

# Centuria

Half-Year Report  
3 March 2026

## Arrow Primary Infrastructure Fund

ARSN 110 813 851 | APIR SAI0004AU



BOOMERA PARK MACADAMIAS NSW

### Financial results for half-year to 31 December 2025

We are pleased to advise that the Fund's financial statements for the half-year to 31 December 2025 have been released and are now available on our website: <https://www.arrowfunds.com.au/fund-announcements/fund-reports/>.

During the 6 month period, the Fund has continued to deliver on its mandate of providing consistent returns through investment in high-quality agricultural infrastructure assets across Australia. The benefit of our recent capital expenditure program, together with normal rent increases across the portfolio, has resulted in an increase in the total base rent received of 4.04% compared to the previous corresponding period.

Normalised earnings, which excludes non-operating adjustments such as property revaluations, movements in derivatives and non-cash items is generally considered the best measure of the Fund's operating performance. We also exclude rent received from Boomer Park Macadamias Pty Ltd (BPM), as this property is still being established and does not generate enough income to pay rent.

Normalised earnings were up \$0.5 million for the half-year, because of the increased base rent and lower finance costs due to lower interest rates. Borrowings increased from \$204 million as at 30 June 2025 to \$210 million as at 31 December 2025 and the average interest rate paid by the Fund in the half-year was 4.90% compared to 5.28% in the half-year to December 2024.

Committed future revenue for the Fund is also solid, with a weighted average lease expiry (WALE) of 12.16 years as at 31 December 2025 (excluding the Fund's Boomer Park and Cobbitty Glasshouse properties, as they are leased by subsidiaries of Arrow Operations Trust). The occupancy rate as at 31 December 2025 was 84.8% as both those properties were excluded.

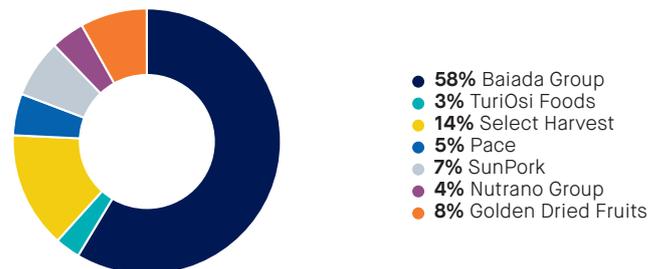
The Fund's property assets continued to increase in value to \$449.2 million as at 31 December 2025. This was up by \$0.8 million in addition to the capital expenditure during the period. All property valuations are supported by independent valuers, who review their valuations at each six-monthly reporting period.

The increase in property valuations, together with the positive revaluation of the Fund's interest rate derivatives, resulted in a slight increase in the Net Asset Value (NAV) to \$1.2343 as at 31 December 2025.

### Key portfolio metrics<sup>1</sup>

Type of Trust	Retail Unlisted Unit Trust
Responsible Entity	Arrow Funds Management Limited
Wind up date	Open Ended
Total Asset Value	\$449.2m
Net Asset Value (NAV) per unit	\$1.2343
Distribution yield <sup>2</sup>	6.48%
Units on issue	186.9m
Number of properties	22
Number of tenants	7
Occupancy rate (by value)	84.8%
Weighted average lease expiry	12.16 years
Weighted average capitalisation rate	7.47% pa

### Revenue by tenant<sup>3</sup>

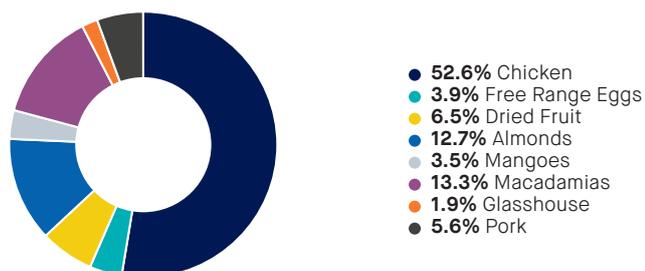


1. As at 31 December 2025.

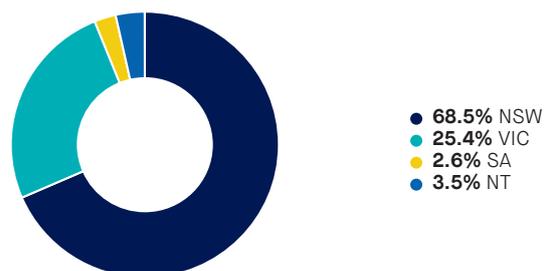
2. December quarter (annualised) based on the 31 December 2025 NAV of \$1.2343 per unit. Past performance is not a reliable indicator of future performance.

3. As at 31 December 2025. Totals may not sum to 100% due to rounding.

## Sector diversification (by value)<sup>1</sup>



## Geographic diversification (by value)<sup>1</sup>



## Key financial metrics for the December half-year:

	HY26	HY25	PERIOD CHANGE (%)
Base rent	\$16.5m	\$15.9m	4.04%
Base rent (excluding BPM)	\$13.9m	\$13.5m	3.20%
Normalised earnings	\$6.2m	\$5.7m	7.51%
Normalised earnings/unit (EPU)	3.28 cents	3.03 cents	8.39%
Distribution/unit (DPU)	4.00 cents	4.00 cents	0.00%
	31-DEC-25	30-JUN-25	PERIOD CHANGE (%)
NAV	\$1.2343	\$1.2204	1.14%
Gross assets	\$449.2m	\$443.7m	1.22%
Total debt	\$210.0m	\$204.0m	2.94%
LVR	48.26%	47.66%	1.26%
Hedging (interest cover on debt)	36.80%	37.84%	-2.75%

## Fund performance<sup>2</sup>

	1 YR	3 YRS <sup>3</sup>	5 YRS <sup>3</sup>	10 YRS <sup>3</sup>
Income Return (% pa)	6.69	6.6	8.12	10.45
Capital Return (% pa)	0.98	0.01	6.01	6.22
Total Return (% pa)	7.67	6.61	14.13	16.67

## Distributions

Over the 6 month period, we have continued with a consistent distribution rate of 2.0 cents per quarter, with a total payout of 4.0 cents for the half-year period. A key attribute of our Fund is its long-term investment horizon, and directors believe a consistent distribution continues to be appropriate at this stage given the value that has been created throughout the Fund's portfolio so far, and its current stable gearing position.

## Boombera park

As previously advised, commercial operations are carried out by Boombera Macadamias Pty Ltd (BPM), which has its own management team and is owned by the Fund's investors via the Arrow Operations Trust.

After a very challenging year particularly for the growers in the Northern Rivers area of NSW, the season ended on a positive note with prices above \$4.00/kg NIS (nut in shell) being offered by many of the processors.

While it is very early in the 2026 season, most processors and marketers are expecting similar if not slightly better pricing than 2025. Having completed the initial property development phase we are now in the second phase of tree establishment, during which our focus is to prove up the orchard's nut production capability as the trees mature. It remains our view that Boombera Park's value will be maximised, either by lease or sale, when the property enters its commercial production phase within the next three years.

## Debt summary<sup>1</sup>

	CURRENT PERIOD	LOAN CONVENANTS
Drawn debt	\$210m	-
Facility limit	\$210m	-
Facility term	2/12/2027	-
Loan to Value Ratio (LVR)	48.3%	65%
Interest Cover Ratio (ICR)	2.70x	1.75x
Total hedged amount	\$77.2m	-
Average hedged interest rate	2.40% pa	-
Debt hedged	36.8%	-
Weighted average hedged term	3.73 years	-

1. As at 31 December 2025.

2. Past performance is not a reliable indicator of future performance. As at 31 December 2025.

3. Periods greater than 1 year are expressed in annualised terms.

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## Outlook

The benefit of lower interest rates experienced during 2025 appears to be short lived, with the Reserve Bank of Australia (RBA) recently increasing rates at their February meeting, and further rate rises now forecast by most economists. However, our Fund has been able to benefit from Centuria's strong banking relationships, which we expect to offset some of the forecast increases via reduced bank margins.

Our current distribution rate of 8.0 cents per unit, is expected to continue for the remainder of FY26<sup>1</sup>.

Arrow is planning to issue an updated Product Disclosure Statement (PDS) in March 2026, to facilitate the raising of new equity for the Fund and increase general liquidity.

The Fund intends to actively pursue potential acquisitions that have similar characteristics to the existing portfolio, are earnings accretive and leased to strong corporate operators.

In conclusion, we remain very confident in the industries in which our Fund is invested. We believe the food sector is robust and we own strategic assets in some of Australia's best primary industries. In our opinion, Australian agricultural and horticultural properties remain attractive to new entrants. With the current keen interest from overseas buyers, we expect the values of our well-located and well-managed properties to remain stable in the short to medium term.

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## Centuria investor

You can access your investor information at [www.investorserve.com.au](http://www.investorserve.com.au).

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## Contact details

### Arrow Primary Infrastructure Fund

Direct investors:

Please contact the Investor Services Team

Phone: 1300 22 44 24

Fax: 02 9460 2960

Email: [contactus@centuria.com.au](mailto:contactus@centuria.com.au)

Financial advisers:

Please contact your Distribution Team representative

Phone: 02 8923 8923

Email: [contactus@centuria.com.au](mailto:contactus@centuria.com.au)

**Arrow Funds Management Limited** | ABN 72 146 671 276 | AFSL 439095 | +61 8923 8923 | [arrowfunds.com.au](http://arrowfunds.com.au) | [contactus@centuria.com.au](mailto:contactus@centuria.com.au)

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1. The target/expected distribution rate is not a forecast, is predictive in nature and is subject to assumptions, risks and circumstances (both known and unknown) outside of the control of the as Responsible Entity (RE) of the Fund. These assumptions include that all tenants will satisfy their contractual obligations under their respective leases within a timely manner and there are no significant unforeseen capital costs or material changes to the Fund's financial obligations. The actual returns may differ from the target return. Distributions may change (up or down) as the Fund adds more assets to or sells assets in the portfolio. In addition, the RE does not guarantee the performance of the Fund, the repayment of capital or any income or capital return. Past performance is not reliable indicator of future performance.