

# Centuria



## PRODUCT DISCLOSURE STATEMENT

# For an Offer of Units in Centuria Shands Road Property Trust

13 NOVEMBER 2024

Issued by Centuria Funds Management (NZ) 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 at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz). Centuria Funds Management (NZ) 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 make an investment decision.





# Key information summary

## Section 1

### What is this?

This is an offer of Units in Centuria Shands Road Property Trust (the **Trust**). Your money will be pooled with other investors' money and invested. Centuria Funds Management (NZ) Limited (the **Manager** or **Centuria NZ**) invests the money in the properties at 146-166 Shands Road, Hornby, Christchurch and takes fees. The assets and fees are described in this document. By investing in this Trust, you are relying on the investment decisions of the Manager and returns from the assets that the Trust invests in. There is a risk that you may lose some or all of the money you invest.

The Trust is an 'other managed investment scheme' for the purposes of the FMCA.

### Who manages this scheme?

Centuria Funds Management (NZ) Limited is the manager of the Trust. See Section 10: 'About Centuria Funds Management (NZ) Management Limited and others involved in Centuria Shands Road Property Trust' for further details.

### What are you investing in?

You should be aware that:

- this is an offer of Units in a unit trust. The Trust has been structured as a long-term investment vehicle investing in commercial real estate;
- the Trust will invest in two properties that are being acquired to form a single asset – 146-166 Shands Road, Hornby, Christchurch (the **Property**);
- the Property is leased to a single tenant, General Distributors Limited (trading as Woolworths) (the **Tenant**), with the Lease guaranteed by Woolworths New Zealand Limited (the **Guarantor**); and
- the Trust has no fixed term. There is no set date on which you will get your investment back. It is anticipated that redemptions of Units are unlikely in the ordinary course of the Trust's activities. A return of your investment will likely depend on the sale of your Unit(s) or the Trust approving a sale of any part of the Property, and the price of such sale.

The Trust will use the funds raised to purchase the industrial land and buildings at the Property and pay for the Trust's capped contribution to the costs of the Expansion of the Property (with the Tenant responsible for any costs above the cap). Part of the Property, 146 Shands Road, is being acquired from an existing limited partnership managed by the Manager (the **Existing Scheme**) and the remainder, 166 Shands Road, is being acquired from the Tenant.

The costs of establishing the Trust, acquiring the Property and paying for the Trust's capped contribution to the costs of the Expansion are:

Purchase price (146 Shands Road)	\$43,450,000 <sup>1</sup>
Purchase price (166 Shands Road)	\$5,000,000
Capped Expansion Costs Contribution	\$35,630,000
Establishment costs	\$3,940,000
Working capital	\$750,000
<b>Total</b>	<b>\$88,770,000</b>
Funded by:	
Investors' capital	\$53,140,000
Debt	\$35,630,000
<b>Total</b>	<b>\$88,770,000</b>

The debt will be funded by an interest only loan facility from ASB. The Manager expects to draw down debt progressively to fund the Trust's Capped Expansion Costs Contribution.

### Investment objectives

The Trust has a long-term investment horizon. The primary objectives of the Trust are to:

- preserve and grow the value of the Property, including by funding the Expansion and ensuring it is successfully completed; and
- pay Investors a regular monthly cash distribution.

1. The consideration for 146 Shands Road comprises \$16,076,237 cash and 27,373,763 Units.

# Key information summary

## Section 1

### Investment strategy

The Trust's strategy is to acquire the Property, fund and oversee the Expansion, continue to lease it to the Tenant or any replacement tenant and preserve and grow Investors' equity by active management of the Trust and the Property.

### Key terms of the Offer

Products on Offer	Units in the Trust.			
Issue price per Unit	\$1.00.			
Number of Units being offered	53,140,000 Units. Additional Units may be issued at the discretion of the Manager.			
Structure of the Offer	<p>The Offer comprises:</p> <ul style="list-style-type: none"><li>• the Capital Raising Offer, being the portion of the Offer that is open to new investors and Existing Shands Road Investors; and</li><li>• the Transfer Offer, being the portion of the Offer under which the Existing Scheme will acquire Units and distribute them to Existing Shands Road Investors in exchange for the Existing Scheme transferring 146 Shands Road to the Trust.</li></ul>			
Minimum investment amount for new investors under the Capital Raising Offer <sup>1</sup>	<p>\$25,000 minimum investment (and increments of \$1,000 thereafter).<sup>2</sup></p> <p>Existing Shands Road Investors will automatically receive Units under the Transfer Offer following the purchase of 146 Shands Road by the Trust, and may apply for any number of further Units under the Capital Raising Offer.</p>			
Forecast pre-tax cash distribution	<b>Reporting period ending</b>	<b>31 March 2026</b>	<b>31 March 2027</b>	<b>31 March 2028</b>
	Pre-tax cash distribution % p.a. on original investment	7.35%	7.35%	7.35%
	<p>Cash distributions are paid to Investors monthly. These cash distributions are not guaranteed. The actual distribution rates may vary. Distributions are forecast to be accrued from 2 April 2025, the day immediately following Settlement. 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 6: 'Centuria Shands Road Property Trust's financial information' and Section 7: 'Risks to returns from Centuria Shands Road Property Trust' in this PDS. The forecast pre-tax cash distributions are based on the Prospective Financial Information, which is available on the Offer Register.</p>			
Intended Opening Date for the Capital Raising Offer <sup>3</sup>	16 December 2024.			
Intended Closing Date for the Capital Raising Offer <sup>3</sup>	25 March 2025.			
Intended issue date <sup>3</sup>	1 April 2025.			
Intended Opening Date for the Transfer Offer <sup>3</sup>	22 November 2024 (the date a notice of meeting is intended to be circulated to Existing Shands Road Investors).			
Intended Closing Date for the Transfer Offer <sup>3</sup>	16 December 2024 (the date the meeting of Existing Shands Road Investors is expected to be held).			
Consideration payable to Existing Scheme for acquisition of 146 Shands Road	<p>The Trust is purchasing 146 Shands Road from the Existing Scheme for total consideration of \$43,450,000, comprising \$16,076,237 cash and 27,373,763 Units, subject to approval by Existing Shands Road Investors and satisfaction of all conditions to the Development Agreement and the 146 Shands Road Purchase Agreement. The purchase price has been set by an independent valuation of 146 Shands Road.</p>			

1. The Manager reserves the right to amend the minimum subscription amount or the increments in which applications must be made.

2. To encourage investment by employees of the Manager and enhance the alignment between the Manager and Investors, the minimum investment for employees of the Manager is \$10,000.

3. These dates are indicative only and may change. In particular, the Manager reserves the right to close the Offer at any time prior to those dates or extend the Offer Period by up to 25 working days without prior notice.



Pro rata allocation for Existing Shands Road Investors who wish to acquire further Units in the Trust	Existing Shands Road Investors who wish to apply for additional Units in the Capital Raising Offer (over and above the Units they will receive under the Transfer Offer) will be entitled to at least a pro rata allocation of Units offered in the Capital Raising Offer, provided their application is received by 12 February 2025 and subject to the other terms and conditions of the Offer.
Underwriting	The \$25,766,237 to be raised under the Capital Raising Offer is underwritten by Centuria Platform Investments Pty Limited.
Offer to Investors	This Offer is only being made to potential investors in New Zealand, Australia and any other jurisdiction in which the Manager is able to make the Offer, without having to prepare a disclosure document, at its discretion.

### How you can get your money out

An investment in the Trust is not redeemable on demand and there is no fixed date on which you may get your money out. The Manager does not anticipate permitting redemptions of Units in the ordinary course of the Trust's activities.

Your investment in these Units can be sold but there is no established market for trading these financial products. This means that you may not be able to find a buyer for your investment.

### Key drivers of returns

The key current and future aspects of the Trust that will, or may, have an impact on the Trust's financial performance (and the key strategies and plans for those aspects) are:

- **Capital growth and expenditure** – capital growth of, and expenditure on, the Property is a key driver of returns, as the Property is the Trust's sole asset. The Trust's contribution to the costs of the Expansion is capped (with the Tenant responsible for any costs above the cap), mitigating the risk of additional Expansion costs impacting the Trust's financial performance.
- **Interest rates** – as a significant expense for the Trust will be interest payments, the financial performance of the Trust will be affected by interest rates. The Manager intends to manage the interest rate with a combination of interest rate hedging agreements (to fix the base rate) and floating rates. From the anticipated Practical Completion date in August 2026, at least 74% of the Trust's forecast total bank debt will have a fixed base rate on its interest until August 2029.
- **Rental income** – the rental received by the Trust from the Property is the Trust's key income. The Development Agreement and Lease contain rent review provisions that impact the rental payable to the Trust.

## Centuria Shands Road Property Trust's financial information

### GEARING RATIO

On acquisition of the Property/issue of Units under the Offer	0.0%	The 'gearing ratio' tells you how much the Trust owes (debt) as a portion of what it owns (assets, including cash). The higher the gearing ratio, the greater the Trust's exposure to risk from movements in interest rates or the requirement to repay debt if it is unable to be renewed or refinanced on expiry.
At 31 March 2026	27.7%	
At 31 March 2027	38.9%	
At 31 March 2028	38.9%	

### INTEREST COVER RATIO

Period ending 31 March 2026	15.08 times	The 'interest cover ratio' tells you how much the Trust's EBITDA, adjusted for unrealised gains and losses, exceeds interest expense on its debt (as a multiple).
Year ending 31 March 2027	4.27 times	
Year ending 31 March 2028	3.18 times	

The prospective financial information in this PDS has been extracted from prospective financial statements prepared in accordance with Financial Reporting Standard 42: Prospective Financial Statements (FRS 42), which are available on the Offer Register. The prospective financial statements have been subject to a reasonable assurance engagement and an unmodified opinion has been issued by BTSR, a copy of which is also included on the Offer Register.

# Key information summary

## Section 1

### Valuations

The following table sets out the independent valuations of 146 Shands Road and 166 Shands Road and the 'as if complete' independent valuation of the combined Property. The valuations were conducted in accordance with current Australia and New Zealand Valuation and Property Standards and used both a capitalisation of net income approach and a discounted cash flow approach.

PROPERTY	VALUATION	VALUATION DATE	BASIS OF VALUATION
146 Shands Road	\$43.45 million	23 October 2024	Market value
166 Shands Road	\$9.0 million	9 October 2024	Market value
Combined Property (as if complete)	\$90.00 million	23 October 2024	Market value on an 'as if complete' basis, assuming that, as at the valuation date, 146 Shands Road and 166 Shands Road are combined, the Expansion is complete, the rental has increased to \$6,187,370 and the Lease is varied in accordance with the Development Agreement

### Key risks of this investment

Investments in managed investment schemes are risky. You should consider whether the degree of uncertainty about the Trust's future performance and returns is suitable for you. The price of these Units should reflect the potential returns and the particular risks of these Units. The Manager considers that the most significant risk factors that could affect the value of the Units are:

- **Tenant default** – This is a single asset, single tenant investment, and this investment is different from many other syndicated property investments in that it involves development of a commercial building. So long as the Tenant and Guarantor remain solvent and continue performing their obligations under the Development Agreement then the Trust is insulated from development risk.
- **Interest rates** – As debt is progressively drawn down to fund the Trust's contribution to the Expansion, interest expense becomes a material expense of the Trust. A proportion of the Trust's debt is expected to be floating and, as such, any significant upward movement in interest rates may affect the Trust's ability to maintain distributions. From the anticipated Practical Completion date in August 2026, at least 74% of the Trust's forecast total bank debt will have a fixed base rate until August 2029.

This summary does not cover all of the risks. You should also read Section 7: 'Risks to returns from Centuria Shands Road Property Trust'.

### What fees will you pay?

The table below summarises the fees and expenses that the Trust will be charged. Further information about fees is set out in Section 8: 'What are the Fees?'.

	FORECAST FEES AND EXPENSES FOR THE 4 MONTHS AND 19 DAYS TO 31 MARCH 2025	FORECAST FEES AND EXPENSES FOR THE 12 MONTHS TO 31 MARCH 2026 <sup>1</sup>	FORECAST FEES AND EXPENSES FOR THE 12 MONTHS TO 31 MARCH 2027 <sup>1</sup>	FORECAST FEES AND EXPENSES FOR THE 12 MONTHS TO 31 MARCH 2028
Total fees and expenses charged by the Manager and its associated persons	\$0 plus GST, which as a percentage of net assets is anticipated to be 0.00%	\$2,740,487 plus GST, which as a percentage of net assets is anticipated to be 4.97%	\$154,500 plus GST, which as a percentage of net assets is anticipated to be 0.28%	\$159,135 plus GST, which as a percentage of net assets is anticipated to be 0.29%
Total fees and expenses charged by other persons	\$0 plus GST, which as a percentage of net assets is anticipated to be 0.00%	\$30,957,575 plus GST, which as a percentage of net assets is anticipated to be 56.09%	\$10,355,348 plus GST, which as a percentage of net assets is anticipated to be 18.68%	\$3,033,407 plus GST, which as a percentage of net assets is anticipated to be 5.47%

### How will your investment be taxed?

It is intended the Trust will register to be a multi-rate portfolio investment entity (**PIE**). The amount of tax you pay in respect of a multi-rate PIE is based on your prescribed investor rate (**PIR**). To determine your PIR go to page 66. See Section 9: 'Tax' on page 66 for more information.

1. Aggregate fees for the accounting period ended 31 March 2026 include establishment costs and the Trust's contributions to the costs of the Expansion. Aggregate fees for the accounting period ended 31 March 2027 include the Trust's contributions to the costs of the Expansion.

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# Letter from the Manager

Dear Investor,

## Opportunity to invest in Woolworths NZ's primary South Island distribution centre

We are delighted to bring you the opportunity to invest in the primary South Island distribution centre of Woolworths NZ, operated under its Primary Connect brand. The facility is a key piece of infrastructure for Woolworths NZ and is well located in a prime corner position in Christchurch's pre-eminent industrial suburb of Hornby. The Property benefits from a new 15 year lease (commenced 30 August 2024) with rights of renewal until 2059, providing a long term income stream with built in rental growth. The Tenant will continue to operate out of its existing premises on the site and pay rent under its Lease while a brand-new modern warehouse extension to the existing premises is constructed to meet the grocery giant's growing requirements.

Investors can participate in the ownership of this substantial Property from as little as \$25,000 with a forecast pre-tax cash distribution of 7.35% p.a. for the first three years, paid to Investors monthly<sup>1</sup>.

## Centuria NZ - Strong track record

Centuria Funds Management (NZ) Limited (the **Manager** or **Centuria NZ**, formerly known as Augusta Funds Management) manages approximately NZ\$2.5 billion of assets with a strong track record.

In 2020, Augusta and the ASX200 listed Centuria Capital Group (one of Australia's largest property fund managers) merged to create a leading Australasian property fund management platform, with over \$20 billion of Trans-Tasman assets under management on behalf of investors

We have a 20-year track record and manage a wide range of property-related investments, including industrial, commercial, retail, office, healthcare, agricultural and self-storage properties. We also have extensive value-add and development experience in New Zealand, having completed approximately \$170 million of development projects since October 2022 through our highly skilled in-house development management team. Whilst the Tenant is responsible for delivering the warehouse Expansion (described below), this in-house expertise enables the Manager to monitor and oversee the project on behalf of Investors.

We are conservative in our approach with a focus on quality assets with strong long-term fundamentals. At the core of our investment philosophy is providing regular monthly cash distributions and protecting and growing investors' equity. The attributes of this property strongly align with this approach.

## Background – existing property managed by Centuria NZ for nine years, with a brand new warehouse extension beginning in 2025

146 Shands Road has been owned by an existing Centuria NZ investment scheme since late 2015.

Over the last nine years, Woolworth NZ's distribution operations have grown in size and they now require significantly more space. Our strong relationship with the Tenant allowed us to negotiate a deal that provides Woolworths NZ with an expanded distribution centre, with limited risk for the Landlord and improvements to the Lease terms.

The new Centuria Shands Road Property Trust (the **Trust**) has been launched as a single asset investment vehicle to acquire the existing property and distribution centre at 146 Shands Road along with neighbouring vacant land at 166 Shands Road, taking the combined site to an impressive 105,404 sqm. The Tenant is responsible for completing a substantial approximately 17,000 sqm modern warehouse extension onto the vacant land, increasing the total net lettable area to approximately 46,981 sqm to meet the Tenant's requirements going forward. The existing office will also be extended and modernised.

The Tenant has assumed the risks of cost escalations given the Trust has a capped development cost contribution (with costs above the cap to be met by the Tenant). The Tenant is also insulating the Trust from development delays due to the stepped rental increases. Rent is payable from Settlement and increases on Practical Completion of the Expansion. If Practical Completion is not achieved within 18 months, the rental increases from that date, providing a back-stop and mitigating the impact of delays.

## Outstanding tenant covenant with long term lease in a prime location

The Property is tenanted by General Distributors Limited, the supermarket trading entity for Woolworths branded supermarkets in New Zealand. The Tenant has advised that as at 30 June 2024 it operates 188 Woolworths supermarkets in New Zealand, has revenue in excess of \$7 billion and total assets in excess of \$2 billion. Woolworths New Zealand Limited, the Guarantor, owns 100% of the Tenant. It is also the parent company of the entities that franchise 19 SuperValue and 55 FreshChoice stores throughout New Zealand. The ultimate parent company of the Tenant and Guarantor is Woolworths Group Limited, an ASX listed Australian company with a market capitalisation of approximately A\$36.4 billion as at 2 November 2024.<sup>1</sup>

1. Cash distributions are not guaranteed. Actual distribution rates may vary. Distributions are forecast to be accrued from 2 April 2025, the day immediately following Settlement. 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 this PDS. The forecast pre-tax cash distributions are based on the Prospective Financial Information, which is available on the Offer Register.
2. Assets under management as at 30 June 2024. Includes assets contracted to be settled, cash and other assets.



The new 15-year lease (commenced 30 August 2024) combined with the calibre of the Tenant and their strong financial standing provide Investors with the security of a long term income stream. During the initial term, the Lease includes built in rental growth of 2.5% p.a. from the one year anniversary of Practical Completion of the Expansion, with a market rent review on the fifth anniversary of Practical Completion (subject to a cap of 110% and a collar of 90%) and 2.5% p.a. fixed increases thereafter.

### **Investing in the strong-performing industrial property and supermarket sectors**

In Centuria NZ's opinion this Property combines both a property sector and tenant sector that are expected to perform well through economic cycles.

Chris Farhi, Bayleys Head of Insights, Data and Consulting, discusses the New Zealand industrial property market on page 20, stating that it "has performed well over the past two decades with annual total returns for New Zealand industrial property estimated at 12.1% p.a. (20 years) and 12.7% p.a. (10 years)<sup>2</sup>... signals that inflation and long-term interest rates have peaked means that yields are likely to stabilise or decrease over the medium term. Yields reflect the relationship between an industrial property's income and its value. All else being equal, decreasing yields will result in higher values for industrial property."

### **Attractive 7.35% p.a. forecast pre-tax cash distribution for the first three years, PIE tax structure**

This investment provides an attractive 7.35% p.a. forecast pre-tax cash distribution for the first three years. We understand the importance of cashflow to our Investors so these cash distributions are paid into your bank account monthly.

With the Trust's PIE structure the maximum tax rate for your investment will be 28%. This is significantly lower than the highest personal and trustee tax rate of 39% making this a tax effective investment for many Investors.

### **Liquidity of Units – Centuria NZ's secondary market facility**

Centuria NZ operates a secondary market facility which matches the buyers and sellers of units. The liquidity of units is generally related to the performance of the underlying asset including the remaining term of a property's lease(s) and any valuation movement. Liquidity can also be influenced by broader investment and property market sentiment. Since 2014, Centuria NZ has facilitated secondary sale transactions with a total sales value of over \$65 million. To help provide flexibility when Investors are looking to sell, Investors in the Trust are able to trade Units in parcels as small as 10,000 Units. The Manager is not obliged to provide liquidity for Investors.

### **Favourable lease terms, attractive industrial investment**

This combination of a strong Tenant, long term Lease, growing income stream, prime industrial location and modern warehouse extension, wrapped into a PIE tax structure, make this a sought-after investment opportunity.

This PDS contains important information about this Offer. We encourage you to read the PDS carefully before making your investment decision, in particular Section 7: 'Risks to returns from Centuria Shands Road Property Trust'.

We recommend your earliest attention to this investment opportunity and remind you that there is the option to apply online at [www.centuria.co.nz/shands](http://www.centuria.co.nz/shands) using a secure and easy to complete form.

Yours sincerely



**Mark Francis**  
CEO, Centuria NZ



1. Woolworths Group Limited does not guarantee the obligations of the Tenant or the Guarantor under the Lease or the Development Agreement.  
2. MSCI Total Return Indices. Data covers 2003 to 2023.

## Section 2

In this section, you will find information on:

- the key features of the Trust;
- factors that may affect the financial performance of the Trust and Investors' returns;
- how the Trust is managed;
- the acquisitions of the Property and the plans for the Expansion;
- the industrial property market;
- the Development Agreement and the Lease; and
- the borrowing sources of the Trust.







# What Centuria Shands Road Property Trust invests in

## Section 2

### Key features of the scheme (Trust)

The key features of the Trust are set out below:

#### Statement of Investment Policy and Objectives and Investment strategy

The Manager has adopted a Statement of Investment Policy and Objectives (**SIPO**) for the Trust which sets out its investment policies, objectives and strategies for the Trust in respect of its investment in the Property as well as the policies it will apply in respect of its management and its investment performance monitoring. A copy of the SIPO is available on the Scheme Register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz) by searching 'Centuria Shands Road Property Trust' under 'search schemes'.

The SIPO sets out that the Trust's only allowable assets are:

- the Property and any leases/licences of the Property;
- the Development Agreement and associated agreements, guarantees or warranties;
- cash deposits with registered New Zealand banks; and/or
- any other assets arising in connection with holding the Property, including prepayments, accounts receivables, interest rate hedging agreements and insurance receivables.

The investment strategy of the Trust is to:

- acquire the Property;
- fund the Expansion and oversee its successful completion;
- continue to lease the Property to the Tenant or any replacement tenant; and
- preserve and then grow Investor equity by active management of the Trust and the Property.

Given the nature of the Trust's sole asset (substantial commercial property) and its unlisted ownership structure, the Trust has a long-term investment horizon. The primary objectives of the Trust are to:

- preserve and grow the value of the Property by funding and overseeing the successful completion of the Expansion on-time and to a high standard, and attend to necessary ongoing repairs, maintenance and capital expenditure; and
- pay Investors a regular monthly cash distribution.

The key policies of the Manager in respect of implementing the above objectives and strategy are:

- **Cash flow management** – maintaining and reviewing a regular cash flow budget and regularly reviewing the Trust's current financing. Particular circumstances set out in the SIPO may result in an increase or decrease in distributions.
- **Interest cover** – maintaining the interest cover ratio at a level no less than the ratio required under the Trust's banking facilities.
- **Capital Expenditure** – in addition to the Expansion, undertaking regular monitoring of the condition of the Property to ensure ongoing routine repairs and maintenance are undertaken to a high standard.
- **Hedging/interest rate policy** – a significant expense of the Trust will be interest payments on its bank debt. The Manager intends to manage the floating base rate component of the interest rate with a combination of interest rate hedging agreements (to fix the base rate) or floating rates. The Manager will also actively monitor the margins available in the market during the life of the Trust (and would consider changing lender if better margins were available elsewhere). The Trust will have hedging agreements in place that fix the base rate on a progressively increasing amount of forecast bank debt (due to the progressive draw down of bank debt) from August 2025. From the anticipated Practical Completion date in August 2026, at least 74% of the Trust's forecast total bank debt will have a fixed base rate until August 2029. Prior to Practical Completion, the portion of bank debt that is hedged varies due to the assumed draw down profile.
- **Leverage** – maintaining the loan to value ratio at a level no greater than the ratio required under the Trust's banking facilities. Additionally, the Trust can only incur additional bank debt where that additional debt, together with the Trust's existing bank debt, is less than 55% of the greater of: (a) the most recent independent valuation obtained for the Property (which may be an 'as if complete' valuation prior to practical completion of the Expansion or if there is any other development, maintenance or capital expenditure being completed on the Property); or (b) the purchase price for the Property plus the Expansion costs and establishment costs incurred.

The SIPO may be amended by the Manager following consultation with Covenant Trustee Services Limited, the Supervisor for the Trust (**Supervisor**).

# What Centuria Shands Road Property Trust invests in

## Section 2

### The Property – 146-166 Shands Road, Hornby, Christchurch

#### Legal description

The Property is the combination of 146 Shands Road and 166 Shands Road, located in Hornby, Christchurch, and is comprised in Section 1, 3 Survey Office Plan 455337 in identifier 604022 (Canterbury) and Lot 1 Deposited Plan 541135 in identifier 908771 (Canterbury). The Property is approximately 105,404 sqm in size.

#### Location

146-166 Shands Road, Hornby, Christchurch is on the corner of Shands Road and Halswell Junction Road. It is located on a prominent corner site in the well-established and highly regarded industrial suburb of Hornby, with Shands Road and Halswell Junction Road being the principal traffic routes through this sector of the city. The property sits within the juncture of State Highway 1, and the Christchurch Southern motorway, perfectly positioning the property with transport links to the North via State Highway 1, to the East via State Highway 76 linking with the Lyttelton Port, to the West via State Highway 73, and to the South via State Highway 76 and State Highway 1.

The Hornby area has benefitted significantly from these motorway linkages and improvements made across Christchurch's motorway network since 2011. Other occupiers have identified the benefits of this location with Foodstuffs, Hallensteins Glassons, Amcor, DHL, Oji, Sleepyhead, Fonterra and Heinz Watties also being located in this highly regarded Hornby industrial precinct. There remains ongoing development in this area.

#### Buildings

146 Shands Road is a substantial industrial property leased to the Tenant, a subsidiary of Woolworths NZ, as a warehouse and distribution centre. The original building on the site was constructed in 2002, while in 2012 a major extension increased the total gross lettable area to 29,695 sqm. The building comprises mostly warehouse space along with undercover loading and canopies as well as a front office and amenities area and a battery charging bay.

Construction generally comprises reinforced concrete foundations and floors, exterior walls of concrete panel and colour steel cladding, a steel frame throughout with 7.5 - 8.5 metre warehouse stud height, multiple entry doors and a full sprinkler system. Other building services include an air conditioning system for the office block while yard areas are either concrete, hot mix or chip sealed.

The existing property had a Detailed Seismic Assessment (DSA) undertaken as part of the Expansion investigations. The New Building Standard (**NBS**) rating for the existing building has been assessed at 50% NBS. The Manager understands the existing building performed well in the 2010-2011 Canterbury earthquakes, suffering no material damage. As part of the Expansion, the Tenant is required to complete the minor works required to bring the existing building up to at least 80% NBS. The Tenant or the Trust may elect to vary the seismic upgrade works to achieve a NBS rating of 100%, with the electing party responsible for paying any additional costs (though the Tenant may recover its costs as Project Costs, subject to the total cost cap).





The valuation for the existing property includes a provision of \$400,000 for works to bring the building up to 80% NBS. The Trust's maximum contribution under the Development Agreement to fund the works required to achieve 80% NBS is fixed at \$480,000 exclusive of GST (if any), which forms part of the Trust's overall capped contribution to the Expansion.

166 Shands Road is a large block of vacant land currently owned by the Tenant. The existing warehouse at 146 Shands Road will be expanded onto this land.

### The Tenant

General Distributors Limited, the Tenant, is the supermarket trading entity for Woolworths branded supermarkets in New Zealand. It owns all of the store fitouts and inventory, and either leases or owns the land and buildings that the supermarkets trade from. It also employs all of the supermarket staff. The Tenant has advised that as at 30 June 2024 it operates 188 Woolworths supermarkets in New Zealand, has revenue in excess of \$7 billion and total assets in excess of \$2 billion. So far as the Manager is aware, the Tenant has met all of its material obligations under the Lease since the Existing Scheme acquired the Property in late 2015.

Woolworths New Zealand Limited, the Guarantor, owns 100% of the Tenant. This entity provides and charges support services to the Tenant. It is also the parent company of the entities that franchise 19 SuperValue and 55 FreshChoice stores throughout New Zealand. The Property is Woolworths NZ's primary South Island distribution centre, which it runs under its Primary Connect brand. Primary Connect provides logistics services for leading fast-moving consumer goods providers in New Zealand, including the Woolworths supermarkets.

The ultimate parent company of Woolworths NZ is Woolworths Group Limited, an ASX listed Australian company, which has been in the business of food retailing for almost 100 years. Woolworths Group Limited has a market capitalisation of approximately A\$36.4 billion as at 2 November 2024. Woolworths Group Limited does not guarantee the obligations of the Tenant or the Guarantor under the Lease or the Development Agreement.

### Background to the Expansion

An existing limited partnership managed by the Manager (the **Existing Scheme**) has owned 146 Shands Road since 2015, leasing it to the Tenant. Over recent years, the Manager, on behalf of the Existing Scheme, has been working closely with the Tenant on plans to expand the existing warehouse to meet their requirements. Following extensive negotiations, the Development Agreement was signed between the Existing Scheme and the Tenant.

The transaction has been structured so that the Existing Scheme transfers 146 Shands Road and the Development Agreement to the Trust on 1 April 2025, with the Trust assuming the role of Landlord under both the Lease and the Development Agreement. The obligations of

the Existing Scheme (including to pay the Landlord's contribution to the Expansion costs) become obligations of the Trust.

As consideration for this transfer, the Existing Scheme will receive \$43,450,000, comprising \$16,076,237 cash and 27,373,763 Units in the Transfer Offer. The Existing Shands Road Investors will be required to approve the transfer of 146 Shands Road and the Development Agreement to the Trust, and the Transfer Offer, which is intended to be obtained at a meeting to be held on 16 December 2024. If Existing Shands Road Investors do not provide this approval, the Manager may cancel the Offer (in whole or in part). The purchase price has been set by an independent valuation of 146 Shands Road.

The Trust will also acquire 166 Shands Road, currently owned by the Tenant, on 1 April 2025. The purchase price for 166 Shands Road is \$5 million, against an independent valuation of \$9 million as at 9 October 2024 by JLL, with payment of the purchase price deferred until the date of Practical Completion. The existing warehouse on 146 Shands Road will be extended by approximately 17,000 sqm onto 166 Shands Road.

Under the Development Agreement, the Tenant agreed to vary the existing lease, including extending the current term and providing for rental increases. Further details of the Lease are contained on pages 27-30.

### The Expansion

The Trust's contribution to the costs of the Expansion is capped at \$35.63 million, with any costs above this amount to be funded by the Tenant, meaning the Tenant has assumed the risk of cost escalations. The Tenant will be responsible for procuring the design and construction of the development works up until final completion. The Development Agreement provides for detailed landlord approval rights of the design, and in relation to the selection of the contractor(s) and content of the construction contract(s).

The Expansion is expected to be completed by mid-August 2026, 16 and a half months from Settlement. The Tenant is insulating the Trust from development delays due to the stepped rental increases. Rent is payable from Settlement and increases on Practical Completion of the Expansion. If Practical Completion is not achieved within 18 months, the rental increases from that date, providing a back-stop and mitigating the impact of delays.

The Tenant will submit monthly payment claims to the Trust for reimbursement of Expansion costs. The Development Agreement includes an agreed drawdown schedule that sets a cumulative monthly cap on the amount the Tenant can claim, designed to provide the Trust with certainty as to its maximum debt requirements on a monthly basis. The monthly payment claims will be funded from the Trust's loan facility.

Further details of the Development Agreement are contained on pages 23-26.



PHOTOGRAPH OF THE PROPERTY WITH ARTIST IMPRESSION OVERLAID SHOWING THE COMPLETED EXPANSION. THE WAREHOUSE EXPANSION IS OUTLINED IN AQUA.







# What Centuria Shands Road Property Trust invests in

## Section 2

### Management of the Trust




The Trust will be managed by Centuria Funds Management (NZ) Limited.

The Expansion will be undertaken by the Tenant. As manager of the Trust, the Manager will monitor and oversee the progress of the Expansion and has approval rights over matters including the design, programme, tender process, contractors, subcontractors, consultants and terms of the construction contract.




Day-to-day facilities and property management for the Property will be provided by Bayleys Property Services Limited. The cost of building management is not recoverable from the Tenant under the Lease. The Manager will, as part of its role as manager of the Trust, monitor Bayleys Property Services Limited's compliance with its facilities and property management obligations.

See Section 10: 'About Centuria Funds Management (NZ) Management Limited and others involved in Centuria Shands Road Property Trust' for further details.

The key personnel of the Manager who will be responsible for managing the Trust and the Property are:

NAME	BIO	ROLE
 <b>Mark Francis</b> <i>BCom (Fin)</i>	Mark is the CEO of Centuria NZ. Mark 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.	Mark will oversee the Trust and the Property as part of his role overseeing all Centuria NZ investments and funds.
 <b>Joel Lindsey</b> <i>BProp (Real Estate)/BA (Geography)</i>	Joel is the Chief Investment Officer of Centuria NZ. Prior to his return to New Zealand in 2014, Joel worked at Aviva Investors in the UK where he ultimately held the position of Senior Director – Real Estate and 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.	Joel will, in conjunction with Mark Francis, provide strategic oversight over the Trust and the Property.
 <b>Simon Woollams</b> <i>BCom (Accounting), Chartered Accountant</i>	Simon is the Chief Operating Officer of Centuria NZ. 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.	Simon oversees all operations of the Manager and will provide oversight of the financial performance of the Trust and any capital management initiatives.



NAME	BIO	ROLE
 <p><b>Stephen Brown-Thomas</b> BBS (Valuation &amp; Property Management)</p>	<p>Stephen is a Senior Development and Fund Manager at Centuria NZ, having worked with the company and its predecessors in various development, asset and fund management roles since 2007. Prior to working at Centuria NZ, he worked for DTZ International.</p>	<p>Stephen will be responsible for monitoring and overseeing the progress of the Expansion.</p>
 <p><b>Gavin Fiddes</b> BBS (Valuation &amp; Property Management/Finance)</p>	<p>Gavin is a Senior Asset Manager at Centuria NZ. Gavin joined Centuria NZ in 2019 following previous asset and property management roles with Ngai Tahu Property, The Property Group and KCL Property.</p>	<p>Gavin will be responsible for the asset management of the Property during the Expansion and after completion.</p>
 <p><b>Mark Madigan</b> BCom (Accounting and Marketing)/BCom (Hons) (Accounting), Chartered Accountant</p>	<p>Mark is the Head of Finance at Centuria NZ. 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.</p>	<p>Mark is responsible for financial reporting, tax and treasury management for the Trust.</p>

# What Centuria Shands Road Property Trust invests in

## Section 2

### Purpose of Offer and allocation of finance

The purpose of the Offer is to raise sufficient funds which, together with bank financing, will allow the Trust to purchase the Property, pay the establishment costs and fund its capped contribution to the Expansion.

The money raised, together with the bank financing, will be allocated as follows:

Purchase price (146 Shands Road)	\$43,450,000 <sup>1</sup>
Purchase price (166 Shands Road)	\$5,000,000
Capped Expansion Costs Contribution	\$35,630,000
Establishment costs	\$3,940,000
Working capital	\$750,000
<b>Total</b>	<b>\$88,770,000</b>
Funded by:	
Investors' capital	\$53,140,000
Debt	\$35,630,000
<b>Total</b>	<b>\$88,770,000</b>

The above costs relate to the SIPO as further described:

- **Purchase price of the Property** – a key part of the investment strategy is to acquire 146 Shands Road and 166 Shands Road to form the Property.
- **Capped Expansion Costs Contribution** – following acquisition of the Property, the next part of the Trust's investment strategy is to fund its contribution to the Expansion.
- **Establishment costs** – establishment costs will be incurred to establish the Trust, make the Offer and acquire the Property, without which the investment strategy will not be able to be implemented. Establishment costs are detailed in Section 8: 'What are the Fees?'.
- **Working capital** – the Trust will have \$750,000 of working capital which may be supplemented by operating cashflow retentions. Over the life of the Trust, working capital may be used to fund items including capital expenditure, expenses and Investor distributions.

On Settlement, all Investors' capital will be applied to settle the acquisition of the Property, pay the establishment costs and fund initial contributions to the costs of the Expansion. The Trust's bank debt will be drawn down progressively over the life of the Expansion, to fund the monthly payments due under the Development Agreement (which are based on Project Costs incurred by the Tenant, as further described on page 24).

The minimum amount to be raised from Investors is \$53,140,000. The \$25,766,237 to be raised under the Capital Raising Offer is underwritten by Centuria Platform Investments Pty Limited. The Transfer Offer is not underwritten. If the Transfer Offer is approved by Existing Shands Road Investors, all Units in the Transfer Offer will be distributed to Existing Shands Road Investors. Additional Units may be issued at the discretion of the Manager and any additional subscription money raised would be applied to reduce the Trust's bank debt or held as working capital.

### Factors that may affect the financial performance of the Trust and Investors' returns

The financial performance of the Trust is closely tied to the performance of the Property. Investors may receive the following returns in respect of their Units:

- Distributions from the Trust relative to their respective Units; and
- Any gains resulting from the net sale proceeds of the Property exceeding the purchase price paid, subsequent capital expenditure (including the Trust's contribution to the Expansion costs) and establishment costs.

1. The consideration for 146 Shands Road comprises \$16,076,237 cash and 27,373,763 Units.

The key factors that will affect the financial performance of the Trust and Investors' returns, and the strategies and plans to address those factors are:

FACTOR AFFECTING FINANCIAL PERFORMANCE	STRATEGY TO ADDRESS
The Tenant's financial standing and performance of its obligations under the Development Agreement and the Lease	<p>The Development Agreement is designed to insulate the Trust from exposure to development risk, including in relation to delays, cost overruns, defects and damage/destruction. Risk is largely transferred to the Tenant, backed by a guarantee and indemnity from the Guarantor. These features of the Development Agreement are described in the summary of the Development Agreement below. The success of these mitigation measures is largely dependent on the financial strength of the Tenant and Guarantor.</p> <p>The Tenant is the supermarket trading entity for Woolworths branded supermarkets in New Zealand. The Tenant has advised that as at 30 June 2024 it operates 188 Woolworths supermarkets in New Zealand, has revenue in excess of \$7 billion and total assets in excess of \$2 billion. The Guarantor owns 100% of the Tenant and is the parent company of the entities that franchise 19 SuperValue and 55 FreshChoice stores throughout New Zealand. The ultimate parent company of the Tenant and Guarantor is Woolworths Group Limited, an ASX listed Australian company with a market capitalisation of approximately A\$36.4 billion as at 2 November 2024.<sup>1</sup></p>
Rental income	<p>The rental income received by the Trust is the key source of the Trust's income. Rent is payable from Settlement, and the Development Agreement and the Lease provide for fixed rental increases and market rent reviews, as further described in the summary of the Development Agreement below.</p> <p>The rental income is backed by the financial strength of the Tenant and Guarantor.</p>
Changes in interest rates	<p>As a significant expense for the Trust will be interest payments, the financial performance of the Trust will be affected by interest rates. Interest expense consists of a base rate, margin and line fee. The Manager will monitor interest rate markets and regularly review the base rate, margin and line fee components of the Trust's borrowings, including the portion of borrowings that is subject to a fixed interest rate.</p> <p>Base rates will be managed with a combination of interest rate hedging agreements (to fix the base rate) and/or floating rates. The Trust will have hedging agreements in place that fix the base rate on a progressively increasing amount of forecast bank debt (due to the progressive draw down of bank debt) from August 2025. From the anticipated Practical Completion date in August 2026, at least 74% of the Trust's forecast total bank debt will have a fixed base rate on its interest until August 2029. Prior to Practical Completion, the portion of bank debt that is hedged varies due to the assumed draw down profile. For further details, see page 49.</p> <p>Margins and line fees are fixed for the term of the loan facility (unless refinanced earlier). These will be regularly benchmarked against similar market transactions and the Manager will consider changing lenders if materially better margins and line fees are available elsewhere.</p>
Future capital expenditure and non-recoverable repairs and maintenance	<p>These costs will have an impact on cash flow if they vary from forecasts. A Building Condition Report on the existing warehouse was obtained as part of due diligence and allowances have been made for the costs that were identified.</p> <p>The Manager will ensure service contracts for regular maintenance are in place and undertake proactive preventative maintenance to extend the life of building services. In addition to monitoring the Expansion, the Manager will undertake regular monitoring of the condition of the Property to ensure ongoing routine repairs and maintenance are undertaken to a high standard.</p>
Value of the Property	<p>The value of the Property will be influenced by multiple factors including the property market, changes in rental paid by the Tenant, changes in capitalisation rates, the remaining term of the Lease, capital expenditure and the outcome of the Expansion. As the Property will be the Trust's sole asset, increases or decreases in its value will have a material impact on financial performance.</p> <p>Each of the above strategies to manage the Expansion risk, rental income and capital expenditure is ultimately a strategy to support the value of the Property.</p>

Tax will also affect Investors' returns. The Trust intends to register as a multi-rate PIE. Further information is contained in Section 9: 'Tax'.

1. Woolworths Group Limited does not guarantee the obligations of the Tenant or the Guarantor under the Lease or the Development Agreement.

# What Centuria Shands Road Property Trust invests in

## Section 2

### Industrial property market overview

Chris Farhi, Bayleys Head of Insights, Data and Consulting, has provided the following commentary on the performance of the New Zealand industrial property market as at 6 November 2024.

#### Key points

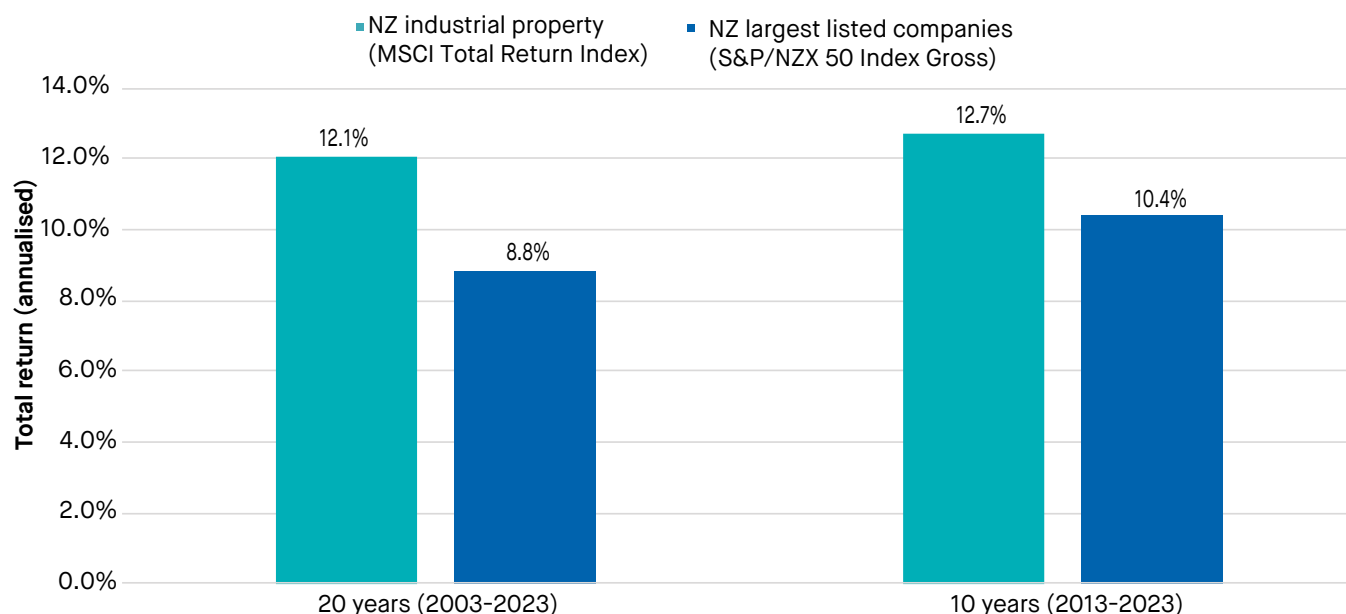
1. Industrial properties have achieved good returns over the long-term.
2. The recent reduction of the Official Cash Rate is likely to be positive for the industrial property market.
3. Distribution centres are a core part of the infrastructure for the major supermarket retail groups, with the demand for properties of this nature also supported by the wider transport and logistics sector.

#### New Zealand industrial property market

Industrial property is a subset of commercial property used for industrial purposes such as warehousing, logistics, distribution and manufacturing. Industrial properties are essential for supply chains, serving as hubs for production, processing or storage of goods before they are transported to other businesses or retail customers.

The New Zealand industrial property market has performed well over the past two decades with annual total returns for New Zealand industrial property estimated at 12.1% p.a. (20 years) and 12.7% p.a. (10 years)<sup>1</sup>. This total return has outperformed key benchmarks for the NZ share market, such as the S&P/NZX 50's total return of 8.8% p.a. (20 years) and 10.4% p.a. (10 years).<sup>2</sup>

#### Comparison of total return (annualised)<sup>3</sup>



In recent times, circa 2022 to 2024, we have seen relatively low sales activity in the market due to heightened funding costs and the resulting rise in investment yields. Signals that inflation and long-term interest rates have peaked means that yields are likely to stabilise or decrease over the medium term. Yields reflect the relationship between an industrial property's income and its value. All else being equal, decreasing yields will result in higher values for industrial property.

The Reserve Bank's reductions of the Official Cash Rate (OCR) during August and October 2024 have resulted in lower short-term interest rates with further OCR reductions expected, boding well for commercial property investment. Long-term government bond rates (often considered a proxy for commercial property yields) have also reduced from their recent monthly peak of 5.5% in October 2023 to 4.2% in September 2024. Both of these indicators are positive changes for the commercial property market. Some market analysts are indicating the start of the recovery for both the wider economy and the commercial property sector<sup>4</sup>, although given the relatively low numbers of sales transactions in the commercial property sector there is limited evidence available to showcase this trend, and as always, the 'bottom' of the market will only become truly apparent in hindsight.

1. MSCI Total Return Indices. Total return measured over 2003 to 2023.

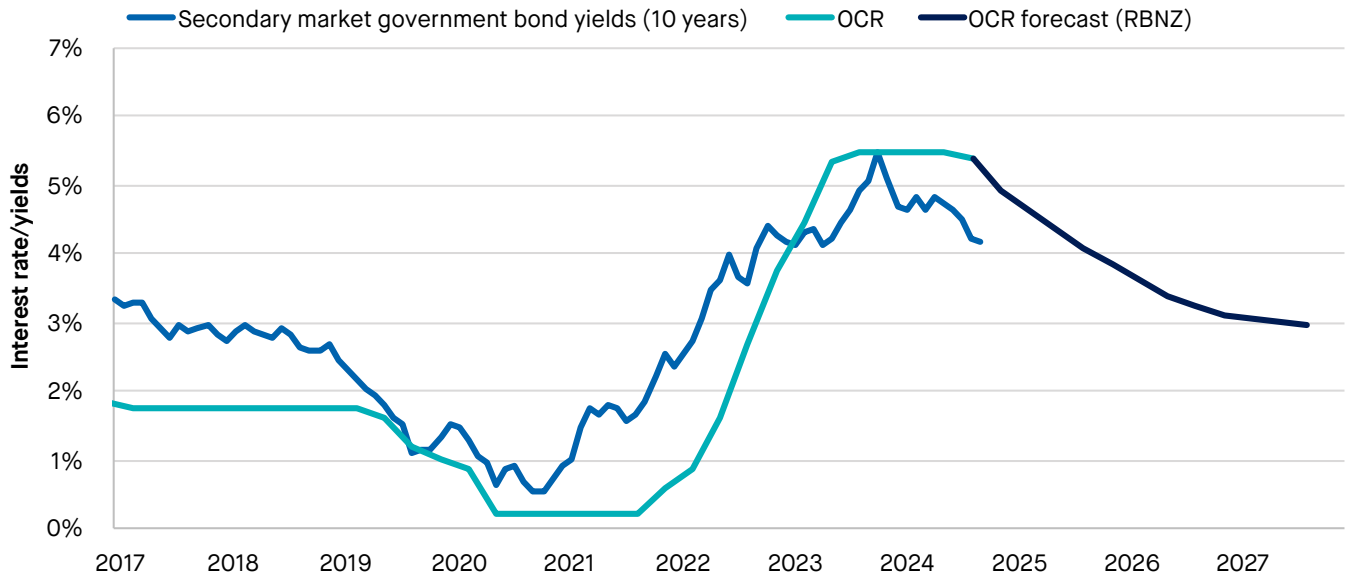
2. S&P NZX 50 Index. Total return measured over 2003 to 2023.

3. MSCI and S&P data.

4. Bayleys Total Property (September 2024). The tipping point.



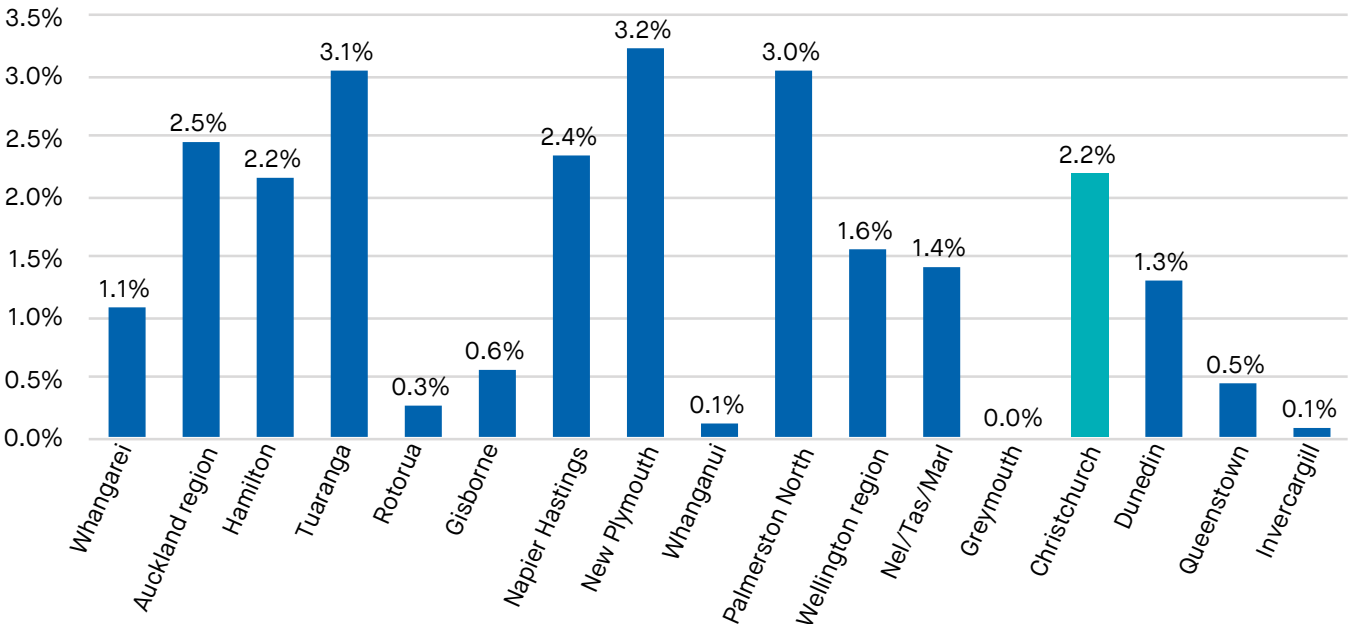
Wholesale interest rates (Reserve Bank of New Zealand)<sup>1</sup>



From a leasing perspective, persistently low levels of vacancies across the industrial property market have led to strong rental growth over recent years. Over 2024 conditions appear to be moderating with some rises in vacancy rates, but overall, the industrial property market remains relatively tight in comparison with office and retail property markets. Rents are likely to continue to rise but at a more modest pace compared with the prior 24 months.

The trends across Christchurch’s industrial property market have been largely similar to those reported nationally. In particular, the vacancy rate during 2024 was estimated at approximately 2.2% which is broadly consistent with the other major urban areas around New Zealand.

Vacancy rates for industrial property across the major urban areas (Bayleys, 2024)



1. RBNZ (August 2024). Monetary Policy Statement.

# What Centuria Shands Road Property Trust invests in

## Section 2

### Flight to quality in the industrial property market

New Zealand's industrial property market (alongside the wider commercial property market) has seen a persistent 'flight to quality' for several years, with both major investors and occupiers shifting focus towards higher quality assets – typically newer, larger buildings in good locations. For investors this is mainly to reduce the risk of their investments. For major occupiers this is often driven by the cost efficiencies available through better volumetric storage (higher stud warehousing enabling more volume for the same floor area) alongside transport cost efficiencies and availability of staff which can be enabled through well located properties.

Associated with this, more recently the industrial property market is seeing a growth in sustainability features within modern industrial properties. Examples include energy efficient lighting, onsite renewable electricity (e.g. solar panels on roofs), and sustainability certifications (GreenStar and/or NABERS NZ). Alongside environmental benefits, these features can help investors to unlock green funding sources, whereby some financiers will provide funding at lower cost for green buildings.

### Supermarket sector

Groceries are an essential purchase for New Zealanders. Statistics NZ estimates that for the 12 months to June 2024, New Zealanders spent more than \$27 billion on supermarket and grocery store purchases. This represents more than 20% of the overall retail sales across all industries. The estimated value of purchases in this segment was up 5.3% on the prior 12 months, despite growth across the wider retail market being relatively flat.

The New Zealand retail grocery sector is primarily serviced by two major supermarket retail groups – Foodstuffs and Woolworths. Distribution centres are a core part of their supply chain, enabling them to move products from their domestic and overseas suppliers and ultimately to their retail stores.

### eCommerce sector

The growth of eCommerce has been an important driver of the demand for industrial property over the past decade. Industrial properties enable operators to store inventory, fulfil orders, manage returns, and manage deliveries. This has also increased demand from transport operators who use warehousing for sorting and consolidation of parcels, storage, distribution and bulk handling.

The growth of eCommerce appears to be a persistent trend both in New Zealand and overseas. The resulting demand for warehousing is mainly relevant for industrial properties located in the major urban centres (such as Christchurch).

### Acquisition of key property

#### Valuations

Independent valuations have been obtained for the combined Property on an 'as if complete' basis and separately for 146 Shands Road and 166 Shands Road, as described below. The 166 Shands Road valuation was completed on a bare land basis while the 'as if complete' valuation and 146 Shands Road valuation were prepared using both a capitalisation of net income approach and a discounted cash flow approach. The valuations were prepared in accordance with current Australia and New Zealand Valuation and Property Standards. In addition to the specific assumptions referred to below, other assumptions for each valuation were made by the valuer in undertaking the valuation and are set out in the relevant Valuation Report. The Manager does not consider any of the assumptions made to be unreasonable or unusual market practice, based on its significant experience obtaining and considering such valuation advice. A copy of each Valuation Report may be found on the Offer Register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz) by searching 'Centuria Shands Road Property Trust' under 'search offers'.

#### 'As if complete' Property valuation

An independent valuation of the Property has been provided by Chris Stanley of CBRE on an 'as if complete' basis at \$90,000,000 plus GST (if any) as at 23 October 2024. The 'as if complete' valuation assumes that, as at the valuation date, 146-166 Shands Road are combined, the Expansion is complete in accordance with the Development Agreement, rental has increased to \$6,187,370 and the Lease is varied in accordance with the Development Agreement.

#### 146 Shands Road valuation

An independent valuation of 146 Shands Road has been provided by Chris Stanley of CBRE at \$43,450,000 plus GST (if any) as at 23 October 2024.

#### 166 Shands Road valuation

An independent valuation of 166 Shands Road has been provided by Graeme McDonald of Jones Lang LaSalle NZ on a bare land basis at \$9,000,000 plus GST (if any) as at 9 October 2024.

#### Real property

This section of the PDS summarises important information comprised in:

- The Development Agreement.
- The Lease (including as varied by the Development Agreement).
- The titles for the Property and all interests registered on the titles.
- The Land Information Memorandums issued by Christchurch City Council.

## Development Agreement

The Development Agreement is the agreement between the Landlord, the Tenant and the Guarantor under which the Tenant will procure the design, consenting and construction required to complete the Expansion. The Development Agreement is set up to mitigate the risks to the Trust of the Development not being completed on time, within budget or to the required standard. The key features of the Development Agreement are set out below.

DEVELOPMENT AGREEMENT PROVISION	COMMENTARY
Overview	<p>The Development Agreement regulates:</p> <ul style="list-style-type: none"> <li>• the design, consenting and construction of the Expansion;</li> <li>• the transfer of 166 Shands Road from the Tenant to the Trust;</li> <li>• the timing of variation of the Lease; and</li> <li>• the payment of Project Costs by the Trust.</li> </ul> <p>The Existing Scheme has executed the Development Agreement as Landlord. On Settlement, the Trust will take over the position of Landlord under the Development Agreement from the Existing Scheme.</p>
Settlement	<p>The Trust will acquire 146 Shands Road from the Existing Scheme (on the terms and conditions contained in the 146 Shands Road Purchase Agreement (refer to our separate summary of the 146 Shands Road Purchase Agreement below) and 166 Shands Road from the Tenant (as assignee, on the terms and conditions contained in the Development Agreement) on 1 April 2025.</p>
Development Agreement conditions and Settlement requirements	<p>The Development Agreement has various conditions that are still to be satisfied (including a resource consent condition and the Tenant's right to approve the tender price for the construction costs of the Expansion). All of these conditions will need to be met prior to acquisition of 146 Shands Road and 166 Shands Road by the Trust. If these conditions are not met (after any extensions of time granted), the Manager will cancel the Offer and return any amounts received from Investors.</p> <p>It is also a requirement of settlement of 166 Shands Road under the Development Agreement that the construction contract for the Expansion has been entered into by the Tenant (on terms approved by the Landlord) and the Tenant and the Guarantor have executed the variation of Lease (summarised below).</p>
Trust's liability	<p>Provided the Trust complies with its obligations under the Development Agreement, the Trust's liability under the Development Agreement is limited to payment of:</p> <ul style="list-style-type: none"> <li>• the Project Costs up to a cap of \$35,150,000 exclusive of GST (if any);</li> <li>• the fixed seismic upgrade costs of \$480,000 exclusive of GST (if any); and</li> <li>• \$5,000,000 plus GST (if any) for the purchase of 166 Shands Road from the Tenant.</li> </ul>
Tenant's liability	<p>The Tenant is liable for all other aspects of the Expansion, including funding any Project Costs in excess of \$35,150,000 exclusive of GST (but see the release of liability mechanism summarised below).</p> <p>The Development Agreement contains a typical set of development obligations on the part of the Tenant as well as extensive approval rights in favour of the Landlord.</p>
Guarantee	<p>Woolworths New Zealand Limited guarantees the Tenant's performance under the Development Agreement and will continue to guarantee the Tenant's performance under the Lease.</p>
The Trust's return during Expansion Phase	<p>From Settlement until Practical Completion, the rent under the Lease will be increased to \$5,091,542.50 per annum (plus GST) to provide the Trust's investors with a return on the capital raised and to cover the Trust's projected interest costs associated with funding the Project Costs through to Practical Completion.</p> <p>If Practical Completion is not achieved within 18 months of the date on which the Tenant is first entitled to claim reimbursement of any Project Costs then in addition to the interim rent, the Tenant will be liable to pay to the Trust an additional \$2,095.88 plus GST per day until Practical Completion is achieved. This amount is equivalent to the increased annual rental due from Practical Completion, broken down to a daily rate.</p>

# What Centuria Shands Road Property Trust invests in

## Section 2

DEVELOPMENT AGREEMENT PROVISION	COMMENTARY
Project Costs	<p>Project Costs include both:</p> <ul style="list-style-type: none"> <li>the Tenant's cost of development (which the Tenant can claim from the Trust pursuant to the monthly payment mechanism referred to below); and</li> <li>certain costs incurred by the Trust (namely a development management fee of \$75,000 and the fees and costs of the Trust's quantity surveyor).</li> </ul>
Monthly Progress Payments	<p>The Trust will fund the Tenant's Project Costs through Monthly Progress Payments to the Tenant. The Tenant will be entitled to claim Monthly Progress Payments during the Expansion Phase.</p> <p>Each Monthly Progress Payment must be certified by the Trust's quantity surveyor and will be subject to the following pre-conditions:</p> <ul style="list-style-type: none"> <li>The claim when added to all previous Project Costs must not exceed \$35,150,000 exclusive of GST.</li> <li>The Project Costs claimed to date do not exceed the corresponding cumulative aggregate set out in an agreed drawdown schedule.</li> <li>There is no material outstanding default on the part of the Tenant.</li> <li>The quantity surveyor appointed by the Trust's bank has certified that all requirements have been met to enable payment of the claim under the Trust's loan facility.</li> </ul> <p>The Monthly Progress Payments are not subject to a cost to complete mechanism. The Trust must pay out the Project Costs in full as and when they are incurred by the Tenant (subject only to the maximum contribution of \$35,150,000 exclusive of GST as well as the monthly payment caps detailed in the proposed drawdown schedule).</p>
Damage/ destruction during Expansion Phase	<p>From Settlement and during the Expansion Phase, the Tenant (and not the Trust) will be responsible for reinstatement following any damage or destruction (whether that occurs in relation to the existing building or the new building) without rent abatement.</p> <p>Following Practical Completion, the damage/destruction provisions in the Lease will apply (which contains provisions for rent abatement, reinstatement by the Trust (as Landlord) and Lease termination in certain circumstances).</p>
Practical Completion – certification	<p>Practical Completion will be certified when the following pre-conditions have been met:</p> <ul style="list-style-type: none"> <li>Completion of the Expansion in accordance with the Development Agreement.</li> <li>Certification of Practical Completion under the construction contract for the Expansion.</li> <li>Issue of any code compliance certificate(s) for the Expansion.</li> <li>Certification by Enovate Limited confirming that the existing building on 146 Shands Road has a NBS rating of 80% or more (see our summary on seismic below).</li> </ul>
Practical Completion – payment of increased rent by the Tenant and purchase price for 166 Shands Road by the Trust	<p>Upon Practical Completion:</p> <ul style="list-style-type: none"> <li>the rent under the Lease will be increased to \$6,187,370 per annum plus GST (if any) (assuming that the Trust has paid out the maximum contribution); and</li> <li>the Trust will pay the Tenant \$5,000,000 plus GST (if any) for 166 Shands Road.</li> </ul> <p>If the Trust incurs less than \$35,150,000 of Project Costs (exclusive of GST) by the time of Practical Completion<sup>1</sup>, then the rent payable from Practical Completion will be reduced by an amount equal to 6.33% of the shortfall of the Project Costs actually incurred to date. This would not materially impact forecast distributions as the Trust would have drawn less debt and would have reduced interest costs, largely offsetting the reduction in rent. The Tenant will remain entitled to recover Project Costs following Practical Completion (until the cap of \$35,150,000 (exclusive of GST) is met). Upon payment of any Project Costs following Practical Completion the rent will be increased by 6.33% of the Project Costs paid.</p>

1. Project Costs exclude the seismic upgrade portion of the total Expansion costs of \$480,000 excluding GST.



**DEVELOPMENT  
AGREEMENT  
PROVISION**

**COMMENTARY**

Seismic	<p>The Tenant must ensure the newly constructed extension achieves a NBS rating of 100%.</p> <p>On Settlement, the Trust will be obliged to pay a fixed contribution of \$480,000 exclusive of GST towards the Tenant's costs of upgrading the seismic rating of the existing building within 146 Shands Road to a NBS rating of not less than 80% (with the Tenant responsible for any costs above this amount). The contribution is payable in addition to the Project Costs of \$35,150,000 plus GST. The Tenant will carry out the seismic upgrade prior to Practical Completion. The Tenant or the Trust may elect to vary the seismic upgrade works to achieve a NBS rating of 100%. If the Tenant makes this election then it may either self-fund the additional costs or recover the additional costs as part of the Project Costs pursuant to the Monthly Progress Payment regime (but the cap on Project Costs will remain at \$35,150,000 plus GST). If the Trust makes this election then it will be liable to pay the additional costs in addition to the Project Costs.</p>
Defects	<p>Following Practical Completion, the Tenant will remain liable for defective design and workmanship until expiry of a 12-month defects liability period from Practical Completion.</p>
Release mechanism	<p>The Tenant will be entitled to a release of liability in respect of the Expansion with effect from expiry of the 12 month defects liability period and certification of final completion subject to assignment of the benefit of the construction contract and all consultancy agreements to the Trust and the issue of a pre-agreed list of guarantees and warranties.</p> <p>The release mechanism will not apply to:</p> <ul style="list-style-type: none"> <li>• the payment of any outstanding retentions, fees or costs associated with the Expansion; or</li> <li>• any defective design or workmanship if the Trust has no recourse under the construction contract, the consultancy agreements or the guarantees and warranties by reason of a prior breach of any term of the Development Agreement by the Tenant.</li> </ul>
Tenant default	<p>If the Tenant commits a 'Default' under the Development Agreement the Trust may:</p> <ul style="list-style-type: none"> <li>• suspend payment of Project Costs until the Default is remedied; or</li> <li>• step in (subject to the Tenant first having a reasonable period of time to remedy the Default).</li> </ul> <p>'Default' for the purposes of the above regime is limited to non-payment of rent, non-payment of any costs in excess of Project Costs cap if the Landlord steps-in, assignment of the Lease other than to a related party, breach of the design modification regime and failure to achieve Practical Completion by the Sunset Date.</p> <p>If the Trust steps in, it can choose to complete the Expansion after the default has been remedied (i.e., the Trust does not have to step out once the default is remedied). The Trust will have no liability to pay any Monthly Progress Payments during any step in.</p> <p>Any costs the Trust incurs following a step in can be classified as Project Costs and rentalised at 6.33% p.a.. If the Project Costs cap is exceeded the Trust may either recover those excess costs directly from the Tenant or rentalise them at 6.33% p.a..</p> <p>During any Tenant default, the Tenant will remain fully liable to pay rent under the Lease and will remain liable for any cost overruns associated with the Expansion. Further, the Trust will preserve all of its other rights and remedies in respect of the default including the ability to sue the Tenant for damages, apply for an injunction/order for specific performance or claim on the Guarantor's indemnity.</p>
Termination	<p>The Trust has no right to terminate the Development Agreement due to a Tenant default other than if the Lease is terminated due to non-payment of rent or Tenant insolvency.</p>

# What Centuria Shands Road Property Trust invests in

## Section 2

DEVELOPMENT AGREEMENT PROVISION	COMMENTARY
Trust default	<p>If the Trust fails to pay any Monthly Progress Payment within 5 working days of the due date, then the Tenant may:</p> <ul style="list-style-type: none"> <li>• charge default interest (at the Official Cash Rate plus 3% per annum);</li> <li>• set off the outstanding amount against the rent under the Lease; or</li> <li>• terminate the Development Agreement (subject to the Trust's right to remedy any default within 15 working days).</li> </ul> <p>If the Tenant terminates the Development Agreement, the Tenant must acquire the Property from the Trust. The price payable by the Tenant will be:</p> <ul style="list-style-type: none"> <li>• \$44,500,000 plus GST (if any) for 146 Shands Road;</li> <li>• Project Costs incurred to date (excluding any fees and costs associated with the establishment of the Trust and the Trust's development management fee); plus</li> <li>• \$5,000,000 plus GST (if any) for 166 Shands Road (but only if that sum has been paid to the Tenant by the Trust),</li> </ul> <p>less any amounts owing by the Trust to the Tenant under the Development Agreement.</p>
Green Star Rating	<p>The Tenant must use reasonable endeavours to achieve a 4 star design and as-built Green Star Rating.</p> <p>However, the Tenant can opt out of this obligation if it will result in the costs payable under the construction contract exceeding \$30,000,000 plus GST or the total Project Costs exceeding \$35,150,000 exclusive of GST.</p> <p>If the Tenant opts out of the above obligation then the interim rent and the rent following Practical Completion will be subject to increase.</p> <p>Even if the Tenant does not opt out, if the rating is not obtained then the rent following Practical Completion will be subject to increase (until the rating is obtained).</p> <p>In both scenarios, the increased rent will equal \$72,000 per annum plus GST, which offsets the bank funding margin discount that would be lost if the Green Star Rating is not achieved.</p>
Surrender Land	<p>Following Settlement the Tenant may (on one occasion only) elect to surrender the whole or part of the 'Surrender Land', meaning that land is no longer leased to the Tenant and the attributed rental is no longer payable.</p> <p>The 'Surrender Land' is identified on a plan annexed to the Development Agreement and comprises undeveloped land at the Property.</p> <p>To exercise this option the Tenant must give 24 months prior notice.</p> <p>If the Tenant elects to surrender part only of the Surrender Land then the relevant part must be not less than 13,000 sqm and have boundaries and an area approved by the Landlord (acting reasonably).</p> <p>The Tenant will be responsible for effecting a freehold subdivision at its cost to obtain a separate title for the land to be surrendered from the Lease. The Landlord will be entitled to approve (acting reasonably) all aspects of the subdivision.</p> <p>On the later of expiry of the Tenant's 24 month notice and issue of new titles the relevant land will be surrendered from the Lease and the rental will be reduced based on the rent then applying to the surrendered area as at the date of the surrender.</p> <p>The Surrender Land will initially have a rental of \$18 per square metre plus GST per annum. But this will be subject to increase pursuant to the rent review mechanism.</p> <p>The Surrender Land rental accounts for less than 5% of the total rental from Practical Completion. The 24 month notice period provides the Trust with a significant period to execute a development, lease or sale strategy for any surrendered land and the Manager therefore believes a surrender is unlikely to have a detrimental impact on the Trust.</p>

## Lease

146 Shands Road is currently owned by the Existing Scheme and leased to the Tenant. The Trust will take an assignment of the Lease from the Existing Scheme on Settlement. The Development Agreement provides for various amendments to the Lease to provide for an increased interim rental amount during the Expansion and so that 166 Shands Road and the extended warehouse premises fall under the Lease, as described below.

The key terms of the Lease are summarised below (which incorporates the various amendments to the Lease that will be made on or before Settlement):

LEASE PROVISION	DESCRIPTION
Tenant	General Distributors Limited.
Guarantor	Woolworths New Zealand Limited.
Form of Lease	The Lease is a bespoke semi gross form of lease.
Premises	The Property.
Commencement date	30 August 2004.
Current term	15 years from 30 August 2024.
Expiry of current term	29 August 2039.
Rights of renewal	1 right of renewal of 10 years and 2 rights of renewal of 5 years each.
Renewal dates	30 August 2039, 30 August 2049 and 30 August 2054.
Final expiry date	29 August 2059.
Rent at 1 April 2025	\$5,091,542.50 plus GST (if any).
Rent from Practical Completion	<p>From Practical Completion, the rent will be increased to \$6,187,370 plus GST (if any) (assuming the Project Costs cap of \$35,150,000 exclusive of GST has been met by the time Practical Completion is achieved). The contract rental has been assessed by CBRE in their 'as if complete' valuation to be at or about the current market rental.</p> <p>If the Project Costs cap is not met by the time of Practical Completion, then the rent payable from Practical Completion will be reduced by an amount equal to 6.33% of the shortfall of the Project Costs actually incurred to date, which would not materially impact forecast distributions. Refer to our Development Agreement summary above.</p>
Rent review provisions	<p>Fixed increases of 2.5% per annum on each anniversary of Practical Completion or, if earlier, on each anniversary of the 'Rent Increase Date' (being 18 months following the later of 1 April 2025 and the Effective Date under the Development Agreement).</p> <p>Market Rent Review:</p> <ul style="list-style-type: none"><li>• the fifth anniversary of Practical Completion or, if earlier, the Rent Increase Date;</li><li>• the first renewal on 30 August 2039; and</li><li>• every fifth anniversary following 30 August 2039,</li></ul> <p>subject to a cap of 110% and a collar of 90%.</p>
Outgoings	<p>The Tenant is liable to contribute:</p> <ul style="list-style-type: none"><li>• rates, levies, taxes, duties, assessments and demands (excluding income or capital gains tax) payable in respect of the premises.</li><li>• water, electricity, gas and telephone accounts.</li><li>• costs incurred and payable by the Landlord to supply a BWO (but not the costs of work which is the responsibility of the Landlord).</li><li>• the cost of insurance premiums and any related excess (in accordance with the Tenant's insurance obligations, set out in more detail below).</li></ul> <p>From 1 April 2025 until Practical Completion, the Tenant will be responsible for all outgoings in respect of 166 Shands Road.</p>

# What Centuria Shands Road Property Trust invests in

## Section 2

LEASE PROVISION	DESCRIPTION
Permitted use	Warehouse, offices and distribution centre.
Tenant maintenance	<p>The Tenant is required to:</p> <ul style="list-style-type: none"> <li>• maintain the interior of the building and all Landlord's fixtures and fittings, save that the Tenant is not liable to maintain the premises in any better condition than that evidenced by the condition report attached to the Lease and is not liable for usual exclusions;</li> <li>• clean the premises (including internal and external glazing);</li> <li>• enter into service and/or maintenance contracts if required by the Landlord;</li> <li>• maintain the landscaped areas and Tenant's fixtures and fittings; and</li> <li>• keep free all drains.</li> </ul>
Landlord's maintenance	<p>The Landlord is responsible for maintenance of the premises for which the Tenant is not liable for including:</p> <ul style="list-style-type: none"> <li>• roof maintenance (including preserving the water tightness of the building);</li> <li>• replacement of major components or the air conditioning plant and equipment and any other landlord fixtures and fittings;</li> <li>• structural repairs; and</li> <li>• resurfacing of car parks.</li> </ul> <p>The Landlord's obligations under the Lease in relation to 166 Shands Road will be suspended during the Expansion Phase.</p>
Rent abatement	<p>If the Landlord:</p> <ul style="list-style-type: none"> <li>• fails to use all reasonable endeavours to ensure the Tenant receives a continuous supply of third party utilities or services;</li> <li>• does not meet its replacement obligations with respect to any back up power supply generator; or</li> <li>• interrupts vehicular access or utilities or services to the premises,</li> </ul> <p>and as a result the Tenant's business operations are materially adversely affected then the rent shall cease to be payable for each day or part day the failure continues.</p> <p>From Settlement until Practical Completion, the Tenant will not be entitled to any rent abatement as a result of any disruption, disturbance, damage or destruction caused by the undertaking of the Expansion.</p>
Reinstatement	<p>At the end of the Lease, the Tenant is required to yield up the premises and the Landlord's fixtures and fittings in a state and condition consistent with the Tenant's obligations under the Lease and in no better a state of condition than evidenced by the Condition Report. There is no obligation on the part of the Tenant to remove its alterations, additions, partitions, fixtures and fittings at the end of the term.</p>
Insurance	<p>insurer approved by the Landlord. The Tenant's insurance may be part of the Tenant's group policy of insurance.</p> <p>Whilst the Landlord does not have the ability to approve the terms of the Tenant's insurance, the Tenant must procure insurance for the building on the Property to full replacement and reinstatement value plus 24 months' loss of rents and outgoings, noting the interests of the Landlord and its financier. The Tenant is responsible for payment of the premiums and any deductible amount (such amount to be at the Tenant's discretion).</p> <p>In the event of any damage or destruction to the premises by any risk which the Tenant is obliged to insure, the Tenant may elect to either make a claim on its insurance policy or self-fund the Landlord's reinstatement costs.</p>

LEASE PROVISION	DESCRIPTION
Destruction or damage	<p>In the event the premises are damaged or destroyed during the Lease term, the Tenant can either:</p> <ul style="list-style-type: none"> <li>• reimburse the Landlord's reasonable costs of reinstatement; or</li> <li>• make an appropriate claim against its insurance and pay the Landlord the insurance proceeds in relation to the building and the Landlord's fixtures and fittings and loss of rents.</li> </ul> <p>The Landlord shall apply all monies received (except monies in respect of loss of rents) to reinstate the premises. If any necessary consents are not able to be procured on commercially reasonable terms the Landlord can determine (acting reasonably) whether to reinstate or terminate the Lease (with effect from the date the damage occurred).</p> <p>The Landlord is not required to reinstate if the damage or destruction occurs in the last 2 years of the Lease term unless the Tenant exercises a right to renew the Lease within 2 months of the date of such damage or destruction (failing which the Lease term shall be deemed to have ended from the date the damage occurred).</p> <p>A fair proportion of rent and outgoings shall abate from the date of damage until completion of the reinstatement.</p> <p>During the loss of rents insurance period the abatement shall only take effect to the extent to which the Landlord is paid the proceeds of that insurance cover.</p> <p>If the premises are damaged to such an extent that (in the reasonable opinion of the Tenant) it is not viable for the Tenant to continue to trade from the premises, the Tenant has 42 days from the date of damage to serve written notice on the Landlord to terminate the Lease.</p> <p>If the Landlord has not reinstated the premises within 18 months of the date of the damage then the Tenant shall be entitled to terminate the Lease on 20 working days' written notice. This is extended by 6 months if the Landlord has made substantial progress with a reputable contractor.</p> <p>The above damage/destruction provisions in the Lease will be suspended between Settlement and Practical Completion (with the Tenant being responsible for reinstatement of any damage or destruction (either in respect of the existing building or the Expansion) and there being no rent abatement mechanism. There will also be no termination rights following damage or destruction. The Tenant may elect to self-fund any reinstatement costs in relation to 146 Shands Road but must claim on its contract works policy in respect of the Expansion.</p>
Assignment	<p>There is an absolute prohibition on assignment of the Lease by the Tenant prior to Practical Completion save that the Tenant can assign the Lease to a related company with Landlord's consent (such consent not to be unreasonably withheld provided that the assignee is capable of complying with the Tenant's obligations and the Tenant and the Guarantor remain liable).</p> <p>Following Practical Completion, assignment of the whole or part of the premises is permitted with the Landlord's consent, which shall be granted provided that the Tenant is not in material breach of the Lease and the proposed assignee is respectable, responsible and has the financial resources to meet the Tenant's commitments under the Lease. The Landlord may require guarantees from the principal shareholders of the assignee if the assignee is not listed on the NZX. Where the Landlord consents to an assignment to an unrelated company of the Tenant, the Tenant and any guarantor are released from any continuing obligation on assignment where the Landlord's consent has been provided. However, the Landlord will still be entitled to approve the identity of the incoming Tenant (acting reasonably).</p> <p>Landlord's consent is not required to:</p> <ul style="list-style-type: none"> <li>• assign the premises to any related companies or to a franchisee so long as the Tenant remains liable as if it were the tenant under the Lease; or</li> <li>• any sublease of part of the premises for such time and on such terms as the Tenant may determine in its sole discretion.</li> </ul> <p>Usual deemed assignment provisions apply to any change of control.</p>



# What Centuria Shands Road Property Trust invests in

## Section 2

LEASE PROVISION	DESCRIPTION
Cancellation	<p>The Landlord can terminate the Lease where:</p> <ul style="list-style-type: none"><li>• the rent is in arrears for more than 21 working days after 5 working days’ written demand for payment;</li><li>• the Tenant is in breach of any material obligations of the Lease and has failed to remedy the same within 21 days’ notice (or such longer period as may be reasonable in the circumstances).</li></ul> <p>Note that termination of the Lease will also terminate the Development Agreement.</p>
Landlord fixtures and fittings	<p>The Landlord’s fixtures and fittings include (but are not limited to) most building services (including HVAC), roof, internal walls and partitions, and ceilings (including tiles). A full list is annexed to the Lease.</p> <p>A new list of Landlord’s fixtures and fittings will be prepared for the Expansion following Practical Completion.</p>



### 146 Shands Road Purchase Agreement

On Settlement, the Trust will purchase 146 Shands Road from the Existing Scheme on the terms and conditions contained in the 146 Shands Road Purchase Agreement.

The key terms of the 146 Shands Road Purchase Agreement are summarised below:

146 SHANDS ROAD PURCHASE AGREEMENT PROVISION	DESCRIPTION
Vendor	Existing Scheme.
Purchaser	The Trust.
Purchase price	\$43,450,000 plus GST (if any).
Deposit	Nil.
Settlement date	1 April 2025.
Conditions	<p>The 146 Shands Road Purchase Agreement is conditional upon:</p> <ul style="list-style-type: none"><li>• the Existing Shands Road Investors approving the sale to the Trust evidenced by the 146 Shands Road Purchase Agreement on or before 20 December 2024;</li><li>• the conditions in the Development Agreement being satisfied on or before the Settlement Date; and</li><li>• conclusion of the Capital Raising Offer and receipt of subscriptions for Units in the Trust of at least \$25,766,237 prior to Settlement, including any subscriptions under the underwriting agreement with Centuria Platform Investments Pty Limited.</li></ul> <p>These conditions are inserted for the mutual benefit of both parties and cannot be waived.</p> <p>If these conditions are not satisfied (after any extensions of time granted), then the Manager will cancel the Offer and return any amounts received from Investors.</p>
Settlement mechanics	<p>On Settlement:</p> <ul style="list-style-type: none"><li>• the Trust will pay the purchase price as follows:<ul style="list-style-type: none"><li>– \$27,373,763, will be satisfied by way of issue of 27,373,763 Units in the Trust to the Existing Scheme at an issue price of \$1.00 per unit in accordance with the terms of the Transfer Offer; and</li><li>– the balance of the purchase price will be paid by the Purchaser to the Vendor in cash on Settlement;</li></ul></li><li>• the Existing Scheme will transfer title to 146 Shands Road to the Trust;</li><li>• the Existing Scheme will assign the Development Agreement to the Trust on the terms of the Deed of Assignment of Development Agreement annexed to the 146 Shands Road Purchase Agreement;</li><li>• the Trust will acquire 166 Shands Road directly from the Tenant pursuant to the Development Agreement (as assignee under the Development Agreement);</li><li>• the Existing Scheme will transfer interest rate hedging agreements to the Trust and the Trust will reimburse the upfront costs of these; and</li><li>• the Trust will reimburse the Existing Scheme for certain costs incurred by the Existing Scheme during its investigation into, and the preliminary stages of, the Expansion.</li></ul>
Property sold on 'as is where is' basis	The Trust acknowledges that 146 Shands Road is being sold on an 'as is where is basis'. The Manager has completed due diligence on 146 Shands Road on behalf of the Trust, as described in this PDS.

The Development Agreement, the 146 Shands Road Purchase Agreement and the Lease are available on the Offer Register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz) by searching 'Centuria Shands Road Property Trust' under 'search offers'.

# What Centuria Shands Road Property Trust invests in

## Section 2

### Title

The Property is currently comprised in computer freehold registers as shown in the following table:

IDENTIFIER	LEGAL DESCRIPTION	LAND AREA
908771	Lot 1 Deposited Plan 541135	3.3593 hectares more or less
604022	Section 1, 3 Survey Office Plan 455337	7.1811 hectares more or less.

The Manager has reviewed the instruments and memorials currently noted on the titles and no material issues arise.

### Land Information Memorandum (LIM)

The Manager has reviewed the LIMs for the Property as part of its due diligence and there are no material issues.

### Building Condition Report – existing building

The Manager has procured a Building Condition Report from Hampton Jones in respect of the existing building at 146 Shands Road. The key findings of this report are outlined below and a copy is available on the Offer Register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz) by searching 'Centuria Shands Road Property Trust' under 'search offers'. The Building Condition Report does not address the condition of the roof as the Manager intends to undertake planned maintenance to the roof for which it has obtained quotations outlined below.

The estimated costs have been provided for in the Prospective Financial Information to complete the identified works within the noted financial period.

KEY FINDING	DESCRIPTION	FY2025	FY2027	FY2028
Roof	Existing skylights to original building require replacement.	\$320,800		
HVAC	Replace fan motors.			\$8,580
	Replace HVAC units to existing offices, amenities and canteen area.			\$46,410
Electrical	Replace main switchboard and distribution boards to existing building.	\$37,570	\$143,000	
Building	Replace concrete tilt slab panel joints	\$10,000		
Other			\$30,000	\$15,010
<b>Total</b>		<b>\$368,370</b>	<b>\$173,000</b>	<b>\$70,000</b>

## Borrowings

ASB has provided a credit approved offer of debt funding. The key terms are:

Facility type	Interest only committed cash advance facility
Facility limit	\$36.0 million
Interest rate	<p>The interest rate is calculated as a floating base rate plus a fixed margin.</p> <p>The base rate is BKBM Bid (Bank Bill Benchmark Rate) for the selected interest period.</p> <p>The Trust will have hedging agreements in place that fix the base rate on a progressively increasing amount of forecast bank debt (due to the progressive draw down of bank debt) from August 2025. From the anticipated Practical Completion date in August 2026, at least 74% of the Trust's forecast total bank debt will have a fixed base rate until August 2029. Prior to Practical Completion, the portion of bank debt that is hedged varies due to the assumed draw down profile.</p> <p>The Manager may enter into other interest hedging agreements, and the percentage of the base rate that is fixed will be regularly reviewed by the Manager.</p> <p>The forecast weighted average all-in interest rate (including the margin, line fees, interest rate hedging and market forecasts for the base rate) payable on drawn borrowings is assumed to be 5.28% p.a. for the year ending 31 March 2026, 5.29% p.a. for the year ending 31 March 2027 and 5.34% p.a. for the year ending 31 March 2028.</p> <p>The margin component of the interest rate includes a sustainability discount applied by ASB, provided the Expansion achieves a 4 star Green Star Rating. If the Green Star Rating is not achieved, the Tenant is required to pay additional rent of \$72,000 per annum plus GST, which would offset the impact of losing the sustainability discount.</p>
Term	4 years from the date conditions precedent are satisfied (which is expected to be on or about 1 April 2025).
Security	<p>First ranking mortgages over the titles to the Property.</p> <p>First ranking general security deed over all assets of the Trust and the Custodian.</p>
Ranking	Bank borrowings rank in priority to the Units.
Personal guarantee	Non-recourse loan so no personal guarantees are required from Investors.
Key covenants	<p><b>Interest cover ratio:</b> Net rent is to be at least two times interest expense. This covenant will not be tested until 12 months after Practical Completion.</p> <p><b>Loan to value ratio:</b> The ratio of all outstanding debt under this facility to the value of the Property is to be no more than 50%. Prior to Practical Completion, the value of the Property will be based on an 'as if complete' valuation.</p>

As the above borrowings for the Trust will likely be due before the Trust is wound up, the Manager considers that refinancing is likely to be needed.

Bank borrowings, all other liabilities of the Trust (including under the Development Agreement and the Lease) and the Trust's business as usual activities will rank ahead of Investors' Units on the winding up of the Trust.

# Key dates and Offer process

## Section 3

Opening date for the Capital Raising Offer	16 December 2024
Offer opens in Australia	6 January 2025
Closing Date for the Capital Raising Offer and subscription amounts due from Investors	25 March 2025
Anticipated Settlement and issue of Units to Investors	1 April 2025
Expected date for payment of first distribution for Units	20 May 2025

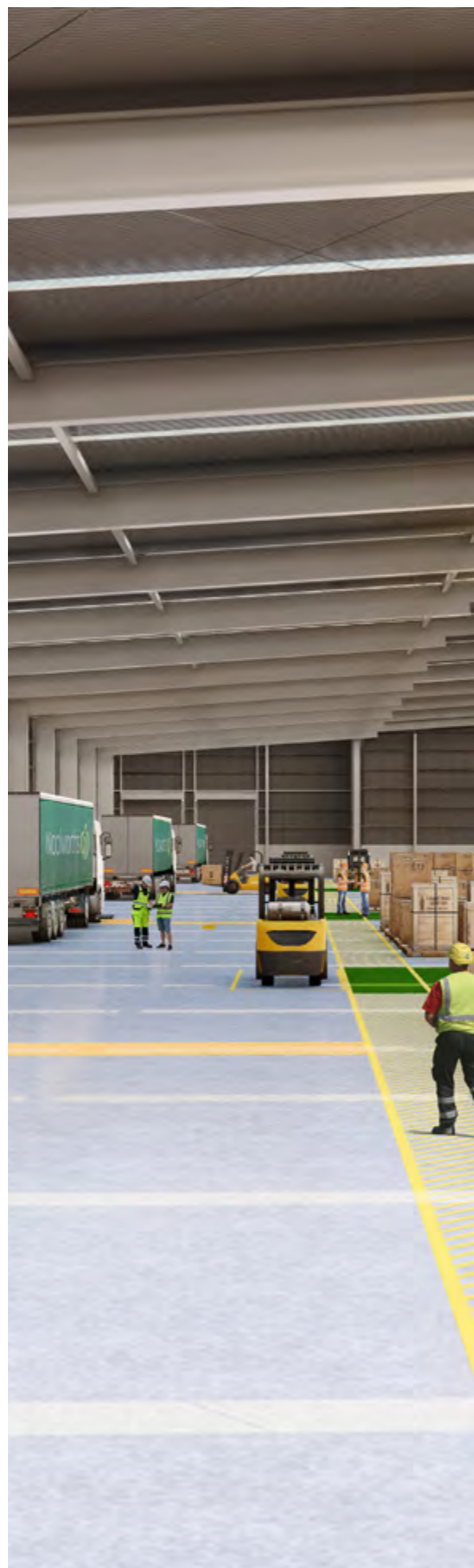
### Dates applicable to Existing Shands Road Investors

Opening date for the Transfer Offer	22 November 2024 (the date the notice of meeting is intended to be circulated to Existing Shands Road Investors)
Closing date for the Transfer Offer	16 December 2024 (the date the meeting of Existing Shands Road Investors is expected to be held)
Last date for Existing Shands Road Investors to apply for a priority allocation of further Units under the Capital Raising Offer	12 February 2025
Anticipated Settlement and issue of Units to Investors	1 April 2025
Expected date for payment of first distribution for Units	20 May 2025

The timetable is indicative only and the dates may change. If the Transfer Offer is not approved by Existing Shands Road Investors, the Manager may cancel the Offer (in whole or in part).

The Manager reserves the right to close the Offer at any time prior to that date or extend the Offer by up to 25 business days without prior notice. The Manager 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 Units.







ARTIST IMPRESSION – WAREHOUSE EXPANSION



#### Section 4

In this section, you will find information on:

- the key terms of the Offer; and
- where you can find more information about the Units on offer.



# Terms of the Offer

## Section 4

The table below sets out the terms of the Offer. Further terms of the Units are set out in the Trust Deed. It is available on the Scheme Register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz) by searching 'Centuria Shands Road Property Trust' under 'search schemes'.

Managed investment product	Units in the Trust, a managed investment scheme.
Issue price per Unit	\$1.00 per Unit
Number of Units being offered	53,140,000 Units. Additional Units may be issued at the discretion of the Manager.
Structure of the Offer	<p>The Offer comprises:</p> <ul style="list-style-type: none"><li>• the Capital Raising Offer, being the portion of the Offer that is open to new investors and Existing Shands Road Investors; and</li><li>• the Transfer Offer, being the portion of the Offer under which the Existing Scheme will acquire Units and distribute them to Existing Shands Road Investors in exchange for the Existing Scheme transferring 146 Shands Road to the Trust.</li></ul> <p>This table sets out the terms of the Offer that are applicable to both components of the Offer, and further details are included below in relation to terms that are specific to the Capital Raising Offer or the Transfer Offer.</p>
Maximum holding <sup>1</sup>	Except pursuant to the underwriting agreement and in circumstances allowed by the Manager, no Investor and its associates may together hold more than 20% of the Trust's Units following the Offer.
Minimum holding <sup>1</sup>	Following the issue of Units, no Investor may transfer Units if it will result in that Investor holding less than 10,000 Units.
Minimum amount to be raised	\$53,140,000.
Underwriting	The \$25,766,237 to be raised under the Capital Raising Offer is underwritten by Centuria Platform Investments Pty Limited. The Transfer Offer is not underwritten. If the Transfer Offer is approved by Existing Shands Road Investors, all Units in the Transfer Offer will be distributed to Existing Shands Road Investors following the purchase of 146 Shands Road by the Trust.
How can I withdraw my investment from the Trust?	<p>An investment in the Trust is only redeemable where the Manager deems, under the Trust Deed, that redemptions are permitted. Redemption prices will be determined by reference to the net asset value of the Trust in accordance with the Trust Deed. The Manager does not anticipate permitting redemptions of Units in the ordinary course of the Trust's activities (with the mechanism only likely to be permissible where a return of capital is being undertaken or to meet tax requirements).</p> <p>You may withdraw from the Trust if you sell your Unit(s) to a third party directly or utilising the secondary market facility operated by the Manager.</p> <p>You may also receive some or all of the amount that you originally invested if part or all of the Property is sold and the proceeds of sale are returned to Investors (whether upon wind-up of the Trust or as a return of capital).</p>

1. The Manager reserves the right to amend the minimum and maximum number of Units that may be held.

# Terms of the Offer

## Section 4

How can I withdraw my investment from the Trust?	<p><b>Secondary Market</b></p> <p>Your investment in the Trust can be sold or transferred to a third party but there is no established market for trading these financial products. This means that you may not be able to find a buyer for your investment. However, the Manager provides a secondary market facility for the Units, which matches the buyers and sellers of Units. The liquidity of a unit is very much related to the performance of the underlying assets. Liquidity can also be influenced by broader investment and property market sentiment. Since 2014, the Manager has facilitated secondary sale transactions with a total sales value of over \$65 million. Neither the Manager nor the Trust is obligated to provide liquidity to Investors.</p> <p>You may sell your Units to any person so long as you have paid all monies owing in relation to the Trust and you are not in breach of the terms of the Trust Deed. You will be responsible for all costs in connection with the transfer.</p> <p>If an Investor wishes to sell their Unit(s), the proposed incoming investor will need to satisfy the Manager’s anti-money laundering requirements. Legal documentation will be required to record the transfer. The Manager must approve of the incoming investor and may delay transfer if unpaid amounts (including unpaid tax) are owing by the transferor. The transferor may need to meet the reasonable legal costs incurred by the Manager and/or the Trust.</p> <p>There is no guarantee there will be willing buyers for Units.</p>								
What are the returns?	<p>Cash distributions are funded from operating cashflows and may also include any surplus working capital of the Trust. Distributions are made at the discretion of the Manager.</p> <p>Forecast pre-tax cash distributions:</p> <table><tr><th>Reporting period ending</th><th>31 March 2026</th><th>31 March 2027</th><th>31 March 2028</th></tr><tr><td>Pre-tax cash distribution % p.a. on original investment</td><td>7.35%</td><td>7.35%</td><td>7.35%</td></tr></table> <p>These cash distributions are not guaranteed. The actual distribution rates may vary. Distributions are forecast to be accrued from 2 April 2025, the day immediately following Settlement. 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 investments are set out in this PDS. The forecast pre-tax cash distributions are based on the Prospective Financial Information, which is available on the Offer Register.</p>	Reporting period ending	31 March 2026	31 March 2027	31 March 2028	Pre-tax cash distribution % p.a. on original investment	7.35%	7.35%	7.35%
Reporting period ending	31 March 2026	31 March 2027	31 March 2028						
Pre-tax cash distribution % p.a. on original investment	7.35%	7.35%	7.35%						
When are distributions paid?	Distributions are paid monthly in arrears, with payments being made on the 20th day of each subsequent month, or the next working day.								
Key dates	Please see Section 3: 'Key Dates and Offer Process' on page 34.								
No overseas investors	<p>The Offer is a regulated offer for the purposes of the FMCA and is only being made to persons in New Zealand, Australia and any other jurisdiction in which the Manager 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 <i>Corporations Act 2001</i> (Cth) and the <i>Corporations Regulations 2001</i> (Cth).</p> <p>No person may offer, invite, sell or deliver any Units 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. The PDS may not be sent into or distributed in the United States.</p> <p>Unless otherwise agreed with the Manager, any person applying for Units under the Offer will be deemed to represent and warrant to the Manager 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 the Manager, the Supervisor, Custodian, 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>								



## Capital Raising Offer

How can investments be made?	Subscriptions under the Capital Raising Offer must be completed using the online application form at <a href="https://centuria.co.nz/shands">centuria.co.nz/shands</a> or the hard copy contained in Section 13: 'How to apply'. The Offer opens on 16 December 2024 and closes on 25 March 2025.  <b>TO ENSURE YOUR APPLICATION IS ACCEPTED, PLEASE READ THE APPLICATION INSTRUCTIONS IN THAT SECTION CAREFULLY.</b>
Minimum investment amount <sup>1</sup>	\$25,000 minimum investment (and increments of \$1,000 thereafter). <sup>2</sup>  Existing Shands Road Investors will automatically receive Units under the Transfer Offer following the purchase of 146 Shands Road by the Trust, and may apply for any number of further Units under the Capital Raising Offer.
Pro rata allocation for Existing Shands Road Investors who wish to acquire further Units in the Trust	Existing Shands Road Investors who wish to apply for additional Units in the Capital Raising Offer (over and above the Units receivable under the Transfer Offer) will be entitled to at least a pro rata allocation in the Capital Raising Offer, calculated based on their holding in the Existing Scheme as at 5.00pm on 15 December 2024, provided their application is received by 12 February 2025 and subject to the other terms and conditions of the Offer.  For every 1 unit held in the Existing Scheme, the pro rata entitlement is 51,225 Units in the Capital Raising Offer. Existing Shands Road Investors may apply for some, all or none of their pro rata allocation in the Capital Raising Offer.  Existing Shands Road Investors may apply for more than their pro rata entitlement in the Capital Raising Offer, with further Units issued subject to availability and at the Manager's discretion.
Scaling	If the Manager receives more subscriptions than it wishes to accept, then it may scale applications, which means that you may receive fewer Units than you subscribed for, or the Manager may not accept some applications. If this happens, you will be refunded the difference within 15 working days of the issue date.

## Transfer Offer

The Trust is purchasing 146 Shands Road from the Existing Scheme for total consideration of \$43,450,000, made up of \$16,076,237 cash and 27,373,763 Units. The purchase price has been set by an independent valuation of 146 Shands Road. Following the purchase of 146 Shands Road by the Trust, the Existing Scheme will distribute the Units it receives as consideration to the Existing Shands Road Investors on a pro rata basis based on their holding in the Existing Scheme as at 5.00pm on 5 March 2025, without any further action being required by those investors. For every 1 unit held in the Existing Scheme by an Existing Shands Road Investor, they will receive 54,421 Units in the Trust.

Existing Shands Road Investors will also receive a notice of meeting, setting out information relevant to their decision on whether to vote to approve the sale of 146 Shands Road to the Trust and the Transfer Offer at a meeting expected to be held on or about 16 December 2024. If the Transfer Offer is not approved by Existing Shands Road Investors, the Manager may cancel the Offer (in whole or in part).

1. The Manager reserves the right to amend the minimum subscription amount or the increments in which applications must be made.
2. To encourage investment by employees of the Manager and enhance the alignment between the Manager and Investors, the minimum investment for employees of the Manager is \$10,000.

## Section 5

In this section, you will find information on:

- how the Trust works;
- significant benefits of investing in the Trust;
- the nature of interests that Investors will acquire; and
- related party benefits.

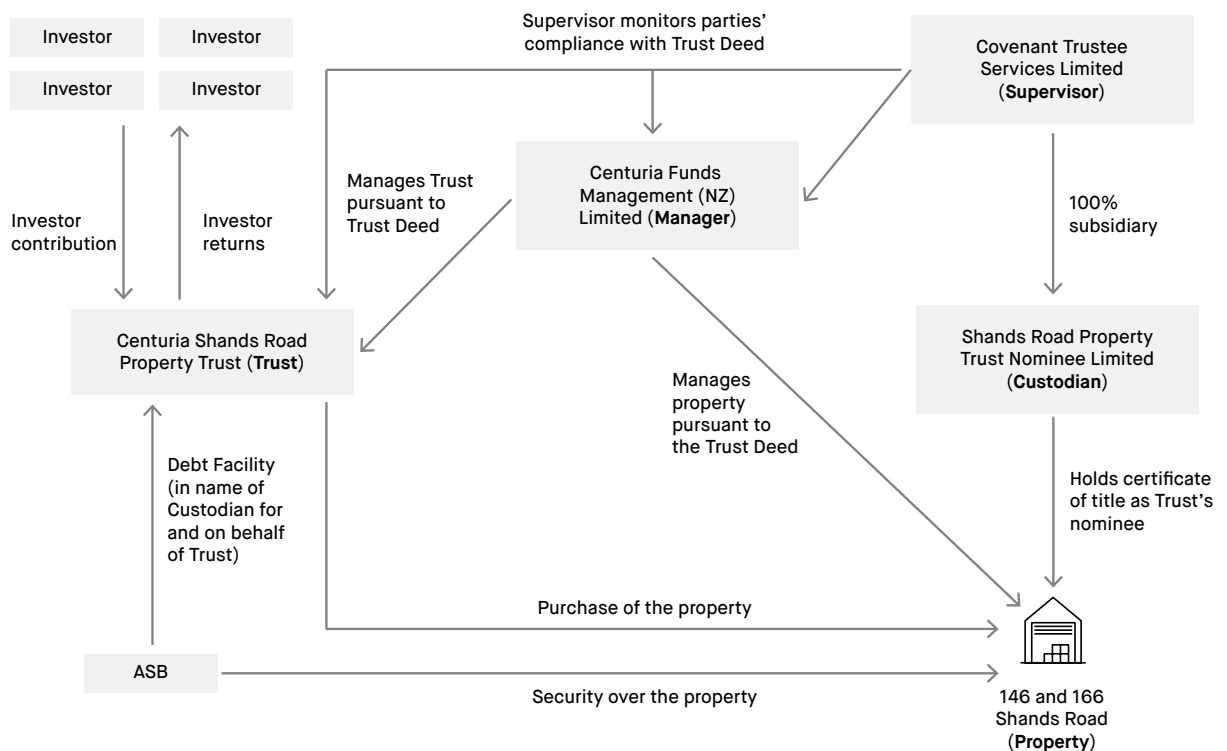




# How Centuria Shands Road Property Trust works

## Section 5

A simplified version of the Trust's structure is set out below:



### What is a Unit Trust?

Investors are offered the opportunity to invest in the Trust, a unitised trust that will acquire the Property. The Trust is a managed investment scheme for the purposes of the FMCA. Under the unit trust structure, Investors are liable for no more than their initial investment in the Trust. The Custodian will hold title to the Property and will be party to the bank loan facilities described in this PDS and the Lease in its name on behalf of the Trust.

The Trust will be managed and administered by the Manager pursuant to the Trust Deed. The Manager's responsibilities and duties are set out in the Trust Deed (which is available on the Scheme Register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz) by searching 'Centuria Shands Road Property Trust' under 'search schemes') which also sets out the rights and obligations of the Investors and the Supervisor.

The beneficial interest held by Investors in the Trust is divided and unitised into Units. Each Unit confers equal rights and obligations on each Investor in respect of entitlements to income and capital from the Trust and each Unit will confer one vote upon the holder in respect of matters on which Investors are entitled to vote under the Trust Deed.

### Significant benefits of investing in the Trust

The significant benefits of investing in the Trust are:

- the forecast pre-tax cash distributions as set out in Section 6: 'Centuria Shands Road Property Trust's financial information';
- the ability to have an investment in a property investment that would not typically be available to Investors who are only able to invest a minimum \$25,000;
- the investment in the Trust is passive with active day-to-day management (including arranging maintenance of the Property, liaising with the Tenant, preparation of accounts, payment of distributions and obtaining bank financing) being handled by the Manager;
- the Trust structure enables the Manager to conduct the business of the Trust, while the Investors' liability is limited to their initial investment in the Trust;
- cash distributions are paid monthly; and
- a PIE tax structure with a maximum tax rate of 28% and reduced compliance for Investors.



# How Centuria Shands Road Property Trust works

## Section 5

### Related party benefits

There are no related party benefits to be given to, or received by, a related party under a transaction or proposed transaction other than:

- the acquisition of 146 Shands Road from the Existing Scheme, and the associated assignment of the Lease and Development Agreement, as disclosed in Section 2: 'What Centuria Shands Road Property Trust invests in';
- the transfer of the interest rate swap and swaption from the Existing Scheme as disclosed in Section 6: 'Centuria Shands Road Property Trust's financial information';
- fees and expenses disclosed in Section 8: 'What are the fees?'; and
- the underwriting agreement entered into by CPIPL.





ARTIST IMPRESSION – PROPERTY WITH COMPLETED EXPANSION



## Section 6

In this section, you will find the following information:

- A summary of prospective financial information for the period ending 31 March 2025 and the years ending 31 March 2026, 31 March 2027 and 31 March 2028.
- A summary of financial measures for the Trust's borrowings.



PHOTOGRAPH OF THE PROPERTY WITH ARTIST IMPRESSION  
OVERLAID SHOWING THE COMPLETED EXPANSION



# Centuria Shands Road Property Trust's financial information

## Section 6

The tables in this section provide selected financial information about the Trust. Full prospective financial statements are available on the Offer Register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz) by searching 'Centuria Shands Road Property Trust' under 'search offers'. If you do not understand this sort of financial information, you can seek professional advice.

The purpose of the Prospective Financial Information is to assist Investors in assessing the viability of and return on an investment in the Trust. This PDS and the Prospective Financial Information may not be appropriate for any other purpose.

The Prospective Financial Information covers four financial periods. As Settlement of the Properties is on 1 April 2025, the Trust is not expected to be trading during the initial period from establishment until 31 March 2025. The Expansion is expected to commence during the year ending 31 March 2026 and complete during the year ending 31 March 2027. The year ending 31 March 2028 is therefore expected to be the first full financial period following completion of the Development, and the Manager considers that it is important to show the forecast stabilised position of the Trust post-Expansion.

A summary of the principal assumptions on which the Prospective Financial Information is based are set out 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 the Trust's control. The directors of the Manager believe that the Prospective Financial Information 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 Manager nor any other person can provide any assurance that the Prospective Financial Information will be achieved and Investors are cautioned not to place undue reliance on the Prospective Financial Information. You should read the prospective financial information 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 7: 'Risks to returns from Centuria Shands Road Property Trust').

BTSR has independently reviewed the Prospective Financial Information, as defined in its report, for the period ending 31 March 2025, the 12 months ending 31 March 2026, the 12 months ending 31 March 2027, and the 12 months ending 31 March 2028. A copy of the Independent Limited Assurance Report is included on the Offer Register.

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



# Centuria Shands Road Property Trust's financial information

## Section 6

### Selected financial information

The summary information presented in the table below is derived from the detailed Prospective Financial Information, which is available on the Offer Register.

NZ\$ (UNLESS INDICATED OTHERWISE)	4 MONTHS AND 19 DAYS ENDING 31 MARCH 2025 <sup>8</sup>	12 MONTHS ENDING 31 MARCH 2026	12 MONTHS ENDING 31 MARCH 2027	12 MONTHS ENDING 31 MARCH 2028
Rental income	-	5,077,399	5,780,853	6,284,672
Adjustment due to fixed rental growth	-	-	199,529	219,898
Property operating expense recoveries	-	409,902	717,245	852,356
Revenue <sup>1</sup>	-	5,487,301	6,697,627	7,356,926
Property operating expenses <sup>2</sup>	-	(515,206)	(833,293)	(973,143)
Net revenue <sup>3</sup>	-	4,972,095	5,864,334	6,383,782
EBITDA <sup>4</sup>	-	8,958,749 <sup>9</sup>	5,456,770	5,895,339
Net profit before tax <sup>5</sup>	-	8,644,300 <sup>9</sup>	4,138,027	3,961,581
Net profit after tax <sup>5</sup>	-	8,644,300 <sup>9</sup>	4,138,027	3,961,581
Distributions to investors	-	3,894,941	3,905,790	3,905,790
Distributions per Unit annualised (cents)	-	7.35 <sup>10</sup>	7.35	7.35
Net cash flows from operating activities	-	4,346,695	4,901,327	4,013,889
Total assets	-	83,601,211	91,599,865	91,678,060
Cash and cash equivalents	-	750,000	885,528	923,627
Total liabilities	-	28,406,352	36,172,769	36,195,173
Total debt	-	23,126,031	35,630,000	35,630,000
Net tangible assets <sup>6</sup>	-	55,194,859	55,427,096	55,482,887
Gearing ratio <sup>7</sup>	0.0% <sup>11</sup>	27.7%	38.9%	38.9%
Interest cover ratio <sup>7</sup>	-	15.08	4.27	3.18

1. Revenue represents rental income derived from the Lease and operating expense recoveries.

2. A breakdown of property operating expenses is included in the Prospective Financial Information.

3. Net revenue represents revenue less property operating expenses.

4. EBITDA represents net profit after tax plus interest, tax, depreciation, and amortisation. EBITDA is used by the Manager to calculate the interest cover ratio disclosed in this PDS. EBITDA is not determined in accordance with generally accepted accounting practice in New Zealand (**GAAP**). Reconciliations of EBITDA to information prepared in accordance with GAAP are included on the Offer Register.

5. The Trust will be an unlisted PIE. Tax is attributed to investors and is not incurred directly by the Trust. As a result, net profit before tax and net profit after tax are the same.

6. Net tangible assets represents the total assets of the Trust excluding intangible assets (which the Trust is not forecast to hold) less total liabilities.

7. The gearing ratio shows how much the Trust 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 the Trust's assets will need to be applied to repay its debt. The interest cover ratio shows how much the Trust's EBITDA, adjusted for unrealised gains and losses, exceeds interest expense on its debt (presented as a multiple).

8. The Trust was established on 13 November 2024 and is expected to commence trading on 1 April 2025.

9. Figure includes a property revaluation adjustment of \$4,276,498.

10. Annualised from 2 April 2025, the date immediately following Settlement of the Property.

11. The gearing ratio on 1 April 2025, being the date on which the Units will be issued and Settlement of the Property will occur, is 0.0%.

### Forecast cash distribution

Cash distributions will be funded from the Trust's operating cashflows and may also include any surplus working capital of the Trust.

The initial forecast pre-tax distribution is 7.35% per annum on the amount invested for the periods ending 31 March 2026, 31 March 2027 and 31 March 2028. Distributions will be paid to Investors monthly.

	4 MONTHS AND 18 DAYS ENDING 31 MARCH 2025 <sup>1</sup>	12 MONTHS ENDING 31 MARCH 2026	12 MONTHS ENDING 31 MARCH 2027	12 MONTHS ENDING 31 MARCH 2028
Distributions to investors	-	\$3,894,941	\$3,905,790	\$3,905,790
Distributions per Unit annualised (cents)	-	7.35 <sup>2</sup>	7.35	7.35

These cash distributions are not guaranteed. The actual distribution rate may vary. Distributions are forecast to commence from 2 April 2025, the day immediately following Settlement. Details on the risks associated with the investment are set out in this PDS. The forecast pre-tax cash distributions are based on the Prospective Financial Information, which is available on the Offer Register.

### Principal assumptions

Below is a summary of the principal assumptions on which the Prospective Financial Information is based. Further information on these assumptions may be found on the Offer Register.

#### Establishment

It is assumed that \$53,140,000 of equity is raised in the Offer and \$35,630,000 debt is drawn to facilitate the acquisition of the Property, pay the associated Offer and establishment costs, and fund the Capped Expansion Costs Contribution. It is assumed that the \$53,140,000 of new equity is allotted on 1 April 2025 and the debt is progressively drawn down to fund the Expansion.

#### Settlement

Pursuant to the 146 Shands Road Purchase Agreement and Development Agreement, the acquisitions are expected to settle on 1 April 2025. Pursuant to the Development Agreement, the \$5,000,000 purchase price is not payable until the Expansion achieves Practical Completion which is assumed to be on 14 August 2026.

NZ\$

<b>Investment, establishment and acquisition costs:</b>	
Investment property purchase price (146 Shands Road)	43,450,000
Investment property purchase price (166 Shands Road)	5,000,000
Capitalised transaction costs	951,000
Costs of establishment and issuing equity	2,694,500
Borrowing costs	92,000
Interest rate hedging costs	202,500
Capped Expansion Costs Contribution	35,630,000
Working capital	750,000
<b>Total investment, establishment and acquisition costs</b>	<b>88,770,000</b>
<b>Funded by:</b>	
Equity	53,140,000
Borrowings	35,630,000
<b>Total</b>	<b>88,770,000</b>

1. No distributions are payable in relation to the period ending 31 March 2025, as the Trust is assumed to commence trading on 1 April 2025.

2. Annualised from 2 April 2025, the date immediately following Settlement of the Property.

# Centuria Shands Road Property Trust's financial information

## Section 6

### Transaction and establishment costs

Total establishment, Offer and acquisition costs are assumed to be \$3,940,000. This includes establishment, underwriting, brokerage, legal, accounting, valuation, property due diligence, marketing, supervisor, leasing, interest rate hedging, registration, registry and AML costs. The costs are based on contractual obligations, quotes received and/or estimates made by the Manager using experience from managing similar investments.

For the Prospective Financial Information, these costs have been treated as follows:

- \$951,000 relates to costs associated with the acquisition of the Property and has been capitalised.
- \$92,000 relates to financing costs and has been capitalised to borrowings and amortised over the term of the loan facility.
- \$202,500 relates to the fee for an interest rate hedging instrument (known as a swaption) and has been capitalised as a financial asset.
- The remaining \$2,694,500 relates to Offer costs and has been recognised in equity.

### Investment property

On the Settlement date, assumed to be 1 April 2025, the value of the Property is assumed to equal cost, plus any directly related transaction costs.

Due to the payment of the purchase price for 166 Shands Road being deferred, a finance component has been

recognised on the acquisition. The finance component has been expensed as an interest cost.

At the end of each financial period, it is assumed that the Property will be revalued, with the Property being recognised at fair value. As part of due diligence, an independent valuation was completed by CBRE who valued the Property on an 'as if complete' basis (i.e. assuming the Expansion is complete) at \$90,000,000. No additional valuations are assumed to be undertaken during the Prospective Financial Information period as any changes in underlying valuation assumptions cannot be accurately predicted.

As at 31 March 2026, the Property is assumed to be measured at fair value based on the 'as if complete' valuation less costs to complete, plus additional capital expenditure assumed during the period. As at 31 March 2027 and 31 March 2028, the Property is measured at fair value based on the 'as if complete' valuation plus additional capital expenditure assumed during the periods.

When calculating the unrealised movement in the fair value of investment property, adjustments have been made for the movement in the value of the accrual for fixed rental growth.

The actual movements in fair value are likely to be different to what is assumed in the Prospective Financial Information as the actual valuations will be based on rents, market yields and other contributing factors as at the relevant valuation dates.

NZ\$	AS AT 31 MARCH 2025	AS AT 31 MARCH 2026	AS AT 31 MARCH 2027	AS AT 31 MARCH 2028
<b>Balance at beginning of period</b>	-	-	<b>82,285,884</b>	<b>90,541,370</b>
Purchase price of 146 Shands Road	-	43,450,000	-	-
Purchase price of 166 Shands Road	-	4,596,626 <sup>1</sup>	-	-
Transaction costs to purchase investment property	-	951,000	-	-
Adjustment due to capitalised fixed rental growth	-	-	199,529	219,898
Capped Expansion Costs Contribution	-	28,139,535	7,490,465	-
Capitalised interest	-	503,855	592,021	-
Other capital expenditure	-	368,370	173,000	70,000
Change in fair value of investment property	-	4,276,498	(199,529)	(219,898)
<b>Total investment property</b>	-	<b>82,285,884</b>	<b>90,541,370</b>	<b>90,611,370</b>

1. Excludes \$403,374 finance component that has been expensed as an interest cost.

### Rental income

Rental income has been forecast based on the existing Lease with the Tenant and the Lease variations set out in the Development Agreement. It is assumed that the Tenant will not default on its obligations under the Lease and that the Lease is not terminated. It is also assumed that there are no delays in receipt of debtors.

Rental income is assumed to commence on 2 April 2025, being the day following Settlement. Pursuant to the Lease variations set out in the Development Agreement, rent from this date will be \$5,091,543 per annum and will increase to \$6,187,370 per annum from the date that the Expansion achieves Practical Completion. It is assumed that Practical Completion is achieved on 14 August 2026.

Pursuant to the Lease variations set out in the Development Agreement, rent will be subject to fixed annual 2.50% increases on each anniversary of the date that the Expansion achieves Practical Completion and a market rent review on the 5th anniversary. The market rent review will be subject to a cap of 110% and a collar of 90%.

The Tenant is responsible for most operating expenses including rates, insurance premiums, utilities and certain maintenance obligations. There are elements of non-recoverable operating expenses, including property management fees. It is assumed that all operating expense payments will be made on time and that there are no creditors associated with these operating expenses at the end of each reporting period. Operating expenses have been assumed based on information received during the due diligence process and from quotes received.

### Management fees

The Manager shall be entitled to charge the Trust an annual management fee of \$150,000. Per the Trust Deed, on each anniversary of the date the Trust commences trading, assumed to be 1 April 2025, the annual management fees will increase by CPI with a minimum annual increase of 3.00%.

### Administration fees

Valuation, audit fees, supervisor fees and registry fees are based on quotes received or existing agreements. Legal and other professional and consultancy fees are based on the Manager's estimate from experience managing other property schemes.

### Borrowings

The Trust intends to establish a loan facility with ASB, based on a credit approved offer received. The loan will have a facility limit of \$36,000,000 and an initial term of four years from the date conditions precedent are satisfied, which is assumed to be 1 April 2025. The facility will be interest only and no principal will be required to be repaid during the initial term of the loan. Drawings and repayments are assumed to be made monthly based on the timing of the Expansion spend and working capital requirements.

### LOAN FACILITY

### LOAN EXPIRY DATE

ASB

31 March 2029

### Finance expenses

The interest rate on the loan is a combination of the fixed margin plus a floating base rate. The Trust will manage its interest rate risk by using interest rate derivatives that have the economic effect of converting borrowings from floating to fixed interest rates.

An interest rate swap has been entered into with a notional value that progressively steps up to \$16,071,176 by 5 March 2026. This swap has an end date of 6 August 2029. This stepped notional value profile has been adopted as the loan is assumed to be progressively drawn down to fund the Expansion. The interest rate swap was entered into by Shands Road Limited Partnership and will be transferred to the Trust on Settlement.

A swaption contract has also been entered into that gives the Trust the option to enter into an additional interest rate swap contract with a notional value of \$10,300,000 for three years from August 2026 to August 2029 at a pre-agreed rate. Under the swaption contract, the Trust has until 4 August 2026 to exercise the option and enter into this additional swap contract. The swaption was entered into by Shands Road Limited Partnership for an upfront fee of \$202,500. It will be transferred to the Trust on Settlement, at which time the Trust will reimburse Shands Road Limited Partnership for the upfront fee. The Prospective Financial Information assumes that the swaption is exercised.

Further detail on the loan facility is included on page 33.

### Taxation

The Trust will register as a multi-rate PIE. The Trust will attribute taxable income to Investors based on their proportionate holding and pay tax based on their PIR.

### Actual results

Actual results may differ from the Prospective Financial Information. The resulting variance may be material. The Trust, the Manager and the directors of the Manager give no guarantee or assurance that the Prospective Financial Information presented will be achieved.



## Section 7

In this section, you will find information on:

- the risks to returns from the Trust;
- the mitigating factors to each of those risks; and
- the Manager's assessment of the likelihood of those risks and the assessment of the magnitude of the impact were the circumstances to arise.





# Risks to returns from Centuria Shands Road Property Trust

## Section 7

This section sets out a description of the circumstances that the Manager is aware of that exist or are likely to arise that significantly increase the risk to the Trust's financial position, financial performance and plans. The table in this section 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 the Manager 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 the Manager, could have a material adverse effect on the Trust's financial position or future financial performance. The Manager has taken, and will, in the future take, steps to mitigate the effects of these circumstances. However, some risks 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 the Trust.

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 the Trust, you consider the suitability of an investment in the Trust in light of your individual risk profile for investments, investment objectives and personal circumstances (including financial and taxation issues).



# Risks to returns from Centuria Shands Road Property Trust

## Section 7

### DESCRIPTION OF RISK

#### Development risks arising from default or insolvency of the Tenant/Guarantor

##### WHY IT IS SIGNIFICANT AND THE MANAGER'S ASSESSMENT OF THE NATURE OF THE IMPACT

The risk of delays or cost overruns are risks on most developments. However, the Development Agreement is set up to insulate the Trust from these risks due to the Landlord's Capped Expansion Cost Contribution and the stepped rental increases. These measures transfer risk to the Tenant/Guarantor, and the success of these features relies on the financial standing of the Tenant/Guarantor.

If the Tenant/Guarantor ceased paying rent or became insolvent during the Expansion, the Trust would likely need to step in and complete the Expansion to preserve the value of the Property, including potentially incurring costs above the Trust's Capped Expansion Cost Contribution.

If the Tenant is in default, the Trust will only be able to draw down funds to complete the Expansion with ASB's consent.

To be able to continue to fund the Expansion, the Trust would also likely need to find new tenant(s) in the event of insolvency of the Tenant. Associated costs include development costs, marketing, tenant incentives, agency fees, potential design changes and foregone rent. The Property's value may also be impacted, depending on the incoming tenant(s) lease terms, rental and covenant.

If delays meant the Expansion remained incomplete when the Trust's loan matured, it may be more difficult to refinance the debt.

If the Manager was unable to access alternative capital (or refinanced debt), the Expansion may not be completed. The Trust would be required to sell the Property, with the Expansion partially completed, in a 'forced sale' situation. If the Property was required to be sold while the Expansion remained partially complete, the price may be significantly impacted and may lead to material loss of investor equity.

##### MITIGATING FACTORS

The Tenant has assumed the risks of cost escalations for the Expansion given the Trust's Capped Expansion Cost Contribution of \$36.63 million (with costs above this to be met by the Tenant).

The Tenant is also insulating the Trust from development delays due to the stepped rental increases. Rent is payable from Settlement and increases on Practical Completion of the Expansion. If Practical Completion is not achieved within 18 months, the rental increases from that date, providing a back-stop and mitigating the impact of delays.

The Sunset Date (14 August 2027) is set at 12 months beyond the target Practical Completion date. The Trust's bank facilities do not mature until April 2029, providing significant buffer. Failure to achieve Practical Completion inside the Sunset Date is a Tenant default under the Development Agreement, giving the Trust three remedies:

1. Ceasing payments of Project Costs until Practical Completion is achieved.
2. Step-in rights to remedy the default/complete works.
3. Pursuing the Tenant for damages or specific performance, or claiming on the Guarantor's indemnity.

The Manager believes the strong financial standing of the Tenant makes these effective mitigation measures.

<i>Manager's assessment of the likelihood of the circumstance arising</i>	Low, because of the mitigation strategies set out in the Development Agreement and the financial standing of the Tenant and Guarantor.
<i>Manager's assessment of the magnitude of the impact, were the circumstance to arise</i>	Because of the potential quantum of the costs and losses the Trust may incur and suffer, the potential impact is likely to be significant. Tenant default earlier in the Expansion period is likely to have material effect.

## DESCRIPTION OF RISK

### Debt finance risks

#### WHY IT IS SIGNIFICANT AND THE MANAGER'S ASSESSMENT OF THE NATURE OF THE IMPACT

Bank funding is required to complete the Expansion and this will need to be refinanced on maturity.

The Trust's ability to pay cash distributions and continue to hold the Property is dependent on its ability to refinance borrowings prior to expiry or seek alternative sources of capital.

Alternative funding (if available) may require higher interest payments and/or repayment of the loan principal.

If delays meant the Expansion remained incomplete when the Trust's loan matured, it may be more difficult to refinance the debt.

Adverse market movements in interest rates and property values, or tenant default, may cause the Trust to breach its banking covenants. If a breach is not remedied, ASB may require the Trust to reduce or cease distributions, or the security may be enforced and the Property could be sold for less than market value in a 'forced sale' situation.

#### MITIGATING FACTORS

The Manager considers the potential impact of changes to the Trust's funding arrangements will be able to be adequately minimised through active management of the Trust's finances and banking relationships. Given the quality of the Tenant and the nature of the Property, along with the long standing relationships of the Manager and its ultimate parent company, Centuria Capital Group, with a wide range of banks, refinancing risk is low.

A credit approved offer from ASB has been received and is acceptable to the Manager. The conditions precedent to funding and ongoing drawings are manageable. A number of other banks expressed interest in providing funding.

The bank debt will have an initial four year term, providing ample buffer to complete the Expansion prior to expiry given the circa 16 month programme for the Expansion.

The ICR covenant is intended to be managed with a combination of interest rate hedging agreements (to fix the base rate) or floating rates. The Trust has hedging agreements in place that fix the base rate on a progressively increasing amount of forecast bank debt (due to the progressive draw down of bank debt) from August 2025. From the anticipated Practical Completion date in August 2026, at least 74% of the forecast total bank debt will have a fixed base rate until August 2029. Prior to Practical Completion, the portion of bank debt that is hedged varies due to the assumed draw down profile.

There is very significant forecast headroom in the ICR covenant and the covenant is not tested until 12 months after Practical Completion. During the forecast period, the all-in interest rate on the floating portion of the debt would need to increase to at least 18% to trigger an ICR breach.

The 'as if complete' valuation gives an anticipated LVR of approximately 39.6%, meaning the valuation would have to fall by \$18.7 million (20.8%) to breach the LVR covenant.

<i>Manager's assessment of the likelihood of the circumstance arising</i>	The Manager considers the likelihood of an inability to refinance or a breach of bank covenants to be low given there is material forecast headroom against the loan covenant settings, the ongoing support shown by the existing lender, the fixed interest rate for at least 74% of the debt from Practical Completion and the medium-term outlook for interest rates.
<i>Manager's assessment of the magnitude of the impact, were the circumstance to arise</i>	It is difficult to predict the impact refinancing would have, given the terms are not yet known. Interest rate predictions are uncertain. If the Trust breached its banking covenants or if the loan could not be refinanced, a 'forced sale' by lenders may lead to the Property being sold at a level that means Investors cannot recoup all of their original investment.



# Risks to returns from Centuria Shands Road Property Trust

## Section 7

### DESCRIPTION OF RISK

#### Increase in interest rates

WHY IT IS SIGNIFICANT AND THE MANAGER’S ASSESSMENT OF THE NATURE OF THE IMPACT	MITIGATING FACTORS
<p>A significant expense of the Trust will be interest payments on its bank debt. If interest costs increase over time by more than the Trust’s rental income grows over that period, it would adversely affect the Trust’s ability to maintain distribution levels.</p> <p>The line fee and margin are fixed for the four year term of the bank facility. The Trust has hedging agreements in place that fix the base rate on a progressively increasing amount of forecast bank debt (due to the progressive draw down of bank debt) from August 2025. From the anticipated Practical Completion date in August 2026, at least 74% of the forecast total bank debt will have a fixed base rate on its interest until August 2029. Prior to Practical Completion, the portion of bank debt that is hedged varies due to the assumed draw down profile. Once the interest hedging period ends, the bank borrowings will revert to a floating base rate unless further hedging is entered into.</p> <p>Interest rates will likely continue to be a key risk for so long as the Trust has outstanding borrowings.</p>	<p>The Manager will monitor interest rate markets and regularly review the base rate, margin and line fee components of the Trust’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 the Manager will consider changing lenders if materially better funding terms are available elsewhere.</p> <p>From Practical Completion, a maximum of 26% of the Trust’s bank debt is expected to have a floating base rate until August 2029, mitigating the risk of interest rate increases during that period.</p> <p>The Reserve Bank of New Zealand has ceased the recent tightening cycle with consecutive reductions in the Official Cash Rate, which is expected to continue to fall over the next 12 months.</p> <p>During the initial 15 year term, the Lease has built in rental growth of 2.5% p.a. from the one year anniversary of Practical Completion, with a market rent review on the fifth anniversary of Practical Completion (subject to a cap of 110% and a collar of 90%) and 2.5% p.a. fixed increases thereafter.</p>
<i>Manager’s assessment of the likelihood of the circumstance arising</i>	Changes in future interest rates cannot be accurately predicted but having at least 74% of the bank debt subject to a fixed interest rate from Practical Completion reduces the likelihood of interest rate increases negatively impacting the Trust.
<i>Manager’s assessment of the magnitude of the impact, were the circumstance to arise</i>	The impact will depend on the magnitude of the interest rate change, which the Manager is unable to predict. For illustrative purposes, assuming drawn debt of \$35,630,000, if the interest rate on the floating portion of the bank debt increased by 1% (100 basis points) above the forecast rate, this could result in Investor cash distributions decreasing to 7.15% if all else remained the same, and a decrease of 1% (100 basis points) below the forecast rate could result in distributions increasing to 7.50%.

DESCRIPTION OF RISK

Single tenant risk

WHY IT IS SIGNIFICANT AND THE MANAGER’S ASSESSMENT OF THE NATURE OF THE IMPACT		MITIGATING FACTORS
<p>The Tenant is the sole occupant of the Property. Accordingly, the Trust is not diversified by tenant profile, property sector or geography.</p> <p>If the Tenant/Guarantor suffer significant financial problems and cannot meet their Lease or Development Agreement obligations, it could have a materially adverse impact on the ability of the Trust to pay distributions and comply with banking covenants, and on Investors' ability to recoup all of their original investment.</p>		<p>The Manager believes Tenant default risk is very low. The Tenant is the supermarket trading entity for Woolworths branded supermarkets in New Zealand. The Tenant has advised that as at 30 June 2024 it operates 188 Woolworths supermarkets in New Zealand, has revenue in excess of \$7 billion and total assets in excess of \$2 billion. The Guarantor owns 100% of the Tenant and is also the parent company of the entities that franchise 19 SuperValue and 55 FreshChoice stores throughout New Zealand. The ultimate parent company of the Tenant and Guarantor is Woolworths Group Limited, an ASX listed Australian company with a market capitalisation of approximately A\$36.4 billion as at 2 November 2024.<sup>1</sup></p> <p>The Tenant’s operations are a core essential service, providing support for their business through economic cycles.</p>
<i>Manager’s assessment of the likelihood of the circumstance arising</i>	The risk of the Tenant and the Guarantor failing to meet their obligations under the Lease is low – given their strong financial standing.	
<i>Manager’s assessment of the magnitude of the impact, were the circumstance to arise</i>	The magnitude of the impact of default by the Tenant and the Guarantor would be high. Due to the scale of the Property, it is likely that the Property would need to be re-leased to multiple tenants.	

1. Woolworths Group Limited does not guarantee the obligations of the Tenant or the Guarantor under the Lease or the Development Agreement.

# Risks to returns from Centuria Shands Road Property Trust

## Section 7

### DESCRIPTION OF RISK

#### Loss of PIE tax status

WHY IT IS SIGNIFICANT AND THE MANAGER’S ASSESSMENT OF THE NATURE OF THE IMPACT	MITIGATING FACTORS
<p>If a single investor (together with associates) holds more than 20% of the Units on issue, and this is not remedied within 12 months, the Trust will not be able to maintain PIE status. This could arise if CPIPL is required to subscribe for at least \$10,628,000 of Units under the underwriting agreement.</p> <p>If the Trust ceases to be a PIE, it will be treated as a company for NZ tax purposes with distributions treated as taxable dividends for investors. This will also impact the ability for the Trust to distribute any capital gains (or other non-taxed amounts) tax-free prior to wind-up of the Trust.</p>	<p>Only \$15,138,237 of new equity is required to be raised under the Capital Raising Offer to ensure CPIPL is not holding more than 20% of total Units, given the Units to be allotted under the Transfer Offer.</p> <p>CPIPL would have 12 months to sell down Units so it holds less than 20%.</p>
<p><i>Manager’s assessment of the likelihood of the circumstance arising</i></p>	<p>Low. The Manager considers it unlikely that less than \$15,138,237 of new equity will be raised under the Capital Raising Offer, or that CPIPL’s Units could not be sold down to below that level in the subsequent 12 months if required.</p>
<p><i>Manager’s assessment of the impact, were the circumstance to arise</i></p>	<p>The magnitude of the impact will depend on the Trust’s taxable income, the level of imputation credits attached to dividends and Investors’ individual tax circumstances. The Trust would be treated as a company for tax purposes, with the result that the Trust would pay tax at the rate of 28% on taxable income derived and investors would be separately taxed on distributions at their marginal tax rate (with a credit available for imputation credits to the extent attached to those distributions). Investors with a marginal tax rate of less than 28% may face an effective tax rate in excess of their marginal tax rate (of up to 28%) unless they are able to utilise any imputation credits attached to distributions made by the Trust to offset tax payable from other sources. Investors with a marginal tax rate of more than 28% would (all other things being equal) pay more tax than they would had the Trust maintained PIE status.</p>





## Section 8

In this section, you will find information on:

- fees and expenses charged to the Trust by the Manager and its associated persons; and
- other fees and expenses.





# What are the fees?

## Section 8

### Establishment fees

There is no most recent accounting period for the Trust.

The fees and expenses charged to the Trust on its establishment are:

#### ESTABLISHMENT FEES AND EXPENSES CHARGED BY MANAGER AND ASSOCIATED PERSONS

Manager's offeror fee	\$800,000
CPIPL's underwrite fee	\$772,987
Manager's leasing fee	\$730,000
Design and marketing fee	\$10,000
<b>Total</b>	<b>\$2,312,987</b>

#### ESTABLISHMENT FEES AND EXPENSES CHARGED BY OTHER PERSONS

Brokerage fee <sup>1</sup>	\$450,909
Legal fees <sup>2</sup>	\$432,556
Investigating accountant fee <sup>2</sup>	\$28,000
Valuation fee <sup>2</sup>	\$21,000
Chattels and land valuation fees <sup>2</sup>	\$10,000
Property due diligence <sup>2</sup>	\$30,000
Marketing <sup>2</sup>	\$390,000
Bank legal costs <sup>2</sup>	\$20,000
Supervisor fee	\$10,000
Interest rate hedging costs	\$202,500
PDS registration fee and FMA levy	\$7,048
Registry and AML customer due diligence fees <sup>2</sup>	\$25,000
<b>Total</b>	<b>\$1,627,013</b>
<b>Total fees for establishment of the Trust</b>	<b>\$3,940,000</b>

1. If any Units are issued to CPIPL under its underwriting obligations, the brokerage fee will reduce by the value of such Units multiplied by 1.75%. That amount may be subsequently applied to any brokerage payable where CPIPL disposes of its underwritten Units.
2. 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 the Trust. Details of the fees and expenses incurred will be included in the Trust's annual report, but Investors will not specifically be notified of such a change. All other amounts are fixed or maximum amounts and cannot be increased.

# What are the fees?

## Section 8

The above fees are exclusive of GST and disbursements.

- The **offeror's fee** is payable to the Manager for arranging and establishing the Trust, completing due diligence on the Property, negotiating the bank facility and preparing the prospective financial information and this PDS.
- The **underwriting fee** is payable to CPIPL for underwriting the Offer.
- The **leasing fee** is payable to the Manager for investigating, negotiating and preparing the Expansion and associated changes to the Lease.
- The **brokerage fee** is payable to Bayleys as the sole selling agent for the Offer.
- **Legal fees** are payable to the Trust's solicitors, Chapman Tripp and K&L Gates, for the costs of negotiating the Development Agreement, negotiating the Lease, legal due diligence on the Properties, the sale and purchase of the Properties, cost of advising on this PDS, the Trust Deed and compliance with the FMCA, and in connection with the Trust's financing arrangements. A portion of the legal fees were originally charged to the Existing Scheme in connection with the early phases of preparation for the Expansion and are to be reimbursed by the Trust as the Manager considers the Trust is obtaining the benefit of the work produced as a result of those costs.
- The **investigating accountant fee** represents BTSR's fee as investigating accountant for completing a limited assurance engagement on the prospective financial statements contained on the Offer Register.
- The **valuation fee** is payable to CBRE for preparing the Valuation Reports on the Property.
- The **chattels and land valuation fees** are payable in connection with the chattels and land valuation obtained by the Manager for the chattels in the Property, required for calculation of capital allowances and depreciation.
- **Property due diligence fees** relate to building inspection fees and other investigations forming part of the due diligence reports the Manager commissioned as part of the Manager's due diligence investigations of the Property.
- **Marketing costs** reflect the costs of both preparing and producing advertisements in relation to the Offer, publishing those advertisements, holding investor presentations on the Offer and the costs for designing and printing this PDS.
- The **bank legal fees** are payable to ASB's legal advisers for their work drafting and negotiating the Trust's bank facilities.
- The **supervisor fees** are payable to the Supervisor for their costs in relation to establishing its appointment as supervisor and reviewing the Trust Deed.
- The **interest rate hedging costs** relate to the upfront fee for a swaption contract that gives the Trust the option to enter into an interest rate swap. The underlying swap is for a notional value of \$10,300,000 for three years from August 2026 to August 2029 at a pre-agreed rate. The swaption was entered into by the Existing Scheme and will be transferred to the Trust on Settlement, at which time the Trust will reimburse the Existing Scheme for the upfront fee.
- The **PDS registration fee and FMA levy** are payable in connection with the registration of the Trust on the Offer Register and Scheme Register.
- The **registry fees and AML customer due diligence fees** are fees and costs charged by the Trust's registrar for registry services provided to the Trust and the Manager's third party AML service provider.
- The above fees are payable by the Trust - none are chargeable to Investors directly. In respect of certain fees set out above, the Manager or Existing Scheme have either already met these costs on behalf of the Trust or will pay those costs prior to Settlement and, accordingly, are entitled to reimbursement on Settlement. Other fees may be paid by the Manager or Existing Scheme between the dates of this PDS and Settlement. Those fees will be reimbursed to the Manager or Existing Scheme on Settlement.



## Ongoing fees and expenses

There is no most recent accounting period for the Trust.

The ongoing fees and expenses charged to the Trust during its duration are set out in the following tables:

### ONGOING FEES AND EXPENSES CHARGED BY MANAGER AND ASSOCIATED PERSONS

Annual management fee	\$150,000 plus GST per annum and increasing each year at the greater of 3% or any CPI increase for that year.
New leasing	<p>Where no real estate agent is used by the Manager:</p> <ul style="list-style-type: none"> <li>• Lease term of less than one year: Nil;</li> <li>• Lease term of one year or longer but less than three years: 10% of annual gross rent plus GST;</li> <li>• Lease term of three years or longer but less than five years: 12.5% of annual gross rent plus GST;</li> <li>• Lease term of five years or longer: 15% of annual gross rent plus GST;</li> </ul> <p>Where a real estate agent is involved:</p> <ul style="list-style-type: none"> <li>• Lease term of less than one year: Nil;</li> <li>• Lease term of one year or longer but less than three years: 5% of annual gross rent plus GST;</li> <li>• Lease term of three years or longer but less than five years: 6.25% of annual gross rent plus GST;</li> <li>• Lease term of five years or longer: 7.5% of annual gross rent plus GST.</li> </ul>
Sale of the Property	Upon a sale of the Property or any part of the Property, a fee equal to 1% of the gross sale price, plus GST.
Development management fees	<p>A \$75,000 plus GST one-off fee for the Manager overseeing and managing the Expansion, which may be increased to \$150,000 plus GST if the Tenant defaults under the Development Agreement and the Trust exercises its step-in rights (and in such case the \$75,000 plus GST development management fee payable to the Tenant under the Development Agreement shall be reimbursed to the Trust).</p> <p>In the event of any additional development, project or other work of a capital nature (other than the Expansion), where the cost of those works exceeds \$50,000, the Manager will be entitled to a fee equal to 3.5% plus GST of the total cost of the works.</p>
Secondary market transfers	<p>If Investors utilise the secondary market facility offered by the Manager, then an administration fee will be payable by the relevant Investor to the Manager.</p> <p>For arms-length transfers, the current charge is equivalent to 2% of the transaction value plus GST. Related party transfers may attract a fee of up to \$500 plus GST.</p>
Property Management Fees	If the Manager provides property management services, the Manager is entitled to receive any reasonable property management fees that may be payable in respect of the Property.



# What are the fees?

## Section 8

### ONGOING FEES AND EXPENSES CHARGED BY MANAGER AND ASSOCIATED PERSONS

The Manager and its associated persons' aggregate fees for the accounting periods to: <sup>1</sup>	31 March 2025 will be \$0 plus GST, which as a percentage of net assets of the Trust is anticipated to be 0%
	31 March 2026 will be \$2,740,487 plus GST, which as a percentage of net assets of the Trust is anticipated to be 4.97% <sup>2</sup>
	31 March 2027 will be \$154,500 plus GST, which as a percentage of net assets of the Trust is anticipated to be 0.28%
	31 March 2028 will be \$159,135 plus GST, which as a percentage of net assets of the Trust is anticipated to be 0.29%

Secondary market fees will be charged at the rate applicable at the time (Investors will not be notified of a change in such rates). The other fees may not be amended, except in accordance with the Trust Deed. Details of the fees and expenses incurred by the Trust will be included in the Trust's annual report.

All fees and expenses listed above are plus GST (if any).

- The **annual management fee** is payable to the Manager for managing the Trust in accordance with the Trust Deed.
- **New leasing fees** apply where the Manager arranges a new lease in respect of the Property including with a tenant whose lease has expired.
- **Sale fees** apply where the Manager arranges a sale of the Property.
- **Development management fees** apply for the Manager overseeing and managing the Expansion, and will apply in the event of any additional development, project or other work of a capital nature (excluding the Expansion) where the cost of those works exceeds \$50,000.
- **Secondary market transfer fees** apply where an Investor seeks to utilise the Manager's secondary market transfer service. The Manager will facilitate secondary transfers but does not act as a broker nor does it provide financial advice to any party.
- **Property management fees** are payable in respect of the ongoing upkeep and maintenance of the Property.

### ONGOING FEES AND EXPENSES CHARGED BY OTHER PERSONS

Supervisor's fees	\$12,575 plus GST  The Supervisor is also entitled to charge a special duties fee, charged at the Supervisor's usual time and attendance rates to cover the Supervisor's ongoing reviews of any amendment to the documentation, the exercise of its power and discretions, the Supervisor's attendance at any special meetings and any other non-routine duties. The Supervisor may charge for disbursement and expenses relating to items such as travel, printing and postage.
Audit of financial statements	Estimated at \$15,250 plus GST for the period ending 31 March 2026, \$15,555 for the period ending 31 March 2027 and decreasing to \$10,965 for the period ending 31 March 2028 once the Expansion is complete (expected to increase by CPI each year thereafter).
Annual valuation fees	Estimated at \$12,000 plus GST (expected to increase by CPI each year).
Legal fees	Legal fees arising in relation to management of the Property and the Trust, including documentation of rent reviews, leasing, renewal of lease, annual meetings and refinancing incidental to the management of the Property (charged on the basis of time spent).
Interest charges and bank fees	Annual interest charges and loan facility fees payable to ASB will be met by the Trust, estimated at \$503,855 for the period ending 31 March 2026, \$1,775,839 for the period ending 31 March 2027, and \$1,910,758 for the period ending 31 March 2028.

1. Assuming the management fee increases at 3% a year and no other fees are payable (as at the date of this PDS the Manager does not anticipate it, nor any of its associated persons, will accrue any fees other than the management fee described above).

## ONGOING FEES AND EXPENSES CHARGED BY OTHER PERSONS

Outgoings, property maintenance expenses, fees (to the extent not recoverable from the Tenant)	The Manager has the ability to undertake or approve repairs, maintenance or improvements at its sole discretion.
Expenses on a sale of the Property (or any part of the Property)	<ul style="list-style-type: none"> <li>• Commission on the sale of the Property, estimated at 0.5-2.5% of the sale price plus GST, may be payable to a real estate agent.</li> <li>• Legal fees will arise in relation to the sale of the Property and repayment of the bank loan (charged on the basis of time spent).</li> <li>• A swap termination fee may be payable to the bank in the event that the Property is sold prior to expiration of the term of the swap and the swap is out of the money. The swap would be out of the money if the agreed swap rate was higher than the prevailing wholesale market rate that reflects the remaining term through to maturity.</li> <li>• Any other fees and expenses which are necessary for the Manager to discharge its duties under the Trust Deed.</li> <li>• All other fees and expenses which are necessary for the Supervisor or Custodian to discharge their duties or exercise their powers under the Trust Deed or applicable legislation.</li> </ul>
Other possible fees and expenses	<ul style="list-style-type: none"> <li>• Fees in relation to the annual taxation review of the Trust.</li> <li>• Any fees and expenses in respect of any meetings held under this deed.</li> <li>• Fees of any quantity surveyor or project manager engaged by the Manager in respect of the Trust.</li> <li>• Fees of any consultant or advisor engaged by the Manager in respect of the Trust.</li> <li>• Fees and costs associated with regulatory compliance (such as any Financial Markets Authority levies payable by the Trust or the Manager in its role as manager of the Trust).</li> <li>• Property management fees and other outgoings not recoverable from the Tenants.</li> <li>• Any incentive and re-letting costs in respect of the Property.</li> <li>• A proportionate share of any software licences held by the Manager in order to perform its duties under the Trust Deed.</li> <li>• Registry fees for the Trust.</li> <li>• Any other fees and expenses which are necessary for the Manager to discharge its duties under the Trust Deed.</li> <li>• The cost of the assurance engagement required to be undertaken over the custodian for the scheme under the Financial Markets Conduct Act.</li> <li>• All other fees and expenses which are necessary for the Supervisor or Custodian to discharge their duties or exercise their powers under the Trust Deed or applicable legislation.</li> <li>• Fees and expenses incurred by the Custodian under the Development Agreement.</li> </ul>
Other person's aggregate fees and expenses (including interest expenses but excluding amortised finance costs) for the accounting periods to:	<p>31 March 2025 will be \$0 plus GST, which as a percentage of net assets of the Trust is anticipated to be 0%.</p> <p>31 March 2026 will be \$30,957,575 plus GST, which as a percentage of net assets of the Trust is anticipated to be 56.09%.<sup>1</sup></p> <p>31 March 2027 will be \$10,355,348 plus GST, which as a percentage of net assets of the Trust is anticipated to be 18.68%.<sup>1</sup></p> <p>31 March 2028 will be \$3,033,407 plus GST, which as a percentage of net assets of the Trust is anticipated to be 5.47%.</p>

1. Aggregate fees for the accounting period ended 31 March 2026 include establishment costs.

# What are the fees?

## Section 8

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The above fees and expenses are the Manager's best estimate, based on its property management experience and the information known to it at the date of this PDS, but are subject to change based on the amounts invoiced to the Trust. Details of the fees and expenses incurred by the Trust will be included in the Trust's annual report, however Investors will not be specifically notified of such a change.

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All fees and expenses listed above are plus GST (if any).

- **Supervisor fees** are payable to the Supervisor for fulfilling the role of supervisor of the Trust.
- **Audit fees** are payable in connection with the audit of the Trust's financial statements.
- **Valuation fees** are payable in connection with the annual valuation of the Property.
- **Legal fees** are payable in connection with any legal advice the Manager deems it necessary that the Trust obtain.
- **Interest charges and bank fees** are payable to ASB or any other bank providing funding under the terms of the Trust's banking facility.
- **Outgoings, property maintenance expenses, fees and costs** are payable in respect of the ongoing upkeep and maintenance of the Property.
- **Expenses on a sale** will apply if it is proposed that the Property (or any part of the Property) is sold.

The above fees are payable by the Trust - none are chargeable to Investors directly.

Further information on the Trust's anticipated expenses is set out in the financial information for the Trust available on the Offer Register. The Offer Register may be accessed at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz) by searching 'Centuria Shands Road Property Trust' under 'search offers'.

1. Aggregate fees for the accounting period ended 31 March 2026 include establishment costs and the Trust's contributions to the costs of the Expansion. Aggregate fees for the accounting period ended 31 March 2027 include the Trust's contributions to the costs of the Expansion.







# 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 the tax consequences of the investment you should seek independent tax advice from a professional advisor.**

The Trust intends to be a multi-rate portfolio investment entity (**PIE**). The amount of tax you pay is based on your prescribed investor rate (**PIR**). To determine your PIR, go to [ird.govt.nz/roles/portfolio-investment-entities/find-my-prescribed-investor-rate](http://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.

It is your responsibility to tell the Manager your PIR when you invest or if your PIR changes. If you do not tell the Manager 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 Inland Revenue.

The Trust provides the following information as a general guide only and does not accept any responsibility for your tax liabilities.

### Prescribed Investor Rate (PIR)

Your PIR is the tax rate that the Manager will use to calculate the tax payable on the taxable income the Trust allocates to you. If you are investing jointly with other Investors, the highest PIR of the joint Investors 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%
- Non-New Zealand residents – 28% (subject to certain exceptions).

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

Inland Revenue may also advise the Manager to change your PIR if they consider it incorrect.

### Depreciation

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

Taxable depreciation recovery income may arise on any future disposal which may result in tax being payable by the Trust on behalf of Investors.

### Distributions

As the Trust will be a PIE, distributions from the Trust (including redemption of units) are not separately subject to tax in New Zealand. Further, there should be no withholding tax on distributions to non-resident Investors.

PIE tax is payable on each Investor's share of the Trust's taxable income at their nominated PIR. The Trust intends to deduct each Investor's tax liability from distributions paid and return this to Inland Revenue when the Trust files quarterly PIE tax returns. As the Trust's taxable income changes each month, the tax deducted and net distributions received by Investors will also change.

Alternatively, the Manager can choose to adjust for Investors' PIE tax liabilities by cancelling Units. However, this is not intended to be the mode of adjustment for PIE tax, other than on wind-up of the Trust or if the Trust is not paying distributions.

If the Trust 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, this would mean any imputation credits attached to a dividend can be used to reduce or offset an Investor's tax liability. For non-residents, this would mean 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 Investors of the allocation of taxable income and tax paid on their behalf will be sent to Investors each year by the Manager.

### Maintaining PIE status

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

- have a minimum of 20 Investors (this minimum requirement may be less if an Investor is a PIE or is a certain other investor type, or be more where certain Investors are associated);
- ensure that no Investors own over 20% of the Units in the Trust (unless an Investor is a PIE or is a certain other investor type), noting that certain associated Investors are treated as a single Investor;
- 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 of the PIE is derived from a lease of land, interest, dividends and/or the proceeds from the disposal of property; and
- ensure that 90% of the assets value of the PIE is held in either land, financial arrangements or a right or option to acquire property.

It is anticipated that PIE status can be achieved on establishment. However, there is a risk that one party may hold more than 20% of the Units. Certain breaches of the PIE eligibility criteria are considered temporary breaches (such as the 20% limit) and have a time frame (up to 12 months) to be remedied before PIE status is lost.











# About Centuria Funds Management (NZ) Limited and others involved in Centuria Shands Road Property Trust

## Section 10

### About Centuria Funds Management (NZ) Limited

Centuria Funds Management (NZ) Limited is the Manager of the Trust. Centuria Funds Management (NZ) Limited is licensed under the FMCA as a Manager of:

- Other Managed Investment Schemes; which are invested in Property Syndicates/ Real Property Proportionate Ownership Schemes; and
- Managed Investment Schemes – Managed Funds; where the Managed Funds are invested solely in real property (listed and unlisted).

The Manager's property schemes (such as the Trust) are structured to provide Investors with a long term investment in commercial real estate, while seeking to minimise the administrative and operational burdens of private property ownership. The Manager is responsible for the Trust's management, including setting and executing the Trust's strategy, overseeing the Expansion, facilities and property management, negotiating with tenants, arranging funding, preparation of annual financial statements and payment of monthly distributions.

Centuria Funds Management (NZ) Limited is a wholly-owned subsidiary of Centuria Capital Group, an ASX listed specialist investment management company with over \$20 billion of assets under management (including the Manager's assets under management).<sup>1</sup> The Manager has assets under management of approximately NZ\$2.5 billion.

With over 20 years' experience in helping investors grow their wealth, Centuria Capital Group provides a range of innovative investment opportunities including listed and unlisted property funds, real estate debt funds as well as tax effective investment bonds. Centuria Capital Group buys, actively manages and sells a wide range of commercial property including industrial, office, healthcare, agricultural and retail properties.

For more on the Manager see [centuria.co.nz](http://centuria.co.nz) and on the Centuria Capital Group, see [centuria.com.au](http://centuria.com.au).

The key senior managers of the Manager collectively have considerable property expertise with experience in property development, facilities and asset management, property investment, business administration, accounting and banking. The Manager manages a wide range of property investment entities in numerous locations throughout New Zealand and Queensland, Australia. This investment opportunity is based around the market knowledge and experience of these people. Further detail on the expertise and background of these people is set out in Section 2: 'What the Centuria Shands Road Property Trust invests in' on pages 16-17.

### Contact details

The Manager may be contacted:

- at its registered office: Level 2, 30 Gaunt Street, Auckland, New Zealand
- by telephone: +64 9 300 6161
- by email: [enquiries@centuria.co.nz](mailto:enquiries@centuria.co.nz)

1. Assets under management as at 30 June 2024, including assets contracted to be settled, cash and other assets.

# About Centuria Funds Management (NZ) Limited and others involved in Centuria Shands Road Property Trust

## Section 10

### Who else is involved?

PARTY	NAME	ROLE
Supervisor	Covenant Trustee Services Limited	Covenant Trustee Services Limited is the Supervisor of the Trust.  The Supervisor will monitor compliance with the Trust Deed and fulfil the role of supervisor under the FMCA and Financial Markets Supervisors Act 2011.
Custodian	Shands Road Property Trust Nominee Limited	Shands Road Property Trust Nominee Limited has been nominated to act on behalf of the Supervisor as the Custodian for the Trust. This Custodian will hold the certificates of title for the Property on bare trust on behalf of the Trust in accordance with the Trust Deed.  The Custodian is a subsidiary of the Supervisor.

None of the parties above guarantee any returns to Investors.









146 Shands Road

Warehouse  
Expansion

166 Shands Road

BOUNDARY LINES ARE INDICATIVE ONLY.



# How to complain

## Section 11

Complaints about the Units or the Trust can be made to the Manager, attention Matthew Butt, Head of Investor Relations, at the address and business telephone number set out on page 82. We will generally acknowledge receipt of your complaint within one business day of receiving the complaint, or as soon as practicable. We will aim to resolve the complaint within five business days and, in any event, within 30 calendar days of receiving the complaint.

A complaint can also be made to the Supervisor (at the address and business telephone number set out on page 82).

A complaint can also be made to Fairway Resolution Limited (trading as Financial Dispute Resolution Service), being the dispute resolution scheme the Manager has joined for the purposes of the Financial Service Providers (Registration and Dispute Resolution) Act. Financial Dispute Resolution Service may be contacted by:

Mail: Freepost 231075  
PO Box 2272  
Wellington 6140

Phone: 0508 337 337

Email: [enquiries@fdrs.org.nz](mailto:enquiries@fdrs.org.nz)

Website: [fdrs.org.nz](http://fdrs.org.nz)

Financial Dispute Resolution is only available in New Zealand and is not available in Australia. However, the Manager is a member of the Australian Financial Complaints Authority (**AFCA**) in Australia which is an externally managed dispute resolution scheme registered with ASIC. If you are located in Australia and feel the Manager has not dealt with your complaint satisfactorily, you may refer your complaint to AFCA by:

Mail: Australian Financial Complaints Authority Limited  
GPO Box 3  
Melbourne VIC 3001

Phone: 1800 931 678

Email: [info@afca.org.au](mailto:info@afca.org.au)

Website: [afca.org.au](http://afca.org.au)

Financial Dispute Resolution Service, AFCA and the Trust will not charge a fee to any complainant to investigate or resolve a complaint.





ARTIST IMPRESSION - PROPERTY WITH COMPLETED EXPANSION



# Where you can find more information

## Section 12

### Offer Register and Scheme Register

Further information relating to the Trust and the Units is available on the Offer Register and the Scheme Register. The Offer Register may be accessed at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz) (for example, the Trust's financial statements). This Offer can be found by clicking on 'search offers' and searching 'Centuria Shands Road Property Trust', and this Trust can be found by clicking 'search schemes' and searching 'Centuria Shands Road Property Trust'.

A copy of information on the Offer Register and Scheme Register is available on request to the Registrar of Financial Service Providers (email [registrar@fspr.govt.nz](mailto: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 on page 82).



# How to apply

## Section 13

To apply for Units in the Capital Raising Offer, you must provide the following:

- A completed and signed application form.
- For new investors with Centuria NZ, a bank encoded deposit slip, bank statement or confirmation from your bank verifying your bank account name and number.
- For new investors with Centuria NZ, 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.
- Payment of the total application amount. See 'Payment' below, for further details.

Online application forms are available at [centuria.co.nz/shands](https://centuria.co.nz/shands). **We strongly encourage you to apply online.**

Hard copy completed and signed application forms, along with the above accompanying documents, 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: Shands Road Offer)**. We do not recommend posting due to the longer delivery time.

You can also scan and email a completed hard copy application form, along with the above accompanying documents, to [enquiries@centuria.co.nz](mailto:enquiries@centuria.co.nz).

The Offer closes on 25 March 2025.

**IMPORTANT – for existing Centuria NZ investors, identification documents may have been provided previously as part of Centuria NZ's AML 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

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.

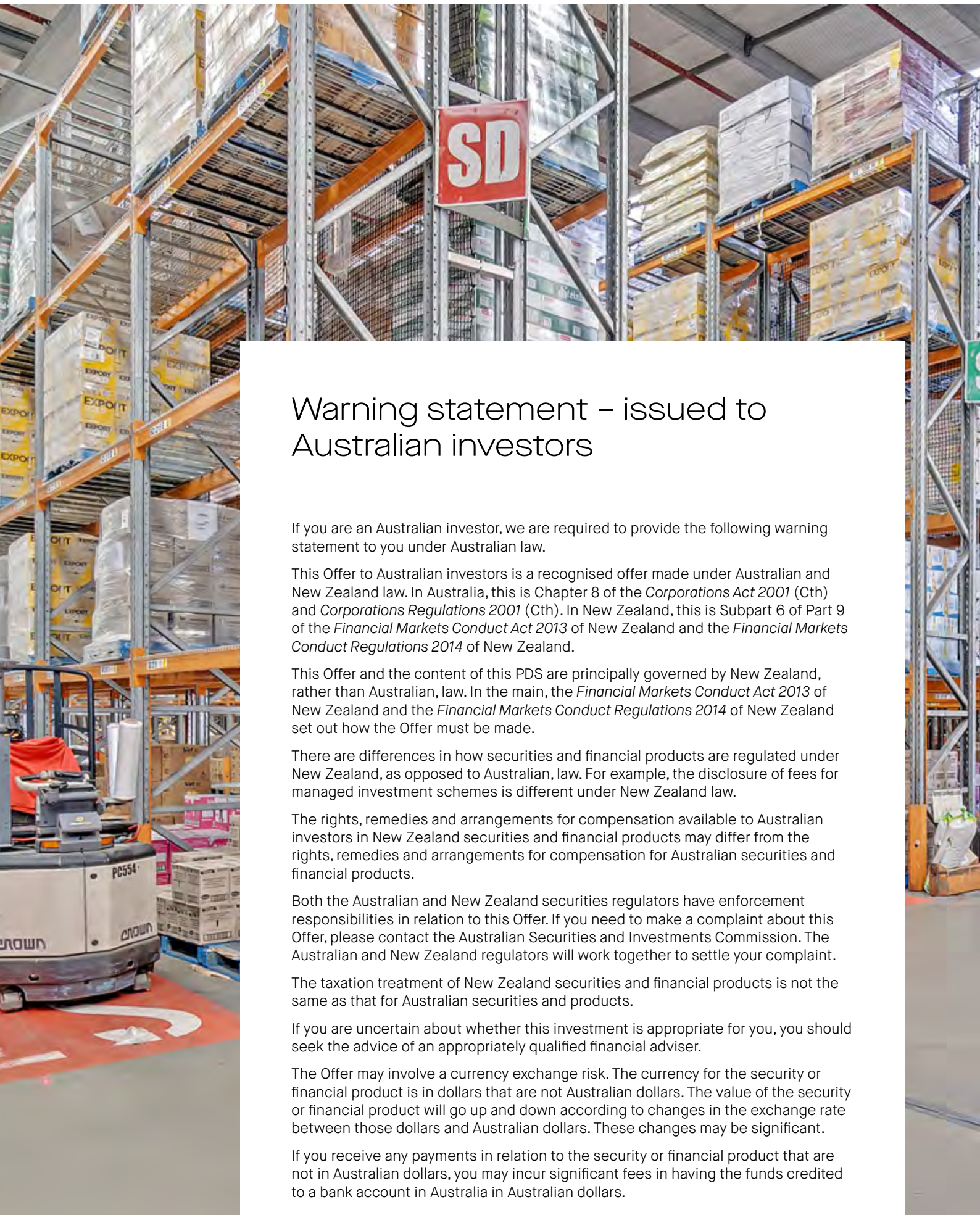
Cash distributions will not accrue until your Units are issued. Investors' application monies will, in that period, be held in a trust account established for the Offer.

**PAYMENT OF YOUR APPLICATION AMOUNT IS DUE BY 25 March 2025.**

**Following the purchase of 146 Shands Road by the Trust, Units will be issued to the Existing Scheme and distributed to Existing Shands Road Investors without further action required by those investors. Existing Shands Road Investors who do not wish to apply for Units in the Capital Raising Offer therefore do not need to take any further action.**







## Warning statement – issued 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 arrangements for compensation available to Australian investors in New Zealand securities and financial products may differ from the rights, remedies and arrangements for compensation 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.



# Glossary

TERM	DEFINITION
\$	New Zealand dollars.
146 Shands Road	The property at 146 Shands Road, Hornby, Christchurch, being acquired by the Trust from the Existing Scheme to form part of the Property.
146 Shands Road Purchase Agreement	The sale and purchase agreement for 146 Shands Road between the Existing Scheme as vendor and the Trust as purchaser, summarised on page 31.
166 Shands Road	The property at 166 Shands Road, Hornby, Christchurch, being acquired by the Trust from the Tenant to form part of the Property.
ASB	ASB Bank Limited.
AML	Anti-money laundering.
Bayleys or Bayleys Real Estate	Bayleys Real Estate Limited.
BTSR	Baker Tilly Staples Rodway Audit Limited.
Building Condition Report	A building condition report prepared by Hampton Jones Property Consultancy Limited which is available on the Offer Register at <a href="https://disclose-register.companiesoffice.govt.nz">disclose-register.companiesoffice.govt.nz</a> by searching 'Centuria Shands Road Property Trust' under 'search offers'
Capital Raising Offer	The portion of the Offer that is open to new investors and Existing Shands Road Investors.
Capped Expansion Costs Contribution	<p>The Trust's capped contribution towards the costs of the Expansion, in an aggregate amount of \$35,630,000 exclusive of GST, made up of:</p> <ul style="list-style-type: none"> <li>the Project Costs payable by the Trust pursuant to the Development Agreement, which are capped at \$35,150,000 exclusive of GST; plus</li> <li>the fixed contribution of \$480,000 exclusive of GST payable by the Trust towards upgrading the seismic rating of the existing building to a minimum of 80% NBS pursuant to the Development Agreement.</li> </ul>
Centuria Capital Group	<p>Centuria Capital Limited (Aus) and Centuria Capital Fund.</p> <p>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'.</p>
CPI	The Consumer Price Index (all groups) published by Statistics New Zealand.
CPIPL	Centuria Platform Investments Pty Limited.
Custodian	Shands Road Property Trust Nominee Limited.
Development Agreement	The development agreement entered into by the Tenant, the Guarantor and the Existing Scheme, under which 166 Shands Road will be acquired by the Trust and the Expansion will be undertaken by the Tenant. The Development Agreement will be transferred to the Trust on Settlement. For a summary of the Development Agreement, see pages 23-26.
Effective Date	Has the meaning given to it in the Development Agreement, being the date when a number of pre-conditions are met including approval of detailed design for the Expansion, letting of the construction contract and certain subcontracts for the Expansion, appointment of key consultants, placing of contract works insurance, the Tenant obtaining key building consents and execution of the variation of the Lease anticipated by the Development Agreement. The Manager expects that the Effective Date will be achieved on or before Settlement.
Existing Scheme	Shands Road Limited Partnership, the existing limited partnership managed by the Manager that is transferring 146 Shands Road to the Trust and receiving Units in the Trust as consideration pursuant to the Transfer Offer.
Existing Shands Road Investor	A person who is an investor in the Existing Scheme.

TERM	DEFINITION
Expansion	The development being undertaken by the Tenant in accordance with the Development Agreement under which the existing building at 146 Shands Road is being extended onto 166 Shands Road.
Expansion Phase	The period from Settlement to Practical Completion.
FMCA	<i>Financial Markets Conduct Act 2013</i>
Guarantor	Woolworths New Zealand Limited, guarantor under the Lease and the Development Agreement.
ICR	Interest cover ratio.
Investors	Persons registered as the holders of Units in the Trust.
Landlord	The landlord under the Lease being the Existing Scheme prior to Settlement and the Trust following Settlement.
Lease	The lease between the Existing Scheme and the Tenant under which the Tenant leases 146 Shands Road, as shall be amended by the Development Agreement so that 166 Shands Road and the extended warehouse premises fall under the lease. On Settlement, the Trust becomes the landlord under the Lease. For a summary of the Lease, see pages 27-30.
LVR	Loan to value ratio.
Manager or Centuria NZ	Centuria Funds Management (NZ) Limited.
Monthly Progress Payments	The monthly progress payments payable to the Tenant by the Trust under the Development Agreement as described on page 24.
Offer	The offer of Units pursuant to the Capital Raising Offer and the Transfer Offer.
Offer Register	The offer register entry for the Trust, that forms part of the Disclose Register, that is available at <a href="https://disclose-register.companiesoffice.govt.nz">disclose-register.companiesoffice.govt.nz</a> by searching 'Centuria Shands Road Property Trust' under 'search offers'.
PDS	This product disclosure statement detailing the offer of Units in the Trust.
PIE	A Portfolio Investment Entity, as defined in the <i>Income Tax Act 2007</i> .
PIR	Prescribed Investor Rate, as defined in the <i>Income Tax Act 2007</i> . This is the tax rate an investor in a multi-rate PIE must elect with the Trust.
Practical Completion	Has the meaning given to it in the Development Agreement, and is further described in the description of the Development Agreement contained on page 24.
Project Costs	'Project Costs' as defined under the Development Agreement (summarised on page 24) which the Tenant can claim from the Trust pursuant to the monthly payment mechanism (up to the cap of \$35,150,000 exclusive of GST).
Prospective Financial Information	The prospective financial information for the period ending 31 March 2025 and the years ending 31 March 2026, 31 March 2027 and 31 March 2028.
Property	The combination of 146 Shands Road and 166 Shands Road.
Settlement	Means settlement of the Purchase of the Property by the Trust on 1 April 2025.
Scheme Register	The scheme register entry for the Trust, that forms part of the Disclose Register, that is available at <a href="https://disclose-register.companiesoffice.govt.nz">disclose-register.companiesoffice.govt.nz</a> by searching 'Centuria Shands Road Property Trust' under 'search schemes'.
SIPO	The Statement of Investment Policy and Objectives for the Trust adopted by the Manager which sets out its investment policies, objectives and strategies for the Trust in respect of its investment in the Property as well as the policies it will apply in respect of its management and its investment performance monitoring benchmarks.

# Glossary

TERM	DEFINITION
Sunset Date	Means the sunset date under the Development Agreement, being the date (14 August 2027) that is 12 months after the target date for Practical Completion, after which, if the Practical Completion has not occurred, the Trust has the ability to exercise remedies under the Development Agreement.
Supervisor	Covenant Trustee Services Limited.
Tenant	General Distributors Limited, tenant under the Lease.
Transfer Offer	The portion of the Offer under which the Existing Scheme will acquire Units and distribute them to Existing Shands Road Investors in exchange for the Existing Scheme transferring 146 Shands Road to the Trust.
Trust	The unit trust established under the Trust Deed for the purpose of acquiring the Property, being Centuria Shands Road Property Trust.
Trust Deed	The Trust Deed dated 12 November 2024 between the Manager, the Custodian and the Supervisor, setting out the arrangements for ownership and management of the Trust and as is available on the Scheme Register at <a href="https://disclose-register.companiesoffice.govt.nz">disclose-register.companiesoffice.govt.nz</a> by searching 'Centuria Shands Road Property Trust' under 'search schemes'.
Units	The units in the Trust.
Valuation Report	Each of the following independent valuation reports: <ul style="list-style-type: none"> <li>• The valuation reports prepared by Chris Stanley of CBRE: <ul style="list-style-type: none"> <li>- valuing 146 Shands Road at \$43,450,000 plus GST (if any) as at 23 October 2024; and</li> <li>- valuing the Property on an 'as if complete' basis at \$90,000,000 plus GST (if any) as at 23 October 2024,</li> </ul> </li> <li>• The valuation report prepared by Graeme McDonald of JLL valuing 166 Shands Road at \$9,000,000 plus GST (if any) as at 9 October 2024,</li> </ul> each of which is available on the Offer Register at <a href="https://disclose-register.companiesoffice.govt.nz">disclose-register.companiesoffice.govt.nz</a> by searching 'Centuria Shands Road Property Trust' under 'search offers'.
Woolworths NZ	Woolworths New Zealand Limited, guarantor under the Lease and the Development Agreement.





# Directory

## REGISTERED OFFICE OF THE MANAGER

Centuria Funds Management (NZ)  
Limited  
Level 2, 30 Gaunt Street  
Auckland 1010

Attention: Matthew Butt  
Phone: +64 9 300 6161  
Email: enquiries@centuria.co.nz

## CUSTODIAN

Shands Road Property Trust Nominee  
Limited  
Level 6  
191 Queen Street  
Auckland 1010

PO Box 4243, Shortland Street  
Auckland

Phone: 0800 746 422

## SOLICITORS

Chapman Tripp  
Level 34, PwC Tower  
Commercial Bay  
15 Customs Street West  
Auckland 1010

PO Box 2206  
Auckland 1140

Phone: +64 9 357 9000

## INVESTIGATING ACCOUNTANT

Baker Tilly Staples Rodway Audit  
Limited  
109-113 Powderham Street  
New Plymouth 4340

PO Box 146  
New Plymouth 4340

Phone: +64 6 757 3155

## SELLING AGENT

Bayleys Real Estate Limited  
30 Gaunt Street  
Auckland Central  
Auckland 1010

PO Box 8923, Symonds Street  
Auckland 1150

Phone: +64 9 309 6020

## SUPERVISOR

Covenant Trustee Services Limited  
Level 6, 191 Queen Street  
Auckland 1010

PO Box 4243, Shortland Street  
Auckland 1140

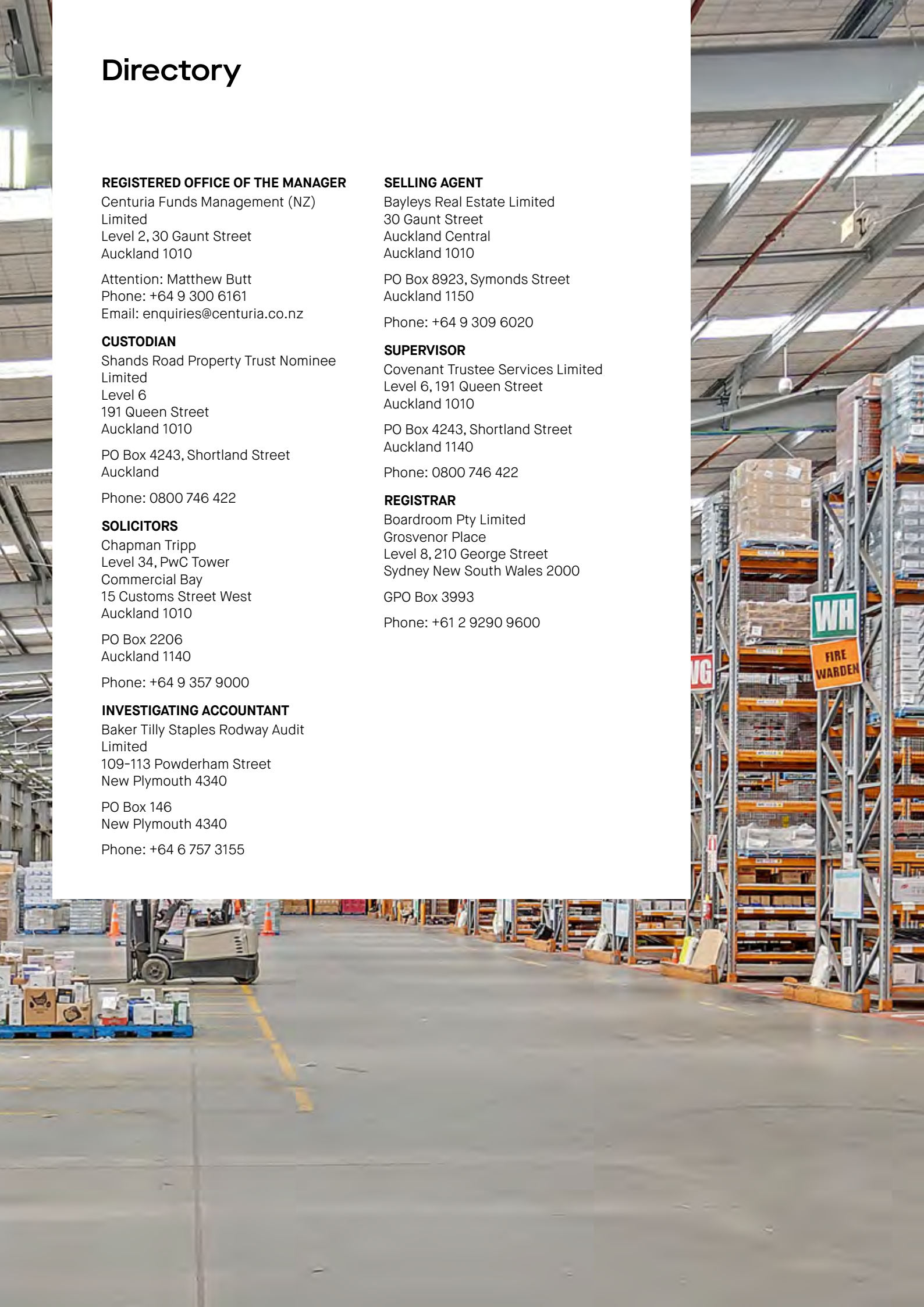
Phone: 0800 746 422

## REGISTRAR

Boardroom Pty Limited  
Grosvenor Place  
Level 8, 210 George Street  
Sydney New South Wales 2000

GPO Box 3993

Phone: +61 2 9290 9600









# Application form

## Centuria Shands Road Property Trust

This application form is issued with the Product Disclosure Statement dated 13 November 2024 (Product Disclosure Statement) issued by Centuria Funds Management (NZ) Limited. Before completing this application form, applicants should read and consider the Product Disclosure Statement. If you have any questions or if there is anything you do not understand, please contact our sales representatives on 0800 BAYLEYS (229539).

Centuria Funds Management (NZ) Limited (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. WE RECOMMEND COMPLETING AN ONLINE APPLICATION FORM AT [CENTURIA.CO.NZ/SHANDS](https://centuria.co.nz/shands).**

**IF YOU WISH TO COMPLETE A PAPER APPLICATION FORM, PLEASE COURIER COMPLETED APPLICATION DOCUMENTS TO CENTURIA FUNDS MANAGEMENT (NZ) LIMITED, LEVEL 2, 30 GAUNT STREET, AUCKLAND (ATTENTION: SHANDS ROAD OFFER).**

**YOU CAN ALSO EMAIL A COMPLETED HARD COPY APPLICATION FORM TO [ENQUIRIES@CENTURIA.CO.NZ](mailto:ENQUIRIES@CENTURIA.CO.NZ).**

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 Section 12.
- 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 Section 6).

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### 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

Has the Individual(s) or Investing entity invested in a Centuria NZ product previously?

Yes, Investor number:

No

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**SECTION 1: NAME OF INVESTOR AND APPLICANT CONTACT DETAILS (CONTINUED)**

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**Primary contact details**

Legal full name

Postal address

Email

Home or mobile telephone number

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**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 (Centuria NZ does not pay distributions to third parties on an investor's behalf).

Account 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 and number

Bank encoded deposit slip

Confirmation from your bank verifying your bank account name and number

# Application form

## Centuria Shands Road Property Trust

### SECTION 3: TAX INFORMATION

**Individual application** – Please complete your name as the primary applicant and complete your IRD number, resident withholding tax (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?	
		Yes	No
Applicant name	IRD number	Yes	No
Applicant name	IRD number	Yes	No
Applicant name	IRD number	Yes	No
Applicant name	IRD number	Yes	No

### Primary applicant or entity RWT rate

Your 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.

Please select one of the following:

0%      10.5%      17.5%      28%      30%      33%      39%



## SECTION 3: TAX INFORMATION (CONTINUED)

### 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:**

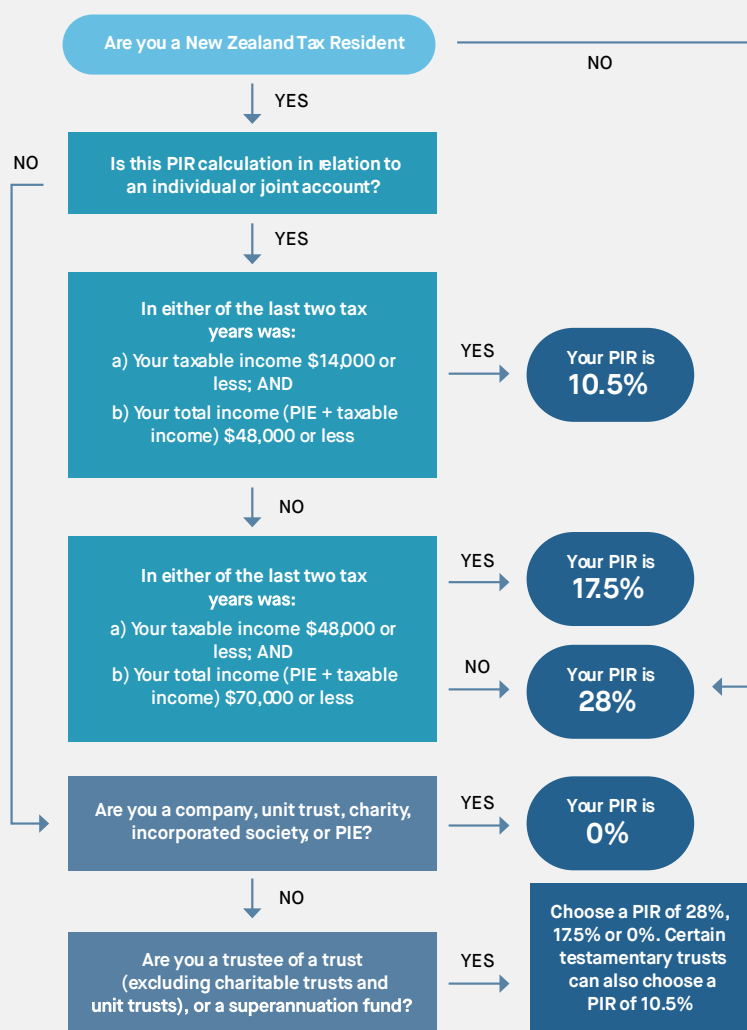
0%      10.5%      17.5%      28%

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 not a New Zealand tax resident, you must select a PIR rate of 28%.

### 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 ([ird.govt.nz/roles/portfolioinvestment-entities/find-my-prescribed-investor-rate](http://ird.govt.nz/roles/portfolioinvestment-entities/find-my-prescribed-investor-rate)) or contact your professional tax adviser.



# Application form

## Centuria Shands Road Property Trust

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### SECTION 3: TAX INFORMATION (CONTINUED)

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#### 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 entity is a tax resident)

Legal full name      Date of birth

Country of foreign tax residence      Foreign tax number

Residential address

Country of birth

Legal full name      Date of birth

Country of foreign tax residence      Foreign tax number

Residential address

Country of birth

### SECTION 3: TAX INFORMATION (CONTINUED)

#### Company, partnerships, trust or other entity

Please provide the account holder's status by ticking one of the following boxes:

**(A) Active non-financial entity (NFE) – if none apply, go to (B)**

An entity that derives the majority of its income, within a reporting year, through the course of an active trade or business. This includes retail or service-based businesses. If you tick any option in (A), go to Section 4.

Active NFE – other

Common examples include:

- Entity trading in goods or services
- Tax-exempt organisation (e.g. registered charity or educational entity)
- Company in Liquidation or Bankruptcy
- Start-up company

Publicly traded NFE (traded security), or a related entity of one. If applicable, specify the entity:

Central bank (or wholly owned by one)

Government entity (or wholly owned by one)

International organisation (or wholly owned by one)

**(B) Financial institution – if none apply, go to (c)**

Financial institution – managed investment entity (complete questions 1 and 2 on this page)

Financial institution – depository institution, custodial institution, specified insurance company or other investment entity (go to Section 4)

**(c) Passive non-financial entity**

An entity that derives the majority of its income, within a reporting year, via passive means.

Passive NFE (complete questions 1 and 2 on this page)

**WHEN COMPLETING THIS SECTION PLEASE ANSWER BOTH QUESTIONS 1 AND 2**

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

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

Country of foreign tax residence Foreign tax number

2. Are any controlling parties registered for tax purposes in any country other than New Zealand? Yes No

If **NO**, please go to Section 4. If **YES**, please provide details for each individual below: (please include all countries/jurisdiction the tax person is a tax resident)

**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 name

Legal full name

Legal full name

Legal full name

**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

## Centuria Shands Road Property Trust

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### SECTION 4: APPLICATION AMOUNT AND PAYMENT

**Amount in NZD (\$1 per Unit).**

**For new investors:** Applications can be made in increments of \$1,000 with a \$25,000 minimum.

**For existing investors in Shands Road Limited Partnership (Existing Scheme):** Applications can be made in any amount. Your pro rata entitlement is 51,225 Units in this Offer for every 1 unit you currently hold in the Existing Scheme. You can take up less than your pro rata entitlement. You may apply for more than your pro rata entitlement, with overallocations issued subject to availability.

NZD\$

**PLEASE NOTE:** If you invest as a trust, a company with Nominee Shareholders or you are making an investment of \$250,000 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 by ticking the box next to your selected option.**

**OPTION 1: ELECTRONIC TRANSFER/DIRECT CREDIT**

Centuria NZ 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 Centuria NZ, 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 Centuria NZ 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.

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## SECTION 4: APPLICATION AMOUNT AND PAYMENT (CONTINUED)

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### 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.

---

### Direct debit authority

Name of my account to be debited (acceptor)

Initiator's authorisation code

1 2 2 9 0 0 7

Name of my bank

Bank/Branch

Account number

Suffix

From the acceptor to

(my bank):

*(insert name of your bank)*

By signing this application form I authorise you to debit my account with the amounts of direct debits from Boardroom Pty Ltd ITF Centuria Shands Road Property Trust - 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 (optional):

#### 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 is required to give you a written notice of the amount and date of each direct debit on or before 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 bank stamp

Date received

Recorded by

Checked by

# Application form

## Centuria Shands Road Property Trust

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### 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
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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
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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
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**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
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If other, please provide additional information



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## 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 CDD 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.**

### 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 CDD documentation.

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

**Please go to Section 12 and complete the declaration.**

### OPTION 3: NEW INVESTOR

I am a new investor with Centuria NZ and will meet my CDD requirements.

**Please complete the CDD section relevant to your investor type (see table below), then go to Section 12 and complete the declaration.**

Individual and joint individuals, Section 7	Partnerships, Section 8
Company, Section 9	Trust, Section 10
Estates, Section 11	

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

# Application form

## Centuria Shands Road Property Trust

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### SECTION 7: CUSTOMER DUE DILIGENCE - INDIVIDUAL AND JOINT INDIVIDUALS

Please provide 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 telephone number

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Legal full name

Residential address

Date of birth

Place of birth

Occupation

Email

Home or mobile telephone number

---

Legal full name

Residential address

Date of birth

Place of birth

Occupation

Email

Home or mobile telephone number

---

**SECTION 8: CUSTOMER DUE DILIGENCE - PARTNERSHIPS**

Please provide 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 full name

Date of birth

Place of birth

Occupation

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Legal full name

Date of birth

Place of birth

Occupation

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Legal full name

Date of birth

Place of birth

Occupation

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Legal full name

Date of birth

Place of birth

Occupation

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Legal full name

Date of birth

Place of birth

Occupation



# Application form

## Centuria Shands Road Property Trust

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### 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 full name

Date of birth

Place of birth

Occupation

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Legal full name

Date of birth

Place of birth

Occupation

---

Legal full name

Date of birth

Place of birth

Occupation

---

Legal full name

Date of birth

Place of birth

Occupation

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Legal full name

Date of birth

Place of birth

Occupation

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**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 full name

Date of birth

Place of birth

Occupation

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Legal full name

Date of birth

Place of birth

Occupation

---

Legal full name

Date of birth

Place of birth

Occupation

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Legal full name

Date of birth

Place of birth

Occupation

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Legal full name

Date of birth

Place of birth

Occupation

# Application form

## Centuria Shands Road Property Trust

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### SECTION 10: CUSTOMER DUE DILIGENCE - TRUSTS (CONTINUED)

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#### Corporate Trustee Company

Full name of contact

Company name

Email

Home or mobile telephone number

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.



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**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 full name

Date of birth

Place of birth

Occupation

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Legal full name

Date of birth

Place of birth

Occupation

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Legal full name

Date of birth

Place of birth

Occupation

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Legal full name

Date of birth

Place of birth

Occupation

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Legal full name

Date of birth

Place of birth

Occupation

# Application form

## Centuria Shands Road Property Trust

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### SECTION 12: DECLARATION AND SIGNATURE

I/We hereby apply for the Units as set out above subject to the terms and conditions of the Product Disclosure Statement dated 13 November 2024.

I/We have received, read and understood the Product Disclosure Statement. I/We understand the risks to returns from Centuria Shands Road Property Trust as set out in Section 7 of the Product Disclosure Statement. I/We acknowledge that the offer of Units in the Product Disclosure Statement was made to me/us in New Zealand, or Australia or any other country in which Centuria NZ is able to offer to persons without having to prepare a disclosure document. I/ We agree to accept the Units 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 has 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 and 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 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.

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### Signatures

If the application form is signed by an attorney (or an agent), the attorney must complete the certificate of non-revocation on the following 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.**

Date

Applicant signature

Applicant name

Applicant signature

Applicant name

Applicant signature

Applicant name

Applicant signature

Applicant name

Applicant signature

Applicant name

Applicant signature

Applicant name

**SECTION 12: DECLARATION AND SIGNATURE (CONTINUED)**

**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 donor or power of attorney

of

(address and country of donor)

appointed me his/her/its attorney.

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

Date

Signed at (place)

Signature

Full name



# Application form

## Centuria Shands Road Property Trust

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### SECTION 12: DECLARATION AND SIGNATURE (CONTINUED)

#### Indemnity in respect of the issue of Units to a minor (Section 102 Contract and Commercial Law Act 2017)

To: Centuria Funds Management (NZ) Limited

We \_\_\_\_\_ and \_\_\_\_\_

(the 'legal guardians/parents') of:

(the 'minor')

shall keep Centuria NZ and Centuria Shands Road Property Trust indemnified on demand from and against all actions, proceedings, claims, damages, losses, costs and expenses incurred or suffered by Centuria NZ arising from or in connection with the issue of Units in Centuria Shands Road Property Trust 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 Units in Centuria Shands Road Property Trust dated 13 November 2024 (PDS) for and on behalf of the minor.

We acknowledge that:

- we have requested, and consent to, the issue of \$ \_\_\_\_\_ of Units (at \$1.00 per Unit) in Centuria Shands Road Property Trust to the minor;
- we have reviewed, and understand the content of, the PDS and the Form; and
- this indemnity may not be revoked unless Centuria NZ agrees in writing.

#### Signed as a deed

Date

Signature

Name

Signature

Name

In the presence of:

Name

Name

Occupation

Occupation

Address

Address

## Notes

[illegible]

# Centuria

[centuria.co.nz](http://centuria.co.nz)