as at 31 March 2021). Hancocks will have a lease term of 12 years with the lease expected to commence in October 2021.</p> <p>Where possible Augusta Industrial will target properties for acquisition with leases which provide fixed rental increases and will aim to negotiate any new leases in the future with fixed rental increases to the extent possible.</p> <p>Augusta Industrial has dedicated asset managers for each property. The asset managers are responsible for engaging with each of the tenants and developing those relationships to attract and retain tenants and negotiate rental increases. A dedicated fund manager also oversees the management of Augusta Industrial, including engagement with tenants. Centuria NZ also has a wide range of relationships in the property industry which it considers will be of assistance in identifying leasing and acquisition opportunities.</p>

(6) A lease extension for Repco was approved by the Board and signed by the tenant prior to 31 March 2021 and signed by Augusta Industrial in April 2021.

Augusta Industrial and what it does (cont.)

Section 2

Key aspect of Augusta Industrial's business	Strategies and plans to manage this aspect
Market value of the Industrial Portfolio	
The market value of each property in the Industrial Portfolio is subject to change as a result of overall market conditions (including rental yields, market rents and sales of other similar properties), as well as property specific factors such as the remaining lease term, tenant covenant, age and quality of the building(s) and income growth prospects of the property.	<p>Augusta Industrial's strategy for the acquisition of properties (described in Section 2.2) has a focus on assets with strong property fundamentals such as the proximity to key infrastructure and strong tenant covenants.</p> <p>Each property is actively managed by Centuria NZ in order to maintain or increase property values and achieve growth in rental income.</p>
Interest rates	
Interest expense incurred by Augusta Industrial as a result of its bank borrowings is a material expense. Interest costs on bank borrowings are forecast to be approximately 20% of Augusta Industrial's net property income in FY22. Increases or decreases in interest rates will affect Augusta Industrial's returns.	<p>The Manager will monitor interest rate markets and regularly review the base rate, margin and line fee components of Augusta Industrial's borrowings, including the portion of borrowings that is subject to a fixed interest rate.</p> <p>The Loan Facility base rate is floating while line fees and margins are fixed for the term of each Loan Facility tranche (unless refinanced earlier). The base rate applying to borrowings will be managed by a combination of interest rate derivatives and/or floating rates. As at the date of this PDS, Augusta Industrial holds interest rate swap agreements that fix the base rate on \$72 million of its borrowings with expiry dates between March 2022 and April 2024.</p> <p>Margins and line fees will be benchmarked against similar market transactions and Augusta Industrial will consider changing lenders if materially better margins and line fees are available elsewhere.</p>
Development land at 862–864 Great South Road	
Approximately 4,893m ² of the front portion of the property at 862–864 Great South Road is available for development or sale. Augusta Industrial will continue to investigate the feasibility of these opportunities.	<p>Augusta Industrial has reviewed the potential long term development and sale options.</p> <p>Augusta Industrial believes the vacant bare land at the site provides the following opportunities:</p> <ul style="list-style-type: none"> development of one or more separate industrial tenancies totalling approximately 3,000m² which is Augusta Industrial's preferred option and current assumption, reflected in the PFI. The buildings could then be leased and held by Augusta Industrial; or a sale of the development site to enable development by a third party, with the proceeds of the sale being applied towards debt repayment to reduce gearing and provide capacity for future acquisitions. <p>The Manager has a dedicated development team to oversee the development should it proceed.</p>
Long term development opportunities	
Development of surplus land at 265 Albany Highway, 116–152 Swanson Road and 510 Mt Wellington Highway.	The Manager has identified potential development opportunities within the properties at 265 Albany Highway, 116-152 Swanson Road and 510 Mt Wellington Highway. Augusta Industrial will investigate the feasibility of these development opportunities subject to tenant demand. The Manager has a dedicated development team to oversee these developments should they proceed.

Augusta Industrial and what it does (cont.)

Section 2

Key aspect of Augusta Industrial's business

Strategies and plans to manage this aspect

Capital expenditure and non-recoverable repairs and maintenance

The level of these costs incurred on the Industrial Portfolio will affect Augusta Industrial's returns.

Building surveyors and other external consultants have in recent years provided building condition reports and capital expenditure forecasts. Recommended expenditure in the short term has been reflected in the PFI for the year ending 31 March 2022. In addition, the Loan Facility has a forecast undrawn limit of \$15.5 million as at 31 March 2022 which provides capacity to fund future expenditure.

Future acquisitions

Augusta Industrial has a strategy to grow the value of the Industrial Portfolio through further property purchases, which could include acquisitions during the Offer Period.

Augusta Industrial will target, in the medium term, a 75% weighting towards industrial property in Auckland, Hamilton and Tauranga. Any future properties will only be purchased if they maintain or increase current returns to Shareholders, provide diversification benefits or provide potential capital growth.

Augusta Industrial has assumed for the purpose of its PFI that it will not make any future acquisitions in FY22 other than Tidal Road, but it is still actively looking to expand the Industrial Portfolio, including during the Offer Period.

Other expenses

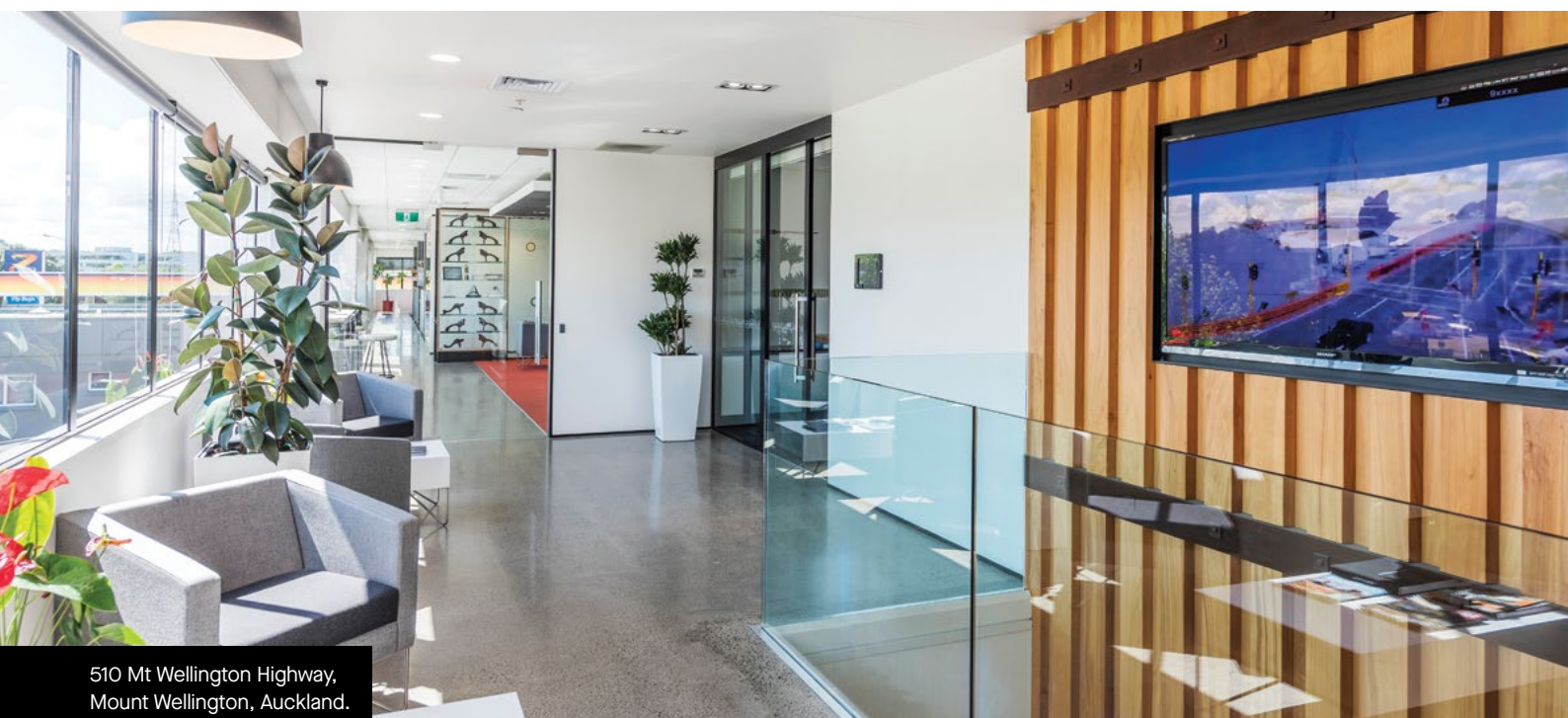
The level of other expenses, including management fees, will affect returns.

Management fees will increase as the gross value of Augusta Industrial's assets grows. The Manager expects to be able to negotiate competitive expenses with various suppliers (such as consultants, valuers and lawyers) due to the size of its managed portfolio.

Tenant performance / covenant

If a key tenant were to suffer significant financial problems, any failure to pay rental and outgoings or vacancy related costs could have a material detrimental impact on Augusta Industrial's ability to pay cash distributions to investors and could impact the market value of the affected property.

Augusta Industrial actively monitors tenant rental payment performance and undertakes comprehensive due diligence for all new tenants within the Industrial Portfolio. A number of tenants have provided bank guarantees, security deposits or parent company/personal guarantees.



510 Mt Wellington Highway,
Mount Wellington, Auckland.

Augusta Industrial and what it does (cont.)

Section 2

Key aspect of Augusta Industrial's business

Strategies and plans to manage this aspect

Tidal Road development

Tidal Road is currently being developed by the Vendor with completion scheduled to occur in September 2021. The tenant is not required to pay rent until it occupies Tidal Road following completion of the development. Any significant delays beyond completion of the development and tenant occupation in October 2021 will reduce Augusta Industrial's rental income until the lease commences, which may impact the value of the Shares but is not expected to affect Augusta Industrial's ability to pay cash distributions.

The development of Tidal Road is currently on schedule. Augusta Industrial will continue to actively monitor the development programme's progress.

2.4 The Industrial Portfolio

This section sets out the key metrics for the Industrial Portfolio, as well as more specific information on Tidal Road.

Augusta Industrial's Industrial Portfolio (Existing Properties and Tidal Road) – Investment Snapshot

Number of properties	<p>Twelve:</p> <ul style="list-style-type: none"> • 862–864 Great South Road, Penrose, Auckland • 12 Brick Street, Henderson, Auckland • 20 Paisley Place, Mount Wellington, Auckland • The Hub, Seaview, Wellington • 265 Albany Highway, Rosedale, Auckland • 510 Mt Wellington Highway, Mount Wellington, Auckland • 116-152 Swanson Road, Henderson, Auckland • 5 & 21 Beach Road, Otahuhu, Auckland • Castle Rock Business Park, Mary Muller Drive, Christchurch • 27-29 Neales Road, East Tamaki, Auckland • 48 Honan Place, Avondale, Auckland • 78 Tidal Road, Mangere, Auckland
Portfolio valuation ("as if complete") as at 31 March 2021	\$463.25 million
Number of tenants⁷	50
WALT (as at 31 March 2021)	4.7 years (excluding Tidal Road) which will increase incrementally by 0.6 years upon settlement of Tidal Road
Net lettable area	~200,000m ²
Occupancy	96.6%
Passing Rental	\$24.836 million
Rental yield	5.37%
Gearing ratio	<ul style="list-style-type: none"> • 37.0% (as at 31 March 2021) • 19.2% (following allotment of 60,150,375 Shares under the Offer) • 27.9% (on Settlement of Tidal Road, assumed to be 30 September 2021)⁸

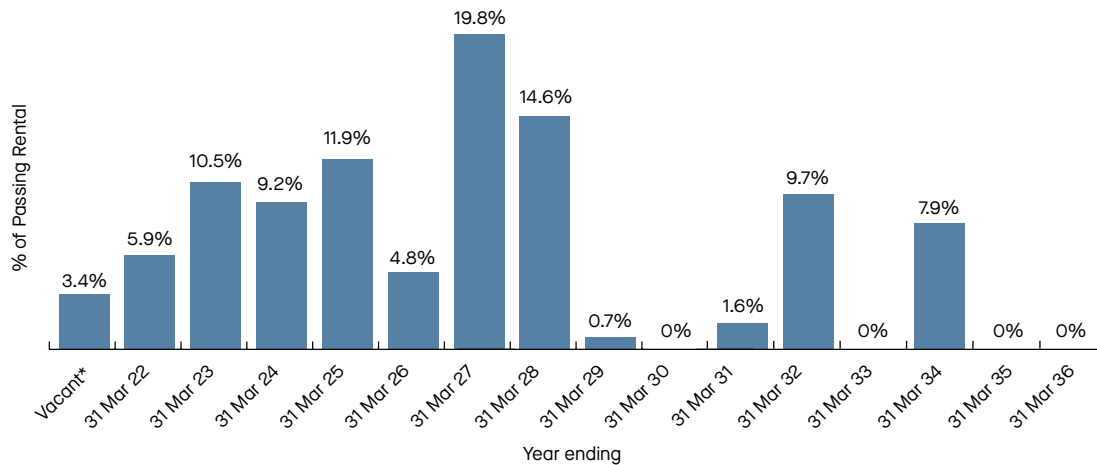
(7) The tenants of each of the properties are listed under the description for each property in this PDS. The tenants may, from time to time, novate or assign their lease obligations, subject to the terms of the relevant lease.

(8) This gearing ratio is calculated on the basis that the Subordinated Loan is not drawn.

Augusta Industrial and what it does (cont.)

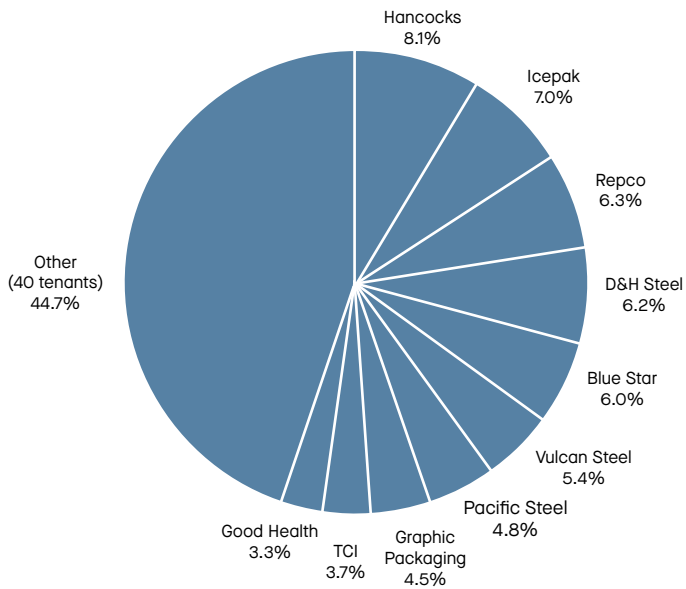
Section 2

15 Year Lease Expiry Profile

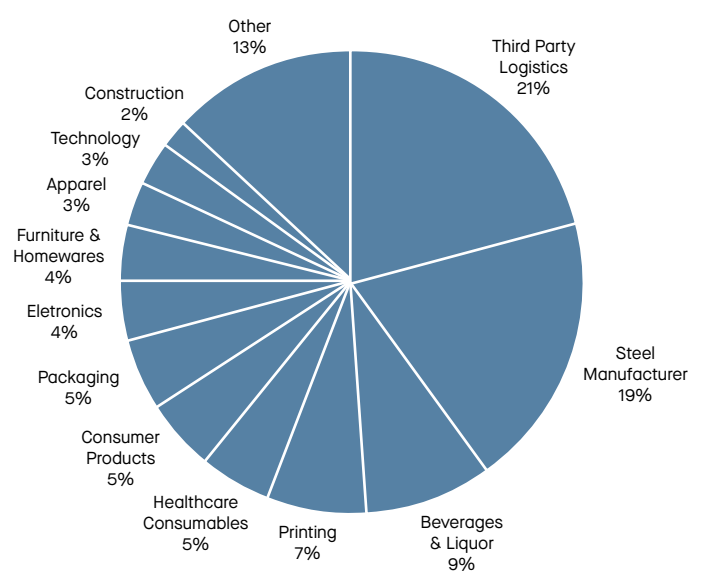


*Includes vendor underwrite at Castle Rock expiring on 28 March 2022 and reflects market rent for the vacant tenancies

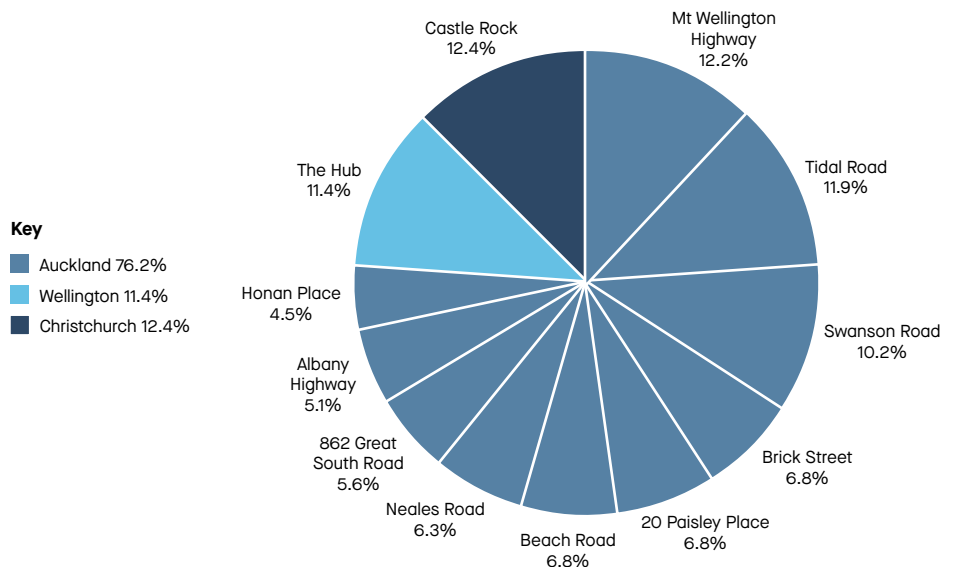
Largest 10 Tenants (Passing Rental)



Tenant Industry Mix (Passing Rental)



Portfolio Weighting (Valuation)



Note: All information presented as at 31 March 2021 on the basis that Hancocks and AutoPacific occupy Tidal Road from 1 October 2021 and includes a lease extension for Repco that was approved by the Board and signed by the tenant prior to 31 March 2021 and signed by Augusta Industrial in April 2021.



265 Albany Highway, Auckland

Augusta Industrial and what it does (cont.)

Section 2

Tidal Road

The Manager has completed legal and property specific due diligence for Tidal Road and financial due diligence on the Vendor. The material findings from due diligence are set out in this Section 2.4.

The capital expenditure to be incurred in respect of the Existing Properties and Tidal Road is set out in Section 7: "Augusta Industrial's financial information".

78 Tidal Road, Mangere, Auckland

High quality new build industrial facility located in new Auckland industrial hub

Augusta Industrial has negotiated the acquisition of a high-quality new build industrial development at 78 Tidal Road, Mangere, Auckland for a sum of \$48,834,674 (subject to adjustment to reflect an initial yield of 4.825% from the final rent to be paid). This large scale, architecturally designed, A-Grade facility is currently under development, with completion expected in September 2021, at which time Settlement will occur. The development includes ~15,000m² of net lettable area

split between two warehouses each with adjoining offices. The larger warehouse (85% of rental income) is purpose built for the well-known Hancocks who are taking a new 12 year lease from Settlement with rights of renewal totaling a further 10 years. Hancocks is a leading beverage distributor that is 100% New Zealand family owned and operated. The business was established in 1859 and was purchased by the current owners in 1991. A second smaller warehouse is subject to a 4 year lease from Settlement with AutoPacific, a market leader in vehicle accessories and towing solutions. The resulting WALT of the asset is 10.8 years from development completion.

Tidal Road is a significant new industrial business park in Mangere, minutes from the Massey Rd interchange with State Highway 20, providing both north and southbound access. The Waterview tunnel provides direct links with State Highway 16 to West Auckland and Auckland's CBD. The location also provides easy airport access. The industrial park has been subdivided into nine lots.



Artist impression



Development Progress as at 29th April 2021

Augusta Industrial and what it does (cont.)

Section 2



Tidal Road – Investment Snapshot

Property	78 Tidal Road, Mangere, Auckland
Purchase price	<p>\$48,834,674 plus GST (if any).</p> <p>The purchase price has been calculated based on a capitalisation rate of 4.825% from the final rent to be paid by tenants of Tidal Road. If the net annual rental adjusts following the development and final measure of Tidal Road, the purchase price is subject to adjustment.</p>
Tidal Road valuation (“as if complete”)	<p>\$55 million by Wouter Robberts and Brad Chemaly of Jones Lang LaSalle as at 31 March 2021 on an “as if complete” basis, in accordance with the current Australia and New Zealand Property Institute Valuation and Property Standards. The valuation was prepared using a capitalisation of net income and discounted cash flow approach.</p> <p>The valuation takes into account the impact of COVID-19. Given the circumstances of COVID-19, the valuers have had regard to a greater range of inputs and market evidence in coming to their opinion on “market value”. There may be a greater range around their opinion of “market value” than would normally be the case.</p> <p>You can find a copy of the independent valuation report on the Offer Register at https://disclose-register.companiesoffice.govt.nz/.</p>
Number of tenants	Two
WALT	10.8 years (from completion of the development, expected in September 2021)
Land area	49,774m ² (plus an undivided 1/5 share of 7,343m ² , being an accessway to Tidal Road)
Net lettable area	~15,000m ²
Occupancy	100%
Passing Rent per annum	\$2.36 million (subject to adjustment following final measure of the premises upon development completion)
Rental yield	4.83%

Augusta Industrial and what it does (cont.)

Section 2

The Manager has reviewed the instruments and memorials noted on the title for Tidal Road and the land information memorandum for Tidal Road as part of its due diligence and no material issues have been identified. The Manager has not procured a building inspection report for Tidal Road because the site is still being developed. Prior to Settlement, the Vendor is required to complete the development works (including obtaining all necessary Council certifications) and to provide Augusta Industrial with fully executed lease documentation (including all bank guarantees required to be provided by any tenants at Tidal Road).

Further detail on Tidal Road (including the independent valuation report and a copy of the land information memorandum, issued under Section 44A of the Local Government Official Information and Meetings Act 1987), is available on the Offer Register at <https://disclose-register.companiesoffice.govt.nz/>.

Sale and Purchase Agreement

Augusta Industrial No.1 and the Vendor have entered into an unconditional Sale and Purchase Agreement which contains the terms on which Augusta Industrial No.1 will acquire Tidal Road. The key features of the Sale and Purchase Agreement are set out below.

Consideration	\$48,834,674 plus GST (if any) (subject to adjustment to reflect an initial yield of 4.825% from the initial rent to be paid by Hancocks and AutoPacific (or the Vendor's rental underwrite if applicable)).
Settlement	Settlement is the later of 30 September 2021 and the date 10 working days after project completion of the development (achieved when an independent engineer certifies that the development works are complete, all code compliance certificates have been issued, the Hancocks lease (and the Vendor's underwrite lease, if applicable) at Tidal Road has commenced, and the bank guarantee issued in respect of Hancocks' obligations (and in respect of the Vendor's rental underwrite, if applicable) at Tidal Road has been provided to Augusta Industrial No.1).
Code Compliance Certificates	Prior to Settlement, the Vendor is required to obtain all code compliance certificates under the Building Act 2004 in respect of the development works. Augusta Industrial No.1 is not required to settle the purchase of Tidal Road until all code compliance certificates for the development works have been obtained by the Vendor.
Sunset Date	If the Vendor has not achieved practical completion of the development works and project completion of the development by 31 December 2021 (subject to extension in relation to project completion), Augusta Industrial No.1 has the ability to cancel the Sale and Purchase Agreement. The Vendor has the ability to extend the sunset date to achieve project completion to 31 March 2022 (provided that it must have completed the development works prior to 31 December 2021 in order to qualify for the extension).

The Tenants

Tidal Road will be tenanted by Hancocks and AutoPacific.⁹

Hancocks

Hancocks are a leading beverage distributor that is 100% New Zealand family owned and operated. The business was established in 1859 and was purchased by the current owners in 1991.

Hancocks are the exclusive NZ distributors for a large number of well-known spirit brands including Jack Daniel's, Finlandia Vodka, Remy Martin Cognac, St Remy Brandy, Cointreau, Mount Gay Rum and Jägermeister; and wine brands including Allan Scott, Brookfields Vineyards, Lake Chalice, Piper & Charles Heidsieck, and Pol Roger Champagnes. They also distribute beer brands such as Deep Creek Brewing, glassware from Eisch and the Lindr beer dispensing system. Their customer base includes supermarkets, liquor stores, bars and restaurants.

Augusta Industrial has carried out due diligence on Hancocks and considers it to have strong financial standing. This included reviewing private historical and forecast financial information provided by the company, meeting with the Chief Financial Officer and reviewing publicly available information. The company was able to trade throughout all COVID-19 Alert Levels.

AutoPacific

AutoPacific are a market leader in vehicle accessories and towing solutions. The AutoPacific Group was established in 1951 and has approximately 600 employees with facilities in New Zealand, Australia, Thailand and representation in Japan and China. AutoPacific is obliged to provide a bank guarantee for an amount equivalent to six months' rent and outgoings plus GST.

(9) In the event that the AutoPacific lease has not commenced by Settlement (or is terminated prior to Settlement), the Vendor is required to provide a rental underwrite in respect of the tenancy, which would be provided on the same key lease terms as the AutoPacific lease (as set out in the table on the following page) for 4 years from Settlement (save that the initial annual rent is fixed at \$338,321 per annum and the Vendor will not have any rights of renewal).

Augusta Industrial and what it does (cont.)

Section 2

Key Lease Terms

Tenants	Current rent per annum	Expiry Date of Current Term	Rights of Renewal	Rent Reviews	Security	Other Material Terms
Hancocks Wine, Spirit and Beer Merchants Limited	\$2,017,952.00 (subject to adjustment following final measure of the Hancocks premises upon development completion)	12 years from development completion	2 × 5 years	Annual fixed increases of 2.5%. Market rent reviews on the 4th & 8th anniversary, and on renewal dates. At market reviews, rent not to fall below rental level set 24 months prior.	A bank guarantee for an amount equivalent to six months' rent and outgoings plus GST	Hancocks has the ability to terminate its lease in the event that practical completion of its premises has not been reached by 31 May 2022
AutoPacific New Zealand Limited	\$338,321.00 (subject to adjustment following final measure of the AutoPacific premises upon development completion)	4 years from 1 October or development completion (whichever is later)	2 × 3 years	Annual fixed increases of 2.5%.	A bank guarantee for an amount equivalent to six months' rent and outgoings plus GST	AutoPacific has the ability to terminate its lease in the event that practical completions of its premises has not been reached by 20 December 2021 or if the final measure of the premises is 10% more or less than the estimated area).
Total	\$2,356,273.00 (subject to adjustment following final measure of the Hancocks and AutoPacific premises upon development completion)					

Financial standing

The Manager completes due diligence on the financial standing of all new tenants and actively monitors tenant rental payment performance of all tenants within the Industrial Portfolio. The Manager is not aware of any material risk to Augusta Industrial in respect of the ability of the tenants of the properties to meet the rental payment obligations under the leases. A number of tenants have provided bank guarantees, security deposits or parent company/personal guarantees.

The Existing Properties

Below are brief descriptions of the Existing Properties.

All fair value references have been extracted from the FY21 financial statements of Augusta Industrial, which are available on the Offer Register at <https://disclose-register.companiesoffice.govt.nz/>. The fair values contained in the FY21 financial statements of Augusta Industrial reflect independent valuations of the Existing Properties obtained by Augusta Industrial for the purposes of its FY21 financial statements. Given the circumstances of COVID-19, the valuers have had regard to a range of inputs and market evidence in coming to their opinion of "market value". There may be a greater range around their opinion of "market value" than would normally be the case and values and incomes may change more rapidly and significantly than during standard market conditions.

Augusta Industrial provided abatement or rental relief of approximately \$1 million to 33 tenants in FY21 as a result of COVID-19 related lockdowns, representing less than 5% of the Industrial Portfolio's rental income in FY21. As at 11 May 2021, there are no tenants receiving any rental relief or abatement.

Augusta Industrial and what it does (cont.)

Section 2

510 Mt Wellington Highway, Mount Wellington, Auckland

Prime position with multiple tenants

This substantial 3-hectare industrial property is located in the middle of the sought after Auckland industrial suburb of Mount Wellington. In a prominent and high-exposure position with three road frontages it is only 800m from New Zealand's largest shopping centre Sylvia Park and 300m from the motorway interchange. It is comprised of one large 9,086m² warehouse, one smaller 1,233m² warehouse, both with a two-level office and amenities blocks and a Z Energy service station. A portion of surplus land, which the Manager considers could potentially be developed, is positioned to the eastern side of the site towards Carmont Place.

The property is leased to a variety of well-known tenants including multinational automotive parts supplier Repco, major infrastructure construction company McConnell Dowell Construction Limited and the Australian owned and operated ASX listed software distributor Dicker Data NZ Limited.

Purchase Price	\$37,950,000 plus GST (if any)
Fair value as at 31 March 2021	\$56,500,000
Passing Rent per annum	\$2,752,185
WALT	3.67 years (as at 31 March 2021) ⁸
Augusta Industrial acquisition date	28 March 2019
Occupancy	100%
Land area	30,845m ²
Net lettable area	21,183m ²
Seismic rating	An Initial Seismic Assessment (ISA) has been carried out on the property. The ISA, dated October 2018, provides that the buildings scored between 100% to 180% NBS
Tenants	McConnell Dowell Construction Limited, GPC Asia Pacific Limited (Repco), Dicker Data NZ Limited and Z Energy Limited

Boundary lines indicative only.



(10) A lease extension for Repco was approved by the Board and signed by the tenant prior to 31 March 2021 and signed by Augusta Industrial in April 2021.

Augusta Industrial and what it does (cont.)

Section 2

116-152 Swanson Road, Henderson, Auckland

5.6 hectares with 4 tenants and surplus land for future upside

A substantial 5.6-hectare property with an extensive 192m of road frontage to one of Henderson's main vehicular thoroughfares of Swanson Road. The property is comprised of two well-presented main structures leased to four established tenants. An industrial building which has been extensively refurbished and modernised provides both high stud and medium stud warehousing and a substantial freestanding high stud warehouse completed in 2011 is located directly at the road frontage. A portion of surplus land, which the Manager considers could be developed, is positioned to the North-Western periphery of the property.

Purchase Price	\$36,360,000 plus GST (if any)
Fair value as at 31 March 2021	\$47,350,000
Passing Rent per annum	\$2,570,583
WALT	4.53 years (as at 31 March 2021)
Augusta Industrial acquisition date	28 March 2019
Occupancy	100%
Land area	56,033m ²
Net lettable area	25,636m ²
Seismic rating	An Initial Seismic Assessment (ISA) has been carried out on the property. The ISA, dated October 2018, provides that the buildings achieve the following ratings: <ul style="list-style-type: none"> • Building 1 & 3 (Original Warehouse and Gym) = 70% NBS • Building 2 (Warehouse Extension) = 140% NBS • Buildings 4 & 5 (New Warehouse and Small Office) = 100% NBS
Tenants	United Corporation Limited, Caprice NZ Limited, Blue Star Group (New Zealand) Limited and ZP Fitness Limited

Boundary lines indicative only.



Augusta Industrial and what it does (cont.)

Section 2

12 Brick Street, Henderson, Auckland

Impressive modern industrial property on a 2ha site with at least 7 years remaining on a lease to D&H Steel

Constructed in 2010, this property offers high stud warehouse and manufacturing facilities and high-quality office and amenities over two levels. The substantial 2 hectare site is approximately 2.5 kilometres north west of Henderson town centre and approximately 17.5 kilometres west of Auckland's Central Business District. In Augusta Industrial's opinion this is one of Auckland's premium industrial buildings. Tenanted by D&H Steel (since completion) a company established over 40 years ago and one of New Zealand's largest structural steel fabricators.

The initial lease term has 12 years remaining (or seven years if the tenant's break clause is exercised) with rights of renewal until 2053.

Purchase Price	\$22,360,000 plus GST (if any)
Fair value as at 31 March 2021	\$31,700,000
Passing Rent per annum	\$1,546,408
WALT	7.01 years (as at 31 March 2021, assuming the tenant exercises the break clause)
Augusta Industrial acquisition date	15 June 2018
Occupancy	100%
Site area	19,876m ²
Net lettable area	12,037m ²
Seismic rating	An Initial Seismic Assessment (ISA) has been carried out on the property. The ISA, dated February 2018, assesses the property as having the following seismic ratings: <ul style="list-style-type: none">• Workshop building = 150% NBS• Office building = 124% NBS
Tenants	D & H Steel Construction Limited

Boundary lines indicative only.



Augusta Industrial and what it does (cont.)

Section 2

20 Paisley Place, Mt Wellington, Auckland

Well located industrial property with a long
Triple Net Lease to a national tenant

A substantial industrial property well located in the established industrial suburb of Mount Wellington. The property incorporates high demand cool store and distribution facilities. The property is tenanted by Icepak Limited with 10 years remaining on the current lease term, rights of renewal until 2043 and annual rental growth fixed at 2% pa. The lease is structured as a triple net lease which means the tenant is responsible for all operating and capital expenditure during the term of the lease insulating Augusta Industrial from liability save for an obligation to apply any insurance proceeds received towards repairing any damage or destruction of the property). Icepak is a storage and logistics business and is a subsidiary of Hall's Group Limited which has been in business for 40 years and guarantee Icepak's obligations under the lease.

Purchase Price	\$25,384,615 plus GST (if any)
Fair value as at 31 March 2021	\$31,500,000
Passing Rent per annum	\$1,743,180
WALT	10.67 years (as at 31 March 2021)
Augusta Industrial acquisition date	15 June 2018
Occupancy	100%
Land area	13,630m ²
Net lettable area	7,812m ²
Seismic rating	An Initial Seismic Assessment (ISA) has been carried out on the property. The ISA, dated December 2017, assesses the property as having the following seismic ratings: <ul style="list-style-type: none">• Coolstore building = 113% NBS• Office building = 150% NBS
Tenant	Icepak Limited

Boundary lines indicative only.



Augusta Industrial and what it does (cont.)

Section 2

5 & 21 Beach Road, Otahuhu, Auckland

Well located heavy industrial property with long term leases to established tenants

A substantial 4.1ha industrial complex well located in a prominent corner position within the heavy industrial precinct of Otahuhu with established long term tenants. The property offers easy access to all major motorway systems, in particular, the southern and south western motorways, and is in close proximity to the Manukau CBD and Auckland Airport. The property comprises two main factory warehouses, together with adjacent warehouse dispatch areas, warehouse offices and amenities and yard areas. A two-level office building is provided to the Beach Road frontage of 21 Beach Road.

5 Beach Road is leased to Fletcher Steel, New Zealand's leading importer, distributor and processor of steel, with over 10 years remaining on its current lease term. 21 Beach Road is leased to Pacific Steel, New Zealand's only manufacturer of wire rod, reinforcing bar and coil products on a 7 year term expiring in June 2026 with the benefit of fixed 2.5% per annum annual rent reviews.

Purchase Price	\$25,650,000 plus GST (if any)
Fair value as at 31 March 2021	\$31,500,000
Passing Rent per annum	\$1,920,508
WALT	7.17 years (as at 31 March 2021)
Augusta Industrial acquisition date	28 March 2019
Occupancy	100%
Land area	41,074m ²
Net lettable area	22,757m ²
Seismic rating	Detailed Seismic Assessment's (DSAs) have been carried out on the property. The DSAs, dated March 2014, provide that the buildings achieved ratings at or in excess of 100% NBS
Tenants	Pacific Steel (NZ) Limited and Fletcher Steel Limited

Boundary lines indicative only.



Augusta Industrial and what it does (cont.)

Section 2

27-29 Neales Road, East Tamaki, Auckland

Large high stud warehouse in the heart of a prime industrial precinct with heavy industrial zoning

This well-presented property is situated in a sought-after and established location, in the heart of East Tamaki, one of Auckland's premier industrial areas. The property comprises a large industrial steel store, with an architecturally designed office situated to the road frontage of the property.

The property benefits from desirable heavy industrial zoning and is well-connected with excellent access to the Southern Motorway via the Highbrook Drive interchange. The property is tenanted by one of the largest privately owned steel distributors in Australasia, Vulcan Steel, with 600 staff across around 20 sites located throughout New Zealand and Australia. The property was purpose built for Vulcan Steel in 1996, with further extensions added in 1997 and 2001. The property remains Vulcan Steel's head office in New Zealand.

Purchase Price	\$25,223,809 plus GST (if any)
Fair value as at 31 March 2021	\$29,100,000
Passing Rent per annum	\$1,340,000
WALT	6.25 years (as at 31 March 2021)
Augusta Industrial acquisition date	11 November 2019
Occupancy	100%
Site area	16,019m ²
Net lettable area	11,016m ²
Seismic rating	An Initial Evaluation Procedure (IEP) has been carried out on the property. The IEP, dated 8 May 2015, provides that the building achieves 100% NBS
Tenants	Vulcan Steel Limited

Boundary lines indicative only.



Augusta Industrial and what it does (cont.)

Section 2

862–864 Great South Road, Penrose, Auckland

Prime industrial location with lease to multi-national tenant and development potential

Located in arguably New Zealand's pre-eminent industrial precinct, and bordered by the main arterial Great South Road and the Southern Motorway, this substantial property benefits from sought-after heavy industrial zoning and provides both income and a development opportunity.

The property is tenanted by Graphic Packaging, a subsidiary of the NYSE listed company,⁽¹⁾ with 5.75 years remaining on the current lease term and rights of renewal until 2034. Rental growth is provided through a mix of fixed 3.5% per annum and 4 yearly market reviews from 2023.

The rear section of the property was significantly refurbished in 2019 including construction of a new office, new roof and canopy.

Land in the Penrose precinct is scarce and a development or sale opportunity of circa 4,893m² remains for a portion of the site fronting Great South Road.

Purchase Price	\$19,050,000 plus GST (if any)
Fair value as at 31 March 2021	\$26,400,000
Passing Rent per annum	\$1,126,061
WALT	5.75 years (as at 31 March 2021)
Augusta Industrial acquisition date	15 June 2018
Occupancy	100%
Site area	19,187m ²
Net lettable area	9,541m ²
Seismic rating	An Initial Seismic Assessment (ISA) has been carried out on the property. The ISA, dated 2 March 2016, assesses the property as having a seismic rating of 75% NBS
Tenant	Graphic Packaging International New Zealand Limited

Boundary lines indicative only.



(11) The obligations of Graphic Packaging International New Zealand Limited are guaranteed by its Australian holding company, Graphic Packaging International Australia Pty Limited, but not by the NYSE listed Graphic Packaging Holding Company.

Augusta Industrial and what it does (cont.)

Section 2

265 Albany Highway, Rosedale, Auckland

Multi-let property with surplus land with long standing tenants

This industrial property comprises four modern standalone buildings situated within the established North Harbour Industrial Estate, well located along the eastern side of the Albany Highway.

The tenancies include a large purpose-built industrial premise with impressive offices which is the home of anchor tenant Good Health, an established company that manufactures and distributes a range of health-related products. With a showroom/workshop premises leased to Stihl, a café, and a childcare facility also on site, the property benefits from the split-risk provided through five tenants.

There is an area of surplus land to the rear of the Good Health building which currently forms part of the Good Health lease area, but the Manager considers could be developed in the future subject to tenant demand and financial viability.

Purchase Price	\$20,100,000 plus GST (if any)
Fair value as at 31 March 2021	\$23,800,000
Passing Rent per annum	\$1,303,188
WALT	2.74 years (as at 31 March 2021)
Occupancy	100%
Augusta Industrial acquisition date	28 March 2019
Land area	16,917m ²
Net lettable area	5,633m ²
Seismic rating	An Initial Seismic Assessment (ISA) has been carried out on the property. The ISA, dated October 2018, provides that all four buildings scored at or above 100% NBS
Tenants	Good Health Products Limited, Albany OPE Limited, Panda Internet Café, LMZ Childcare Limited and Caffè E Cucina Limited

Boundary lines indicative only.



Augusta Industrial and what it does (cont.)

Section 2

48 Honan Place, Avondale, Auckland

Sought-after industrial location with modern high stud warehousing and established tenant

Situated just off Rosebank Road, the property is located in the established industrial area of the Rosebank Peninsula. The area is one of the closest high density industrial precincts to the Auckland Central Business District and is therefore a sought-after location for industrial occupiers. The location is further enhanced by good access to key transport links including the Waterview tunnel which provides easy access to South Auckland and the Auckland Airport. The property itself comprises two main warehouses purpose built for TCI in 1995 and 2015, TCI are one of the largest privately owned injection moulding companies in New Zealand with a track record spanning 30 years. The property provides modern quality high stud warehousing and is well serviced by hard stand yard, with vehicle parking available around the perimeter of the building.

Purchase Price	\$16,650,000 plus GST (if any)
Fair value as at 31 March 2021	\$20,650,000
Passing Rent per annum	\$925,000
WALT	6 years (as at 31 March 2021)
Augusta Industrial acquisition date	9 December 2019
Occupancy	100%
Site area	15,463m ²
Net lettable area	8,466m ²
Seismic rating	An Initial Evaluation Procedure (IEP) has been carried out on the property. The IEP, dated 23 November 2017, provides that the buildings achieved 100% NBS
Tenants	T.C.I. New Zealand (1995) Limited

Boundary lines indicative only.



Augusta Industrial and what it does (cont.)

Section 2

The Hub, Seaview, Wellington

17-23 Toop Street, 25 Toop Street, 109-117 Port Road and 101-103 Port Road, Seaview, Wellington

Logistics facility on 5ha of land with 13 national and global tenants

This multi-tenanted warehouse and distribution facility is located in Seaview, Wellington's largest industrial area which attracts a wide range of tenants, particularly distribution and logistics occupiers. The property has 13 national and global tenants including Fujitsu, Linfox Logistics, Toll and Downer providing diversification of income.

Purchase Price	\$44,900,000 plus GST (if any)
Fair value as at 31 March 2021	\$52,550,000
Passing Rent per annum	\$2,477,434
WALT	2.92 years (as at 31 March 2021)
Augusta Industrial acquisition date	15 June 2018
Occupancy	80%
Land area	52,756m ²
Net lettable area	39,569m ²
Seismic rating	A Detailed Seismic Assessment (DSA) has been completed on the four building on site. The DSA, dated December 2017, has assessed the buildings as follows: <ul style="list-style-type: none"> • 25 Toop Street = 80% NBS • 109-117 Port Rd = 75% NBS • 17 Toop Street = 90% NBS • 101 Port Rd = 70% NBS
Tenants	Downer Utilities Alliance New Zealand Limited, Linfox Logistics (N.Z.) Limited, Fujitsu General New Zealand Limited, Tiger Construction NZ Limited, Orangebox Limited, Just Water International Limited, Tasman Liquor Company Limited, Toll Logistics (NZ) Limited, Jets Transport Limited, PBT Transport Limited, Nature Pac Limited, Streamline Auto Solutions Limited and Ceres Group Holdings Limited

Boundary lines indicative only.



Augusta Industrial and what it does (cont.)

Section 2

Castle Rock Business Park, Mary Muller Drive, Hillsborough, Christchurch

Large 7.95ha modern industrial park with 15 tenants

Strategically located in the popular eastern industrial suburb of Hillsborough, both near the Lyttelton Port and only 10 minutes from the Christchurch CBD, Castle Rock is an established corporate park for industrial tenants.

Built in stages from the early 2000s, its impressive appearance has attracted 15 well known tenants across the 13 buildings providing diversification of income. Key tenants include Johnson Controls, Wormald, Xtend-Life, Macpac and Kiwi Labels. Value add opportunities also exist as the low 41% site coverage allows for further development and the single title is currently being subdivided into five lots to provide greater long term flexibility.

Purchase Price	\$53,758,095 plus GST (if any)
Fair value as at 31 March 2021	\$57,200,000
Passing Rent per annum	\$4,214,790
WALT	2.24 years (as at 31 March 2021)
Augusta Industrial acquisition date	28 March 2019
Occupancy	100%. Under the terms of the sale and purchase agreement, Castle Rock Properties Limited, the vendor, agreed to provide an underwrite of the vacant space at 10a Chapmans Road plus 27 carparks for 3 years from settlement. This underwrite expires 28 March 2022
Site area	79,456m ²
Net lettable area	33,527m ²
Seismic rating	The various buildings at Castle Rock have ratings ranging from 67% to 100% of NBS
Tenants	Tyco Electronics New Zealand Limited ⁽¹²⁾ , Xtend-Life Natural Products (Intl) Limited, Macpac New Zealand Limited, Kiwi Labels Limited, TSB Living Limited, Longbeach Holdings Limited, Tyco New Zealand Limited (known as Wormald), Assembly Specialists Limited, Nood Trading Limited, Tyco New Zealand Limited (known as Johnson Controls), Contec Group International Limited, Apparel and Merchandising Solutions Limited, Elgas Limited, Asaleo Care New Zealand Limited and Castle Rock Coffee Limited

Boundary lines indicative only.



(12)As at the date of this PDS, Tyco Electronics New Zealand Limited has requested consent from Augusta Industrial to assign its lease. Subject to Augusta Industrial completing financial due diligence on the proposed assignee and other terms being agreeable to Augusta Industrial, the lease may be assigned before the Offer closes.

Augusta Industrial and what it does (cont.)

Section 2

2.5 The industrial property market

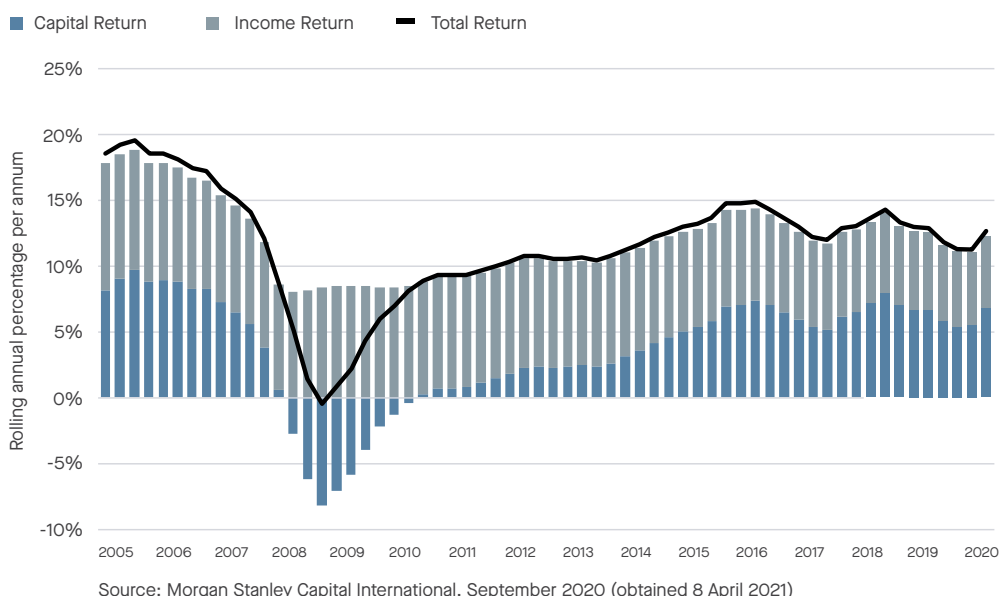
Duncan Ross, Chief Operating Officer of Bayleys Realty Group Limited, has provided the following Bayleys Research commentary on the recent performance of the industrial property market.

Industrial Property Market Overview

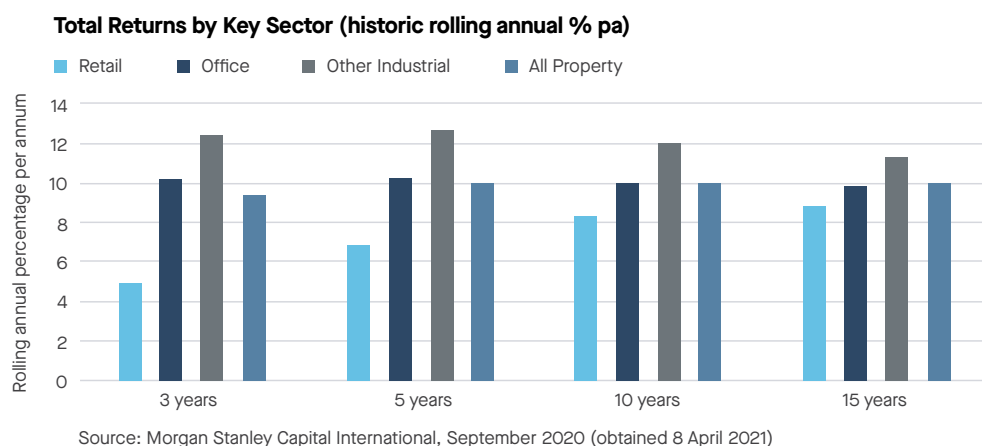
The latest data released by MSCI shows New Zealand industrial investment property market has continued to perform strongly, recording a total return of 12.4% over the 12-month period to September 2020.

Capital returns account for approximately 50% of the total return, reflecting ongoing compression of yields and upward pressure on rentals. This is more evident in prime quality property.

Investment Returns NZ Industrial Property



The industrial sector has again outperformed the commercial office and retail sectors which have produced annual returns of 8.3% and 3.1% respectively over the year to September 2020. The latest results show a continuation of the long term trend which has seen the industrial sector generating higher returns than the other two major market sectors over the past 3, 5, 10 and 15 years.



Outlook

Investors in the industrial sector continue to be attracted to its resilient and robust characteristics, with demand for industrial space and development land remaining strong. This demand from both investors and occupiers combined with the limited new supply, historically low interest rates and low vacancy will continue to drive competition for industrial assets.

Although general market sentiment was impacted by March 2020's Alert Level Four and subsequent lock downs, industrial yields have continued to tighten considerably in comparison to the "pre-COVID" environment. This yield compression, all other things being equal, will support further price increases in the coming period.

Augusta Industrial and what it does (cont.)

Section 2

2.6 Augusta Industrial's Loan Facility

Augusta Industrial has a syndicated Loan Facility provided by ASB and Westpac and has credit approved offers for an extension to this facility. The key terms of the credit approved offers Augusta Industrial intends to proceed with are:

Facility type	Interest only.
Facility limit	\$145,000,000 with the following participations: ASB: \$72,500,000 Westpac: \$72,500,000
Interest rate	Base rate plus margin.
Base rate	The greater of BKBM Bid (Bank Bill Benchmark Rate) for the selected interest period or 0% (a zero floor applies). Interest rate swap agreements may be entered into to fix the base rate on a portion of the borrowings for a period of time. The portion of borrowings that is fixed will be regularly reviewed by Augusta Industrial.
Margin	Tranche A: 1.20% per annum Tranche B: 1.26% per annum
Line fee	Payable on the total facility limit: Tranche A: 0.80% per annum Tranche B: 0.84% per annum
Term	Tranche A: expires 29 April 2023 Tranche B: expires 29 April 2024
Security	First ranking general security deed over all assets and undertakings of Augusta Industrial and its subsidiaries. First ranking mortgages over the titles to all properties. Guarantees from all Augusta Industrial subsidiaries.
Ranking	Bank borrowings rank in priority to the Shares and the Subordinated Loan (if drawn).
Personal guarantee	No personal guarantee applies. The loan is non-recourse in respect of Shareholders.
Key covenants	Interest cover ratio EBIT adjusted for unrealised gains and losses is to be at least 2.0 times interest expense. Loan to value ratio The ratio of all outstanding borrowings to the value of all properties is to be no more than 50%. Augusta Industrial has not breached any of the key covenants of its existing syndicated Loan Facility.
Events of default and review	Standard for a facility of this nature (including a breach of the above covenants).



Augusta Industrial and what it does (cont.)

Section 2

2.7 Directors of Augusta Industrial

Augusta Industrial is overseen by a board of directors that is led by Mark Petersen as Chair. The members of the Board are:



Mark Petersen
Chair

Dip Urb Val

Mark is a professional director and corporate adviser who has worked in the commercial property sector for the past 35 years. Mark was Managing Director of NZX listed Shortland Properties Limited from 1989 to 1999. He is currently an advisory Board member for Te Tumu Kainga, a trust administered by the Maori Trustee for the provision of affordable housing. Mark is also an Independent Director of Tainui Group Holdings Limited.



Mark Francis

BCom (Fin)

Mark is the CEO of Centuria NZ. Mark has a Bachelor of Commerce in Finance from the University of Otago and has a background in finance and property in roles with Hendry Hay MacIntosh, Force Corporation Limited and Village Roadshow Australia Pty Limited. Mark formed Augusta Group Limited in 2001 and began property syndication through Centuria NZ (previously named Augusta Funds Management Limited) in 2003.



Mike Steur

DipVal, FPINZ (Life),
FRICS, FAPI, MAICD

Mike is a Sydney-based professional director who has more than 35 years' experience in property, spanning valuation, asset management and advisory within New Zealand, Australia, the Pacific Islands and across Asia.

He has previously held senior executive roles at CBRE and was previously Chair of the Royal Institution of Chartered Surveyors Global Valuation Professional Group. Mike is an experienced non-executive director, currently serving on the boards of BWP Management Limited, Dexu Wholesale Property Fund and Dexu Healthcare Property Fund. He was also previously a director of Kiwi Property Group Limited, retiring in June 2020.

Augusta Industrial and what it does (cont.)

Section 2



Jason Huljich

BCom (Commercial Law)

Jason became the CNI Joint CEO in June 2019 after previously leading CNI's Real Estate and Funds Management business. Jason was also a founding director and major shareholder in boutique funds manager Century Funds Management, which was established in 1999 and acquired by Over Fifty Group in July 2006. He is an Executive Director of CNI. In his role he is responsible for providing strategic leadership and ensuring the effective operation of CNI's real estate portfolio and funds management operations.

Jason has extensive experience in the commercial property sector, with specialist skills in property investment and funds management. He is also past President of the Property Funds Association (PFA), which represents the A\$125 billion direct property investment body in Australia and continues to serve on their national executive.



John McBain

(Alternate director for Jason Huljich)

Dip Urb Val

John joined the CNI Board (formerly Over Fifty Group) on 10 July 2006. He was appointed as Chief Executive Officer of the Over Fifty Group in April 2008 and serves as Joint CEO with Jason Huljich. John was also a founding director and major shareholder in boutique funds manager Century Funds Management, which was established in 1999 and acquired by Over Fifty Group in July 2006. John is also a director of Asset Plus Limited in New Zealand.

Prior to forming CNI, John held senior positions in a number of property development and property investment companies in Australia, New Zealand and the United Kingdom.



Bryce Barnett

(Alternate director for Mark Francis)

Chartered Accountant, FCA, F.PINZ, MNZM

Bryce's career started as a Chartered Accountant for the Inland Revenue before becoming Chief Accountant of the Moller Group of Companies. Bryce went on to form his own company, KCL, in 1994, which was acquired by Augusta in 2014. His property experience over the last 47 years includes; commercial, industrial, large format retail and residential development and investment in New Zealand and Brisbane, Australia.

In 2017, Bryce was awarded both a Chartered Accountants Fellowship and is a Member of the New Zealand Merit for recognition of his contribution to governance and philanthropy.

The directors of Augusta Industrial are also directors of the Manager and Mike Steur is Chair of the board of the Manager. John McBain and Jason Huljich are also directors of the Underwriter.

Augusta Industrial and what it does (cont.)

Section 2

2.8 The Manager

Augusta Industrial is managed by Centuria NZ. The Manager is a wholly-owned subsidiary of CNI, an ASX listed specialist investment management company with approximately A\$10.5 billion of assets under management (including the Manager's assets under management), increasing to A\$15.5 billion of assets under management when CNI acquires ASX-listed Primewest Group.

With over 20 years' experience in helping investors grow their wealth, CNI provides a range of innovative investment opportunities including listed and unlisted property funds as well as tax effective investment bonds. CNI buys, actively manages and sells commercial and industrial property. The Manager has an experienced New Zealand based management team who provide a wide range of management services including asset management, development and project management, treasury and financial management, and legal and compliance services. The Manager has assets under management of approximately NZ\$2.2 billion.

The key senior managers of the Manager collectively have considerable property expertise with experience in property development, facilities, asset management, property investment, business administration, accounting and banking. Further detail on the experience and background of these people is set out below.

Key Personnel of the Manager

The personnel of the Manager who will be responsible for the management of Augusta Industrial, alongside the board of Centuria NZ, are:

Name	Role	Bio
Ben Harding BCom (Finance) and MA (Property Valuation and Law), MRICS	Ben is Augusta Industrial's dedicated Fund Manager at Centuria NZ, responsible for strategically managing the Industrial Portfolio.	Ben has a Masters in Property Valuation and Law from London City University and is a qualified member of the RICS and REAA. Immediately prior to joining Centuria NZ in 2018, Ben worked for Stride Property where he was responsible for the strategic asset management of its office property portfolio.
Mark Madigan BCom (Accounting and Marketing) / BCom (Hons) (Accounting), Chartered Accountant	Mark is Financial Controller at Centuria NZ. Mark is responsible for financial reporting, compliance, tax and treasury management for the Industrial Portfolio.	Mark joined Centuria NZ in 2018 following Financial Controller roles at Airwork and Property For Industry. Prior to this, Mark was an Associate Director in the institutional banking client coverage team at Commonwealth Bank of Australia.
Joel Lindsey BProp (Real Estate) / BA (Geography)	Joel is Head of Funds Management and provides strategic oversight of the Industrial Portfolio and transactional activity, including oversight of due diligence for acquisitions.	Prior to his return to New Zealand in 2014, Joel worked at Aviva Investors in the UK where he worked his way from Analyst to Fund Manager and ultimately held the position of Senior Director – Real Estate. In that position, he was responsible for management of the £4 billion Aviva Life & Pensions real estate investment portfolio. On his return to New Zealand, Joel has worked at Panuku Development Auckland and was the Head of Business Development and Project Director. Joel joined Centuria NZ in 2018.
Simon Woollams BCom (Accounting), Chartered Accountant	Simon is Chief Operating Officer and oversees all operations of the Manager. In respect of Augusta Industrial, this includes oversight of financial performance and capital management initiatives.	Simon joined Centuria NZ in 2007 and was most recently the Chief Financial Officer until 2021. He is a Chartered Accountant and has a strong financial background, including roles with BDO and ANZ Bank in the property and finance teams, and has experience from the UK.

Augusta Industrial and what it does (cont.)

Section 2

2.9 Summary of the Management Agreement

The key terms of the Management Agreement (including fees) were set having regard to what the Manager and Augusta Industrial considered appropriate and industry benchmarks for listed property funds. The key terms of the Management Agreement between Augusta Industrial and the Manager are:

Manager	Centuria Funds Management (NZ) Limited
Term	The term of the Management Agreement runs until Augusta Industrial is wound up in accordance with the Companies Act 1993 and Augusta Industrial's constitution, unless terminated earlier as set out below.
Termination	<p>The Management Agreement will be able to be terminated in the following situations:</p> <ul style="list-style-type: none"> • Augusta Industrial may terminate the agreement without cause or reason provided that six months' notice is given to the Manager and the termination is approved by a Special Resolution of shareholders (which the Manager and its related parties cannot vote on). • The Manager may terminate the agreement if it gives Augusta Industrial not less than 12 months' notice in writing that it wishes to terminate the agreement. • The Management Agreement will be automatically terminated on the occurrence of certain events, for example if the Manager or Augusta Industrial was insolvent. • Augusta Industrial may terminate the agreement if the Manager is in material breach of the agreement and the Manager fails to cure that breach within 30 business days, provided that the termination is approved by a Special Resolution of shareholders. The Manager and its related parties cannot vote on this resolution. <p>If the Management Agreement is terminated without cause and supported by a Special Resolution, Augusta Industrial must pay the Manager a sum equal to 30% of the aggregate of all fees paid to the Manager by Augusta Industrial in the preceding 5 years before termination. No termination fee is payable where the Management Agreement is terminated in any other scenario.</p>
Management Duties	<p>Investment Management Duties</p> <ul style="list-style-type: none"> • Maximising the value of Augusta Industrial's investment through the active management of the Industrial Portfolio • Preparing acquisition and divestment proposals for approval of the Board • Arranging funding facilities and present to the Board for approval • Managing financial affairs • Development management <p>Property Management Duties</p> <ul style="list-style-type: none"> • Collection of rents and payment of outgoings • Negotiating rent reviews/assignment/sub-leases • Legal compliance includes building and health & safety laws • Documentation of leases, renewals, variations, rent reviews etc. • Inspection of properties <p>Administrative Management</p> <ul style="list-style-type: none"> • Ensuring compliance with laws • Maintaining statutory records, including share register and Board minutes • Provision of company secretarial services, including keeping minutes of all proceedings • Maintaining accounting and tax records • Preparation of annual financial statements and liaising with external auditor • Preparation of the annual report to shareholders • Preparing and filing all tax returns (GST, PIE, Income tax) • Arranging annual valuations <p>Investor Relations</p> <ul style="list-style-type: none"> • Reporting quarterly to shareholders on Augusta Industrial's performance • Responding to all investor queries • Arranging annual shareholder meetings <p>Bayleys Property Services Limited will be appointed to provide day to day property and facilities management services.</p>

Augusta Industrial and what it does (cont.)

Section 2

Sub-contracting/assignment	<p>The Manager's obligations may be sub-contracted but the Manager remains liable for those obligations.</p> <p>Assignment of the Manager's rights and obligations is permitted with the consent of Augusta Industrial, which is not to be unreasonably withheld.</p>	
Limitation of liability	<p>The Manager will not be liable for any reduction in:</p> <ul style="list-style-type: none"> the amount of the dividend paid by Augusta Industrial; or any loss in value of Augusta Industrial or a reduction in Augusta Industrial's share price, <p>as a result of matters outside the control of the Manager, unless such loss is a direct result of the Manager materially breaching its obligations under the Management Agreement.</p>	
Related Party Transactions	<p>Augusta Industrial and the Manager will not enter into any transactions with related parties unless approved by an Ordinary Resolution, except for:</p> <ul style="list-style-type: none"> Any underwriting agreement entered into with Centuria Capital NZ or any of its related parties provided the underwriting fee does not exceed 3% of the equity that is being underwritten; or Any acquisition by Augusta Industrial of any property owned by Augusta Industrial's related parties provided the purchase price payable by Augusta Industrial does not exceed the amount determined by an independent valuer. <p>If Augusta Industrial becomes listed, any related party transactions and voting restrictions will be governed by the NZX Listing Rules.</p>	
Fees	<p>Centuria NZ is entitled to be paid the following fees under the Management Agreement:</p> <ul style="list-style-type: none"> An annual management fee; An annual property management fee; A performance fee; Certain transaction fees, as described in more detail below. 	
Management Fee	<p>A management fee of 0.50% per annum of the total average value of all tangible assets under management up to \$0.5 billion plus GST and 0.40% per annum of the total average value of any tangible assets under management above \$0.5 billion plus GST.</p>	
Property Management Fee	<p>A fee equal to 1.5% per annum of the gross rental income from any properties owned by Augusta Industrial and its subsidiaries plus GST. This fee is recoverable from tenants where permitted under the relevant lease.</p>	
Performance fee	<ul style="list-style-type: none"> 10% of shareholder returns above 10% per annum and capped at 15% per annum. Where the returns are capped, the excess is carried forward to the next calculation of performance fees. While unlisted, the performance fee is calculated annually by reference to the shareholder returns over the 12 month period ending on 31 March in each calendar year including gross distributions paid during the financial year and the change in net tangible assets per Share as calculated by reference to the audited financial statements for that financial year. Any performance fee is payable (in cash, or Shares if agreed by Augusta Industrial and the Manager) once Augusta Industrial is listed. If listed the performance fee will be calculated quarterly by reference to the change in Augusta Industrial's share price and distributions made in the quarter. Where shareholder returns are less than 10% per annum, then the deficit is also carried forward and taken into account in the next calculation of performance fees. Any calculation of whether a performance fee is payable will be reviewed by Augusta Industrial's auditor. 	
Transaction fees	<p><i>Acquisition fees</i></p> <p><i>Sale fees</i></p> <p><i>Leasing fees</i></p> <p><i>Development/capital expenditure fees</i></p>	<p>1% of acquisition price</p> <p>1% of the gross sale price</p> <p>One-off fee of between 5% and 15% of annual gross rental for each new lease arranged or right of renewal exercised depending on the term of the lease and whether a third party or real estate agent is involved in the negotiation.</p> <p>3.5% of the total costs of any development, project or other work of a capital nature where the cost of those works exceed \$50,000.</p> <p>All transaction fees are plus GST (if any).</p>

You can find a copy of the Management Agreement on the Offer Register at <https://disclose-register.companiesoffice.govt.nz/>.

Augusta Industrial and what it does (cont.)

Section 2

Other arrangements and fees between Centuria NZ and Augusta Industrial include:

- Centuria NZ will receive an acquisition fee for the acquisition of Tidal Road of \$488,346.74 (plus GST) (once the acquisition of Tidal Road settles and subject to adjustment following final measure of the premises upon development completion).
- Centuria NZ will receive an administration fee (payable at 2% of the transaction value (plus GST)) for secondary market transfers - further details are set out in Section 6.1.

2.10 Substantial shareholdings and relevant interests held by directors and senior managers

Substantial Shareholders

The table below lists the Shareholders with a relevant interest in 5% or more of the Shares (which is the only class of equity securities on issue) as at the date of the PDS and the Shareholders that are likely to have a relevant interest in 5% or more of the Shares immediately following completion of the Offer.

Name	Nature of the relevant interest	As at the date of the PDS		Immediately following the Offer	
		Number of Shares	Percentage of Shares	Number of Shares	Percentage of Shares ¹
Centuria Capital NZ	Registered holder	19,000,000	10%	25,015,037 ²	10%

Notes:

1. Based on 60,150,375 Shares being issued under the Offer.
2. Centuria Capital NZ has provided a firm commitment to subscribe for \$8 million of Shares (being 6,015,037 Shares, rounded down to the nearest whole Share).
3. CPIPL may subscribe for 5% or more of the Offer Shares under the underwriting agreement entered into with Augusta Industrial.

Director and senior manager shareholdings

The table below lists the directors and senior managers of Augusta Industrial with a relevant interest in Shares (which is the only class of equity securities on issue) as at the date of the PDS and immediately following completion of the Offer.

Director	Nature of the relevant interest	As at the date of the PDS		Immediately following the Offer	
		Number of Shares	Percentage of Shares	Number of Shares	Percentage of Shares ¹
Bryce Barnett	Registered holder as trustee of the Macdonald Family Trust	50,000	0.03%	50,000	0.02%

Notes:

1. Based on 60,150,375 Shares being issued under the Offer.
2. The Board has determined that, for the purposes of the Financial Markets Conduct Act 2013, Mark Francis, Simon Woollams and Joel Lindsey are the senior managers of Augusta Industrial. As at the date of the PDS, no senior manager has a relevant interest in Shares and no senior manager is expected to have a relevant interest in any Shares immediately following the Offer.
3. None of the directors of Augusta Industrial intends to acquire a relevant interest in Shares as part of the Offer, however, trusts of which Bryce Barnett is a trustee only (and not a beneficiary) may choose to subscribe for Shares in the Offer.

2.11 Other equity securities of Augusta Industrial

Under Augusta Industrial's constitution, any other class of equity securities of Augusta Industrial that ranks equally with, or in priority to, the Shares may be issued without a Special Resolution.

Shareholders do not have pre-emptive rights on any new shares to be issued by Augusta Industrial. The Board of Augusta Industrial has the right to issue further shares, on such terms and conditions as it considers are fair and reasonable to Augusta Industrial and its shareholders.

Augusta Industrial and what it does (cont.)

Section 2

2.12 Director remuneration and other benefits

The table below sets out the total remuneration and value of other benefits received by each director of Augusta Industrial during FY21 and expected to be received in FY22 in their capacity as a director of Augusta Industrial from Augusta Industrial or its subsidiaries:

Director	Total remuneration and value of other benefits received in FY21	Expected total remuneration and value of other benefits expected to be received in FY22
Mark Petersen	\$40,000	\$40,000
Mark Francis	Nil	Nil
Mike Steur ¹	\$6,250	\$25,000
Jason Huljich	Nil	Nil
John McBain	Nil	Nil
Bryce Barnett	Nil	Nil

Notes:

1. Mike Steur was appointed to the Board on 1 January 2021, with total remuneration for FY21 paid pro rata for the remaining FY21 period.

Total directors' fees in FY21 were \$87,917 which includes fees paid to Guy French-Wright and Guy Weaver who ceased to be directors on 31 December 2020.

The above fees reflect a policy of Centuria NZ that no employee receive fees for acting as a director of an entity managed by Centuria NZ while they are an employee. Augusta Industrial has no employees as it is fully managed by Centuria NZ.

The particulars of any direct or indirect material interests in Augusta Industrial, or in any agreement entered into on behalf of or in respect of Augusta Industrial, that any director, proposed director, senior manager of Augusta Industrial or proposed senior manager or any person associated with them has and that are material to either the person who has the interest and/or Augusta Industrial are as follows:

- **Management Agreement:** All of the directors of Augusta Industrial are also directors of Centuria NZ which manages Augusta Industrial under the Management Agreement described in Section 2.9. Under the Management Agreement, Centuria NZ receives various management, performance, leasing, sale, acquisition, underwriting and project management fees – further details are set out in Section 2.9.
- **Acquisition Fee:** An acquisition fee of \$488,346.74 (plus GST) is to be paid to Centuria NZ as a result of Augusta Industrial's acquisition of Tidal Road (once the acquisition of Tidal Road settles and subject to adjustment based on the final measure of the property).
- **Underwriting agreement and subordinated loan agreement:** Augusta Industrial has entered into an underwriting agreement and CPIPL has committed to enter into a subordinated loan agreement with Augusta Industrial No.1 if required by Augusta Industrial pursuant to which CPIPL will underwrite or advance up to \$72 million of the \$80 million that is targeted to be raised (in addition to Centuria Capital NZ subscribing for \$8 million of Offer Shares). In the event that the targeted amount of \$80 million is not raised by the Offer close date, CPIPL has committed to subscribe for Shares under the underwriting agreement that will result in it holding (together with its associates) up to 20% of the Shares in Augusta Industrial (the **Shareholding Cap**). Any further shortfall to the targeted amount will be met by CPIPL advancing the Subordinated Loan. If entered into, the key terms of the Subordinated Loan agreement will be:
 - CPIPL will advance Augusta Industrial No.1 up to \$72 million of the \$80 million that is targeted to be raised, less the amount raised by Augusta Industrial under the Offer (including any amount received from CPIPL pursuant to its underwrite but excluding the \$8 million firm commitment from Centuria Capital NZ).
 - The Subordinated Loan is repayable from subscription monies received from Follow-On Offer Shares. It does not otherwise have a repayment date and does not contain financial covenants.
 - CPIPL will receive interest at a rate of 4.75% per annum (in place of cash distributions that would have been payable on Shares acquired under an underwrite), calculated daily and paid monthly on any outstanding balance of the Subordinated Loan.
 - Augusta Industrial's subsidiaries grant security to CPIPL over certain assets, ranking behind the security granted to Augusta Industrial's bank lenders.
 - The Subordinated Loan will rank ahead of the Shares, but behind Augusta Industrial's Loan Facility.

In consideration for agreeing to underwrite the Offer (including by advancing the Subordinated Loan, if required) CPIPL will receive an establishment and underwriting fee of \$2.16 million (calculated at 3% of \$72 million). CPIPL is entitled to receive cash distributions in respect of any Shares it acquires under its underwrite. Payments to CPIPL under the Subordinated Loan and underwriting arrangements (including any cash distributions paid to CPIPL as a Shareholder) will not impact forecast FY22 cash distributions.

Purpose of the Offer

Section 3

The purpose of the Offer is to provide Augusta Industrial with equity which is sufficient to fund the acquisition of Tidal Road, with the balance of any proceeds used to repay debt, fund further acquisitions and investment in the Industrial Portfolio, and to meet Offer costs.

Intended use of proceeds

The money raised under the Offer will be allocated as follows:

Purchase price for Tidal Road	\$48,834,674
Offer and acquisition costs	\$4,797,817
Repayment of Loan Facility	\$26,367,509
Total	\$80,000,000
Funded by:	
Equity	\$80,000,000
Total	\$80,000,000

If Settlement of Tidal Road does not occur for any reason, the proceeds of the Offer will be used to repay debt, fund alternative acquisitions and investments in the Industrial Portfolio, and to meet Offer costs.

The use of the money raised under the Offer will not change depending on the total amount that is raised. There is no minimum amount to be raised in order for the Offer to proceed, however, the targeted amount to be raised is up to \$80 million (being 60,150,375 Shares) with any additional Shares issued at the discretion of the Board.

Of the \$80 million targeted to be raised, Centuria Capital NZ has provided a firm commitment to subscribe for \$8 million of the Shares (being 6,015,037 Shares) issued under this Offer, which will maintain its 10% shareholding in Augusta Industrial if the target amount of \$80 million is raised. The remaining \$72 million has been fully underwritten by CPIPL. Specifically, if the targeted \$80 million to be raised (or such lesser amount as the Board determines shall be accepted) has not been subscribed for by 23 June 2021:

- Augusta Industrial has entered into an underwriting agreement with CPIPL pursuant to which CPIPL has agreed to subscribe for up to 20% of the total number of Shares on issue immediately following the issue of the Offer Shares or such lesser amount as is required to ensure that Augusta Industrial does not become an 'overseas person' for the purposes of the Overseas Investment Act 2005, CPIPL and its associates do not breach the Takeovers Code under the Takeovers Regulations 2000 and Augusta Industrial maintains its PIE status; and
- CPIPL has committed to enter into a subordinated loan agreement with Augusta Industrial No. 1 if required by Augusta Industrial. The Subordinated Loan will only be required if the targeted amount of \$80 million is not raised by the date the Offer closes and, as a result of CPIPL's acquisition of Shares under its underwrite, the Shares held by CPIPL, Centuria Capital NZ and any of their associates would exceed the Shareholding Cap. If the Subordinated Loan is entered into, CPIPL has agreed to advance up to \$72 million less the amount raised by Augusta Industrial under the Offer (including any amount received from CPIPL pursuant to its underwrite but excluding the \$8 million firm commitment from Centuria Capital NZ). The Subordinated Loan is repayable by Augusta Industrial No.1 from the subscription monies received for the issue of Follow-On Offer Shares (other than any Shares issued to CPIPL under its underwriting commitment).

The Underwriter will receive an establishment and underwriting fee of \$2.16 million (calculated at 3% of \$72 million, being the total amount underwritten or committed by CPIPL under the underwriting agreement and Subordinated Loan (which for the avoidance of doubt excludes the amount that Centuria Capital NZ has committed to subscribe for in Augusta Industrial)). The Underwriter will be entitled to receive cash distributions in respect of any Shares it subscribes for under the underwriting agreement and will be paid interest at a rate of 4.75% per annum on any outstanding balance of the Subordinated Loan.

Payments to CPIPL under the Subordinated Loan and underwriting arrangements (including any cash distributions paid to CPIPL as a Shareholder) will not impact forecast FY22 cash distributions. However, if the Subordinated Loan is drawn it will affect Augusta Industrial's forecast FY22 gearing ratio. For example, if only \$10 million of Shares are issued under the Offer to investors other than CPIPL and its associates, Augusta Industrial's gearing ratio will increase to 35.4% from the forecast FY22 gearing ratio of 27.9%.

If more than \$38.7 million is raised in the Offer from investors other than CPIPL and its associates, the Subordinated Loan will not be drawn as CPIPL will be able to stay beneath the Shareholding Cap after acquiring Shares under the underwriting agreement.

A summary of the key terms of the underwriting agreement and of the loan commitment and fee agreement (pursuant to which CPIPL commits to enter into the Subordinated Loan if required) is available on the Offer Register at <https://disclose-register.companiesoffice.govt.nz/>.

Offer and acquisition costs

The Offer and acquisition costs are:

Centuria NZ's acquisition fee**	\$488,347
CPIPL's underwriting fee	\$2,160,000
Brokerage fees*	\$1,260,000
Legal fees**	\$191,000
Investigating accountant fees**	\$70,000
Valuation fees**	\$10,000
Marketing, PDS design and printing**	\$381,400
PDS liability insurance**	\$165,000
PDS registration fees	\$5,848
Registry fees and AML customer due diligence**	\$66,222
Total	\$4,797,817

* The brokerage fee payable assumes no additional Shares are issued by Augusta Industrial in excess of the \$80 million (being 60,150,375 Shares) targeted. If additional Shares are issued, a brokerage fee will be payable at a rate of 1.75% on the value of any additional Shares issued.

** These amounts, or a component of these amounts, are the Manager's best estimates, based on the experience and information known at the date of the PDS, but they may be subject to change based on the amounts invoiced to Augusta Industrial (and Shareholders will not be notified of such a change). All other amounts are fixed or maximum amounts and cannot be increased.

The above fees are exclusive of GST and disbursements. Where any of the above costs have previously been paid by Centuria NZ, it will be reimbursed for those costs by Augusta Industrial.

Key dates and offer process

Section 4

Offer opens	19 May 2021
Last date for existing Augusta Industrial shareholders to receive a priority allocation of Shares	3 June 2021
Offer closes	23 June 2021
Subscription amounts due from investors	23 June 2021
Offer Shares allotted	On or about 29 June 2021
Expected date for payment of first distribution for Offer Shares	20 July 2021
Follow-On Offer closes	30 September 2021
Settlement of Tidal Road	30 September 2021

The timetable is indicative only and the dates may change. In particular, Augusta Industrial reserves the right to close the Offer and/or the Follow-On Offer at any time prior to those dates or extend the Offer and/or the Follow-On Offer close dates by up to 25 working days without prior notice. Augusta Industrial also reserves the absolute right in its sole discretion to accept or reject any application in whole or in part without assigning any reason.

Investors' subscription monies will be held in a trust account established for the Offer. Cash distributions will not accrue until the day following the issue of the Shares.

Offer Shares

The Offer Period is the period between the opening date for the Offer on 19 May 2021 and 23 June 2021 (inclusive). All Shares subscribed for from the opening date to 23 June 2021 will be Offer Shares. All Offer Shares will be allotted to Shareholders on or about 29 June 2021.

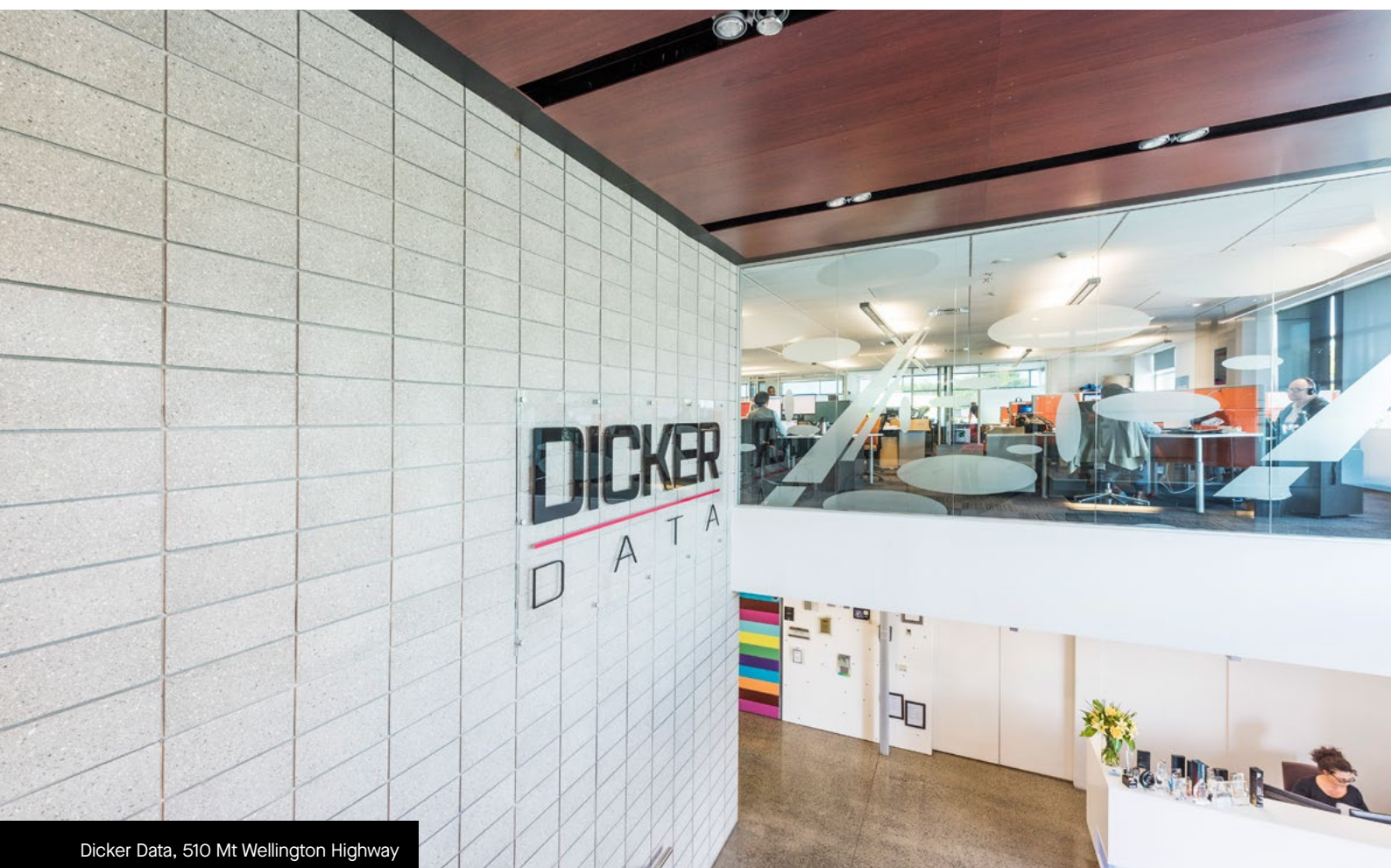
Follow-On Offer Shares

If Augusta Industrial has not received subscriptions for Shares of at least \$80 million (being 60,150,375 Shares) by 23 June 2021, then Augusta Industrial may call on its underwriting commitment from CPIPL and/or Augusta Industrial No.1 may require CPIPL to enter into a subordinated loan agreement and advance the Subordinated Loan.

If Augusta Industrial No.1 draws down on the Subordinated Loan, any subscription monies from the issue of Follow-On Offer Shares will be applied to the repayment of the Subordinated Loan. All Shares subscribed for after 23 June 2021 will be Follow-On Offer Shares.

Follow-On Offer Shares will be allotted monthly on the first day of the following month where applications are received by 3pm three business days prior to the last calendar day of a month and on the Follow-On Offer closing date.

Shareholders who subscribe for Follow-On Offer Shares will receive their first cash distribution in the month following the month the Follow-On Offer Shares are issued.



Dicker Data, 510 Mt Wellington Highway

Terms of the Offer

Section 5

What is the Offer?	<p>This is an offer of ordinary Shares in Augusta Industrial.</p> <p>The Shares will rank equally in all respects with any other Shares previously issued by Augusta Industrial. Each Share confers an equal right to cash distributions and other distributions authorised by the Board, and to cast a vote at meetings of Shareholders, in accordance with Augusta Industrial's constitution.</p> <p>No person guarantees the Shares offered under this Offer, nor warrants or guarantees the future performance of Augusta Industrial, the Shares, any cash distribution or any return on investment pursuant to this Offer.</p>
Key dates	See Section 4: "Key dates and offer process" for information about the key dates of the Offer.
Issue Price	<p>\$1.33 per Share.</p> <p>The Board of Augusta Industrial has set the Issue Price as equal to net tangible assets per Share as at 31 March 2021. Net tangible assets is described as Total Equity in the Historical Statements and the calculation of the Issue Price is therefore Total Equity as at 31 March 2021 (\$252,233,536) divided by the number of Shares on issue as at 31 March 2021 (190,000,000).</p>
Total Shares being offered	<p>Up to \$80 million is targeted to be raised in the Offer, being 60,150,375 Shares. Additional Shares may be issued at the discretion of the Board.</p> <p>The total number of Shares being offered will be up to 24.05% of the total Shares on issue immediately following the Offer, depending on the number of Shares issued under this Offer.</p> <p>Centuria Capital NZ has provided a firm commitment to subscribe for \$8 million of the Shares issued under this Offer (being 6,015,037 Shares), which will maintain its existing 10% shareholding in Augusta Industrial if the targeted amount of \$80 million is raised under the Offer.</p>
Minimum number of Shares that may be applied for¹³	<p>Shares are available in multiples of \$1,000 with a \$10,000 minimum investment, rounded down to the nearest whole Share.</p> <p>Any subscription monies received in excess of the number of Shares allotted to you will be refunded (without interest) no later than ten business days after the date Shares are allotted.</p>
Maximum number of Shares that may be held by any shareholder¹³	Except in circumstances allowed by Augusta Industrial, up to 50.03 million Shares (being 20% of Augusta Industrial's Shares following the Offer based on the targeted number of 60,150,375 Shares being offered to ensure Augusta Industrial maintains its PIE status).
Minimum and maximum amount of equity to be raised	There is no minimum amount to be raised in order for the Offer to proceed. However, Augusta Industrial is targeting an Offer size of up to \$80 million (being 60,150,375 Shares). Additional Shares may be issued at the discretion of the Board.
Existing Shareholders in Augusta Industrial	<p>Applications for Shares from existing Shareholders in Augusta Industrial will receive priority over other applications for Shares, at the Board's discretion.</p> <p>Existing Shareholders must return a completed application form by 3 June 2021 to be eligible to receive a priority allocation in the Offer unless subscriptions for the targeted amount have been received prior.</p>
Issue of Shares	For subscriptions of Shares made during the Offer Period, Shares will be allotted on or about 29 June 2021. During the Follow-On Offer, subscriptions received by 3pm three business days prior to the last calendar day of a month and on the Follow-On Offer closing date will be processed in that month with Shares allotted monthly on the first day of the following month.
Underwriting and subordinated loan arrangements	<p>\$72 million of the targeted \$80 million to be raised is underwritten by CPIPL by way of an underwriting agreement between Augusta Industrial and CPIPL and a subordinated loan agreement that may be entered into between Augusta Industrial No.1 and CPIPL if required by Augusta Industrial.</p> <p>In the event that the targeted amount of \$80 million is not raised by the Offer close date, CPIPL has committed to subscribe for Shares under the underwriting agreement that will result in it holding (together with its associates) up to the Shareholding Cap. Any further shortfall to the targeted amount will be met by CPIPL advancing the Subordinated Loan. If more than \$38.7 million is raised in the Offer from investors other than CPIPL and its associates, the Subordinated Loan will not be drawn.</p> <p>The Underwriter will receive an establishment and underwriting fee of \$2.16 million (calculated at 3% of \$72 million), will be entitled to receive cash distributions in respect of any Shares it subscribes for under the underwriting agreement and will be paid interest at a rate of 4.75% per annum on any outstanding balance of the Subordinated Loan (in place of the cash distributions that would have been payable on Shares acquired under an underwrite). If drawn, the Subordinated Loan is repayable from the subscription monies received from the issue of Follow-On Offer Shares (other than any Shares issued to CPIPL under the underwriting agreement). Payments to the Underwriter under the Subordinated Loan and underwriting arrangements (including any cash distributions paid to CPIPL as a Shareholder) will not impact forecast FY22 cash distributions.</p>
Liabilities, fees and charges	If you sell your Shares, you may be required to pay brokerage or other sale expenses. You may also be liable for tax on the sale of your Shares, depending on your personal circumstances (including if you acquired the Shares with the intention to sell). You should seek your own tax advice in relation to your Shares.
Scaling	Augusta Industrial may scale applications, which means you may receive fewer Shares than you subscribed for. If this happens, you will be refunded the difference within ten business days of the allotment date.
How to apply	See Section 11: "How to apply" for more information on how to apply for Shares in Augusta Industrial.
Overseas investors	<p>The Offer is a regulated offer for the purposes of the Financial Markets Conduct Act 2013 and is only being made to persons in New Zealand, Australia and any other jurisdictions in which Augusta Industrial is able to make the Offer without having to prepare a disclosure document, at its discretion.</p> <p>The Offer is being made in Australia in reliance on the trans-Tasman mutual recognition scheme under Chapter 8 of the Corporations Act 2001 (Cth) and the Corporations Regulations 2001 (Cth).</p> <p>No person may offer, invite, sell or deliver any Shares or distribute any documents (including the PDS) to any person outside New Zealand or Australia unless such offer or invitation can be made without having to prepare a disclosure document.</p> <p>The PDS may not be sent into or distributed in the United States. Unless otherwise agreed with Augusta Industrial, any person applying for Shares under the Offer will be deemed to represent and warrant to Augusta Industrial that he, she or it is not in a jurisdiction that does not permit the making of the Offer or an invitation of the kind contained in the PDS and is not acting for the account or benefit of a person within such a jurisdiction. Neither Augusta Industrial, the Manager nor any of their directors, officers, employees, consultants, agents, partners or advisers accepts any liability or responsibility to determine whether a person is able to participate in the Offer.</p> <p>Augusta Industrial reserves its rights to decline applications from overseas investors to ensure Augusta Industrial does not become an overseas person under the Overseas Investment Act 2005.</p>

Augusta Industrial's constitution sets out the terms of the Shares. You can find a copy of Augusta Industrial's constitution on the Offer Register at <https://disclose-register.companiesoffice.govt.nz/>.

(13) Augusta Industrial and the Manager reserve the right to amend the minimum and maximum subscription amounts and the maximum number of Shares that may be held.

Key features of ordinary shares in Augusta Industrial

Section 6

Key features of the equity securities

Augusta Industrial is a limited liability company, incorporated in New Zealand under the Companies Act 1993 and subject to the laws of New Zealand.

Shareholders receive ordinary shares in Augusta Industrial. The key features of Shares in Augusta Industrial do not differ from those that apply to ordinary shares in a company generally. Each Share is entitled to one vote on any vote of the Shares in Augusta Industrial, a proportionate right to receive any cash distributions and distributions made by Augusta Industrial and a proportionate right to share in any surplus funds on a liquidation of Augusta Industrial, each relative to the total number of Shares in Augusta Industrial at the relevant time.

Shareholders do not have pre-emptive rights on any new shares to be issued by Augusta Industrial. The Board of Augusta Industrial has the right to issue further shares, on such terms and conditions as it considers are fair and reasonable to Augusta Industrial and its shareholders.

Any sale of Shares must occur in accordance with Augusta Industrial's constitution. Augusta Industrial's Board may refuse to register or delay registration of any transfer of Shares in any of the following circumstances:

- If required to do so by law or where Augusta Industrial or Centuria NZ is unable to conduct satisfactory customer due diligence on the proposed transferee in order to comply with its obligations under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009;
- The proposed transfer is less than the minimum transfer size set by the Board from time to time (currently 7,518 Shares); and
- The proposed transfer would result in a shareholder holding less than the minimum shareholding set by the Board from time to time (currently 7,518 Shares).

The appointment of directors must occur in accordance with Augusta Industrial's constitution, as follows:

- each Share gives the holder the right to vote by Ordinary Resolution to appoint or remove directors;
- one third of the directors (or the number nearest to one third) are required to retire by rotation and may offer themselves for re-election by Shareholders each year; and
- the holder of each Share may by Ordinary Resolution vote to appoint directors to fill the office vacated by retiring directors each year.

In addition to the above, Augusta Industrial cannot be listed on the NZX without the prior approval of the Shareholders.

The rights of Shareholders are set out in Augusta Industrial's constitution, a copy of which is available on the Offer Register at <https://disclose-register.companiesoffice.govt.nz/>, and the Companies Act 1993.

As part of this Offer, Augusta Industrial does not intend to quote the Shares on a licenced market in New Zealand and there is no other established market for trading them. This means that you may not be able to sell your Shares.

The Manager, on behalf of Augusta Industrial, operates a secondary market facility where buyers and sellers of Shares will be matched. Since 2014, the Manager has facilitated secondary sale transactions with a total sales value of over \$41 million. While this value is a small percentage of the Manager's total equity under management, liquidity can also be provided through the sale of the properties within the Industrial Portfolio and returned to Shareholders. Since 2014, approximately \$400 million of equity has been released through the sale of properties and returned to investors.

There are no rules or agreement that govern the operation of the secondary market. The Manager facilitates secondary transfers but does not act as a broker nor does it provide financial advice to any party. Neither Augusta Industrial nor the Manager is obligated to provide liquidity for Shareholders. If Shareholders utilise the secondary market facility offered by the Manager on behalf of Augusta Industrial, then an administration fee will be payable at a fee of 2% of the transaction value (plus GST).

Centuria Capital NZ is entitled to, and may, trade its shares in Augusta Industrial.

Augusta Industrial's dividend policy

Augusta Industrial's dividend policy is to pay out between 90% and 110% of adjusted funds from operations (**AFFO**) over a full financial year.

AFFO is a non-GAAP financial measure adopted to assist Augusta Industrial in assessing the adjusted operating profit available for distribution, calculated in accordance with the guidelines issued by the Property Council of Australia. A summary of how Augusta Industrial calculates AFFO is included on page 48 under the heading "FFO and AFFO – Non-GAAP information" including a reconciliation of net profit after tax to AFFO.

Cash distributions are paid monthly in arrears on the 20th of the following month (or if this is not a business day, the next business day). Any cash distribution or other distribution is at the discretion of the Board and is subject to meeting the solvency test requirements of the Companies Act 1993 and the Board determining that it is in the best interests of Augusta Industrial that a distribution be paid. The payment of any distribution is therefore not guaranteed. Augusta Industrial's dividend policy may change from time to time. As a result of the above, the actual cash distribution paid for a period may vary from the forecast distribution set out in Section 7: "Augusta Industrial's financial information".

Augusta Industrial does not intend to offer a dividend reinvestment programme while Augusta Industrial is unlisted.

Key features of ordinary shares in Augusta Industrial (cont.)

Section 6

Declared dividends

The dates and amounts of dividends that have been declared by Augusta Industrial since establishment are set out below. Monthly dividends declared in the period from April to June 2020 were reduced to reflect the rental abatements and relief given to tenants in the Industrial Portfolio as a result of COVID-19, with dividends increased in July 2020 and returning to previously forecast distribution levels of 0.54 cents per Share in March 2021.

Dividend Type	Date Declared	Dividend (cents per Share)	Gross Dividend (\$)
Monthly - June 2018	9 July 2018	0.27	203,125
Monthly - July 2018	9 July 2018	0.54	406,250
Monthly - August 2018	9 July 2018	0.54	406,250
Monthly - September 2018	9 July 2018	0.54	406,250
Monthly - October 2018	5 November 2018	0.54	406,250
Monthly - November 2018	5 November 2018	0.54	406,250
Monthly - December 2018	5 November 2018	0.54	406,250
Monthly - January 2019	30 January 2019	0.54	406,250
Monthly - February 2019	30 January 2019	0.54	406,250
Monthly - March 2019	19 March 2019	0.49	366,935
	19 March 2019	0.05	99,597
Monthly - April 2019	19 March 2019	0.54	1,029,167
Monthly - May 2019	21 May 2019	0.54	1,029,167
Monthly - June 2019	21 May 2019	0.54	1,029,167
Monthly - July 2019	26 June 2019	0.54	1,029,167
Monthly - August 2019	26 June 2019	0.54	1,029,167
Monthly - September 2019	29 August 2019	0.54	1,029,167
Monthly - October 2019	30 October 2019	0.54	1,029,167
Monthly - November 2019	30 October 2019	0.54	1,029,167
Monthly - December 2019	30 October 2019	0.21	398,387
	30 October 2019	0.33	630,780
Monthly - January 2020	30 January 2020	0.54	1,029,167
Monthly - February 2020	30 January 2020	0.54	1,029,167
Monthly - March 2020	15 April 2020	0.27	514,583
Monthly - April 2020	15 May 2020	0.27	514,583
Special ⁽¹⁴⁾	22 May 2020	0.20	378,731
Monthly - May 2020	17 June 2020	0.42	791,667
Monthly - June 2020	15 July 2020	0.50	950,000
Monthly - July 2020	18 August 2020	0.50	950,000
Monthly - August 2020	17 September 2020	0.50	950,000
Monthly - September 2020	15 October 2020	0.50	950,000
Monthly - October 2020	16 November 2020	0.50	950,000
Monthly - November 2020	15 December 2020	0.50	950,000
Monthly - December 2020	19 January 2021	0.26	490,323
	19 January 2021	0.24	459,677
Monthly - January 2021	17 February 2021	0.50	950,000
Monthly - February 2021	16 March 2021	0.50	950,000
Monthly - March 2021	16 March 2021	0.54	1,029,167

(14) Special dividend declared to cover PIE tax on taxable income arising on the sale of land at 862-880 Great South Road, Penrose, Auckland.

Augusta Industrial's financial information

Section 7

In this section, you will find the following information:

- A summary of historical financial information for the financial period ended 31 March 2019 and the financial years ended 31 March 2020 and 31 March 2021. This provides information on the actual financial performance, position and cash flows of Augusta Industrial for those periods.
- A summary of the prospective financial information for the 12 months ending 31 March 2022. This represents Augusta Industrial's forecasts of its expected financial performance, position and cash flows for that period.

In addition to the above information, which has been prepared in accordance with generally accepted accounting practice (**GAAP**), this section also includes certain non-GAAP measures which Augusta Industrial uses to monitor underlying operating performance.

The tables in this section provide key financial information about Augusta Industrial and its subsidiaries. The full historical financial statements for FY19, FY20 and FY21 (**Historical Statements**) and full prospective financial information for FY22 (**PFI**) are available on the Offer Register at <https://disclose-register.companiesoffice.govt.nz/>. If you do not understand this financial information, you can seek advice from a financial advice provider or an accountant.

The purpose of the PFI is to assist Shareholders in assessing the viability of, and return on funds invested in, Augusta Industrial. This PDS and the PFI may not be appropriate for any other purpose.

The PFI has been prepared based on the Board's assessment of known events and conditions existing at the date of this PDS and the accounting policies and assumptions set out in the PFI on the Offer Register. A summary of the principal assumptions on which the PFI is based are set out below under the heading "Principal assumptions" in this section.

Prospective financial information by its nature is inherently uncertain. It is a prediction of future events and conditions which cannot be assured. It involves risks and uncertainties, many of which are beyond Augusta Industrial's control. The Board believes that the PFI has been prepared with due care and attention, and considers the assumptions, when taken as a whole, to be reasonable and supportable at the time of preparing this PDS. Actual results may vary from the information presented and variances may be material. Accordingly, neither the Board nor any other person can provide any assurance that the PFI will be achieved and investors are cautioned not to place undue reliance on the PFI. You should read the PFI in this PDS in light of the assumptions, and in conjunction with the other information in this PDS (including in particular, the information in Section 8: "Risks to Augusta Industrial's business and plans").

Ernst & Young Strategy and Transactions Limited has independently reviewed the prospective financial information, as defined in its report, for the 12 months ending 31 March 2022. A copy of Ernst & Young Strategy and Transactions Limited's Independent Limited Assurance Report is included on the Offer Register.

The prospective financial information included in the tables in this section has been derived from the PFI which includes the prospective financial statements prepared in accordance with Financial Reporting Standard 42: Prospective Financial Statements (FRS 42) which are available on the Offer Register.



Longbeach - Castle Rock Business Park,
Mary Muller Drive, Hillsborough, Christchurch

Augusta Industrial's financial information (cont.)

Section 7

Selected financial information

The summary information presented in the table below is derived from the more detailed Historical Statements and PFI, copies of which are on the Offer Register.

NZ\$'000 (unless indicated otherwise)	Actual 11 months and 15 days ended 31 March 2019	Actual 12 months ended 31 March 2020	Actual 12 months ended 31 March 2021	Forecast 12 months ending 31 March 2022
Revenue ¹	7,375	25,697	26,676	29,431
Operating expenses	(1,371)	(4,927)	(4,995)	(5,887)
Net revenue ²	6,004	20,770	21,681	23,544
EBITDA ³	10,292	17,739	83,605	27,046
Net profit before tax ⁴	8,592	12,605	78,268	20,777
Net profit after tax ⁴	8,592	12,605	78,268	20,777
Funds From Operations (FFO) ⁵	3,764	13,493	14,282	16,210
Adjusted Funds From Operations (AFFO) ⁵	3,649	12,682	10,662	14,404
Dividends on all equity securities of the issuer	(4,949)	(10,806)	(11,264)	(15,576)
Net cash flows from operating activities	2,715	14,644	14,855	14,950
Total assets	304,439	350,343	410,924	469,800
Cash and cash equivalents	3,181	983	1,112	500
Total liabilities	121,009	165,113	158,690	135,208
Total debt	114,171	157,858	152,242	130,818
Net tangible assets ⁶	183,430	185,230	252,234	334,592
Gearing ratio ⁷	37.5%	45.1%	37.0%	27.9%
Interest cover ratio ⁷	3.16	3.70	3.93	3.38

Notes to table:

1. Revenue represents rental income derived from all lease agreements and operating expense recoveries.
2. Net revenue represents revenue less property operating expenses.
3. EBITDA represents net profit after tax plus interest, tax, depreciation and amortisation.
4. Augusta Industrial is an unlisted PIE. Tax is attributed to Shareholders and is not incurred directly by Augusta Industrial. As a result, net profit before tax and net profit after tax are the same.
5. FFO and AFFO are non-GAAP financial measures adopted to assist Augusta Industrial in assessing the adjusted operating profit available for distribution under its dividend policy. A further explanation of these terms is included below under the heading "FFO and AFFO - non-GAAP information".
6. Net tangible assets represents the total assets of Augusta Industrial and its subsidiaries excluding intangible assets (which Augusta Industrial does not and is not forecast to hold) less total liabilities.
7. The gearing ratio and interest cover ratio are included, as debt is an integral and material component of Augusta Industrial's capital structure. The gearing ratio and interest cover ratios are non-GAAP information. The gearing ratio tells you how much Augusta Industrial owes (debt) as a portion of what it owns (total assets). The higher the gearing ratio, the higher the risk as it indicates a higher proportion of Augusta Industrial's assets will need to be applied to repay its debt. The interest cover ratio tells you how much Augusta Industrial's EBITDA adjusted for unrealised gains and losses exceeds interest expense on its debt (as a multiple).

8. Reconciliations of non-GAAP information are included on the Offer Register.

Historical financial performance

Historical financial information is only included for the reporting periods ended 31 March 2019, 31 March 2020 and 31 March 2021.

The Historical Statements have been audited by Ernst & Young and a copy of each audit report is included on the Offer Register.

No historical financial information is included for Tidal Road as this is considered to be an asset acquisition, rather than a business acquisition.

FFO and AFFO – non-GAAP information

The historical and prospective financial information presented includes certain items such as unrealised fair value movements on investment property, unrealised fair value movements on interest rate swaps, accruals for fixed rental increases and gains on disposal from investment property which can be unpredictable from year to year and/or are non-cash items. The Board considers these items need to be adjusted in order to present its underlying operating performance and funds available for distribution. The non-GAAP underlying measures that Augusta Industrial uses to assess this performance are Funds From Operations (FFO) and Adjusted Funds From Operations (AFFO), consistent with practice in the Australian and New Zealand listed property sector.

The calculation of FFO and AFFO reflects guidelines from the Property Council of Australia issued in May 2019.

Augusta Industrial's financial information (cont.)

Section 7

Funds from operations (FFO)

Augusta Industrial considers that FFO is important to identify the funds generated from operations. It calculates FFO by making the following adjustments to net profit after tax (determined in accordance with NZ IFRS):

- Removing changes in fair value of investment property;
- Removing changes in fair value of interest rate swaps;
- Removing any gains or losses on disposals of investment property;
- Adding back the amortisation of finance costs incurred in respect of equity raising;
- Removing accruals for fixed rental growth;
- Adding back amortisation of lease incentives and leasing costs;
- Removing depreciation on right-of-use assets and subtracting the repayment of lease liabilities to mirror cash flows; and
- Adjusting for other one-off items which are not viewed by management as part of the underlying and recurring earnings (for example, establishment costs associated with the Subordinated Loan, the holding cost of land sold but which has a deferred settlement and costs associated with the payment of deposits and other property acquisition costs).

Adjusted Funds from operations (AFFO)

After calculating FFO, Augusta Industrial considers that further adjustments should then be made to remove certain items from FFO that are considered to be capital items under GAAP but which Augusta Industrial considers should be funded from FFO. AFFO is calculated by making the following adjustments to FFO:

- Subtracting the costs of closing out interest rate swaps other than due to a change in capital structure;
- Subtracting capital expenditure spent as part of maintaining a building's grade and/or quality;
- Subtracting lease incentives (such as cash, fit out contributions and rent-free periods) and other leasing costs incurred in entering into a lease; and
- Removing other one-off items which did not occur in the prior period and are highly unlikely to reoccur in the following accounting period.

Reconciliation of net profit after tax to AFFO

NZ\$'000 (unless indicated otherwise)	Actual 11 months and 15 days ended 31 March 2019	Actual 12 months ended 31 March 2020	Actual 12 months ended 31 March 2021	Forecast 12 months ending 31 March 2022
Net profit after tax	8,592	12,605	78,268	20,777
Adjustments				
Change in fair value of investment property	(7,343)	(1,649)	(61,305)	(4,641)
Change in fair value of interest rate swaps	2,286	2,659	(1,627)	(1,486)
Gain on disposal of investment property	-	-	(1,193)	-
Initial finance costs amortised	95	178	192	99
Accrual for fixed rental growth	(89)	(427)	(372)	(380)
Amortisation of capitalised incentives and leasing fees	3	83	278	352
Depreciation of right-of-use assets (IFRS 16)	43	57	57	57
Repayment of lease liability (IFRS 16)	(8)	(13)	(16)	(19)
Other	185 ¹	-	-	1,451 ⁵
FFO	3,764	13,493	14,282	16,210
Lease incentives granted	(60)	(643)	(578)	(567)
Leasing fees paid	(9)	(32)	(209)	(340)
Maintenance capex	(46)	(406)	(2,833)	(899)
Other	-	270 ²	-	-
AFFO	3,649	12,682	10,662	14,404
Dividends paid	3,920 ³	11,835 ³	11,264 ⁴	15,576
FFO payout ratio	104%	88%	79%	96%
AFFO payout ratio	107%	93%	106%	108%

Augusta Industrial's financial information (cont.)

Section 7

Notes to table:

1. Interest on borrowings for deposits paid for the acquisition of Castle Rock Business Park and higher management, audit and valuation fees incurred as a result of five acquisitions on 28 March 2019.
2. Incentive paid to tenant at Beach Road, pursuant to a historical lease agreement.
3. \$1,029,167 of dividends declared prior to 31 March 2019 related to the monthly dividend for April 2019 that was paid in May 2019. This amount has therefore been treated as a dividend paid in the financial year ended 31 March 2020 for the purposes of calculating the payout ratios.
4. Includes special dividend paid on 24 May 2020 of \$378,731 due to the taxable gain made on the sale of land at 862–864 Great South Road. Excluding the special dividend the FFO payout ratio is 76% and the AFFO payout ratio is 102%.
5. Reversal of Subordinated Loan component of underwrite fee expensed for accounting purposes.

Forecast cash distributions to 31 March 2022

The forecast pre-tax cash distribution to 31 March 2022 is 5.00% per annum.

These cash distributions are not guaranteed. The actual distribution rate may vary and will be determined based on actual performance and Augusta Industrial's dividend policy. The forecast cash distributions are for the period commencing on the day following allotment to 31 March 2022 and represent the percentage forecast return per annum from cash distributions on Shares acquired in the Offer at the Issue Price. Details of the risks associated with an investment in Shares are set out in Section 8: "Risks to Augusta Industrial's business and plans" of this PDS.

The forecast cash distributions are based on the prospective financial statements prepared by Augusta Industrial in accordance with Financial Reporting Standard 42: Prospective Financial Statements, which are available on the Offer Register. The principal PFI assumptions are summarised below.

Prospective financial information

The PFI presented in the selected financial information table has been based on the principal assumptions described below. These assumptions are described in more detail in the full prospective financial statements available on the Offer Register.

Principal assumptions

Equity raise

It is assumed \$80,000,000 of equity is raised in the Offer, with Shares allotted on 29 June 2021. It is therefore assumed the Follow-On Offer is not required and the Subordinated Loan facility is not drawn.

Offer and acquisition costs

Total Offer and acquisition costs are assumed to be \$4,797,817. This includes acquisition, underwriting, brokerage, legal, accounting, valuation, property due diligence, Offer marketing, insurance, registration and registry costs. The bulk of these costs are deemed to be issue costs, with the exception of \$504,347 associated with the acquisition of Tidal Road and \$1,451,000 of the underwrite fee that has been allocated to the Subordinated Loan and expensed. The Offer and acquisition costs are based on contractual obligations, quotes received and/or estimates made by the Manager using experience from managing similar investments.

Settlement of Tidal Road

It is assumed that the acquisition of Tidal Road will settle on 30 September 2021 for a purchase price of \$48,834,674 based on the signed sale and purchase agreement. Associated acquisition costs are assumed to be paid on Settlement. A deposit of \$2,441,734 is assumed to be paid in May 2021. Rental income from Tidal Road is assumed to commence on 1 October 2021.

On Settlement of Tidal Road it is assumed the property is revalued to \$55,000,000 based on the "as if complete" independent valuation from Jones Lang LaSalle dated 31 March 2021.

Investment property

On 31 March 2022 it is assumed that investment property is revalued, with the carrying value assumed to represent the 31 March 2021 independent valuations plus additional capital expenditure of \$4,882,152 assumed during the PFI period. The capital expenditure primarily relates to a concept design plan for a proposed warehouse and office development on the surplus land at 862-864 Great South Road.

The actual movements in fair value are likely to be different to what is assumed in the PFI as the actual valuations will be based on the lease terms, market yields and other contributing factors as at the future valuation dates. The Board notes a degree of caution should be applied when referencing valuations in the current economic climate.

When calculating the unrealised movement in the fair value of the investment property, adjustments have been made for the movement in the value of the accrual for fixed rental growth, capitalised lease incentives and capitalised leasing fees. For accounting purposes, rental income is adjusted to straight-line the total contracted rent over the lease period with a fixed rental growth accrual recognised as a component of the fair value of the investment property.

The independent valuations have regard for the impact of COVID-19 in the inputs and market evidence adopted. Some valuations state that there may be a greater range around their opinion of "market value" than would normally be the case and that values and incomes may change more rapidly and significantly than during standard market conditions.

Other than Tidal Road, no investment property acquisitions or divestments are assumed during the PFI period.

Rental income

Rental income is forecast based on existing contracted lease agreements with tenants and assumptions with respect to renewals, vacancies and expiries based on the Manager's experience with the properties and understanding of market conditions. It is assumed that there is no tenant default, no tenant termination rights are exercised and there are no delays in receipt of debtors.

The landlord is responsible for all operating costs under gross leases. The majority of leases are on a net basis where tenants are responsible for most operating costs including rates, insurance premiums, utilities and certain maintenance obligations. There are elements of unrecovered operating costs including on vacant tenancies. It is assumed that all operating cost payments will be made on time and that there are no creditors associated with these at 31 March 2022.

The PFI assumes that there will be no further rental abatements or relief provided to tenants due to COVID-19 lockdowns.

Augusta Industrial's financial information (cont.)

Section 7

Management fees

The annual base management fees are 0.50% of total average value of all tangible assets up to \$0.5 billion, and 0.40% of total average value of all tangible assets above \$0.5 billion. Further transaction fees are charged including acquisition, property management, leasing and development/capital expenditure fees. Fees are based on the Management Agreement.

An acquisition fee of 1% of the Tidal Road purchase price is assumed to be paid on Settlement of the acquisition of Tidal Road.

No performance fees are forecast to be incurred during the PFI period.

Administration expenses

Audit fees, director fees, registry fees, insurance and bank agency fees have been forecast based on quotes received or existing agreements. Valuations, legal, tax and other administration expenses have been forecast based on historical expenditure and Manager estimates.

Borrowings

The existing \$160,000,000 revolving loan facility is assumed to be extended on 1 June 2021 and split into two \$80,000,000 tranches expiring 29 April 2023 and 29 April 2024 based on credit approved offers received from the existing lenders.

Drawings and repayments are assumed to be made monthly based on working capital and capital expenditure requirements. The drawn balance at 1 April 2021 was \$150,900,000. It is assumed the net equity raising proceeds from the Offer are used to repay debt on 30 June 2021 and the total facility limits are reduced to \$145,000,000 on this date. The deposit and Settlement amount for the Tidal Road acquisition are assumed to be funded by loan drawdowns.

Finance expenses

The weighted average interest rate (including base rate, margin, line fees and interest rate swap costs) on bank borrowings is assumed to be 3.74% per annum for the PFI period.

The base rate is assumed to be 1 month BKBM at 0.31% per annum until 30 June 2021 and 0.35% per annum thereafter. Three interest rate swaps are held for the PFI period that fix the base rate on \$72,000,000 of borrowings with a weighted average swap rate of 2.48% per annum. The fair value of the interest rate swaps is assumed to unwind over the remaining term of each swap.

Further detail on the Loan Facility is included in Section 2.6.

The \$1,451,000 of the underwrite fee allocated to the Subordinated Loan is assumed to be expensed immediately on the basis that the Subordinated Loan is not drawn.

Cash distributions

A regular gross dividend (before taxation, including any depreciation claimed for taxation purposes) is assumed to be paid monthly in arrears at an annualised rate of 6.50 cents per Share from 1 April 2021 to 29 June 2021, and at an annualised rate of 6.65 cents per Share from 30 June 2021 to 31 March 2022.

This represents an AFFO payout ratio of 108%.

Contingent liabilities

A contingent liability of \$1,065,000 is assumed to exist at 31 March 2022 representing the full value of prior year performance fees that are only payable on listing of Augusta Industrial.

Taxation

Augusta Industrial is registered as a multi-rate PIE. Augusta Industrial will attribute taxable income to Shareholders based on their proportionate holding and pay tax based on their PIRs.

Actual results

Actual results may differ from the PFI. The resulting variance may be material.

Augusta Industrial, the Board and the Manager give no guarantee or assurance that the PFI presented will be achieved.

Risks to Augusta Industrial's business and plans

Section 8

This section sets out a description of the circumstances that Augusta Industrial is aware of that exist or are likely to arise that significantly increase the risk to Augusta Industrial's financial position, financial performance and plans. The table below sets out particulars of why each circumstance is of particular significance and an assessment of the likelihood of any impact arising, the nature of that impact, and the potential magnitude of that impact along with strategies to mitigate the impact.

The circumstances have been identified by Augusta Industrial on the basis of information known to it as at the date of this PDS and on an assessment of the probability of a circumstance occurring and the anticipated impact of that circumstance if it did occur. These circumstances may not encompass all of the circumstances that may present a risk to returns for investors now or in the future, and there is no guarantee that the importance of each circumstance will not change.

These circumstances, were they to occur and if they were not appropriately managed by Augusta Industrial, could have a material adverse effect on Augusta Industrial's financial position or future financial performance through a decrease in revenue or an increase in costs. Augusta Industrial has taken, and will, in the future, take, steps to mitigate the effects of these circumstances. However, some circumstances may not be fully capable of mitigation.

Potential investors should carefully consider these risks (together with other information in this PDS) before deciding whether to invest in Augusta Industrial.

The description of the circumstances in this section does not take into account the personal circumstances, financial position or investment requirements of any person. It is therefore important that, before deciding to invest in Augusta Industrial, you consider the suitability of an investment in Augusta Industrial in light of your individual risk profile for investments, investment objectives and personal circumstances (including financial and taxation issues).

Description of Risk	Why it is significant and Augusta Industrial's assessment of nature of the impact	Mitigating factors
Increase in interest rates	<p>Interest expense incurred by Augusta Industrial as a result of its bank borrowings is a material expense. If interest rates were to increase, it may affect Augusta Industrial's ability to maintain distributions.</p> <p>The Loan Facility base rate is floating while margins and line fees are fixed for the term of each Loan Facility tranche (unless refinanced earlier).</p> <p>Interest rates will likely continue to be a key risk for so long as Augusta Industrial has outstanding borrowings.</p>	<p>As at the PDS registration date, Augusta Industrial holds interest rate swap agreements that fix the base rate on \$72 million of its borrowings with expiry dates between March 2022 and April 2024.</p> <p>The Manager and the Board will monitor interest rate markets and regularly review the base rate, margin and line fee components of Augusta Industrial's borrowings, including the portion of borrowings that is subject to a fixed interest rate. Margins and line fees will be benchmarked against similar market transactions and Augusta Industrial will consider changing lenders if materially better margins and line fees are available elsewhere.</p>
Augusta Industrial's assessment of likelihood of circumstance arising	Changes in interest rates cannot be accurately predicted. There is a risk that interest rates will increase if inflation increases. However, current expectations are that interest rates will remain low for the medium term based on economic and market forecasts.	
Augusta Industrial's assessment of the magnitude of the impact, were the circumstance to arise	The impact will depend on the magnitude of the interest rate change, which Augusta Industrial is unable to predict. If the base rate increased by 1% per annum and all other factors remained the same, FY22 forecast AFFO would reduce by 0.21 cents per Share (from 6.12 cents per Share to 5.91 cents per Share).	

Risks to Augusta Industrial's business and plans (cont.)

Section 8

Description of Risk	Why it is significant and Augusta Industrial's assessment of nature of the impact	Mitigating factors
Lease expiries and existing vacancies	<p>The current WALT of the Industrial Portfolio (excluding Tidal Road) is 4.7 years as at 31 March 2021, which will increase incrementally by 0.6 years upon settlement of Tidal Road, and portfolio occupancy is 96.6%. There are currently three vacant tenancies located at The Hub with a further vacant tenancy at Castle Rock, which is subject to a vendor rental underwrite until 28 March 2022.</p> <p>Lease expiries are currently reasonably spread across the existing 48 tenants in the Industrial Portfolio, however, leases representing rental income of 5.9% are due to expire in FY22, with a further 10.5% in FY23 and 9.2% in FY24.</p> <p>There is a risk that existing vacancies at The Hub continue and the tenancies due to expire in FY22 are not renewed or re-let. These vacancies will not impact forecast FY22 cash distributions. However, a significant decline in total occupancy across the Industrial Portfolio in FY22 and beyond may affect Augusta Industrial's ability to maintain distributions after FY22 at 6.65 cents per Share.</p>	<p>Augusta Industrial considers the likelihood of significant vacancies arising and continuing in FY23 and FY24 to be low. Augusta Industrial aims to achieve early lease renewals with existing tenants where possible through its strong relationships with tenants. In addition, Augusta Industrial believes it can attract new tenants as required given the industrial property market in Auckland, Wellington and Christchurch is currently experiencing low vacancy rates and restricted supply.</p> <p>Augusta Industrial has made allowances for additional costs arising from market incentives, leasing fees and agency fees to promote renewals and new tenancies. For existing vacancies and lease expiries in FY22, allowances have been made for the time required to find replacement tenants.</p>
Augusta Industrial's assessment of likelihood of circumstance arising	<p>The following key renewals will occur in FY22: Longbeach, Assembly Specialists and Asaleo at Castle Rock. Negotiations are underway with each tenant to achieve early lease renewals but at this stage the long term intentions of the tenants are not known.</p> <p>In addition, there are three tenancies currently vacant at The Hub, comprising 20% of the total income at the property if fully occupied or 3% of the Industrial Portfolio's property income if fully occupied. Marketing is underway with local agents to lease these vacancies as soon as possible.</p> <p>Augusta Industrial considers the likelihood of significant vacancies arising and continuing in FY23 and FY24 to be low.</p>	
Augusta Industrial's assessment of the magnitude of the impact, were the circumstance to arise	<p>The PFI assumes that \$274,536 of rental income and operating expense recoveries is generated from leasing the tenancies currently vacant at The Hub in FY22 and renewals of other leases that expire during the year. If these tenancies are not leased or renewals are not achieved this results in an immaterial AFFO impact in FY22.</p> <p>If significant vacancies arise and continue in FY23 and FY24, cash distributions may be affected.</p>	
Tidal Road development delay	<p>Tidal Road is currently being developed by the Vendor, with completion scheduled to occur in September 2021. The anchor tenant Hancocks is not required to pay rent until it occupies Tidal Road which is expected to be October 2021. The lease includes a sunset date for tenant occupation of May 2022.</p> <p>Any significant delays beyond target completion of the development (and tenant occupation) will reduce Augusta Industrial's forecast rental income until the lease commences, which may impact the value of the Shares but is not expected to affect Augusta Industrial's ability to pay distributions. If the delay were to extend beyond the May 2022 sunset date for tenant occupation, the tenant could challenge its obligation to occupy the premises.</p>	<p>The development of Tidal Road is currently on schedule. Augusta Industrial will continue to actively monitor the development programme's progress.</p> <p>Augusta Industrial may elect to settle the acquisition of Tidal Road notwithstanding a delay in target completion of the development.</p>
Augusta Industrial's assessment of likelihood of circumstance arising	<p>Augusta Industrial considers that the likelihood of the tenant terminating its lease after the sunset date in May 2022 is low because the tenant is financially invested in the site. Tidal Road will be the new national head office for Hancocks and they have incurred additional costs in relation to their own integrated fit-out of the warehouse and office (for example, by funding upgrades to insulated panels in the warehouse component of the property).</p>	
Augusta Industrial's assessment of the magnitude of the impact, were the circumstance to arise	<p>The impact will depend on the duration of any delay to completion of the development and commencement of the tenant's rental obligations, which Augusta Industrial is unable to predict. A six month delay to completion of the development (to 31 March 2022) would reduce FY22 forecast AFFO by 0.28 cents per Share, however if this occurs, Augusta Industrial intends to maintain the forecast FY22 cash distribution.</p>	

Risks to Augusta Industrial's business and plans (cont.)

Section 8

Description of Risk	Why it is significant and Augusta Industrial's assessment of nature of the impact	Mitigating factors
Inability to refinance or breach of banking covenants	<p>Augusta Industrial borrows from a banking syndicate comprising ASB and Westpac. Credit approved offers have been received to extend the existing facility expiry dates from 29 April 2022 and split this into equal tranches with 29 April 2023 and 29 April 2024 expiry dates, showing ongoing appetite and support from the existing banking syndicate. However given the open ended nature of Augusta Industrial, it is expected that the Loan Facility will need to be extended or refinanced in the future. Alternative funding (if available) may require higher interest payments and/or repayment of the loan principal.</p> <p>Augusta Industrial's ability to pay cash distributions and continue to hold the properties in the Industrial Portfolio is dependent on its ability to refinance borrowings prior to expiry of the Loan Facility or seek alternative sources of capital.</p> <p>Adverse market movements in interest rates and property values may cause Augusta Industrial to breach its banking covenants. If the breach is not remedied, lenders may enforce their security and sell some of the properties in the Industrial Portfolio at a lower than market price in a "forced sale" situation.</p>	<p>Augusta Industrial has received credit approved offers to extend its existing Loan Facility, showing ongoing appetite and support from the existing banking syndicate.</p> <p>Augusta Industrial, based on the Board and Manager's experience, considers the potential impact of changes to Augusta Industrial's funding arrangements will be able to be adequately minimised through active management of Augusta Industrial's finances and banking relationships.</p> <p>When refinancing is required, the Manager and its ultimate parent company, CNI, have long standing relationships with a number of lenders across Australasia and currently manage a number of loan facilities. Augusta Industrial's Loan Facility will be split into two tranches to reduce the amount that expires on a single date and is documented as a syndicated facility which allows multiple lenders to provide funding, reducing exposure to an individual lender.</p>
<i>Augusta Industrial's assessment of likelihood of circumstance arising</i>	Augusta Industrial considers the likelihood of alternative funding on acceptable terms not being available to be low given its forecast low gearing as at 31 March 2022 of 27.9%, with a target of up to 40%, and the strong demand the Manager has recently observed for lending in the industrial property sector. Augusta Industrial also considers the likelihood of a breach of its existing banking covenants to be low given the medium term outlook for interest rates and industrial property values.	
<i>Augusta Industrial's assessment of the magnitude of the impact, were the circumstance to arise</i>	It is difficult for Augusta Industrial to predict the impact refinancing would have, given the terms are not yet known and interest rate predictions are uncertain. If Augusta Industrial breached its banking covenants, a "forced sale" by lenders may lead to properties in the Industrial Portfolio being sold at levels that mean Shareholders do not recoup their original investment.	
COVID-19 – Impact of any further lockdowns on income from the Industrial Portfolio	<p>During the COVID-19 Alert Level 3 and Alert Level 4 lockdowns put in place by the New Zealand Government in 2020 and 2021, certain tenants in the Industrial Portfolio sought rental relief from Augusta Industrial.</p> <p>There are 22 tenancies in the Industrial Portfolio that have a contractual right to rental abatement which would be triggered in the event of an Alert Level 4 lockdown (unless the tenant is the provider of an essential service - seven of these 22 tenants provided essential services and operated during the previous Alert Level 4 lockdown).</p> <p>If there is a further COVID-19 outbreak in New Zealand resulting in an Alert Level 4 lockdown, affected tenants will likely seek to enforce their contractual rights to rental abatement. Any rental abatement paid by Augusta Industrial will reduce its rental income until the lockdown ends which may affect the value of the Shares and Augusta Industrial's ability to pay distributions.</p>	<p>Augusta Industrial has reassessed the financial standing of each material tenant that received rental relief in FY21 and is satisfied they remain able to meet their rental obligations. Augusta Industrial actively monitors rental payment performance of all tenants within the Industrial Portfolio.</p> <p>While 22 tenants in the Industrial Portfolio have a contractual right to rental abatement in the event of an Alert Level 4 lockdown, seven of these tenants provided essential services and operated during the previous Alert Level 4 lockdown.</p>
<i>Augusta Industrial's assessment of likelihood of circumstance arising</i>	Augusta Industrial considers the likelihood of returning to Alert Level 4 to be low given the low COVID-19 community case rates experienced in the last six months and the ongoing roll out of the COVID-19 vaccination programme in New Zealand.	
<i>Augusta Industrial's assessment of the magnitude of the impact, were the circumstance to arise</i>	In the event of a return to an Alert Level 4 lockdown, Augusta Industrial considers the magnitude of the impact to be low given any such lockdown is expected to be of limited duration and a number of tenants with contractual rental abatement rights are expected to continue to operate as essential services during an Alert Level 4 lockdown. Augusta Industrial provided abatement or rental relief of approximately \$1 million to tenants in FY21 as a result of COVID-19 related lockdowns. This equated to a total reduction in rental income of 5% for that financial year.	

Tax

Section 9

Tax can have significant consequences for investments and can affect your returns from this investment. If you have any queries relating to tax consequences of the investment you should seek independent tax advice from a professional advisor.

Augusta Industrial is a multi-rate Portfolio Investment Entity (**PIE**). As a PIE, Augusta Industrial pays tax based on your prescribed investor rate (**PIR**). To determine your PIR, go to <https://www.ird.govt.nz/roles/portfolio-investment-entities/find-my-prescribed-investor-rate> or follow the flow chart in the application form. If you are unsure of your PIR, we recommend you seek professional advice or contact Inland Revenue (**IRD**).

It is your responsibility to tell Augusta Industrial your PIR when you invest or if your PIR changes. If you do not tell Augusta Industrial your PIR, a default rate may be applied. If the rate applied to your PIE income is lower than your correct PIR you will be required to pay any tax shortfall as part of the income tax year-end process. If the rate applied to your PIE income is higher than your PIR any tax over-withheld will be used to reduce any income tax liability you may have for the tax year and any remaining amount will be refunded to you by IRD.

Prescribed Investor Rate (PIR)

Your PIR is the tax rate that Augusta Industrial will use to calculate the tax payable on the taxable income Augusta Industrial allocates to you. If you are investing jointly with other investors, the highest PIR of the joint shareholders will be used.

There are four PIRs available to New Zealand resident investors, being 28%, 17.5%, 10.5% or 0%. By way of brief summary, the following PIRs are available for different entities:

- Individuals – 28%, 17.5% or 10.5%;
- Companies – 0%;
- Trusts – 28%, 17.5%, 10.5% or 0%;
- Charities and PIEs – 0%; and
- Non-New Zealand residents – 28% (subject to certain exceptions).

If you do not provide your PIR, the default rate is 28%.

IRD may also advise Augusta Industrial to change your PIR if they consider it incorrect.

Depreciation

Tax deductions for depreciation of commercial and industrial buildings were recently reinstated, which is a benefit for Shareholders.

As a PIE, Augusta Industrial claims tax depreciation deductions on all depreciable property including buildings and landlord owned fixtures and fittings. This reduces the taxable income attributed to Shareholders and the resulting PIE tax liability deducted from distributions, without further action required from Shareholders.

Distributions

As Augusta Industrial is a registered PIE, distributions from Augusta Industrial (including share repurchases) are not separately subject to tax. Further, there should be no withholding tax on distributions to non-resident Shareholders.

PIE tax is payable on each Shareholder's share of Augusta Industrial's taxable income at their nominated PIR. Augusta Industrial intends to deduct each Shareholder's tax liability from distributions paid and return this to IRD when Augusta Industrial files quarterly PIE tax returns. As Augusta Industrial's taxable income changes each month, the tax deducted and net distributions received by Shareholders will also change.

If Augusta Industrial ceases to be a PIE then any distribution will be a dividend and subject to New Zealand tax on that basis. For New Zealand residents, any imputation credits attached to a dividend can be used to reduce or offset a Shareholder's tax liability. For non-residents, distributions would be subject to the non-resident withholding tax regime, foreign investor tax credit regime and any applicable double tax agreement.

A statement advising Shareholders of the allocation of taxable income and tax paid on their behalf will be sent to Shareholders each year by Augusta Industrial.

Maintaining PIE Status

To ensure that Augusta Industrial maintains its PIE status, Augusta Industrial must at all times, among other things:

- have a minimum of 20 Shareholders (this minimum requirement may be less if a Shareholder is a PIE or is a certain other investor type);
- ensure that no Shareholder owns over 20% of Augusta Industrial (unless a Shareholder is a PIE or is a certain other investor type), noting that certain associated Shareholders are treated as a single Shareholder;
- not hold voting interests in a company of more than 20% (unless that company is a PIE or land investment company and subject to certain exceptions);
- ensure that 90% of the income is derived from a lease of land, interest, dividends and / or the proceeds from the disposal of property; and
- ensure that 90% of the asset's value is held in either land, financial arrangements or a right or option to acquire property.

Augusta Industrial's tax status may change if it is listed in the future, including the treatment of distributions to Shareholders.

Where you can find more information

Section 10

Offer Register

Further information relating to Augusta Industrial and the Shares is available on the Offer Register which can be found at <https://disclose-register.companiesoffice.govt.nz/> (for example, Augusta Industrial's constitution and financial statements). This Offer can be found by clicking on "Search Offers" and searching "OFR13088".

A copy of the information on the Offer Register is available on request to the Registrar of Financial Service Providers (email registrar@fspr.govt.nz).

The information is also available on request free of charge from the Manager (at the address and business telephone number set out in the Contact Information).

Companies Office

Further information relating to Augusta Industrial is also available on the public register at the Companies Office. This can be accessed on the Companies Office website at <https://companies-register.companiesoffice.govt.nz/>.

CNI

CNI is listed on the ASX and is subject to disclosure obligations in relation to its shares that require it to notify certain material information to market participants. Further information relating to CNI can be found at <https://centuria.com/au/>.

Reporting to Shareholders

Shareholders receive a quarterly update which provides an update on the Industrial Portfolio and details of Augusta Industrial's distributions for that period.

Investors in Augusta Industrial also receive an annual report following the end of each financial year. The annual report will include annual financial statements which will be audited.

Augusta Industrial also holds an Annual Shareholders' Meeting (**ASM**). The ASM is open to all Shareholders and provides a formal forum for investors to hear presentations from the Manager and the Board, to raise questions and vote on any necessary resolutions.



D&H Steel - 12 Brick Street,
Henderson, Auckland.

How to apply

Section 11

To apply for Shares in the Offer, you must provide the following:

- A completed and signed application form;
- Bank encoded deposit slip, bank statement or confirmation from your bank verifying your bank account name and number;
- For new investors with the Manager, or if your details have changed, the identification and other Anti-Money Laundering due diligence information requested by our partners at First AML, who will be in touch with you following receipt of your application form; and
- Payment of the total application amount. See "Payment" below, for further details.

Hard copy completed and signed application forms, along with the above accompanying documents and application amounts, should be couriered to the Manager in the pre-paid courier bag included with the hard copy of this PDS. Should you wish to deliver or arrange your own courier please send to the Manager, **Centuria Funds Management (NZ) Limited**, Level 2, 30 Gaunt Street, Auckland (**Attention: Industrial Fund Offer**). We do not recommend posting due to the longer delivery time.

Online application forms are available at <https://centuria.co.nz/> and www.augustaindustrialfund.co.nz. We strongly encourage you to apply online. The Offer closes on 23 June 2021.

IMPORTANT – for existing Centuria NZ investors, identification documents may have been provided previously as part of Centuria NZ's AML (Anti-Money Laundering) requirements. If, at the time of submitting your application, Centuria NZ does not have the correct identification documents on file up to the standard required by the Anti-Money Laundering and Countering Financing of Terrorism Act 2009, additional documents may have to be re-submitted before your application can be accepted. Our partners at First AML will contact you if this is the case.

Payment must be made in New Zealand dollars for immediate value. Payment must be made by electronic transfer/direct deposit or direct debit. Cheques will not be accepted.

Cash distributions will not accrue until your Shares are issued. Investor's subscription monies will, in that period, be held in a trust account established for the Offer.

PAYMENT OF YOUR APPLICATION AMOUNT IS DUE BY 23 JUNE 2021.

IMPORTANT – for Existing Shareholders, you must provide a completed application form by 3 June 2021 to be eligible to receive a priority allocation in the Offer (at the Board's discretion) unless subscriptions for the targeted amount have been received prior.

Warning Statement – Issues to Australian investors

If you are an Australian investor, we are required to provide the following warning statement to you under Australian law.

This Offer to Australian investors is a recognised offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Cth) and Corporations Regulations 2001 (Cth). In New Zealand, this is Subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 of New Zealand and the Financial Markets Conduct Regulations 2014 of New Zealand.

This Offer and the content of this PDS are principally governed by New Zealand, rather than Australian, law. In the main, the Financial Markets Conduct Act 2013 of New Zealand and the Financial Markets Conduct Regulations 2014 of New Zealand set out how the Offer must be made.

There are differences in how securities and financial products are regulated under New Zealand, as opposed to Australian, law. For example, the disclosure of fees for managed investment schemes is different under New Zealand law.

The rights, remedies and compensation arrangements available to Australian investors in New Zealand securities and financial products may differ from the rights, remedies and compensation arrangements for Australian securities and financial products.

Both the Australian and New Zealand securities regulators have enforcement responsibilities in relation to this Offer. If you need to make a complaint about this Offer, please contact the Australian Securities and Investments Commission. The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of New Zealand securities and financial products is not the same as that for Australian securities and products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Offer may involve a currency exchange risk. The currency for the security or financial product is in dollars that are not Australian dollars. The value of the security or financial product will go up and down according to changes in the exchange rate between those dollars and Australian dollars. These changes may be significant.

If you receive any payments in relation to the security or financial product that are not in Australian dollars, you may incur significant fees in having the funds credited to a bank account in Australia in Australian dollars.

Contact Information

Section 12

Augusta Industrial Fund Limited

**Level 2, 30 Gaunt Street
Auckland
PO Box 37953, Parnell
Auckland 1151**

Phone: +64 9 300 6161
Fax: +64 9 300 6162

Manager

**Centuria Funds Management (NZ) Limited
Level 2, 30 Gaunt Street
Auckland
PO Box 37953, Parnell
Auckland 1151**

Phone: +64 9 300 6161
Fax: +64 9 300 6162

Solicitors

**Chapman Tripp
Level 34, PwC Tower, 15 Customs Street West
Auckland 1010
PO Box 2206
Auckland 1140**

Phone: +64 9 357 9000
Fax: +64 9 357 9099

Investigating Accountant

**Ernst & Young Strategy and Transactions Limited
2 Takutai Square, Britomart
Auckland 1010
PO Box 2146
Auckland 1140**

Phone: +64 9 377 4790
Fax: +64 9 309 8137

Share Registrar

**Boardroom Pty Limited
Grosvenor Place
Level 12, 225 George Street
Sydney New South Wales 2000
GPO Box 3993**

Phone: +61 2 9290 9600

Selling Agent

**Bayleys Real Estate Limited
Level 1, 30 Gaunt Street
Auckland Central
Auckland 1010
PO Box 8923, Symonds Street
Auckland 1150**

Phone: +64 9 309 6020
Fax: +64 9 309 9404

Glossary

Unless the context otherwise requires, in this PDS the following terms have the meanings shown below:

Term	Meaning
5 & 21 Beach Road	The property at 5 & 21 Beach Road, Otahuhu, Auckland
20 Paisley Place	The property at 20 Paisley Place, Mt Wellington, Auckland
21 Beach Road	The property at 21 Beach Road, Otahuhu, Auckland
27-29 Neales Road	The property at 27-29 Neales Road, East Tamaki, Auckland
48 Honan Place	The property at 48 Honan Place, Avondale, Auckland
116-152 Swanson Road	The property at 116-152 Swanson Road, Henderson
265 Albany Highway	The property at 265 Albany Highway, Rosedale, Auckland
510 Mt Wellington Highway	The property at 510 Mt Wellington Highway, Mt Wellington, Auckland
862-864 Great South Road	The property at 862-864 Great South Road, Penrose, Auckland
\$	New Zealand dollars
AFFO	Adjusted funds from operations, which is a non-GAAP financial measure and is further described on page 49
Asaleo	Asaleo Care New Zealand Limited (Company number: 1470756)
Assembly Specialists	Assembly Specialists Limited (Company number: 1065059)
Augusta Industrial	Augusta Industrial Fund Limited (Company number: 6806353)
Augusta Industrial No.1	Augusta Industrial Fund No. 1 Limited (Company number: 6806435)
AutoPacific	AutoPacific New Zealand Limited (Company number: 3857936)
Blue Star Group	Blue Star Group (New Zealand) Limited (Company number: 1120709)
Board	The board of directors of Augusta Industrial
Brick Street	The property at 12 Brick Street, Henderson, Auckland
Castle Rock	The properties at 212 Port Hills Road, 10A Chapmans Road, 2,4,6,8-12, 14, 15,17 and 21 Mary Muller Drive in Hillsborough, Christchurch which together comprise the industrial property known as Castle Rock
Centuria Capital NZ	Centuria Capital (NZ) No.1 Limited (Company number: 1873288)
Centuria NZ or Manager	Centuria Funds Management (NZ) Limited (Company number: 3760278), previously named Augusta Funds Management Limited
CNI	Centuria Capital Limited (Aus) and Centuria Capital Fund The shares in Centuria Capital Limited (Aus) and the units in Centuria Capital Fund are stapled and trade together as a single stapled security on the ASX as "Centuria Capital Group", under the ticker code "CNI"
CPIPL	Centuria Platform Investments Pty Limited
D&H Steel	D & H Steel Construction Limited (Company number: 347015)
Existing Properties	<ul style="list-style-type: none"> 862-864 Great South Road Brick Street 20 Paisley Place The Hub 265 Albany Highway 510 Mt Wellington Highway 116-152 Swanson Road 5 & 21 Beach Road Castle Rock 27-29 Neales Road 48 Honan Place
FFO	Funds from operations, which is a non-GAAP financial measure and is further described on page 49
Fletcher Steel	Fletcher Steel Limited (Company number: 952005)
Follow-On Offer	The offer of Follow-On Offer Shares under this PDS (only if the target amount of \$80 million, being 60,150,375 Shares is not subscribed for by 23 June 2021)
Follow-On Offer Period	The period from 24 June 2021 to 30 September 2021 (only if the target amount of \$80 million, being 60,150,375 Shares is not subscribed for by 23 June 2021)
Follow-On Offer Shares	Shares subscribed for after 23 June 2021 (only if the target amount of \$80 million, being 60,150,375 Shares is not subscribed for by 23 June 2021)
Fujitsu	Fujitsu General New Zealand Limited (Company number: 922594)
FY19	Financial period ended 31 March 2019
FY20	Financial year ended 31 March 2020
FY21	Financial year ended 31 March 2021

Glossary (cont.)

Term	Meaning
FY22	Financial year ending 31 March 2022
FY23	Financial year ending 31 March 2023
FY24	Financial year ending 31 March 2024
GAAP	Generally accepted accounting practice
Good Health	Good Health Products Limited (Company number: 1545099)
Graphic Packaging	Graphic Packaging International New Zealand Limited (Company number: 3233571)
Hancocks	Hancocks Wine, Spirits & Beer Merchants Limited (Company number: 509773)
Historical Statements	Historical financial information of Augusta Industrial for FY19, FY20 and FY21, the audited financial statements in respect of which are available at https://disclose-register.companiesoffice.govt.nz/ by searching "OFR13088" under "search offers"
Icepak	Icepak Limited (Company number: 3009720)
Industrial Portfolio	Each of the properties currently owned by Augusta Industrial's subsidiaries or to be acquired on Settlement, being the Existing Properties and Tidal Road
Issue Price	\$1.33 per Share
Kiwi Labels	Kiwi Labels Limited (Company number: 5304042)
Linfox	Linfox Logistics (N.Z.) Limited (Company number: 411085)
Loan Facility	The loan facility described in Section 2.6 of this PDS
Longbeach	Longbeach Holdings Limited (Company number: 137916)
LVR	Loan to value ratio
Macpac	Macpac New Zealand Limited (Company number: 3288108)
Management Agreement	The agreement between Augusta Industrial and Centuria NZ under which Centuria NZ is exclusively appointed to manage Augusta Industrial
Manager or Centuria NZ	Centuria Funds Management (NZ) Limited (Company number: 3760278), previously named Augusta Funds Management Limited
NBS	New Building Standards, as in effect at the relevant time
NZ IFRS	New Zealand International Financial Reporting Standards
NZX	NZX Limited
NZX Listing Rules	The listing rules of the NZX Main Board, in force from time to time
NZX Main Board	The main board equity security market operated by NZX
Offer	The offer of Shares under this PDS
Offer Period	The period from 19 May 2021 to 23 June 2021
Offer Register	The register entry for this Offer, that forms part of the Disclose Register that is available at https://disclose-register.companiesoffice.govt.nz/ by searching "OFR13088" under "search offers"
Offer Shares	Shares subscribed for during the Offer Period and allotted on or about 29 June 2021
Ordinary Resolution	A resolution approved by more than 50% of the votes cast by Shareholders entitled to vote and voting on the resolution
Pacific Steel	Pacific Steel (NZ) Limited (Company number: 86021)
Passing Rental	The amount of rent payable under the terms of the relevant lease, excluding outgoings, annualised for a 12-month period as at the relevant date
PDS	This product disclosure statement detailing the offer of Shares in Augusta Industrial, prepared in accordance with the requirements of the Financial Markets Conduct Act 2013 and lodged with the New Zealand Registrar of Financial Service Providers and with the Australian Securities and Investments Commission in reliance on the Trans-Tasman mutual recognition scheme in Chapter 8 of the Corporations Act 2001 (Cth) and the Corporations Regulations 2001 (Cth)
PFI	Prospective financial information of Augusta Industrial for FY22, including the full prospective financial statements prepared in accordance FRS-42 in respect of which are available at https://disclose-register.companiesoffice.govt.nz/ by searching "OFR13088" under "search offers"
PIE	A Portfolio Investment Entity, as defined in the Income Tax Act 2007
PIR	Prescribed Investor Rate, as defined in the Income Tax Act 2007. This is the tax rate an investor in a multi-rate PIE must provide to Augusta Industrial

Glossary (cont.)

Term	Meaning
Repco	GPC Asia Pacific Limited (Company number: 1158404)
Settlement	The date settlement of the acquisition of Tidal Road occurs, anticipated to be 30 September 2021
Shareholder	A holder of Shares in Augusta Industrial
Shareholding Cap	No Shareholder and its associates may together own more than 20% of the Shares in Augusta Industrial at any time
Shares	Ordinary shares in Augusta Industrial
Special Resolution	A resolution approved by 75% of the votes cast by Shareholders entitled to vote and voting on the resolution
Subordinated Loan	The subordinated loan provided by CPIPL of up to \$72 million to Augusta Industrial No.1, in the event that Augusta Industrial has not received subscriptions for Shares (including from CPIPL under the underwriting agreement) of at least \$80 million (being 60,150,375 Shares) by the end of the Offer Period
TCI	T.C.I. New Zealand (1995) Limited (Company number: 81797)
The Hub	The properties at 17 Toop Street, 25 Toop Street, 109-117 Port Road and 101-103 Port Road in Seaview, Wellington which together comprise the industrial property known as The Hub
Tidal Road	The property at 78 Tidal Road, Mangere, Auckland
Toll	Toll Logistics (NZ) Limited (Company number: 1210556)
Underwriter or CPIPL	Centuria Platform Investments Pty Limited
Vendor	Tidal Road Limited (Company number: 7799437)
Vulcan Steel	Vulcan Steel Limited (Company number: 681317)
WALT	The weighted average lease term which measures the average lease term across each of the leases in the Industrial Portfolio weighted by the relative income of each lease
Xtend-Life	Xtend-Life Natural Products (Intl) Limited (Company number: 1094542)

Application Form

Closing Date: 23 June 2021

Before completing this Application Form, applicants should read and consider the Augusta Industrial Fund Limited Product Disclosure Statement dated 11 May 2021 to which this application relates. If you have any questions or if there is anything you do not understand, please contact our sales representatives on 0800 BAYLEYS (229539).

Augusta Industrial, Centuria NZ and Bayleys Real Estate (including the selling agents) do not provide any financial, tax or other professional advice. Before making any financial investment decisions, we recommend that you seek professional financial advice from a Financial Adviser which takes into account your personal investment objectives, financial situation and individual needs.

PLEASE READ ALL INSTRUCTIONS BELOW TO ENSURE PROMPT PROCESSING OF YOUR APPLICATION. PLEASE COURIER COMPLETED APPLICATION DOCUMENTS TO CENTURIA FUNDS MANAGEMENT (NZ) LIMITED, LEVEL 2, 30 GAUNT STREET, AUCKLAND (ATTENTION: AUGUSTA INDUSTRIAL FUND OFFER).

This Application Form is issued with the Product Disclosure Statement dated 11 May 2021 issued by Augusta Industrial Fund Limited.

Instructions on How to Complete

- Please read and complete all relevant sections of the Application Form.
- Please provide all necessary contact, tax, and bank details along with a bank account verification document.
- Please ensure that you have read and understood the information on the declaration section of this form and all parties have signed.
- If you are completing this application form on behalf of a minor, please ensure you also complete the form on page 76.
- Customer Due Diligence information is required for all applicants. Should Centuria NZ not hold the required information, our partners at First AML will be in touch with you following Centuria NZ's receipt of your application form (see page 70).

Section 1: Name of Investor and Applicant Contact Details

Please provide the name of the investor and primary contact information.

Name of individual(s) or investing entity

Are you investing as

☐ Individual OR Joint Individuals ☐ Partnership ☐ Company ☐ Trust/Estate

☐ Other If other, please specify

Primary Contact Details

Legal Full Name

Postal Address

Email

Home or Mobile Tel

Application Form (cont.)

Section 2: Bank Account Details for Distribution Payment

Please insert the Bank Account holder's name and Bank Account Number into which distribution payments are to be made. Distributions must be paid into the Bank Account of the investor/investing entity (Augusta Industrial does not pay distributions to third parties on an investor's behalf).

Accounts Holder's Name	Bank/Branch	Account number	Suffix

Please enclose one of the below bank account verification documents with your application form:

- ☐ Bank Statement or screenshot of online banking showing account holders name & number
- ☐ Bank encoded deposit slip
- ☐ Confirmation from your bank verifying your bank account name and number

Section 3: Tax Information

Individual Application – Please complete your name as the Primary Applicant and complete your IRD number, RWT rate and PIR rate below along with selecting your New Zealand tax resident status.

Joint Individual Application – Where all investors are individuals, the investor with the highest PIR should complete their details as the Primary Applicant and complete their IRD number, RWT rate and PIR rate below along with selecting their New Zealand tax resident status. The other investors should complete their name, IRD number and New Zealand tax resident status. For other Joint Applications where the investors are not all individuals please contact us.

Company, Partnership, Trust or Other Entity Application – Please complete the Entity Name, IRD number, RWT rate and PIR rate below along with selecting the entity's New Zealand tax resident status.

Primary Applicant or Entity Name	IRD Number	New Zealand Tax resident?	
<input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Applicant Names			
<input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Primary Applicant or Entity Resident Withholding Tax (RWT) Rate

Your Resident Withholding Tax (RWT) rate is based on your taxable income, and there are different rates for individuals, trusts, companies and partnerships. You can find the current RWT rates on the Inland Revenue (IRD) website. RWT is deducted from the interest earned on your subscription amount while held in the trust account established for the Offer.

Please select one of the following:

Grade Level	Percentage
Grade 1	0%
Grade 2	10.5%
Grade 3	17.5%
Grade 4	28%
Grade 5	30%
Grade 6	33%
Grade 7	39%

Application Form (cont.)

Section 3: Tax Information (cont.)

Primary Applicant or Entity Prescribed Investor Rate (PIR)

Your Prescribed Investor Rate (PIR) is the rate at which your PIE tax is calculated on the PIE taxable income or loss from your investment. We need your PIR so that we can pay the correct amount of tax on your investments to IRD. To assist you in working out your PIR rate refer to the chart below.

Please select one of the following:

☐ 0%

☐ 10.5%

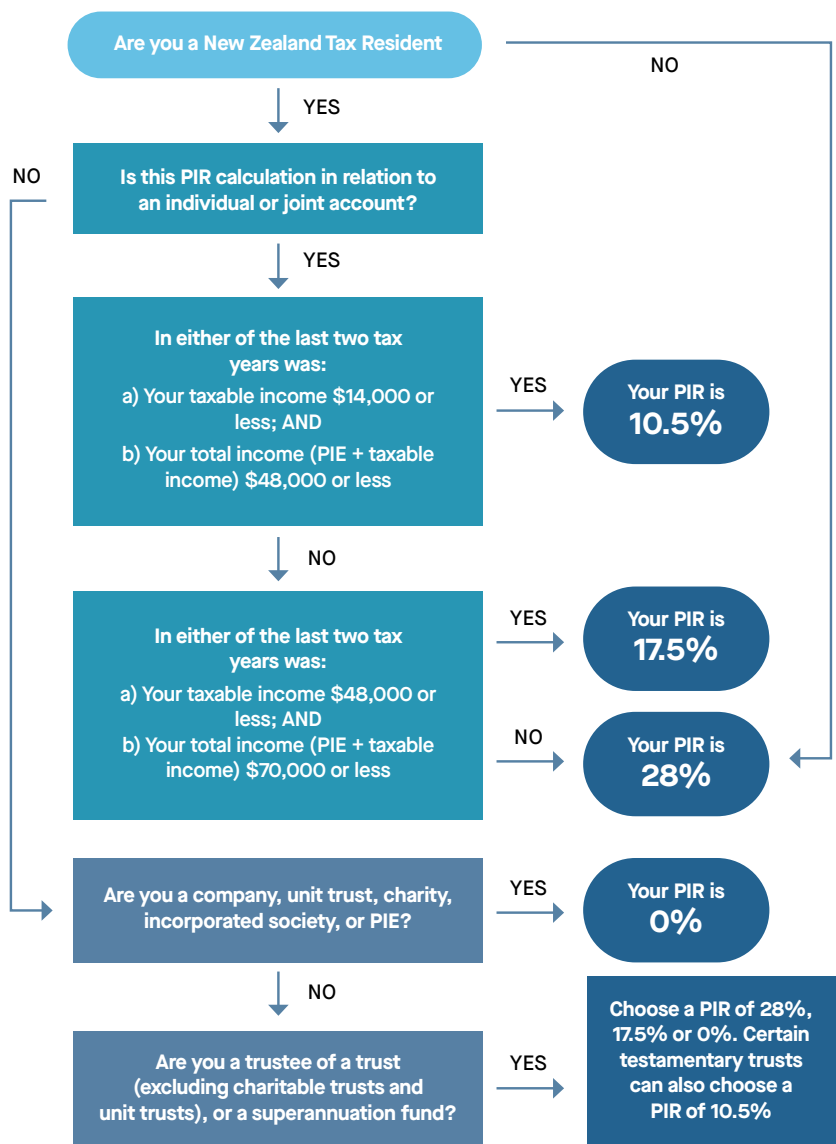
☐ 17.5%

☐ 28%

- If a PIR is not selected, 28% will be applied.
- Companies, incorporated societies, charitable trusts, and certain others must select a PIR rate of 0%. Depending on your tax status, you may need to include the PIE taxable income or loss, in your tax return.
- Trusts may select a PIR of 28%, 17.5%, or 0% to best suit the beneficiaries. If the trust is a testamentary trust it may select 10.5%.
- If you are a not a New Zealand tax resident, you must select a PIR rate of 28%.
- Please note the PIR you select will be used for all PIE investments you hold with Centuria NZ.

Working out your prescribed investor rate (PIR)

For more information about taxable income, PIRs and to determine your correct PIR please refer to the IRD website (<https://www.ird.govt.nz/roles/portfolioinvestment-entities/find-my-prescribed-investor-rate>) or contact your professional tax adviser.



Application Form (cont.)

Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standards (CRS)

All New Zealand financial institutions are required to collect information about investors' foreign tax residency and pass that and other information onto the Inland Revenue. Inland Revenue may then share this information with the relevant tax authority if an agreement is held with that country.

PLEASE COMPLETE THE SECTION BELOW THAT IS RELEVANT TO YOU.

Individual or Joint individuals

Are you or any of the individuals investing foreign tax residents? ☐ Yes ☐ No If No, please go to Section 4

If **YES**, please provide details for each individual below: (please include all countries/jurisdictions in which the person is a tax resident)

Legal Full Name	Date of Birth	Country of foreign tax residence	Foreign Tax Number
<input type="text"/>	<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	<input type="text"/>

Residential Address	Country of birth
<input type="text"/>	<input type="text"/>

Legal Full Name	Date of Birth	Country of foreign tax residence	Foreign Tax Number
<input type="text"/>	<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	<input type="text"/>

Residential Address	Country of birth
<input type="text"/>	<input type="text"/>

Company, partnerships, trust or other entity

Is the entity registered for tax purposes in any country other than New Zealand? ☐ Yes ☐ No

If **YES**, please provide details for each individual below: (please include all countries/jurisdictions in which the person is a tax resident)

Foreign Tax Number	Country of foreign tax residence
<input type="text"/>	<input type="text"/>

Are any controlling parties of the entity foreign tax residents? ☐ Yes ☐ No If No, please go to Section 4

If **YES**, please provide details for each individual below:

Companies, Partnerships, other entity

All directors, partners and shareholders that hold more than 25% ownership of the company or partnership and any other individual who has effective control.

Trusts

All Trustees, settlors, appointors, Executors and listed beneficiaries and any other individual who has effective control.

Legal Full Names
<input type="text"/>
<input type="text"/>

We are unable to provide tax advice, if you are unsure about your tax residency status please contact your local tax authority (Inland Revenue in NZ) or speak with a professional tax advisor. For more information about the international tax compliance regulations you can search 'FATCA' or 'CRS' on the New Zealand Inland Revenue Website.

Application Form (cont.)

Section 4: Application Amount and Payment

Amount in NZD. Applications can be made in increments of \$1,000, with a \$10,000 minimum (rounded down to the nearest whole share)¹.

NZD\$

PLEASE NOTE: If you invest as a trust, a company with Nominee Shareholders or you are making an investment of \$500,000 or more, Centuria NZ will require information relating to the source of funds or wealth for this investment. Our partners at First AML will be in touch with you following the receipt of your application form to commence this process.

Please choose ONE of the PAYMENT options below. Please tick the box next to your selected option

☐

Option 1: Direct Deposit

Augusta Industrial or its agent will provide bank details for payment by email or phone to you once the application is complete and all customer due diligence documentation has been provided.

☐

Option 2: Direct Debit

Direct debits allow Augusta Industrial, via its registry provider Boardroom Pty Limited, to deduct money from your nominated bank account as payment for your Application. If you wish to make payment by this method, please complete your account details below. By signing this application form, the signatory agrees that Boardroom Pty Limited on behalf of Augusta Industrial is authorised to direct debit the bank account below for the total Application Amount on the date that we confirm your application is complete and all customer due diligence documentation has been provided.

Direct Debit Instructions

Please complete the Direct Debit Authority below.

The bank account must be with a New Zealand registered bank. You cannot specify a direct debit date and you must ensure that:

- a.** the bank account details supplied are correct;
- b.** the Application Monies in the bank account for the direct debit are available on the day you submit your Application;
- c.** the person(s) giving the direct debit instruction has/have authority to operate the account solely/jointly; and
- d.** the bank account you nominated is a transactional account eligible for direct debit transactions. If you are uncertain you should contact your bank.

Should your direct debit fail, your Application may be rejected if you are unable to pay by alternative means.

(1) To calculate the number of shares that you will receive, take the dollar amount you wish to invest and divide by 1.33 (the issue price of the shares), then round this number down to the nearest whole number.

Application Form (cont.)

Section 4: Application Amount and Payment (cont.)

Direct Debit Authority

Name of my account to be debited (acceptor)	Name of my bank	Initiator's authorisation code
<div></div>	<div></div>	<div>1 2 2 9 0 0 7</div>

Bank/Branch	Account number	Suffix
<div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>

(insert name of acceptor's bank)

From the acceptor to	<div></div>	(my bank):	<div></div>
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By signing this Application Form I authorise you to debit my account with the amounts of direct debits from **Boardroom Pty Limited ITF Augusta Industrial Fund - Application** with the authorisation code specified on this authority in accordance with this authority until further notice.

I agree that this authority is subject to:

- the bank's terms and conditions that relate to my account; and
- the specific terms and conditions listed below.

Please include the following information on my bank statement

Specific conditions relating to notices and disputes

I may ask my bank to reverse a direct debit up to 120 calendar days after the debit if:

- I don't receive a written notice of the amount and date of each direct debit from the initiator, or
- I receive a written notice but the amount or the date of debiting is different from the amount or the date specified on the notice.

The initiator may only send a direct debit if you have:

- asked the initiator to send it, and
- agreed the amount of the direct debit.

The initiator is required to give you a written notice of the amount and date of each direct debit no less than the date of the debit.

If the bank dishonours a direct debit but the initiator sends the direct debit a second time within 5 business days of the original direct debit, the initiator is not required to notify you a second time of the amount and date of the direct debit.

For Bank Use Only

Approved	Date Received	Recorded By	Checked By	Bank Stamp
2900 04/21				

Application Form (cont.)

Section 5: Nature and Purpose of Your Investment

This information is being requested solely for the purpose of Centuria NZ’s regulatory compliance obligations (pursuant to the Anti-Money Laundering and Countering Financing of Terrorism Act 2009) and not for the purpose of allowing Centuria NZ to assess the suitability of this investment for your personal financial circumstances, financial needs or goals.

The NATURE of your investment explains how much you plan to invest with Centuria NZ, how regularly you expect to invest and for how long you intend to hold this investment.

How regularly do you intend to invest with Centuria NZ?

☐ One off investment

☐ 1–3 times a year

☐ Each available opportunity

☐ When funds are available

How much do you plan to invest in total with Centuria NZ on an annual basis?

☐ Less than \$100k

☐ \$100k up to \$250k

☐ \$250k up to \$500k

☐ Over \$500k

How long do you intend to hold your investment with Centuria NZ?

☐ Less than 12 months

☐ 2–5 years

☐ 6–10 years

☐ Over 10 years

The PURPOSE of your investment explains your investment objectives and intentions, and what you are trying to achieve by investing with Centuria NZ.

What are you looking to achieve through investing with Centuria NZ?

☐ Receive regular income

☐ Achieve capital growth

☐ Planning for retirement

☐ Other

If other, please provide additional information

Application Form (cont.)

Section 6: Customer Due Diligence (CDD) Requirements (Please Complete Only One Option)

As part of its obligations under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009, Centuria NZ must undertake Customer Due Diligence (CDD) on (a) a customer (b) any beneficial owner of a customer (c) any person acting on behalf of a customer.

Every new investor and existing investor (including all trustees, beneficial owners and any person acting on behalf of the investor) is subject to CDD requirements. This ranges from verifying an investor's identity and address to obtaining the Trust Deed if a trust will hold the investment.

Centuria NZ have engaged First AML to conduct Customer Due Diligence (CDD) on our behalf. First AML will contact you directly to collect identity information and complete the CDD process. The good news is, if you have previously provided this for other Service Providers, with your consent, we may be able to use this information to save you from repeating the process.

Your information will be used for the sole purpose of conducting CDD and identity verification. Your information will remain confidential and will not be shared outside of First AML, Centuria or Boardroom Pty Limited as Centuria NZ's registry provider, other than in accordance with Centuria NZ's privacy policy.

Please select the investor option that refers to you.

☐ **Option 1: Existing Investor**

I am an existing investor and I have previously provided complete Customer Due Diligence documentation, the details of which are still correct. Please note Centuria NZ will review the documents it holds on file and may request further information.

Please go to Section 12 and complete the declaration section on Page 74.

☐ **Option 2: Existing Investor - I Need to Update my Investor Information**

If there has been a change to your personal details (e.g. address), shareholding of your company, change in trustees you need to provide updated Customer Due Diligence documentation.

Our partners at First AML will be in touch with you following the receipt of your application form to request all relevant Customer Due Diligence documentation.

Please go to Section 12 and complete the declaration section on Page 74.

☐ **Option 3: New Investor**

I am a new investor with Centuria NZ and will meet my Customer Due Diligence (CDD) requirements.

Please complete the Customer Due Diligence section relevant to your investor type (see table below), then go to Section 12 and complete the declaration section on Page 74.

Individual & Joint Individuals (Page 71), Section 7	Partnerships (Page 72), Section 8
Company (Page 72), Section 9	Trust (Page 73), Section 10
Estates (Page 73), Section 11	

Our partners at First AML will be in touch with you following the receipt of your application form to request all relevant Customer Due Diligence documentation.

Application Form (cont.)

Section 7: Customer Due Diligence - Individual & Joint Individuals

Please provide the personal information for the following:

- Each investor
- Any individual(s) acting on behalf of the individuals e.g. Authorised Person(s), Power of attorney

Legal Full Name

Residential Address

Date of Birth

Place of Birth

Occupation

Email

Home or Mobile Tel

Legal Full Name

Residential Address

Date of Birth

Place of Birth

Occupation

Email

Home or Mobile Tel

Legal Full Name

Residential Address

Date of Birth

Place of Birth

Occupation

Email

Home or Mobile Tel

Application Form (cont.)

Section 8: Customer Due Diligence - Partnerships

Please provide the personal information for each of the following:

- All current partners
- Any individual(s) acting on behalf of the partnership e.g. Authorised Person(s), Power of attorney
- All persons who own more than 25% of the partnership
- Any other person who has effective control of the partnership

Legal First Name(s)	Legal Family Name	Date of birth	Place of birth	Occupation
<input type="text"/>	<input type="text"/>	<input type="text" value="/ /"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text" value="/ /"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text" value="/ /"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text" value="/ /"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text" value="/ /"/>	<input type="text"/>	<input type="text"/>

Section 9: Customer Due Diligence - Company

Please provide personal information for each of the following:

- All current directors
- All persons who own more than 25% of the company
- Any persons acting on behalf of the company e.g. Authorised Person(s), Power of attorney
- Any other person who has effective control of the company

Legal First Name(s)	Legal Family Name	Date of birth	Place of birth	Occupation
<input type="text"/>	<input type="text"/>	<input type="text" value="/ /"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text" value="/ /"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text" value="/ /"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text" value="/ /"/>	<input type="text"/>	<input type="text"/>

Application Form (cont.)

Section 10: Customer Due Diligence - Trusts

Please provide personal information for each of the following:

- All current trustee(s)
- All appointer(s)
- Any individual(s) acting on behalf of the trust e.g. Authorised Person(s), Power of attorney
- All directors of the Corporate Trust Company (if Applicable)

Legal First Name(s)	Legal Family Name	Date of birth	Place of birth	Occupation
<input type="text"/>	<input type="text"/>	<input type="text" value="/ /"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text" value="/ /"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text" value="/ /"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text" value="/ /"/>	<input type="text"/>	<input type="text"/>

Corporate Trustee Company

Full Name of contact	Company Name
<input type="text"/>	<input type="text"/>
Email	Home or Mobile Tel
<input type="text"/>	<input type="text"/>

We require photo identification and address verification for all directors of the Corporate trustee company, our partner First AML may also need to follow up with them regarding additional CDD documentation.

Section 11: Customer Due Diligence - Estates

Please provide personal information for each of the following:

- All executor(s)
- All trustee(s)
- Any individual(s) acting on behalf of the estate
- Any other person who has effective control of the estate e.g. Authorised Person(s), Power of attorney

Legal First Name(s)	Legal Family Name	Date of birth	Place of birth	Occupation
<input type="text"/>	<input type="text"/>	<input type="text" value="/ /"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text" value="/ /"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text" value="/ /"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text" value="/ /"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text" value="/ /"/>	<input type="text"/>	<input type="text"/>

Application Form (cont.)

Section 12: Declaration and Signature

I/We hereby apply for the Shares as set out above subject to the terms and conditions of the Product Disclosure Statement dated 11 May 2021.

I/We have received, read and understood the Product Disclosure Statement. I/We understand the risks to Augusta Industrial Fund Limited's Business and Plans as set out at Section 8 of the Product Disclosure Statement. I/We acknowledge that the offer of Shares in the Product Disclosure Statement was made to me/us in New Zealand, or Australia or any other country in which Augusta Industrial Fund Limited is able to offer to persons without having to prepare a disclosure document. I/ We agree to accept the Shares as applied for or any lesser number that may be issued to me/us. I/We hereby consent to Centuria NZ disclosing such information as it holds in respect of me/us to regulatory authorities. The information I/We have provided in this Application Form is true and correct to the best of my/our knowledge. I/We understand that Centuria NZ have not assessed the suitability of this investment for my/our personal financial circumstances, financial needs or goals nor provided any personalised financial advice.

Privacy Act 2020 & Unsolicited Electronic Messages Act 2007

You have a right to access all personal information held about you by us. If any of the information is incorrect, you have the right to have it corrected. You acknowledge that you are authorised to provide this personal information. The personal information you have supplied may be used by Augusta Industrial and Centuria NZ (and other related entities) for the purposes of enabling us to arrange and manage your investment, to contact you in relation to your investment, and to market other products and services to you. You authorise us to disclose your personal information to any third parties as needed to perform services on your behalf; to regulatory bodies or law enforcement agencies as required by law; and to meet our legal or regulatory obligations. We will provide you (on request) with the name and address of any entity to which information has been disclosed.

Signatures

If the application form is signed by an Attorney (or an agent). The Attorney must complete the certificate of non-revocation on this page.

Please note: All individual(s) must sign, all trustee(s) (including a director from the corporate trustee) must sign, a director of a company must sign. Failure to do so will delay your application.

Dated

/

/

2021

Applicant Signature

Applicant Name

Applicant Signature

Applicant Name

Applicant Signature

Applicant Name

Applicant Signature

Applicant Name

Application Form (cont.)

Section 12: Declaration and Signature (cont.)

Certificate of Non-Revocation of Power of Attorney

Complete this section if you are acting on behalf of someone for whom you hold Power of Attorney.

I, (Name of Attorney)
of (Address and Occupation of Attorney)

Hereby Certify

1. That by deed dated / / (Name of Power of Donor of Attorney)
Address and country of donor
of appointed me his/her/its attorney

2. That I have not recieved notice of any event revoking the power of attorney.

Signed at Place this Day of Month 2021
Signature

Application Form (cont.)

Section 12: Declaration and Signature (cont.)

Indemnity in Respect of the Issue of Units to a Minor (Section 102 Contract and Commercial Law Act 2017)

To: Augusta Industrial Fund Limited ("Augusta Industrial")

We and
.

(the "legal guardians/parents") of:

(the "minor"),

shall keep Augusta Industrial indemnified on demand from and against all actions, proceedings, claims, damages, losses, costs and expenses incurred or suffered by Augusta Industrial arising from or in connection with the issue of Shares in Augusta Industrial Limited to the minor and the entry of the minor into the contract constituted by the application form (Form) contained in this product disclosure statement for the offer of Shares in Augusta Industrial dated 11 May 2021 (PDS) for and on behalf of the minor.

We acknowledge that:

- we have requested, and consent to, the issue of Shares (at \$1.33 per share) in Augusta Industrial Limited to the minor;
- we have reviewed, and understand the content of, the PDS and the Form; and
- this indemnity may not be revoked unless Augusta Industrial agrees in writing.

Signed as a Deed

Print name
Date

In the presence of:

Name
Occupation
Address

Print name
Date

In the presence of:

Name
Occupation
Address

Centuria

centuria.co.nz