



**Centuria Capital Group**  
Consisting of:  
Centuria Capital Limited ABN 22 095 454 336 and  
Centuria Capital Fund ARSN 613 856 358

# RETAIL ENTITLEMENT OFFER

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**Details of a 1 for 4.9 accelerated non-renounceable entitlement offer of Stapled Securities at an Issue Price of \$1.28 per New Stapled Security**

**Retail Entitlement Offer closes at 5.00pm (Sydney time), Friday, 20 October 2017**

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**Centuria Capital Group**

*comprising*

**Centuria Capital Limited** (ABN 22 095 454 336); and

**Centuria Funds Management Limited** (ACN 607 153 588) in its capacity as responsible entity of **Centuria Capital Fund** (ARSN 613 856 358)

## **NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

This document and the personalised Entitlement and Acceptance Form that accompanies it contains important information and requires your immediate attention. You should read both documents carefully and in their entirety. This document is not a prospectus or product disclosure statement under the Corporations Act and has not been lodged with the Australian Securities and Investments Commission (**ASIC**). If you have any queries please call your stockbroker, accountant or other professional adviser or the Centuria Offer Information Line on 1300 059 025 (from within Australia) or +61 3 9415 4294 (from outside Australia) between 8:30am and 5.00pm (Sydney time), Monday to Friday during the Retail Offer Period (Tuesday, 10 October 2017 to Friday, 20 October 2017).



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## Important Notices

This Retail Offer Booklet is dated Friday, 6 October 2017. Capitalised terms in this section have the meaning given to them in this Retail Offer Booklet.

This Retail Offer Booklet is issued by Centuria Capital Group (**Centuria**) which is a stapled vehicle comprised of Centuria Capital Limited (ABN 22 095 454 336) and Centuria Funds Management Limited (ACN 607 153 588) as responsible entity of Centuria Capital Fund (ARSN 613 856 358).

This Retail Entitlement Offer is being made pursuant to sections 708AA and 1012DAA of the Corporations Act (as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84) which allows rights issues to be offered without a prospectus or product disclosure statement. This Retail Offer Booklet does not contain all of the information which would be required to be disclosed in a prospectus or product disclosure statement. As a result, it is important for you to read and understand this Retail Offer Booklet in its entirety, along with the publicly available information on Centuria and the Entitlement Offer (for example, the information available on Centuria's website [www.centuria.com.au](http://www.centuria.com.au) or on the ASX's website [www.asx.com.au](http://www.asx.com.au)) prior to deciding whether to accept your Entitlement and apply for New Stapled Securities.

The Investor Presentation details important factors and risks that could affect the financial and operating performance of Centuria. Please refer to the "Risks" section of the Investor Presentation for details. When making an investment decision in connection with this Retail Entitlement Offer, it is essential that you consider these risk factors carefully in light of your individual personal circumstances, including financial and taxation issues (some of which have been outlined in Section 3 of this Retail Offer Booklet).

Investments in Centuria are subject to investment risk, including delays in repayment and loss of income and capital invested. Centuria does not

guarantee any return or any particular rate of return on the New Stapled Securities offered under the Retail Entitlement Offer or the performance of Centuria, nor does it guarantee the repayment of capital from Centuria.

By returning an Entitlement and Acceptance Form or otherwise paying for your New Stapled Securities through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have read this Retail Offer Booklet and you have acted in accordance with and agree to the terms of the Retail Entitlement Offer detailed in this Retail Offer Booklet.

### No overseas offering

This Retail Offer Booklet, the accompanying Entitlement and Acceptance Form or any accompanying ASX announcement, do not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. In particular, this Retail Offer Booklet does not constitute an offer to Ineligible Stapled Securityholders.

This Retail Offer Booklet is not to be distributed in, and no offer of New Stapled Securities is to be made, in countries other than Australia and New Zealand.

No action has been taken to register or qualify the Retail Entitlement Offer, the Entitlements or the New Stapled Securities, or otherwise permit the public offering of the New Stapled Securities, in any jurisdiction other than Australia and New Zealand.

The distribution of this Retail Offer Booklet (including an electronic copy) outside Australia and New Zealand, is restricted by law. If you come into possession of the information in this Retail Offer Booklet, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

Foreign exchange control restrictions or restrictions on remitting funds from your country to Australia may apply. Your Application for New Stapled Securities is subject to all requisite authorities and clearances being obtained for Centuria to lawfully receive your Application Monies.

### New Zealand

The New Stapled Securities are not being offered to the public within New Zealand other than to existing Stapled Securityholders of Centuria with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

### United States - NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This Retail Offer Booklet, and any accompanying ASX announcements and the Entitlement and Acceptance Form, do not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States.

Neither this Retail Offer Booklet nor the Entitlement and Acceptance Form may be distributed or released in the United States. Neither the Entitlements nor the New Stapled Securities have been, nor will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. The Entitlements may not be taken up or exercised by persons in the United States or by persons who are acting for the account or benefit of a person in the United States. Neither the Entitlements nor the New Stapled Securities may be offered, sold or resold

in the United States or to persons acting for the account or benefit of a person in the United States except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and the applicable securities laws of any state or other jurisdiction in the United States. The Entitlements and the New Stapled Securities in the Retail Entitlement Offer will be offered and sold only in “offshore transactions” (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act.

### **Definitions and currency**

Defined terms used in this Retail Offer Booklet are contained in the Glossary. All currency amounts in this Retail Offer Booklet are in Australian dollars unless otherwise stated.

### **Times and dates**

All dates and times in this Retail Offer Booklet are indicative only and subject to change. Unless otherwise specified, all times and dates refer to Sydney time. Any changes to the timetable will be posted on Centuria’s website at [www.centuria.com.au](http://www.centuria.com.au). Refer to the “Key Dates” section for more details.

### **Not investment advice**

Stapled Securityholders must note that the information provided in this Retail Offer Booklet and the accompanying Entitlement and Acceptance Form, does not constitute financial product advice. All information has been prepared without taking into account your individual investment objectives, financial circumstances or particular needs. The information contained in this Retail Offer Booklet and the accompanying Entitlement and Acceptance Form should not be considered as comprehensive or to comprise all the information which a Stapled Securityholder may require in order to determine whether or not to subscribe for New Stapled Securities. If you have any questions, please consult your professional adviser before deciding whether or not to invest.

### **Past Performance**

Investors should note that Centuria’s past performance, including past security price performance and historical information in ASX announcements, cannot be relied upon as an indicator of (and provides no guidance as to) Centuria’s future performance including Centuria’s future financial position or security price performance. The pro forma historical information is not represented as being indicative of Centuria’s views on its future financial condition or performance.

### **Forward looking statements**

This Retail Offer Booklet contains certain “forward looking statements” including, without limitation, projections and guidance on the performance of Centuria and the outcome of the Entitlement Offer. Forward looking statements can generally be identified by use of forward looking words such as “anticipate”, “expect”, “likely”, “intend”, “should”, “could”, “may”, “propose”, “predict”, “plan”, “potential”, “will”, “believe”, “forecast”, “estimate”, “target”, “outlook”, “guidance” and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, statements relating to the future performance of Centuria and the outcome and effects of the Entitlement Offer and use of proceeds. No representation or warranty is given as to the accuracy or likelihood of achievement of any forward-looking statement in this Retail Offer Booklet, or any events or results expressed or implied in any forward-looking statement. Forward-looking statements, opinions and estimates provided in this Retail Offer Booklet are not guarantees of future performance and are by their nature inherently uncertain and are based on future events which may or may not be correct, assumptions and estimates which are subject to certain risks, uncertainties and change without notice, as are statements about market and industry trends, which are based on interpretation of market conditions. Actual results and performance may vary materially because events and actual circumstances frequently do not occur as forecast and future results are

subject to known and unknown risk such as changes in market conditions and in regulations. Investors should form their own views as to these matters and any assumptions on which any of the forward-looking statements are based and not place reliance on such statements. To the maximum extent permitted by law, Centuria and its directors, officers, employees, advisers, agents and intermediaries disclaim any obligation or undertaking to release any updates or revisions to the information to reflect any change in expectations or assumptions.

### **Risks**

Refer to the “Risks” section of the Investor Presentation included in Annexure B of this Retail Offer Booklet for a summary of general and specific risk factors that may affect Centuria.

### **Trading New Stapled Securities**

Centuria will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Stapled Securities they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by Centuria or the Registry or otherwise, or who otherwise trade or purport to trade New Stapled Securities in error or which they do not hold or are not entitled to.

If you are in any doubt as to these matters, you should first consult with your stockbroker, accountant or other professional advisers.

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# Chairman's Letter

## Centuria – Retail Entitlement Offer

Dear Stapled Securityholder,

On behalf of the Directors of Centuria, I am pleased to invite you to participate in Centuria's recently announced underwritten 1 for 4.9 accelerated non-renounceable entitlement offer (**Entitlement Offer**) of new Centuria stapled securities (**New Stapled Securities**) at an issue price of \$1.28 per New Stapled Security (**Issue Price**).

### Entitlement Offer

On 4 October 2017, Centuria announced its intention to raise approximately \$60 million by way of an accelerated non-renounceable entitlement offer to Institutional Investors (**Institutional Entitlement Offer**) and a non-renounceable entitlement offer to Retail Investors (**Retail Entitlement Offer**).

The Institutional Entitlement Offer received strong support with commitments of approximately \$36.1 million. The Entitlement Offer is underwritten by Moelis Australia Advisory Pty Ltd (**Underwriter**), subject to the terms of the Underwriting Agreement (see section 4.11 for more details).

### Use of proceeds

The proceeds of the Entitlement Offer will be used to replenish Centuria's free cash position post the \$53m acquisition of a 9.3% interest in the ASX listed Propertylink Group (**PLG**) and to strengthen Centuria's balance sheet to:

- support co-investments in Centuria's listed funds (Centuria Metropolitan REIT (**CMA**) and Centuria Industrial REIT (**CIP**)), which are in a growth phase and may continue to seek additional capital to fund that growth;
- undertake corporate M&A transactions to grow Centuria's property funds management platform and FUM (for example through Centuria's investment in PLG);
- grow its unlisted property funds management business by increasing Centuria's capacity to co-invest in unlisted property funds, by Centuria itself acquiring on balance sheet properties, or providing funding for deposits to its subsidiary fund managers to acquire properties, that can subsequently be used to establish new unlisted property funds and to provide back-stop underwriting for new unlisted property funds offerings;
- provide additional working capital; and
- reduce Centuria's gearing to 7.1% (corporate & reverse mortgage debt less cash) / (total assets less cash). Gearing is expected to increase as the cash proceeds of the offer are invested.

The Board is pleased to provide Eligible Retail Stapled Securityholders with an opportunity to increase their investment in Centuria and to support the ongoing execution of its growth strategy.

### Retail Entitlement Offer

This letter relates to the Retail Entitlement Offer, which will raise approximately \$24.1 million. Under the Retail Entitlement Offer, Eligible Retail Stapled Securityholders can subscribe for 1 New Stapled Security for every 4.9 Stapled Securities held as at the Record Date at an Issue Price of \$1.28 per New Stapled Security. The Issue Price represents a discount of 5.2% to the \$1.35 closing price of Stapled Securities on Tuesday, 3 October 2017.

The New Stapled Securities issued under the Entitlement Offer will rank equally with existing Stapled Securities and will be entitled to all future distributions of Centuria.

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## Chairman's Letter

The number of New Stapled Securities for which you are entitled to subscribe under the Retail Entitlement Offer (**Entitlement**) is set out in your personalised Entitlement and Acceptance Form that will accompany this Retail Offer Booklet when it is despatched to Eligible Retail Stapled Securityholders on Tuesday, 10 October 2017. Eligible Retail Stapled Securityholders who take up their full Entitlement may also apply for Additional New Stapled Securities in excess of their Entitlement (to the extent available), at the Issue Price. In the event of oversubscriptions, the allocation of Additional New Stapled Securities will be at the discretion of the Board and the Underwriter and subject to scale back.

The Entitlement Offer is non-renounceable and therefore your Entitlements will not be tradeable on the ASX or otherwise transferrable. If you do not participate in the Retail Entitlement Offer, your Entitlement will lapse and you will receive no value for those lapsed Entitlements.

If you decide to take this opportunity to increase your investment in Centuria please ensure that, before 5.00pm (Sydney time) on Friday, 20 October 2017, you have paid your Application Monies preferably via BPAY® pursuant to the instructions that are set out in the personalised Entitlement and Acceptance Form that will accompany this Retail Offer Booklet when it is despatched to you, or otherwise that your completed Entitlement and Acceptance Form and your Application Monies are received in cleared funds by the Registry. If you apply and pay your Application Monies before 5.00pm (Sydney time) on Wednesday, 11 October 2017 (**Early Retail Acceptance Due Date**) via BPAY®, your New Stapled Securities will be allotted to you on Monday, 16 October 2017, which is the same date applicable to Eligible Institutional Stapled Securityholders.

### **The Retail Entitlement Offer closes at 5.00pm (Sydney time) on Friday, 20 October 2017**

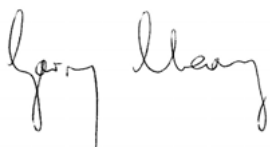
The Board advises you to carefully read this Retail Offer Booklet in its entirety and to seek appropriate professional advice before making any investment decision. In particular, you should refer to the "Risks" section of the Investor Presentation included in Annexure B of this Retail Offer Booklet for a summary of general and specific risk factors that may affect Centuria and the Entitlement Offer.

If you have any questions about the Entitlement Offer, please do not hesitate to contact Centuria's Offer Information Line on 1300 059 025 (from within Australia) or +61 3 9415 4294 (from outside Australia) between 8.30am and 5.00pm (Sydney time), Monday to Friday during the Retail Offer Period.

If you do not wish to take up any of your Entitlement, you do not have to take any action.

On behalf of the Directors of Centuria, we invite you to consider this investment and participate in the exciting next stage of Centuria's growth.

Yours faithfully,



Garry Charny  
Chairman



# Key Dates

<b>Announcement of the Entitlement Offer</b>	<b>Wednesday 4 October 2017</b>
<b>Record Date for eligibility in the Entitlement Offer (7.00pm, Sydney time)</b>	<b>Friday 6 October 2017</b>
<b>Retail Entitlement Offer opens (9.00am, Sydney time)</b>	<b>Tuesday 10 October 2017</b>
<b>Retail Offer Booklet despatched</b>	<b>Tuesday 10 October 2017</b>
<b>Early Retail Acceptance Due Date (5.00pm, Sydney time)</b>	<b>Wednesday 11 October 2017</b>
<b>Settlement of the New Stapled Securities issued under the Institutional Entitlement Offer and Retail Entitlement Offer for applications received by the Early Retail Acceptance Due Date</b>	<b>Friday 13 October 2017</b>
<b>Allotment and normal trading on ASX of New Stapled Securities issued under the Institutional Entitlement Offer and Retail Entitlement Offer for applications received by the Early Retail Acceptance Due Date</b>	<b>Monday 16 October 2017</b>
<b>Despatch of holding statements for New Stapled Securities issued under the Institutional Entitlement Offer and Retail Entitlement Offer for applications received by the Early Retail Acceptance Due Date</b>	<b>Tuesday 17 October 2017</b>
<b>Retail Entitlement Offer closes (5.00pm, Sydney time)</b>	<b>Friday 20 October 2017</b>
<b>Settlement of the remaining New Stapled Securities issued under the Retail Entitlement Offer</b>	<b>Thursday 26 October 2017</b>
<b>Allotment of remaining New Stapled Securities issued under the Retail Entitlement Offer</b>	<b>Friday 27 October 2017</b>
<b>Normal trading on ASX of remaining New Stapled Securities issued under the Retail Entitlement Offer</b>	<b>Monday 30 October 2017</b>
<b>Despatch of holding statements for the remaining New Stapled Securities issued under the Retail Entitlement Offer</b>	<b>Tuesday 31 October 2017</b>

All dates and times are indicative only and subject to change. Unless otherwise specified, all times and dates refer to Sydney time. Centuria reserves the right to amend any or all of these dates and times, with the consent of the Underwriter, subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, Centuria reserves the right to extend the Retail Closing Date and to accept late Applications under the Retail Entitlement Offer without prior notice. Any extension of the Retail Closing Date will have a consequential effect on the allotment date for New Stapled Securities under the Retail Entitlement Offer. Any changes to the timetable will be posted on Centuria's website at [www.centuria.com.au](http://www.centuria.com.au).

Subject to the consent of the Underwriter, Centuria also reserves the right not to proceed with the Entitlement Offer in whole or in part at any time prior to allotment and issue of the New Stapled Securities under the Retail Entitlement Offer. In that event, the relevant Application Monies (without interest) will be returned in full to applicants. The commencement of quotation of New Stapled Securities is subject to the discretion of ASX.



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# What Should You Do?

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## 1. Read this Retail Offer Booklet and the accompanying Entitlement and Acceptance Form

This Retail Offer Booklet and the personalised Entitlement and Acceptance Form that accompanies it contain important information about the Retail Entitlement Offer. You should read both documents carefully and in their entirety before deciding whether or not to participate in the Retail Entitlement Offer. The Retail Offer Booklet can also be viewed at [www.centuriacapitaloffer.com.au](http://www.centuriacapitaloffer.com.au).

This Retail Entitlement Offer is not being made under a prospectus or product disclosure statement. This Retail Offer Booklet does not contain all of the information which would be required to be disclosed in a prospectus or product disclosure statement. As a result, it is important for you to read and understand this Retail Offer Booklet in its entirety, along with the publicly available information on Centuria and the Entitlement Offer (for example, the information available on Centuria's website [www.centuria.com.au](http://www.centuria.com.au) or on the ASX's website [www.asx.com.au](http://www.asx.com.au)) prior to deciding whether to accept your Entitlement and apply for New Stapled Securities.

If you are in doubt as to the course you should follow, you should seek appropriate professional advice before making an investment decision.

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## 2. Consider the Retail Entitlement Offer in light of your particular investment objectives and circumstances

Please consult with your stockbroker, accountant or other independent professional adviser if you have any queries or are uncertain about any aspects of the Retail Entitlement Offer.

An investment in New Stapled Securities is subject to both known and unknown risks, some of which are beyond the control of Centuria. These risks include the possible loss of income and principal invested. Centuria does not guarantee any return or any particular rate of return or the performance on the New Stapled Securities offered under the Retail Entitlement Offer or the performance of Centuria, nor does it guarantee the repayment of capital from Centuria. In considering an investment in New Stapled Securities, investors should have regard to (amongst other things) the "Risks" section in the Investor Presentation and the disclaimers outlined in this Retail Offer Booklet.

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## What Should You Do?

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### 3. Decide what you want to do

If you are an Eligible Retail Stapled Securityholder, you have three options available to you in relation to the Retail Entitlement Offer:

1. take up all of your Entitlement (refer to Section 2.2);
2. take up part of your Entitlement (refer to Section 2.2); or
3. do nothing and allow your Entitlement to lapse (refer to Section 2.3).

Ineligible Stapled Securityholders may not take up any of their Entitlements.

Eligible Retail Stapled Securityholders who take up their Entitlement in full may also apply for Additional New Stapled Securities in excess of their Entitlement (to the extent available). In the event of oversubscription, the allocation of Additional New Stapled Securities will be at the discretion of the Board and the Underwriter and subject to scale back.

Eligible Retail Stapled Securityholders who do not participate in the Retail Entitlement Offer, or participate for an amount less than their full Entitlement will have their percentage holding in Centuria reduced. Eligible Retail Stapled Securityholders who participate in the Retail Entitlement Offer will see their percentage holding in Centuria reduce, increase or stay the same depending on the proportion of their Entitlement they subscribe for and the Additional New Stapled Securities applied for and allocated to them, at the discretion of the Board and the Underwriter.

The Entitlement Offer is non-renounceable, which means that the Entitlements cannot be traded or otherwise transferred on the ASX or any other exchange or privately. If you do not participate in the Entitlement Offer, you will not receive any value for your Entitlement.

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### 4. Apply for New Stapled Securities

To participate in the Retail Entitlement Offer, please complete and lodge a valid Entitlement and Acceptance Form and Application Monies for New Stapled Securities, or make a payment by BPAY®, so that it is received by 5.00pm (Sydney time) on Friday, 20 October 2017 pursuant to the instructions set out on the Entitlement and Acceptance Form.

**If you take no action your Entitlement under the Retail Entitlement Offer will lapse.**

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### 5. Questions

If you have any questions about the Retail Entitlement Offer, please do not hesitate to contact Centuria's Offer Information Line on 1300 059 025 (from within Australia) or +61 3 9415 4294 (from outside Australia) between 8.30am and 5.00pm (Sydney time), Monday to Friday during the Retail Offer Period.

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# Section 1

## Overview of the Offer

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### 1.1 Overview

Centuria intends to raise approximately \$60 million through the underwritten Entitlement Offer, which comprises the Institutional Entitlement Offer and the Retail Entitlement Offer. Under the Entitlement Offer, Centuria is offering Eligible Stapled Securityholders the opportunity to subscribe for 1 New Stapled Security for every 4.9 Stapled Securities held on the Record Date. The Issue Price per New Stapled Security is \$1.28.

The Entitlement Offer is non-renounceable, which means that the Entitlements cannot be traded or otherwise transferred on the ASX or any other exchange or privately. If you do not participate in the Entitlement Offer, you will not receive any value for your Entitlement.

Please refer to the ASX Announcement and the Investor Presentation annexed to this Retail Offer Booklet for information on the rationale of the Entitlement Offer, the use of the proceeds of the Entitlement Offer, and for further information on Centuria and its strategy.

### 1.2 Institutional Entitlement Offer

On 4 October 2017, Eligible Institutional Stapled Securityholders were given the opportunity to take up all or part of their Entitlement under the Institutional Entitlement Offer.

New Stapled Securities equivalent to the number not taken up by Eligible Institutional Stapled Securityholders under the Institutional Entitlement Offer were offered to Eligible Institutional Stapled Securityholders who applied for New Stapled Securities in excess of their Entitlement, as well as to certain other eligible Institutional Investors.

Centuria received strong support under the Institutional Entitlement Offer with commitments of approximately \$36.1 million, at an Issue Price of \$1.28 per New Stapled Security. The New Stapled Securities are expected to be allotted under the Institutional

Entitlement Offer on Monday, 16 October 2017 and the New Stapled Securities are expected to be allotted under the Retail Entitlement Offer on Friday, 27 October 2017.

### 1.3 Retail Entitlement Offer

Under the Retail Entitlement Offer, Eligible Retail Stapled Securityholders are being invited to subscribe for all or part of their Entitlement and are being sent this Retail Offer Booklet with a personalised Entitlement and Acceptance Form. Eligible Retail Stapled Securityholders are also able to view the Retail Offer Booklet and participate in the Retail Entitlement Offer using the offer website at [www.centuriacapitaloffer.com.au](http://www.centuriacapitaloffer.com.au).

Centuria is also offering Eligible Retail Stapled Securityholders the opportunity to apply for Additional New Stapled Securities in excess of their Entitlement. The allocation of Additional New Stapled Securities will be at the discretion of the Board and the Underwriter and subject to scale back. Allotment of Additional New Stapled Securities (if any) will take place along with allotment of New Stapled Securities offered under the Retail Entitlement Offer on Friday, 27 October 2017.

The Retail Entitlement Offer constitutes an offer only to Eligible Retail Stapled Securityholders, being Stapled Securityholders on the Record Date who have a registered address in Australia or New Zealand and are eligible under all applicable laws to receive an offer under the Retail Entitlement Offer. A person in the United States or acting for the account or benefit of a person in the United States (to the extent such person holds Stapled Securities for the account or benefit of such person in the United States) or an Institutional Stapled Securityholder (other than a nominee to the extent that the nominee holds Stapled Securities on behalf of an Eligible Retail Stapled Securityholder) is not entitled to participate in the Retail Entitlement Offer.

Determination of eligibility of investors for the purposes of the Entitlement Offer is by reference to a number of matters, including legal requirements and the discretion of Centuria and the Underwriter. Centuria and the Underwriter disclaim any liability in respect of the exercise or otherwise of that discretion, to the maximum extent permitted by law.

The Retail Entitlement Offer closes at 5.00pm (Sydney time) on Friday, 20 October 2017, with New Stapled Securities to be allotted on Friday, 27 October 2017 .

The Retail Entitlement Offer is underwritten and seeks to raise approximately \$24.1 million. The Issue Price under the Retail Entitlement Offer is the same as the Issue Price under the Institutional Entitlement Offer.

#### **1.4 Ranking of New Stapled Securities**

New Stapled Securities will rank equally with existing Stapled Securities.

#### **1.5 Reconciliation and fractional entitlements**

In any entitlement offer, investors may believe that they own more or fewer existing Stapled Securities on the Record Date than they ultimately do. This could potentially result in the requirement for reconciliation to ensure all Eligible Retail Stapled Securityholders have the opportunity to receive their full Entitlement. If this is required, it is possible that Centuria may need to issue a small quantity of additional New Stapled Securities to ensure all Eligible Institutional Stapled Securityholders and Eligible Retail Stapled Securityholders have the opportunity to receive their full Entitlement. The price at which these Stapled Securities will be issued will be the same as the Issue Price. Centuria also reserves the right to reduce the number of New Stapled Securities allocated to Eligible Stapled Securityholders or persons claiming to be Eligible Stapled Securityholders, if their Entitlement claims prove to be overstated, or if they or their nominees fail to provide information requested to substantiate their Entitlement claims, or if they are indeed not Eligible Stapled Securityholders.

To the extent that the application of the offer ratio of 1 New Stapled Security for every 4.9 existing Stapled Securities held on the Record Date results in a fractional entitlement to New Stapled Securities for a particular Stapled Securityholder, that Securityholder's Entitlement shall be rounded up to the next higher whole number of New Stapled Securities.

#### **1.6 Quotation and trading**

Centuria will apply to ASX for the official quotation of the New Stapled Securities in accordance with ASX Listing Rule requirements. Subject to approval being granted, it is expected that normal trading of New Stapled Securities:

- allotted under the Institutional Entitlement Offer and Retail Entitlement Offer for applications received by the Early Retail Acceptance Due Date will commence on Monday, 16 October 2017; and
- allotted under the Retail Entitlement Offer (including any Additional New Stapled Securities) will commence on Monday, 30 October 2017.

#### **1.7 Holding statements**

Holding statements are expected to be despatched to Eligible Stapled Securityholders:

- on Tuesday, 17 October 2017 in respect of New Stapled Securities allotted under the Institutional Entitlement Offer and Retail Entitlement Offer for applications received by the Early Retail Acceptance Due Date; and
- on Tuesday, 31 October 2017 in respect of New Stapled Securities allotted under the Retail Entitlement Offer.

It is the responsibility of each applicant to confirm their holding before trading in New Stapled Securities. Any applicant who sells New Stapled Securities before receiving confirmation of their holding in the form of their holding statement will do so at their own risk. Centuria and the Underwriter each disclaim all liability whether in negligence or otherwise (and to the maximum extent permitted by law) to persons who trade New Stapled Securities before receiving their holding statements, whether on the basis of confirmation of the allocation provided by Centuria, the Registry or the Underwriter.

#### **1.8 Withdrawal of the Entitlement Offer**

Subject to the consent of the Underwriter, Centuria reserves the right to withdraw the Entitlement Offer at any time, in which case Centuria will refund any Application Monies already received in accordance with the Corporations Act and will do so without interest.

# Section 2

## How to Apply – Eligible Retail Stapled Securityholders

### 2.1 Choices available to Eligible Retail Stapled Securityholders

Eligible Retail Stapled Securityholders may do any one of the following:

1. take up all of their Entitlement (refer to Section 2.2);
2. take up part of their Entitlement (refer to Section 2.2); or
3. do nothing and allow their Entitlement to lapse (refer to Section 2.3).

The Retail Entitlement Offer is a pro rata offer to Eligible Retail Stapled Securityholders only

Centuria is also offering Eligible Retail Stapled Securityholders who take up all of their Entitlement the opportunity to apply for Additional New Stapled Securities in excess of their Entitlement (refer to Section 2.2).

### 2.2 Take up all or part of your Entitlement, or take up all of your Entitlement and apply for Additional New Stapled Securities in excess of your Entitlement

If you wish to take up your Entitlement in full or in part, or in full and apply for Additional New Stapled Securities in excess of your Entitlement, there are two different ways you can submit your Application and Application Monies.

#### 2.2.1 Payment via BPAY®

For payment by BPAY®, please follow the instructions set out on the personalised Entitlement and Acceptance Form or online at [www.centuriacapitaloffer.com.au](http://www.centuriacapitaloffer.com.au). You can only make payment by BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, please ensure you use the specific Biller Code and your unique Customer Reference Number (**CRN**) found on your personalised Entitlement and Acceptance Form or accessed online at [www.centuriacapitaloffer.com.au](http://www.centuriacapitaloffer.com.au). If you have multiple holdings and receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings, only use the CRN specific to that holding. If you do not use the correct CRN specific to that holding, your Application will not be recognised as valid and may be rejected.

You can be allotted New Stapled Securities the subject of your Entitlement at the same time as Eligible Institutional Stapled Securityholders under the Institutional Entitlement Offer being, Monday, 16 October 2017. To do this you must make payment of the Application Monies via BPAY® in time to ensure that cleared funds are received no later than 5.00 pm (Sydney time) on Wednesday, 11 October 2017. If your payment of the Application Monies is received in cleared funds after this time, but before the Retail Closing Date, New Stapled Securities will be allotted to you on Friday, 27 October 2017.

Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment of Application Monies.

To apply and pay via BPAY®, you should:

- read this Retail Offer Booklet and the Entitlement and Acceptance Form in their entirety and seek appropriate professional advice if necessary;

- make your payment in respect of the full Application Monies via BPAY® for the number of New Stapled Securities you wish to subscribe for (being the Issue Price of \$1.28 per New Stapled Security multiplied by the number of New Stapled Securities (including your Entitlement and any Additional New Stapled Securities) you are applying for) so that it is received by no later than the Retail Closing Date, being 5.00pm (Sydney time) on Friday, 20 October 2017.

If you choose to pay via BPAY® you are not required to submit the Entitlement and Acceptance Form but are taken to make the statements on that form and representations outlined below in Section 2.4 (Implications of making an Application), including the Eligible Retail Stapled Securityholder declarations on pages 24 and 25 of this Retail Offer Booklet and referred to in the Entitlement and Acceptance Form.

If you take up all or part of your Entitlement (or all of your Entitlement and apply for Additional New Stapled Securities) and your payment of the Application Monies is received in cleared funds by the Retail Closing Date, being 5.00pm (Sydney time) on Friday, 20 October 2017, New Stapled Securities (and Additional New Stapled Securities) are expected to be allotted to you on the Allotment Date being Friday, 27 October 2017. Your payment of the Application Monies will not be accepted after the Retail Closing Date, being 5.00pm (Sydney time) on Friday, 20 October 2017, and no New Stapled Securities (or Additional New Stapled Securities) will be issued to you in respect of such late Application.

If the amount of Application Monies is insufficient to pay in full for the number of New Stapled Securities you applied for, you will be taken to have applied for such whole number of New Stapled Securities which is covered in full by your Application Monies. Alternatively, your application will be rejected.

If you apply for Additional New Stapled Securities in excess of your Entitlement and you are not allocated all or some of the Additional New Stapled Securities applied for, the relevant Application Monies will be refunded to you after the Allotment Date in accordance with the Corporations Act, without interest being payable. The allotment of Additional New Stapled Securities will be at the discretion of the Board and the Underwriter and may be subject to scale back.

## **2.2.2 Submit your completed Entitlement and Acceptance Form together with cheque, bank draft or money order for all Application Monies**

To apply and pay by cheque, bank draft or money order, you should:

- read this Retail Offer Booklet and the Entitlement and Acceptance Form in their entirety and seek appropriate professional advice if necessary;
- complete the personalised Entitlement and Acceptance Form accompanying this Retail Offer Booklet in accordance with the instructions set out on that form, and indicate the number of New Stapled Securities you wish to subscribe for; and
- return the completed Entitlement and Acceptance Form to the Registry (address details below) together with a cheque, bank draft or money order which must be:
  - in respect of the full Application Monies (being \$1.28 multiplied by the number of New Stapled Securities (including your Entitlement and any Additional New Stapled Securities) you wish to subscribe for);
  - in Australian currency drawn on an Australian bank; and
  - made payable to 'Centuria Retail Offer' and crossed 'Not Negotiable'.

You should ensure that sufficient funds are held in relevant account(s) to cover the full Application Monies as your cheque will be processed on the day of receipt.

Cash payments will not be accepted. Receipts for payment will not be issued.

If you wish to be allotted New Stapled Securities the subject of your Entitlement at the same time as Eligible Institutional Stapled Securityholders under the Institutional Entitlement Offer, being Monday, 16 October 2017, you must make payment of the Application Monies via BPAY® (refer to section 2.2.1 above).

If you apply and pay by cheque, bank draft or money order, your Entitlement and Acceptance Form and your Application Monies in cleared funds must be received by the Registry by no later than 5.00pm (Sydney time) on Friday, 20 October 2017 and New Stapled Securities (and Additional New Stapled Securities) will be allotted to you on the Allotment Date being Friday, 27 October 2017. Entitlement and Acceptance Forms



(and payments for Application Monies) will not be accepted after the Retail Closing Date, being 5.00pm (Sydney time) on Friday, 20 October 2017 and no New Stapled Securities (or Additional New Stapled Securities) will be issued to you in respect of such late Application.

If the amount of Application Monies is insufficient to pay in full for the number of New Stapled Securities you applied for, you will be taken to have applied for such whole number of New Stapled Securities which is covered in full by your Application Monies. Alternatively, your application will be rejected.

If you apply for Additional New Stapled Securities in excess of your Entitlement and you are not allocated all or some of the Additional New Stapled Securities applied for, the relevant Application Monies will be refunded to you after the Allotment Date in accordance with the Corporations Act, without interest being payable. The allotment of Additional New Stapled Securities will be at the discretion of the Board and the Underwriter and may be subject to scale back.

You need to ensure that your completed Entitlement and Acceptance Form and cheque, bank draft or money order in respect of the full Application Monies reaches the Registry in sufficient time so that they are received by no later than 5.00pm (Sydney time) on the Retail Closing Date being Friday, 20 October 2017 at the following address:

**Postal Address**

**Mail to:**

Computershare Investor Services Pty Limited  
GPO Box 505  
Melbourne VIC 3001

Entitlement and Acceptance Forms (and payments for any Application Monies) will not be accepted at Centuria's registered or corporate offices.

For the convenience of Eligible Retail Stapled Securityholders, an Australian reply paid envelope addressed to the Registry has been enclosed with this Retail Offer Booklet.

Note that if you have more than one holding of Stapled Securities, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding. A separate Entitlement and Acceptance Form and payment of Application Monies must be completed for each separate Entitlement you hold.

**2.2.3 Refund of Application Monies**

Any Application Monies received for more than your final allocation of New Stapled Securities and Additional New Stapled Securities will be refunded as soon as practicable after allotment. No interest will be paid to applicants on any Application Monies received or refunded.

**2.3 Take no action and allow all of your Entitlement to lapse**

If you are an Eligible Retail Stapled Securityholder and you do nothing, the Entitlements in respect of your Stapled Securities will lapse. Your Entitlement to participate in the Retail Entitlement Offer is non-renounceable and will not be tradeable or otherwise transferable. Stapled Securityholders who do not take up their Entitlements in full will not receive any payment or value for those Entitlements they do not take up.

You should also note that, if you do not take up all or part of your Entitlement, then your percentage holding in Centuria will be diluted to the extent that New Stapled Securities are issued to other Stapled Securityholders and Institutional Investors.

**2.4 Implications of making an Application**

Returning a completed Entitlement and Acceptance Form or paying any Application Monies for New Stapled Securities via BPAY® will be taken to constitute a representation by the Eligible Retail Stapled Securityholder that they:

- have received a copy of this Retail Offer Booklet accompanying the Entitlement and Acceptance Form, and have read them in their entirety;
- make the Eligible Retail Stapled Securityholder declarations on pages 24 and 25 of this Retail Offer Booklet and in the Entitlement and Acceptance Form;
- acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® payment is made in relation to any Application Monies, the Application may not be varied or withdrawn except as required by law.



## **2.5 Enquiries**

This Retail Offer Booklet and the Entitlement and Acceptance Form that accompanies it contain important information. You should read both documents in their entirety before deciding whether or not to participate in the Retail Entitlement Offer. If you:

- have questions in relation to the existing Stapled Securities upon which your Entitlement has been calculated;
- have questions on how to complete the Entitlement and Acceptance Form or take up your Entitlement; or
- you have lost your Entitlement and Acceptance Form and would like a replacement form,

please call Centuria's Offer Information Line on 1300 059 025 (from within Australia) or +61 3 9415 4294 (from outside Australia) between 8.30am and 5.00pm (Sydney time), Monday to Friday during the Retail Offer Period. If you have further questions you should contact your professional adviser.

# Section 3

## Taxation

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### 3.1 General

The section below provides a general summary of the Australian income tax, capital gains tax (**CGT**), goods and services tax (**GST**) and stamp duty implications of the Retail Entitlement Offer for certain Eligible Retail Stapled Securityholders.

The comments in this section deal only with the Australian taxation implications of the Retail Entitlement Offer if you:

- are a resident for Australian income tax purposes; and
- hold your Stapled Securities on capital account.

The comments do not apply to you if you:

- are not a resident for Australian income tax purposes;
- hold your Stapled Securities as revenue assets or trading stock (which will generally be the case if you are a bank, insurance company or carry on a business of share trading);
- are subject to the 'TOFA provisions' in Division 230 of the Income Tax Assessment Act 1997 in relation to the Stapled Securities; or
- acquired the Stapled Securities in respect of which the Entitlement Offer is issued under any employee share scheme or where the New Stapled Securities are acquired pursuant to any employee share scheme.

The taxation implications of the Retail Entitlement Offer will vary depending upon your particular circumstances. Accordingly, you should seek and rely upon your own professional advice before concluding on the particular taxation treatment that will apply to you.

Centuria and its officers, employees, taxation or other advisers do not accept any liability or responsibility in respect of any statement concerning taxation consequences, or in respect of the taxation consequences.

This taxation summary is necessarily general in nature. It is strongly recommended that each Eligible Retail Stapled Securityholder seeks their own independent professional tax advice applicable to their particular circumstances.

### 3.2 Issue of Entitlements

The issue of the Entitlements should not, of itself, result in any amount being included in your assessable income.

### 3.3 Exercise of Entitlements

Eligible Retail Stapled Securityholders who exercise their Entitlements will acquire New Stapled Securities. No assessable income or capital gain should arise for you on the exercise (i.e. taking up) of your Entitlements.

If you take up all or part of your Entitlements, you will acquire New Stapled Securities. Each of the securities comprising the New Stapled Securities will constitute a separate asset for CGT purposes.

The total cost base (and reduced cost base) of the New Stapled Securities should equal the issue price for the New Stapled Securities plus certain non-deductible incidental costs incurred in acquiring the New Stapled Securities. The cost base must be allocated across the securities that comprise the New Stapled Securities on a reasonable basis.

Each of the securities comprising the New Stapled Securities will be taken to be acquired on the day that the Entitlement in respect of the New Stapled Security is exercised.

### 3.4 Acquiring Additional New Stapled Securities

No assessable income or capital gain should arise for you from acquiring Additional New Stapled Securities.

The cost base and reduced cost base for the individual securities comprising Additional New Stapled Securities acquired under the Retail Entitlement Offer should be determined in the same manner as for New Stapled Securities acquired on exercise of your Entitlements.

Each of the securities comprising the Additional New Stapled Securities will be taken to have been acquired for CGT purposes on the day the Additional New Stapled Securities are issued to you.

### 3.5 Distributions on New Stapled Securities

Future distributions made in respect of New Stapled Securities and Additional New Stapled Securities will be subject to the same income taxation treatment as distributions made on existing Stapled Securities held in the same circumstances.

### 3.6 Disposal of New Stapled Securities and Additional New Stapled Securities

On disposal of a New Stapled Security or an Additional New Stapled Security (referred to in this section as a Stapled Security), you will make a capital gain if the capital proceeds on disposal exceed the total cost base of the Stapled Security. You will make a capital loss if the capital proceeds are less than the total reduced cost base of the Stapled Security.

As each individual security comprising a Stapled Security is a separate CGT asset, the disposal of a Stapled Security will constitute a disposal for CGT purposes of each individual security comprising that Stapled Security. Accordingly, the capital proceeds referable to the disposal of each individual security will need to be determined by apportioning the total capital proceeds received in respect of the disposal of the Stapled Security on a reasonable basis.

Individuals, complying superannuation entities or trustees that have held Stapled Securities for at least 12 months (not including the dates of acquisition and disposal of the Stapled Securities) should be entitled to discount the amount of any capital gain resulting from the disposal of the Stapled Securities (after the application of any current year or carry forward capital losses).

The CGT discount applicable is currently one-half for individuals and trustees and one-third for complying superannuation entities. The CGT discount is not available for companies that are not acting as trustee for another entity. Trustees should seek specific tax advice regarding the tax consequences arising to beneficiaries because of the CGT discount.

If a capital loss arises on disposal of the Stapled Securities, the capital loss can only be used to offset capital gains; the capital loss cannot be used to offset ordinary income. However, the capital loss can be carried forward to use in future income years if the loss cannot be used in a particular income year, providing (in the case of a corporate investor) certain tests are satisfied.

### 3.7 Entitlements not taken up

As described in Section 2.3 above, any Entitlement not taken up under the Retail Entitlement Offer will lapse and the Eligible Retail Stapled Securityholder will not receive any consideration for those Entitlements. In these circumstances, there should not be any tax implications for the Eligible Retail Stapled Securityholder.

### 3.8 Tax file number

If a Stapled Securityholder has quoted their Australian business number (ABN), tax file number (TFN) or an exemption from quoting their tax file number in respect of an existing Stapled Security, this quotation or exemption will also apply in respect of any New Stapled Securities or Additional New Stapled Securities acquired by that Stapled Securityholder.

Tax may be required to be deducted by Centuria from any distributions at the highest marginal tax rate if an ABN or TFN has not been not quoted, or an appropriate TFN exemption has not been provided.

### 3.9 Other Australian taxes

No Australian GST or stamp duty will be payable by Eligible Retail Stapled Securityholders in respect of the issue or exercise of the Entitlements or the acquisition of New Stapled Securities pursuant to the Retail Entitlement Offer or Additional New Stapled Securities.

# Section 4

## Important Information for Stapled Securityholders

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### 4.1 Retail Offer Booklet availability

Those Eligible Retail Stapled Securityholders with a registered address in Australia or New Zealand will receive a copy of this Retail Offer Booklet and their personalised Entitlement and Acceptance Form in the mail. Please read the Retail Offer Booklet and the Entitlement and Acceptance Form together in their entirety.

A copy of this Retail Offer Booklet can be obtained during the Retail Offer Period at the Centuria offer website at [www.centuriacapitaloffer.com.au](http://www.centuriacapitaloffer.com.au) or by calling Centuria's Offer Information Line on 1300 059 025 (from within Australia) or +61 3 9415 4294 (from outside Australia) between 8.30am and 5.00pm (Sydney time), Monday to Friday during the Retail Offer Period.

If this Retail Offer Booklet is being viewed electronically, please ensure that you download the Retail Offer Booklet in its entirety (including the annexures to this Retail Offer Booklet). Eligible Retail Stapled Securityholders can access their BPAY details online when the Retail Entitlement Offer opens on Tuesday, 10 October 2017.

It is important to note that you will only be entitled to accept the Entitlement Offer by completing your personalised Entitlement and Acceptance Form which accompanies this Retail Offer Booklet, or by making a payment of Application Monies via BPAY using the information contained on your personalised Entitlement and Acceptance Form or accessed at [www.centuriacapitaloffer.com.au](http://www.centuriacapitaloffer.com.au) (see Section 2.2 for further information). Please carefully read the instructions on the accompanying Entitlement and Acceptance Form.

Stapled Securityholders in foreign jurisdictions need to refer to Section 4.8.

### 4.2 Continuous disclosure requirements

Under the Corporations Act, Centuria is considered a disclosing entity and is subject to ongoing reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules, including the preparation of annual reports and half yearly reports.

Under the ASX Listing Rules, Centuria has an obligation (subject to certain exceptions) to notify the ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of its Stapled Securities. Such information is available to the public from the ASX at [www.asx.com.au](http://www.asx.com.au).

Centuria is also required to lodge certain documents with ASIC. Such documents can be inspected and obtained from an ASIC office.

### 4.3 Retail Offer Booklet does not constitute investment advice

Stapled Securityholders must note that the information provided in this Retail Offer Booklet and the accompanying Entitlement and Acceptance Form, does not constitute financial product advice. All information has been prepared without taking into account your individual investment objectives, financial circumstances or particular needs. The information contained in this Retail Offer Booklet and the accompanying Entitlement and Acceptance Form should not be considered as comprehensive or to comprise all the information which a Stapled Securityholder may require in order to determine whether or not to subscribe for New Stapled Securities. If you have any questions, please consult your professional adviser before deciding whether or not to invest.

#### 4.4 Risks factors

The Investor Presentation details important factors and risks that could affect the financial and operating performance of Centuria. Please refer to the “Risks” section of the Investor Presentation for details. When making an investment decision in connection with this Retail Entitlement Offer, it is essential that you consider these risk factors carefully in light of your individual personal circumstances, including financial and taxation issues (some of which have been outlined in Section 3 of this Retail Offer Booklet).

#### 4.5 No authorisation beyond information contained within this Retail Offer Booklet

Any information or representation not contained in this Retail Offer Booklet may not be relied on as having been authorised by Centuria in connection with the Entitlement Offer. No person is authorised to give any information or make any representation in connection with the Entitlement Offer, which is not contained in this Retail Offer Booklet.

#### 4.6 No cooling-off rights

Cooling-off rights do not apply to a subscription for New Stapled Securities under the Entitlement Offer. This means that you cannot withdraw your Application once it has been accepted.

#### 4.7 Forward-looking statements

No representation or warranty is given as to the accuracy or likelihood of achievement of any forward-looking statement in this Retail Offer Booklet, or any events or results expressed or implied in any forward-looking statement. These statements can generally be identified by the use of words such as “anticipate”, “expect” “believe”, “expect”, “project”, “forecast”, “estimate”, “likely”, “intend”, “should”, “could”, “may”, “target”, “predict”, “guidance”, “plan”, “potential” and other similar expressions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Such forward-looking statements are not guarantees of future performance and are by their nature inherently uncertain and are based on future events which may or may not be correct, assumptions and estimates which are subject to certain risks, uncertainties and change without notice. Actual results or events may differ materially from any expressed or implied in any forward-looking statement and deviations are normal and to be expected. Past performance is not a reliable indicator of future performance. Please refer to the

“Risks” section of the Investor Presentation and the disclaimers outlined in this Retail Offer Booklet for more information.

#### 4.8 Offer jurisdictions – restrictions and limitations

The Retail Entitlement Offer will not be made to Stapled Securityholders with registered addresses outside Australia and New Zealand. This document does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. Return of the Entitlement and Acceptance Form or payment by BPAY® of Application Monies shall be taken by Centuria to constitute a representation by you that there has been no breach of any such laws.

The New Stapled Securities are not being offered to the public within New Zealand other than to existing Stapled Securityholders of Centuria with registered addresses in New Zealand to whom the offer of these New Stapled Securities is being made in reliance on the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).

This Retail Offer Booklet has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

The distribution of this document outside Australia and New Zealand may be restricted by law. If you come into possession of this document you should observe any such restrictions and should seek your own advice on those restrictions. A failure to comply with such restrictions may contravene applicable securities laws.

#### 4.9 Offer jurisdictions – United States restrictions and limitations

This Retail Offer Booklet, and any accompanying ASX announcements and the Entitlement and Acceptance Form, do not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States.

Neither the Entitlements nor the New Stapled Securities have been, nor will be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. The Entitlements may not be purchased, taken up or exercised by persons

in the United States or by persons who are acting for the account or benefit of a person in the United States. Neither the Entitlements nor the New Stapled Securities may be offered, sold or resold in the United States or to persons acting for the account or benefit of a person in the United States except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and the applicable securities laws of any state or other jurisdiction in the United States. The Entitlements and the New Stapled Securities in the Retail Entitlement Offer will be offered and sold only in 'offshore transactions' (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act. Because of these legal restrictions, you must not distribute, release or send this Retail Offer Booklet or the Entitlement and Acceptance Form, or copies thereof, or any other material relating to the Retail Entitlement Offer to any person in the United States.

#### 4.10 Notice to nominees and custodians

The Retail Entitlement Offer is being made to all Eligible Retail Stapled Securityholders. Nominees with registered addresses in the eligible jurisdictions, irrespective of whether they participate under the Institutional Entitlement Offer, may also be able to participate in the Retail Entitlement Offer in respect of some or all of the beneficiaries on whose behalf they hold Stapled Securities, provided that the applicable beneficiary would satisfy the criteria for an Eligible Retail Stapled Securityholder.

Nominees and custodians who hold Stapled Securities as nominees or custodians will have received, or will shortly receive, a letter from Centuria in respect of the Entitlement Offer. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to, and they must not purport to accept the Retail Entitlement Offer in respect of:

- a) beneficiaries on whose behalf they hold Stapled Securities who would not satisfy the criteria for an Eligible Retail Stapled Securityholder;
- b) Eligible Institutional Stapled Securityholders who were invited to participate in the Institutional Entitlement Offer (whether they accepted their Entitlement or not);
- c) Ineligible Stapled Securityholders who were ineligible to participate in the Institutional Entitlement Offer; or

- d) Stapled Securityholders who are not eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

In particular, persons acting as nominees for other persons must not take up any Entitlements on behalf of, or send any documents related to the Entitlement Offer to, any person in the United States or any person that is acting for the account or benefit of a person in the United States.

Centuria is not required, and does not undertake to, determine whether or not any Stapled Securityholder or investor is acting as a nominee or custodian or the identity or residence of any beneficial owners of existing Stapled Securities or Entitlements. Where any person is acting as a nominee or custodian for a foreign person, that person, in dealing with its beneficiary, will need to assess whether indirect participation in the Entitlement Offer by the beneficiary complies with applicable foreign laws. Centuria is not able to advise on foreign laws. Eligible Retail Stapled Securityholders who are nominees or custodians are therefore advised to seek independent advice as to how to proceed.

#### 4.11 Underwriting arrangements and fees

Moelis Australia Advisory Pty Ltd is acting as lead manager, bookrunner and underwriter to the Entitlement Offer (**Underwriter**). Centuria has entered into an Underwriting Agreement with the Underwriter in respect of the Entitlement Offer.

Centuria must pay the Underwriter an underwriting fee of 3.5% of the proceeds of the Entitlement Offer. Centuria must also pay or reimburse the Underwriter for costs it has incurred in respect of the Entitlement Offer, including legal fees, reasonable out of pocket expenses (including travel expenses, bookbuild expenses and stamp duty or similar taxes payable in respect of the Underwriting Agreement). Subject to certain exceptions, Centuria has agreed to indemnify the Underwriter, its affiliates and related bodies corporate, and their respective directors, officers, employees, partners, agents, advisers and representatives (each an Indemnified Party) from and against all losses suffered or incurred by an Indemnified Party, directly or indirectly, arising out of or in connection with the Entitlement Offer or the Underwriting Agreement.



As is customary with these types of arrangements, the Underwriting Agreement contains representations and warranties and indemnities in favour of the Underwriter. The Underwriter may also, in certain circumstances, terminate its obligations under the Underwriting Agreement on the occurrence of certain termination events including, but not limited to, where:

- Centuria is unable to issue the New Stapled Securities under the Entitlement Offer on the Allotment Date (unless remedied in accordance with the terms of the Underwriting Agreement);
- Centuria alters its capital structure or its constitution without the prior written consent of the Underwriter (such consent not to be unreasonably withheld or delayed);
- Centuria (or their respective subsidiaries) is or becomes insolvent;
- Centuria, or any of its respective directors or officers (as those terms are defined in the Corporations Act) engage in any fraudulent conduct or activity in connection with the Entitlement Offer;
- ASIC issues, or threatens in writing to issue, proceedings or notifies Centuria in writing that it has commenced any investigation in relation to the Entitlement Offer, which is not withdrawn within 2 business days or by 10.00am on the Settlement Date (whichever is earlier); or
- the ASX officially determines (which determination is not withdrawn within 2 business days or by 10.00am on the Settlement Date (whichever is earlier)) that Centuria's securities will be suspended from quotation, Centuria will be removed from the official list or that quotation of all of the New Stapled Securities will not be granted by the ASX.

The Underwriter may also terminate its obligations under the Underwriting Agreement on the occurrence of the following termination events, only where in its reasonable opinion, such termination event has or is likely to have a materially adverse effect on the marketing, outcome, success or settlement of the Entitlement Offer, has given or would be likely to give rise to a liability for the Underwriter under any applicable law or a contravention by the Underwriter of applicable laws:

- Centuria is in breach of the Underwriting Agreement or certain representations and warranties given by Centuria in favour of the Underwriter;

- Centuria is in breach of certain disclosure related representations and warranties given by Centuria in favour of the Underwriter (where such breach is not remedied in accordance with the terms of the Underwriting Agreement);
- a general moratorium on commercial banking activities in Australia, the United States, the United Kingdom, Singapore and Hong Kong, is declared by the relevant central banking authority in any of those countries (and is not lifted within 2 days or by 10.00am on the Settlement Date (whichever is earlier)); or
- trading in all securities quoted or listed on the ASX, the New Zealand Exchange, the London Stock Exchange, the Hong Kong Stock Exchange, the Singapore Stock Exchange or the New York Stock Exchange is suspended for 2 days or more.

If the Underwriter terminates the Underwriting Agreement, the Underwriter will not be obliged to perform any of its obligations which remain to be performed under the Underwriting Agreement.

Notwithstanding any other provision of the Underwriting Agreement, although the Underwriter may procure other subscribers for any New Stapled Securities which it is required to subscribe for under the Underwriting Agreement, the Underwriter must not and need not itself (or through its affiliates) take up such number of New Stapled Securities (**Excess New Stapled Securities**) to the extent that doing so would result in the Underwriter and/or its affiliates either:

- breaching section 606 of the Corporations Act; or
- being obligated to notify the Treasurer of the Commonwealth of Australia under the *Foreign Acquisitions and Takeovers Act 1975* (Cth),

(**Regulatory Event**) in each case taking into account the number of New Stapled Securities then held by the Underwriter and its affiliates.

In the event that the provision in the Underwriting Agreement described above applies, the Underwriter must pay or procure the payment to Centuria of an amount equal to the application price for the Excess New Stapled Securities which it would have received had they been issued. The Underwriter then has a period not exceeding three months after the close of the Retail Entitlement Offer to procure Institutional Investor subscribers for these New Stapled Securities and, if such subscribers are found, Centuria must repay to the Underwriter the amount advanced to it.



Neither the Underwriter nor any of its related bodies corporate and affiliates, nor any of its directors, officers, partners, employees, representatives, agents or advisers (the **Limited Parties**) have authorised or caused the issue of this Retail Offer Booklet and they do not take responsibility for any statements made in this Retail Offer Booklet or any action taken by you on the basis of such information. To the maximum extent permitted by law, each Limited Party excludes and disclaims all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Entitlement Offer and this information being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise. None of the Limited Parties make any representations or warranties as to whether you or your related parties should participate in the Entitlement Offer, nor do they make any representations or warranties to you concerning this Entitlement Offer or any such information and you represent, warranty and agree that you have not relied on any statements made by the Underwriters or any of their respective related bodies corporate and affiliates or any of their respective directors, officers, partners, employees, representatives or agents in relation to the New Stapled Securities or the Entitlement Offer generally.

**4.12 Control effect of the Entitlement Offer**

The potential effect of the issue of New Stapled Securities pursuant to the Entitlement Offer on control of Centuria and the consequences of that effect will depend on a number of factors, including the current holdings of Centuria Securityholders and the extent to which Eligible Stapled Securityholders take up New Stapled Securities under the Entitlement Offer.

As at the date of this Retail Offer Booklet, the substantial holdings notified to Centuria are as follows:

Substantial holder	Voting power
Moelis Australia Holdings Pty Ltd and its associates	11.14%
Ellerston Capital Limited and its associates	6.89%
Investors Mutual Limited and its associates	6.78%

The potential effect of the Entitlement Offer on control is summarised below:

Shortfall (after any issues pursuant to a shortfall facility)	No. of New Stapled Securities Underwriter obliged to subscribe for	No. of New Stapled Securities sub-underwritten	Balance of Underwriter's commitment	Total voting power of Underwriter post Entitlement Offer (on a diluted basis)
0%	Nil	Nil	Nil	If the Underwriter does not take up its entitlement: 9.1%  If the Underwriter takes up all of its entitlement: 11.14%
50%	approximately 23.53 million	approximately 18.51 million	approximately 5.02 million	10.9%
100%	approximately 47.07 million	approximately 18.51 million	approximately 28.55 million	19.4% (assuming all sub-underwriting commitments are honoured)  20% plus the obligation to obtain subscribers for an additional 6% (if no sub-underwriting commitments are honoured)

If all Eligible Stapled Securityholders take up their Entitlements under the Entitlement Offer (ie the shortfall is 0%), then the Entitlement Offer will have no significant effect on the control of Centuria, and all Eligible Stapled Securityholders will hold the same percentage interest in Centuria as before the Entitlement Offer.

The Underwriter has received sub-underwriting commitments for 40% of the New Stapled Securities to be issued under the Entitlement Offer. Assuming those commitments are honoured, the maximum percentage of Stapled Securities which the Underwriter could hold, assuming no other investor or Stapled Securityholder takes-up New Stapled Securities offered in the Entitlement Offer, would be 19.4% of the Stapled Securities on issue in Centuria following the Entitlement Offer. If all of the sub-underwriters defaulted on their sub-underwriting commitments with respect to the New Stapled Securities under the Entitlement Offer, this percentage would rise to 20% with an obligation to obtain subscribers for an additional 6%.

Under the terms of the Underwriting Agreement, the Underwriter is not required to subscribe for New Stapled Securities if, as a result, the Underwriter would hold more than 20% of the total number of Stapled Securities that will be on issue following the Entitlement Offer (and after the take up of any shortfall New Stapled Securities under the Underwriting Agreement). In respect of any underwritten New Stapled Securities in excess of the 20% (**Excess New Stapled Securities**), the Underwriter must pay to Centuria an amount equal to the number of Excess New Stapled Securities multiplied by \$1.28 and it must procure Institutional Investors as subscribers for the Excess New Stapled Securities. The subscription money for those Excess New Stapled Securities must be paid by Centuria to the Underwriter (see the summary of the Underwriting Agreement in section 4.11 for further details).

If an Eligible Stapled Securityholder does not take-up its Entitlement under the Entitlement Offer, its percentage holding in Centuria will be diluted.

Ineligible Stapled Securityholders are not entitled to participate in the Entitlement Offer and their percentage holding in Centuria will be diluted.

### 4.13 Consents

Statements included in this Retail Offer Booklet, or any statement on which a statement in this Retail Offer Booklet is based, are not made by the directors, officers, employees, partners, agents and advisers of Centuria, but by Centuria itself.

To the maximum extent permitted by law each of these parties expressly disclaims and takes no responsibility for any statements in or omissions from this Retail Offer Booklet other than references to its name.

### 4.14 Governing law

This Retail Offer Booklet, the Entitlement Offer and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the law applicable in New South Wales, Australia. Each Stapled Securityholder who applies for New Stapled Securities submits to the jurisdiction of the courts of New South Wales, Australia.

### ELIGIBLE RETAIL STAPLED SECURITYHOLDER DECLARATIONS

In making your application for New Stapled Securities as part of the Retail Entitlement Offer, you will be making the declarations to Centuria that you:

- have read and understand the Retail Offer Booklet and your personalised Entitlement and Acceptance Form in their entirety;
- agree to be bound by the terms of the Retail Entitlement Offer, the provisions of this Retail Offer Booklet, the constitutions of Centuria Capital Limited (ABN 22 095 454 336) and the Centuria Capital Fund (ARSN 613 856 358);
- acknowledge the statement of risks in the “Risks” section of the Investor Presentation included in Annexure B of this Retail Offer Booklet and that investments in Centuria are subject to risks;
- authorise Centuria to register you as the holder of New Stapled Securities allotted to you under this Retail Entitlement Offer;
- declare that all details on the Entitlement and Acceptance Form are complete, accurate and up to date;
- are over 18 years of age and that you have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- accept that there is no cooling off period under the Retail Entitlement Offer and that once Centuria receives either your personalised Entitlement and Acceptance Form, your payment of Application Monies via BPAY® or both, that you may not withdraw or change your Application;
- agree to apply for and be issued with up to the number of New Stapled Securities and Additional New Stapled Securities (if any) shown on the Entitlement and Acceptance Form, or for which you have submitted payment of Application Monies via BPAY®, at the Issue Price of \$1.28 per Stapled Security;
- authorise Centuria, the Underwriter, the Registry and respective officers or agents, to do anything on your behalf necessary for the New Stapled Securities to be issued to you, including to act on instructions of the Registry upon using the contact details set out in the Entitlement and Acceptance Form;

- authorise Centuria to correct any errors in your Entitlement and Acceptance Form or other forms provided by you;
- were the registered holder(s) at the Record Date of the Stapled Securities indicated on your Entitlement and Acceptance Form as being held by you on the Record Date;  
represent and warrant (for the benefit of Centuria, the Underwriter and their respective related bodies corporate and affiliates) that you did not receive an invitation to participate in the Institutional Entitlement Offer either directly or through a nominee, are not an Ineligible Stapled Securityholder and are otherwise eligible to participate in the Retail Entitlement Offer;
- acknowledge that the information contained in this Retail Offer Booklet and the Entitlement and Acceptance Form does not constitute investment advice, nor a recommendation that New Stapled Securities are suitable for you given your individual investment objectives, financial situation or particular needs;
- understand that this Retail Offer Booklet is not a prospectus or product disclosure statement, does not contain all of the information that you may require in order to assess an investment in Centuria and is given in the context of Centuria's past and ongoing continuous disclosure obligations under the Corporations Act and the ASX Listing Rules;
- acknowledge that neither Centuria, its directors, officers, employees, agents, consultants nor advisers, nor the Underwriter, guarantee the performance of the New Stapled Securities offered under the Retail Entitlement Offer or the performance of Centuria, nor do they guarantee the repayment of capital from Centuria;
- represent and warrant that you are an Eligible Retail Stapled Securityholder and the law of any other jurisdiction does not prohibit you from being given the Retail Offer Booklet, the Entitlement and Acceptance Form, nor does it prohibit you from making an Application and you are otherwise eligible to participate in the Retail Entitlement Offer;
- represent and warrant that you are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent you hold Stapled Securities for the account or benefit of such person in the United States);
- understand and acknowledge that the Entitlements and the New Stapled Securities have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia. The Entitlements may not be taken up or exercised by persons in the United States or by persons who are acting for the account or benefit of, a person in the United States. Neither the Entitlements nor the New Stapled Securities may be offered, sold or resold in the United States except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and the applicable securities laws of any state or other jurisdiction in the United States;
- are subscribing for or purchasing the Entitlements or the New Stapled Securities in an "offshore transaction" (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act;
- have not and will not send this Retail Offer Booklet or the Entitlement and Acceptance Form, or copies thereof, or any other material relating to the Retail Entitlement Offer to any person in the United States or any other country outside Australia and New Zealand;
- if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or New Zealand and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent this Retail Offer Booklet, the Entitlement and Acceptance Form or any information relating to the Retail Entitlement Offer to any such person;
- make all other representations and warranties set out in the Retail Offer Booklet; and
- agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and/or of your holding of Stapled Securities on the Record Date.

# Annexure A – ASX Announcement



Australian Securities Exchange - Company Announcements Platform

## Centuria Capital Group

### \$60m Accelerated Non-Renounceable Entitlement Offer

Sydney, 4 October 2017

Centuria Capital Group (ASX: CNI) is pleased to announce that it is undertaking an underwritten 1 for 4.90 accelerated non-renounceable entitlement offer (**Entitlement Offer**) of new fully paid ordinary stapled securities (**Securities**) comprising both an institutional component and retail component.

The Issue Price of \$1.28 represents a 5.2% discount to CNI's closing price of \$1.35 on 3 October 2017. New Securities issued under the Entitlement Offer will rank equally with existing Securities.

#### Financial impact of Entitlement Offer

The Entitlement Offer is expected to have the following impact on CNI:

- It is expected to be marginally accretive (1%+) to FY18 forecast operating earnings per Security (excluding performance fee contribution)
- A forecast FY18 operating earnings per Security (EPS) of 15.8-16.2 cps (including 10 Spring Street performance fee)<sup>1</sup>
- CNI reaffirms FY18 distribution per Security (DPS) guidance of 8.2 cps representing a 9.3% increase in distributions from FY17
- A material reduction in pro forma operating gearing<sup>2</sup> to 7.1%
- A 39% increase in CNI's pro forma NTA<sup>3</sup> to 66 cps, primarily from the 10 Spring Street performance fee and the Entitlement Offer

Proceeds from the Entitlements Offer will be used to replenish CNI's free cash position post the \$53m acquisition of a 9.3% interest in ASX listed Propertylink Group (ASX: PLG) and to strengthen CNI's balance sheet to support CNI's core business activities and undertake M&A initiatives.

1. On 26 September 2017, CNI announced the sale of 10 Spring Street, Sydney by one of its managed funds. Centuria Property Funds Limited (**CPFL**), a wholly owned subsidiary of CNI, will receive a net performance fee of \$25.8m before tax as a result of the sale.

2. Pro forma operating gearing calculated as (corporate and reverse mortgage debt less cash) / (total assets less cash) at 30 June 2017 adjusted for certain pro forma adjustments.

3. Pro forma adjustments to 30 June 2017 NTA primarily relate to the receipt of net performance fee (\$25.8m before tax) earned through the sale of the 10 Spring Street property and net proceeds from the proposed equity raising.

**Centuria Capital Group**  
Consisting of:  
Centuria Capital Limited ABN 22 095 454 336 and  
Centuria Capital Fund ARSN 613 866 358

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# Annexure A – ASX Announcement



John McBain, CEO of CNI, said: “Centuria regularly reviews its capital requirements to ensure it has sufficient capital to enable the business to grow strongly and to ensure that its debt levels remain conservative”.

The Entitlement Offer is underwritten by Moelis Australia Advisory Pty Ltd (**Underwriter**).

## **Indicative timetable**

The proposed timetable for the Entitlement Offer is as follows:

<b>Event</b>	<b>Date</b>
Institutional Entitlement Offer opens	Wednesday, 4 October 2017
Institutional Entitlement Offer closes	Wednesday, 4 October 2017
Record Date for Retail Entitlement Offer (7:00pm Sydney time)	Friday, 6 October 2017
Retail Entitlement Offer opens	Tuesday, 10 October 2017
Early Retail Acceptance Due Date (5:00pm Sydney time)	Wednesday, 11 October 2017
Settlement of the new Securities issued under the Institutional Entitlement Offer & Retail Entitlement Offer for applications received by the Early Retail Acceptance Due Date	Friday, 13 October 2017
Allotment and ASX quotation of new Securities issued under the Institutional Entitlement Offer & Retail Entitlement Offer for applications received by the Early Retail Acceptance Due Date	Monday, 16 October 2017
Despatch of holding statements for new Securities issued under the Institutional Entitlement Offer and Retail Entitlement Offer for applications received by the Early Retail Acceptance Due Date	Tuesday, 17 October 2017
Retail Entitlement Offer closes (5:00pm Sydney time)	Friday, 20 October 2017
Settlement of the remaining new Securities issued under the Retail Entitlement Offer	Thursday, 26 October 2017
Allotment of the remaining new Securities issued under the Retail Entitlement Offer	Friday, 27 October 2017
ASX quotation of the remaining new Securities issued under the Retail Entitlement Offer	Monday, 30 October 2017
Despatch of holding statements for remaining new Securities issued under the Retail Entitlement Offer	Tuesday, 31 October 2017

All dates and times are indicative only and subject to change at the discretion of CNI with the prior written consent of the Underwriter. All dates and times are references to Sydney time.

**- Ends -**

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# Annexure A – ASX Announcement



**For more information or to arrange an interview, please contact:**

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**About Centuria Capital Group**

Centuria Capital Group (**CNI**) is an ASX-listed specialist investment manager with \$4.2 billion in funds under management. We offer a range of investment opportunities including listed and unlisted property funds as well as tax-effective investment bonds. Our drive, allied with our in-depth knowledge of these sectors and intimate understanding of our clients, allows us to transform opportunities into rewarding investments.

Any forward-looking statements included in this announcement involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to, CNI and its directors. In particular, they speak only as of the date of this announcement, they assume the success of CNI's business strategies, and they are subject to significant regulatory, business, competitive and economic uncertainties, risks and other factors. Actual future events may vary materially from forward looking statements and assumptions on which those statements are based. Other than as required by law, although they believe there is a reasonable basis for the forward-looking statements, neither CNI nor its directors, officers, employees or any related body corporate, gives any representation, assurance or guarantee (express or implied) as to the accuracy or completeness of any forward-looking statement or that the occurrence of any event, result, performance or achievement will actually occur. Recipients are cautioned not to place undue reliance on such forward-looking statements.

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# Annexure B – Investor Presentation



CENTURIA CAPITAL GROUP | EQUITY RAISING | ASX: CNI | 4 October 2017

## Centuria Capital Group

### \$60 MILLION EQUITY RAISING



Not for release or distribution in the United States



CENTURIA CAPITAL GROUP | EQUITY RAISING | ASX: CNI | 4 October 2017

#### IMPORTANT NOTICES

This presentation (**Presentation**) has been prepared and is issued by Centuria Capital Group (**Centuria** or **CNI**) which is a stapled vehicle comprised of Centuria Capital Limited ACN 095 454 336 (**Company**) and Centuria Funds Management Limited ACN 607 153 588 (**CFML**) as responsible entity of Centuria Capital Fund ARSN 613 856 358 (**Trust**).

#### Summary information

Centuria securities comprise shares in the Company and units in the Trust, stapled together (**Securities**). Centuria is listed on the ASX (ASX code: CNI).

This Presentation contains summary information about Centuria's activities current as at the date of this Presentation. The information in this Presentation is of a general background nature and does not purport to be complete or contain all the information securityholders would require to evaluate their investment in Securities and Centuria, nor does it contain all the information which would be required in a prospectus or product disclosure statement prepared in accordance with the requirements of the *Corporations Act 2001* (Cth) (as modified Corporations Instrument (Non-Traditional Rights Issues) 2016/84. This Presentation should be read in conjunction with Centuria's other periodic and continuous disclosure announcements filed with the Australian Securities Exchange (**ASX**), which are also available at [www.centuria.com.au](http://www.centuria.com.au).

#### Not an offer

This Presentation is not a prospectus, product disclosure statement or any other offering document under Australian law (and will not be lodged with the Australian Securities and Investments Commission (**ASIC**) or any other law and does not require all material information which a prospective investor may require in evaluating a possible investment in Centuria. The Presentation is for information purposes only and is not an invitation to acquire or offer of Securities for subscription, purchase or sale in any jurisdiction. The distribution of this presentation outside Australia may be restricted by law. Any recipient of this presentation who is outside of Australia must seek advice on and observe any such restrictions.

#### Not investment advice or a recommendation

This Presentation does not constitute investment, financial product, tax, accounting or legal advice, nor is it a recommendation to acquire any entitlements or Securities in Centuria. It is not intended to be used as the basis for making a financial decision, nor is it intended to constitute legal, tax, accounting or other advice. Any references to or explanations of legislation, regulatory issues, benefits or any other legal commentary (if any) are indicative only, do not summarise all relevant issues and are not intended to be a full explanation of a particular matter. Recipients of this Presentation should make their own enquiries and investigations regarding any investment, and should seek their own professional advice on the legal, financial accounting, taxation and other consequences of investing in Centuria and the Securities. Cooling-off rights do not apply to the acquisition of any Securities.

#### Investment risk

An investment in Securities is subject to known and unknown risks, some of which are beyond the control of Centuria, including, possible loss of income and principal invested. Centuria does not guarantee any particular rate of return or the performance of Centuria, nor does it guarantee any particular tax treatment. Investors should have regard to the risk factors outlined in this Presentation when making their investment decision.

#### Disclaimers

None of Centuria's advisers, nor any of their respective affiliates, related bodies corporate, or any directors, officers, partners, employees, agents, contractors or partners of any of them (**Limited Parties**), have caused or authorised the issue, submission, dispatch or provision of this Presentation. None of the Limited Parties take any responsibility for any information in this Presentation or any action taken by any investors on the basis of such information, and do not make, or purports to make, any statement in this Presentation and there is no statement in this Presentation which is based on any statement by any Limited Party.

No representation or warranty, express or implied, is made to the accuracy, adequacy or reliability of any statements, estimates or opinions or other information contained in this Presentation by Centuria, the Limited Parties, or their respective affiliates, subsidiaries or related bodies corporate, or the directors, officers, employees or agents of each of them. To the maximum extent permitted by law, Centuria, the Limited Parties, and each of their respective affiliates, subsidiaries and related bodies corporate, and the directors, officers, employees and agents of each of them, disclaim all liability and responsibility for any direct or indirect loss or damage which may be suffered by any recipient of this Presentation, through the use of or reliance on anything contained in or omitted from this Presentation. No recommendation is made as to how investors should make an investment decision. Investors must rely on their own investigations and examinations of Centuria and the Securities, including, the merits and risks involved. Investors should consult with their own professional advisers in connection with any acquisition of Securities. This Presentation has been prepared without taking into account of any person's individual investment objectives, financial situation or needs.

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# Annexure B – Investor Presentation



CENTURIA CAPITAL GROUP | EQUITY RAISING | ASX: CNI | 4 October 2017

## IMPORTANT NOTICES

### Past performance

Past performance information given in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

### Future performance

This Presentation contains certain "forward looking statements". Forward looking statements can generally be identified by use of forward looking words such as "anticipate", "expect", "likely", "intend", "should", "could", "may", "propose", "will", "believe", "forecast", "estimate", "target", "outlook", "guidance" and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, statements relating to the future performance of Centuria and the outcome and effects of the Entitlement Offer and use of proceeds. No representation or warranty is given as to the accuracy or likelihood of achievement of any forward-looking statement in this Presentation, or any events or results expressed or implied in any forward-looking statement. Forward-looking statements, opinions and estimates provided in this Presentation are not guarantees of future performance and are by their nature inherently uncertain and are based on assumptions and estimates which are subject to certain risks, uncertainties and change without notice, as are statements about market and industry trends, which are based on interpretation of market conditions. Actual results and performance may vary materially because events and actual circumstances frequently do not occur as forecast and future results are subject to known and unknown risk such as changes in market conditions and in regulations. Investors should form their own views as to these matters and any assumptions on which any of the forward-looking statements are based and not place reliance on such statements. To the maximum extent permitted by law, Centuria and its directors, officers, employees, advisers, agents and intermediaries disclaim any obligation or undertaking to release any updates or revisions to the information to reflect any change in expectations or assumptions.

### Financial data

All dollar values are in Australian dollars (A\$) unless otherwise stated.

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CENTURIA CAPITAL GROUP | EQUITY RAISING | ASX: CNI | 4 October 2017

# Executive Summary

# Annexure B – Investor Presentation



CENTURIA CAPITAL GROUP | EQUITY RAISING | ASX: CNI | 4 October 2017

## EXECUTIVE SUMMARY

Transformed CNI	<ul style="list-style-type: none"><li>– Centuria Capital Group (<b>Centuria or CNI</b>) is an ASX-listed specialist investment manager with \$4.2 billion in funds under management</li><li>– CNI underwent transformative growth in 2017 so far with 91% increase in funds under management (<b>FUM</b>) since 31 December 2016 to \$4.2bn (from \$2.2 bn)</li><li>– Since 1 January 2017, CNI has delivered a 40% total return to investors and significantly outperformed the broader ASX300 A-REIT index<sup>1</sup></li></ul>
Equity raising	<ul style="list-style-type: none"><li>– CNI is seeking to raise approximately \$60m via a 1-for-4.90 underwritten accelerated non-renounceable entitlement offer (<b>Entitlement Offer</b>) to:<ul style="list-style-type: none"><li>– Replenish CNI's free cash position post the \$53m acquisition of a 9.3% interest in ASX-listed Propertylink Group (<b>PLG</b>);</li><li>– Support co-investments in Centuria's listed funds, undertake corporate M&amp;A initiatives (including Centuria's proposal to PLG) and provide capacity to support growth in the unlisted property funds management business (deposits or underwriting/warehousing);</li><li>– Reduce CNI's gearing and provide additional working capital</li></ul></li><li>– Issue price of \$1.28 per Security represents<sup>1</sup>:<ul style="list-style-type: none"><li>– 5.2% discount to the last traded price of \$1.35</li><li>– 6.9% discount to the five day VWAP of \$1.374</li></ul></li></ul>
Impact of equity raising	<ul style="list-style-type: none"><li>– Expected to be marginally accretive (1%+) to FY18 operating earnings per security (<b>EPS</b>) excluding performance fee contribution</li><li>– Forecast FY18 operating EPS of 15.8-16.2cps (including 10 Spring Street performance fee<sup>2</sup>)</li><li>– CNI reaffirms FY18 distribution per security (<b>DPS</b>) guidance of 8.2 cents representing a 9.3% increase in distributions from FY17</li><li>– Material reduction in proforma operating gearing<sup>3</sup> to 7.1%</li><li>– 39% increase in CNI's proforma NTA<sup>4</sup> to 66 cps primarily from 10 Spring Street performance fee and the equity raising</li><li>– Increased scale and improved relevance to equity investors with CNI's market capitalisation increasing to over \$372m post equity raising, with potential for further enhancement through inclusion in the ASX300</li></ul>

1. As at 3 October 2017. Past performance is not an indication of future performance.

2. On 26 September 2017, CNI announced the sale of 10 Spring Street, Sydney by one of its managed funds, Centuria Property Funds Limited (**CPFL**), a wholly owned subsidiary of CNI, will generate a net performance of \$25.8m before tax as a result of the sale.

3. Pro forma operating gearing calculated as (corporate & reverse mortgage debt less cash) / (total assets less cash) at 30 June 2017 adjusted for certain pro forma adjustments including receipt of the net performance fee on the sale of the 10 Spring Street property, the investment in PLG, the payment of FY17 distribution and the proposed equity raising

4. Pro forma adjustments to 30 June 2017 NTA primarily relate to the receipt of net performance fee (\$25.8m before tax) earned through the sale of the 10 Spring Street property and net proceeds from the proposed equity raising.

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CENTURIA CAPITAL GROUP | EQUITY RAISING | ASX: CNI | 4 October 2017

# Market Update

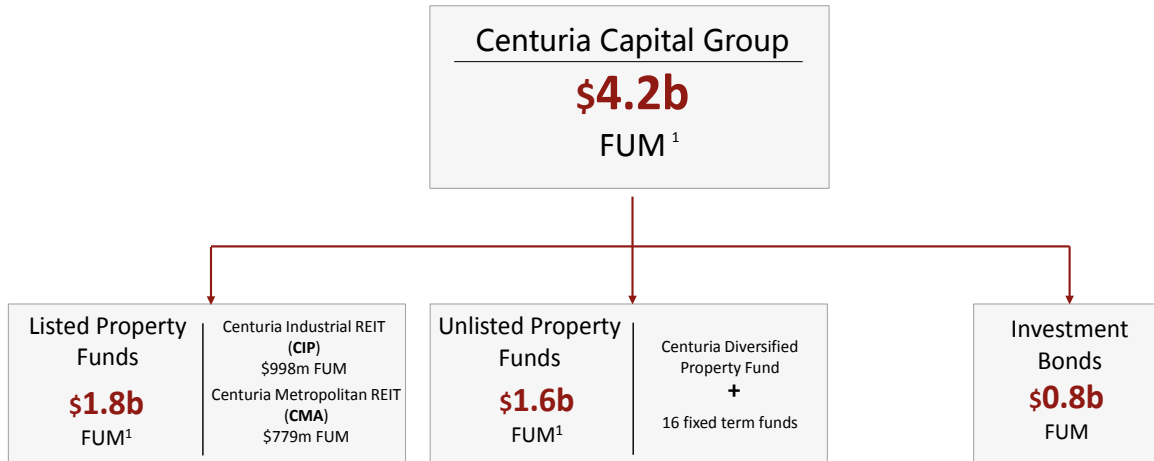
# Annexure B – Investor Presentation



CENTURIA CAPITAL GROUP | EQUITY RAISING | ASX: CNI | 4 October 2017

Centuria profile

ASX-listed specialist investment manager



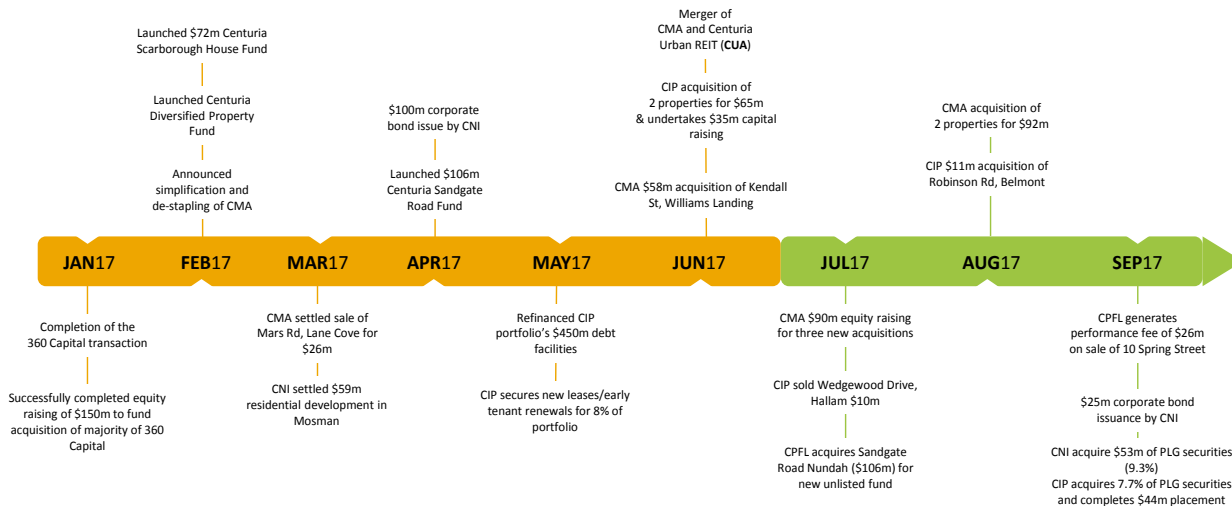
1. FUM as at 3 October 2017



CENTURIA CAPITAL GROUP | EQUITY RAISING | ASX: CNI | 4 October 2017

## Transformation of CNI

2017 has been a transformative year for CNI and building scale was an important step for Centuria to deliver outcomes for all stakeholders



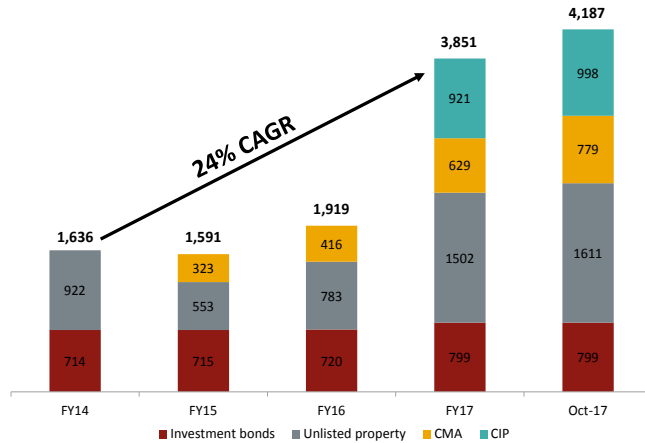
# Annexure B – Investor Presentation



CENTURIA CAPITAL GROUP | EQUITY RAISING | ASK: CNI | 4 October 2017

## Funds Management Platform Growing Strongly

CNI has grown FUM by 24% per annum since FY14 with additional opportunities for future growth



- CNI has successfully increased FUM by organic growth and platform acquisitions, contributing to a 24% CAGR in FUM from FY14 to FY17
- The acquisition of the 360 Capital Group property funds management platform grew property FUM to \$2.9bn (total FUM of \$3.6bn)
- Since the start of FY18, \$332 million of property assets have been settled bringing the total property FUM to \$3.4bn (total FUM of \$4.2bn)
- CNI anticipates further organic growth in existing FUM as assets are revalued in December 2017
- On 26 September 2017, CNI announced the sale of 10 Spring Street by the unlisted Centuria 10 Spring Street Fund
  - Sold for \$270 million representing approximately 3x the original acquisition price of \$91 million in 2013
  - The responsible entity, CPFL<sup>1</sup> will earn a net performance fee of \$25.8 million (before tax) as a result of the sale
  - Investment Bonds FUM to increase following settlement of the sale of 10 Spring Street as a proportion of the fund profit from the asset sale is retained for bondholders

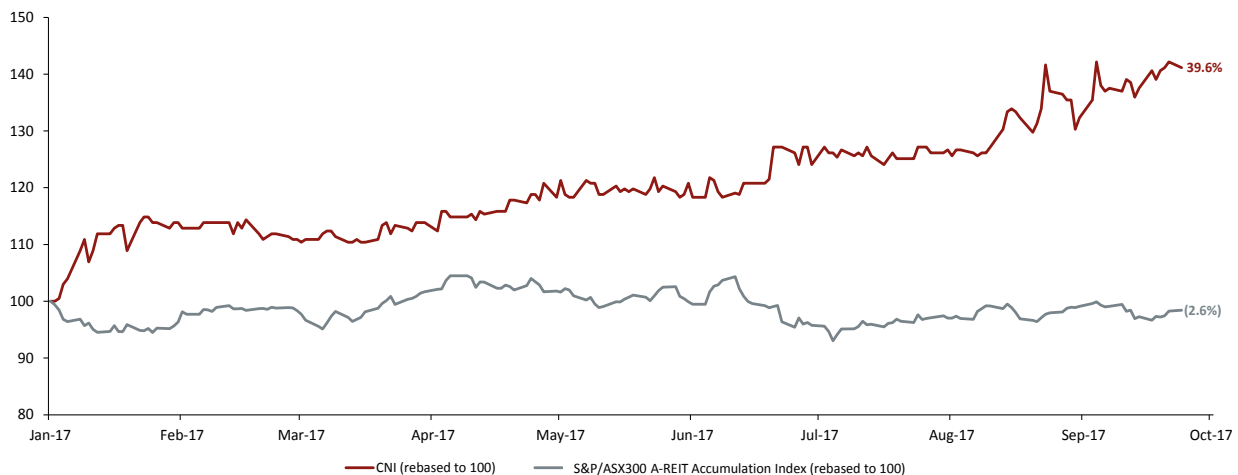
1. CPFL is a 100% owned subsidiary of CNI



CENTURIA CAPITAL GROUP | EQUITY RAISING | ASK: CNI | 4 October 2017

## CNI TOTAL RETURN VS S&P/ASX300 A-REIT Accumulation index

Since 1 January 2017, CNI has delivered a 40% total return<sup>1</sup> to investors and significantly outperformed the broader ASX300 A-REIT index



1. As at 3 October 2017. Total return calculation based on closing security price accumulated for the reinvestment of dividends. Past performance is not an indication of future performance.



## UPDATE ON ACQUISITION OF 17.0% COMBINED STAKE IN PLG

- On 7 September 2017, a 17.0% combined interest in PLG was acquired by CNI (9.3%) and CIP (7.7%)
- Subsequently, CNI and CIP approached the PLG Board with a non-binding proposal to acquire all of the stapled securities in PLG via schemes of arrangement under which:
  - CNI proposed to acquire PLG’s funds management platform through acquiring Propertylink (Holdings) Limited and PLG’s co-investments through acquiring Propertylink Trust for CNI scrip and cash; and
  - CNI and CIP proposed to acquire Propertylink Australian Industrial Partnership Trust for a combination of CNI scrip, CIP scrip and cash
- Centuria believes there is strong strategic rationale supporting a merger and that its proposal represents a compelling financial and strategic opportunity for PLG securityholders
- To date, the PLG Board has informed the market that they rejected Centuria’s non binding indicative proposal<sup>1</sup>. CNI’s current intention is to continue to actively pursue a merger of the Groups
- CNI is also aware that a broker acting on behalf of a foreign client is seeking up to a 20% stake in PLG at \$1.02 per PLG security, comprised of up to a 9.99% direct interest and a total return swap of up to 10%. At the time this investor presentation is released to ASX, CNI is not aware of any substantial holding notice or other ASX announcement regarding this. CNI will monitor the situation. At the moment CNI’s intentions regarding PLG are unchanged.
- CNI believes the merger would create the following benefits for CNI investors:

Benefits to CNI investors	Comments
✓ <b>Leading real estate funds management platform</b>	<ul style="list-style-type: none"> <li>– With \$5.7bn in FUM including the management of retail funds, wholesale funds and REITs, the merger would create a real estate platform with substantial scale amongst its peers</li> <li>– Increased scale will create a more efficient and competitive property funds management platform</li> </ul>
✓ <b>Diversified capital sources</b>	<ul style="list-style-type: none"> <li>– Diversification of capital sources with potential demand from retail, high net worth / wealth, listed and wholesale platforms</li> <li>– Larger listed vehicles would enjoy greater access to global debt markets</li> </ul>
✓ <b>Increased investor relevance</b>	<ul style="list-style-type: none"> <li>– Improved scale and relevance to equity investors enhanced further through potential inclusion in the ASX300</li> </ul>

<sup>1</sup> Announced to the market on 25 September 2017



# Overview of Equity Raising

# Annexure B – Investor Presentation



CENTURIA CAPITAL GROUP | EQUITY RAISING | ASX: CNI | 4 October 2017

## KEY OFFER METRICS

- CNI is undertaking an underwritten 1-for-4.90 accelerated non-renounceable entitlement offer to raise approximately \$60 million
- Offer price of \$1.28 per Security represents:
  - 5.2% discount to last closing price
  - 6.9% discount to five day VWAP
- Compelling financial metrics for CNI securityholders with:
  - Expected to be marginally accretive (1%+) to FY18 operating EPS excluding performance fee contribution
  - Forecast FY18 operating EPS of 15.8-16.2cps (including 10 Spring Street performance fee)
  - FY18 DPS guidance reaffirmed at 8.2cps
  - Material increase in proforma NTA from 47 cents to 66 cents on 30 June 2017<sup>1</sup>
  - Material reduction in proforma operating gearing

### KEY OFFER METRICS

KEY OFFER METRICS	
<b>Offer</b>	
Offer Price (\$)	1.28
Amount raised (\$m)	60.2
Discount to last closing price (%) <sup>2</sup>	5.2
Discount to five day VWAP (%) <sup>2</sup>	6.9
<b>Key Financial Metrics</b>	
Forecast FY18 Operating EPS (cps)	15.8-16.2
Pro forma NTA (cps) <sup>1</sup>	66
Pro forma operating gearing <sup>3</sup> (%)	7.1
<b>Market Metrics</b>	
FY18 DPS Yield on Offer Price (%)	6.4
Pro forma market capitalisation post equity raising (\$m)	372

1. Pro forma adjustments to 30 June 2017 NTA primarily relate to the receipt of net performance fee (\$25.8m before tax) earned through the sale of the 10 Spring Street property and net proceeds from the proposed equity raising
2. As at 3 October 2017
3. Pro forma operating gearing calculated as (corporate & reverse mortgage debt less cash) / (total assets less cash) at 30 June 2017 adjusted for certain pro forma adjustments including receipt of the net performance fee on the sale of the 10 Spring Street property, the investment in PLG, the payment of FY17 distribution and the proposed equity raising

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CENTURIA CAPITAL GROUP | EQUITY RAISING | ASX: CNI | 4 October 2017

## ADDITIONAL DETAILS OF THE EQUITY RAISING

<b>Equity Raising Details</b>	— An Entitlement Offer of approximately 47 million new Securities to raise approximately \$60 million
<b>Entitlement Offer</b>	<ul style="list-style-type: none"> <li>— 1-for-4.90 accelerated non-renounceable entitlement offer</li> <li>— Record date is 7:00pm (Sydney time) 6 October 2017<sup>1</sup></li> <li>— Entitlement Offer will comprise an accelerated Institutional Entitlement Offer and a Retail Entitlement Offer</li> <li>— New Securities in respect of institutional entitlements not subscribed for will be placed into an institutional bookbuild<sup>2</sup></li> <li>— Retail Entitlement Offer opens on 10 October 2017 and closes on 20 October 2017<sup>1</sup></li> <li>— Securityholders applying for Securities under the Retail Entitlement Offer may apply for additional Securities in excess of their entitlement<sup>3</sup></li> </ul>
<b>Ranking</b>	— New Securities issued under the equity raising will rank equally with existing Securities
<b>Pricing</b>	<ul style="list-style-type: none"> <li>— The Offer Price of \$1.28 per new Security represents:                             <ul style="list-style-type: none"> <li>– 5.2% discount to the last traded price of \$1.350</li> <li>– 6.9% discount to the five day VWAP of \$1.374</li> </ul> </li> </ul>
<b>Underwriter</b>	— The Entitlement Offer is underwritten by Moelis Australia Advisory Pty Ltd
<b>Directors' intentions</b>	— The Directors who hold Securities intend to take up all or some of their entitlements in the Entitlement Offer. In addition, certain Directors (or entities associated with these Directors) have agreed to sub-underwriting commitments in connection with the Entitlement Offer as detailed in Appendix A

1. All dates are indicative only and the timetable is subject to change at CNI's discretion with the prior written consent of the Underwriter (subject to the law and ASX listing rules)
2. The issue of the shortfall will be at the discretion of the Directors of CNI and the Underwriter
3. The issue of additional Securities will be at the discretion of the Directors of CNI and the Underwriter and may be subject to scale back

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# Annexure B – Investor Presentation



CENTURIA CAPITAL GROUP | EQUITY RAISING | ASX: CNI | 4 October 2017

## SOURCES AND USES OF THE PROCEEDS

- Proceeds from the equity raising will be used to replenish CNI's free cash position post the \$53m acquisition of a 9.3% interest in PLG and to strengthen CNI's balance sheet to:
  - support co-investments in Centuria's listed funds (CMA and CIP), which are in a growth phase and may continue to seek additional capital to fund that growth
  - undertake corporate M&A transactions to grow Centuria's property funds management platform and FUM (for example through Centuria's investment in PLG)
  - grow its unlisted property funds management business by increasing CNI's capacity to co-invest in unlisted property funds, by CNI itself acquiring on balance sheet properties, or providing funding for deposits to its subsidiary fund managers to acquire properties, that can subsequently be used to establish new unlisted property funds and to provide back-stop underwriting for new unlisted property funds offerings
  - provide additional working capital
  - reduce CNI's gearing to 7.1% (corporate & reverse mortgage debt less cash) / (total assets less cash). Gearing is expected to increase as the cash proceeds of the offer are invested

Sources	\$m	Uses of funds	\$m
Entitlement Offer Proceeds	60.2	Co-investments, underwriting, acquisitions and working capital	57.9
		Transaction costs	2.3
<b>Total sources</b>	<b>60.2</b>	<b>Total uses</b>	<b>60.2</b>

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CENTURIA CAPITAL GROUP | EQUITY RAISING | ASX: CNI | 4 October 2017

## INDICATIVE TIMETABLE

Key event	Date <sup>1</sup>
Announcement of the Entitlement Offer	Wednesday, 4 October 2017
Institutional Entitlement Offer opens	Wednesday, 4 October 2017
Institutional Entitlement Offer closes	Wednesday, 4 October 2017
Record Date for Retail Entitlement Offer (7:00pm Sydney time)	Friday, 6 October 2017
Retail Entitlement Offer opens	Tuesday, 10 October 2017
Early Retail Acceptance Due Date (5:00pm Sydney time)	Wednesday, 11 October 2017
Settlement of the new Securities issued under the Institutional Entitlement Offer & Retail Entitlement Offer for applications received by the Early Retail Acceptance Due Date	Friday, 13 October 2017
Allotment and ASX quotation of new Securities issued under the Institutional Entitlement Offer & Retail Entitlement Offer for applications received by the Early Retail Acceptance Due Date	Monday, 16 October 2017
Despatch of holding statements for new Securities issued under the Institutional Entitlement Offer and Retail Entitlement Offer for applications received by the Early Retail Acceptance Due Date	Tuesday, 17 October 2017
Retail Entitlement Offer Closes (5:00pm Sydney time)	Friday, 20 October 2017
Settlement of the remaining new Securities issued under the Retail Entitlement Offer	Thursday, 26 October 2017
Allotment of the remaining new Securities issued under the Retail Entitlement Offer	Friday, 27 October 2017
ASX quotation of the remaining new Securities issued under the Retail Entitlement Offer	Monday, 30 October 2017
Despatch of holding statements for remaining new Securities issued under the Retail Entitlement Offer	Tuesday, 31 October 2017

1. All dates are indicative only and the timetable is subject to change at CNI's discretion with the prior written consent of the Underwriter (subject to the law and ASX Listing Rules)

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# Appendices



## APPENDIX A: UNDERWRITING AND DIRECTOR SUB-UNDERWRITING COMMITMENTS

The Directors of CNI are supportive of the Entitlement Offer.

Certain Directors (or entities associated with these Directors) of CNI, agreed to sub-underwriting commitments in connection with the Entitlement Offer as detailed below:

Director	Sub-underwriting Commitment Limit (\$)
Garry Charny	• \$150,000
John Slater	• \$158,720

### Underwriting Agreement

Moelis Australia Advisory Pty Ltd (**Underwriter**) is acting as co-lead manager<sup>1</sup>, bookrunner and underwriter to the Entitlement Offer. Centuria has entered into an Underwriting Agreement with the Underwriter in respect of the Entitlement Offer. The Underwriter will receive a underwriting fee payable out of the proceeds of the Entitlement Offer. Subject to certain exceptions, Centuria has agreed to indemnify the Underwriter its affiliates and related bodies corporate, and their respective directors, officers, employees, partners, agents, advisers and representatives (each an Indemnified Party) from and against all losses suffered or incurred by an Indemnified Party, directly or indirectly, arising out of or in connection with the Entitlement Offer or the Underwriting Agreement. The Underwriting Agreement also contains representations and warranties in favour of the Underwriter. The Underwriter may, in certain circumstances, terminate its obligations under the Underwriting Agreement on the occurrence of certain termination events including, but not limited to, where

- Centuria is unable to issue the new Securities under the Entitlement Offer on the required allotment date (unless remedied in accordance with the terms of the Underwriting Agreement and subject to certain consultation obligations in the event of a delay caused by a regulatory intervention);
- Centuria alters its capital structure or its constitution without the prior written consent of the Underwriter (such consent not to be unreasonably withheld or delayed); or
- Centuria, or any of its directors or officers engage in any fraudulent conduct or activity in connection with the Entitlement Offer.

If Moelis terminates the Underwriting Agreement, Moelis will not be obliged to perform any of its obligations which remain to be performed under the Underwriting Agreement.

### Director Sub-underwriting

The Underwriter has entered into sub-underwriting arrangements with each of the above Directors, pursuant to individual sub-underwriting agreements (**Sub-underwriting Agreements**). Pursuant to each Sub-underwriting Agreement, each of the above Directors (or entities associated with those Directors) has given a sub-underwriting commitment in favour of the Underwriter up to the Sub-underwriting Commitment Limits as set out above. In the event that there is a shortfall in the number of New Securities to be issued to existing security holders under the Entitlement Offer, the terms of the Sub-underwriting Agreements require each Director to subscribe for the number of New Securities allocated to them by the Underwriter up to their respective Sub-underwriting Commitment Limit, at the issue price of \$1.28. Each Director who is providing a sub-underwriting commitment is entitled to a sub-underwriting fee of 1.5% in respect of their respective Sub-underwriting Commitment Limit, which is payable by the Underwriter.

In the event that the Underwriting Agreement is terminated, each Sub-underwriting Agreement will be terminated without any obligation to the relevant sub-underwriter. The sub-underwriters have no specific termination rights under the Sub-underwriting Agreements and have acknowledged and agreed that they will accept the decisions and actions of the Underwriter under the Underwriting Agreement.

1. Shaw and Partners Limited has been appointed as a co-lead manager

# Annexure B – Investor Presentation



CENTURIA CAPITAL GROUP | EQUITY RAISING | ASX: CNI | 4 October 2017

## APPENDIX B: RISKS

- All investments carry risk, including loss of some or all of the capital invested and failure of investments to generate a positive return. You should carefully consider whether an investment in CNI Securities is a suitable investment for you. Some of the risks investing in CNI include the following:

### General Risks:

#### Economic Environment

- General economic factors such as interest rates, exchange rates, inflation, business and consumer confidence and general market factors may have an adverse impact on Centuria's earnings or value of its assets. Aspects of the business that could be affected include reduced management and performance fees, reduced funds under management, Centuria's swap arrangements, reduced distribution income or other adverse consequences.

#### ASX Market Volatility

- The market price of Centuria's securities will fluctuate due to various factors, many of which are non-specific to Centuria, including recommendations by brokers and analysts, Australian and international general economic conditions, inflation rates, interest rates, exchange rates, changes in government, fiscal and monetary and regulatory policies (including APRA prudential requirements), changes to laws (particularly taxation laws), global investment markets, global geo-political events and hostilities, investor perceptions and other factors that may affect Centuria's financial performance and position. In the future, these factors may cause Centuria's securities to trade at or below their issue price. Factors such as those mentioned above may also affect the income, expenses and liquidity of Centuria. Additionally, the stock market can experience price and volume fluctuations that may be unrelated or disproportionate to the operating performance of Centuria.

#### Liquidity and realisation risk

- There can be no guarantee that there will be an active market in the CNI Securities or that their value will increase. There may be relatively few or many buyers or sellers of the CNI Securities on the ASX at any one time which may lead to increased price volatility and affect the price at which security holders are able to sell their CNI Securities.

#### Taxation

- Future changes in Australian taxation law (including the goods and services tax and stamp duty), including changes in interpretation or application of the law by the courts or taxation authorities in Australia, may affect the taxation treatment of your investment in Centuria securities or the holding and disposal of those securities. Further, changes in tax law (including the goods and services tax and stamp duty) or changes in the way tax law is expected to be interpreted in the jurisdictions in which Centuria operates, may impact the future tax liabilities of Centuria.

#### Litigation

- Centuria may, in the ordinary course of business, be involved in possible litigation disputes. Any such dispute may be costly and adversely affect the operational and financial results of Centuria.

### Industry Specific Risks

#### Property Sector Risks

- Centuria is subject to the prevailing property market conditions in the sectors in which each of the funds under the control of Centuria operate and the jurisdiction in which each of its funds' assets are located. The demand for property as an asset class changes over time and can be influenced by general economic factors such as interest rates and economic cycles. A deterioration in investment market conditions in the property sector due to a sustained downturn in the domestic and/or global economic climate could adversely impact on Centuria's earnings through directly reducing the value of Centuria's existing funds under management, reducing the value of property assets, and through reducing the attractiveness of the property sector to investors.
- The property market may be at or near the top of the investment value cycle and the value of properties may fluctuate relatively quickly (for property assets).

#### Property Liquidity

- The property assets to which Centuria and the funds managed by Centuria are exposed are, by their nature, illiquid investments. There is a risk that Centuria may not be able to realise property assets within a short period of time or may not be able to realise property assets at valuation including selling costs, which could materially adversely affect the financial performance of Centuria.

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CENTURIA CAPITAL GROUP | EQUITY RAISING | ASX: CNI | 4 October 2017

#### Liquidity and realisation risk

- The ongoing value of properties held by funds managed by Centuria may fluctuate due to a number of factors including rental levels, occupancy assumptions, vacancy periods, rental incomes, capitalisation rates and market sentiment, all of which may change for a variety of reasons including the risks outlined in this Presentation. Valuations represent only the analysis and opinion of qualified experts at a certain point in time. There is no guarantee that a property will achieve a capital gain on its sale or that the value of the property will not fall as a result of the assumptions on which the relevant valuations are based proving to be incorrect.

#### Regulatory risk and changes in legislation

- Centuria operates in a highly regulated environment and it, and the Centuria Funds Management business is subject to a range of industry specific and general legal and other regulatory controls (including Australian Financial Services Licensing and Anti Money Laundering / Counter Terrorism Funding requirements). Regulatory breaches may affect Centuria's operational and financial performance, through penalties, liabilities, restrictions on activities and compliance and other costs. ASIC routinely undertakes surveillance of Australian financial services licensees, and from time-to-time undertakes regulatory and enforcement action in relation to such licensees. If ASIC was to take such action against Centuria or Centuria's Funds Management business, then this action might result in Centuria or Centuria's Funds Management business being restricted or prohibited from providing financial services, including operating its Funds Management business, or might lead to the imposition of additional compliance costs or reputational damage. ASIC may make a public announcement of its regulatory action.
- Changes in government legislation and policy in jurisdictions in which Centuria and the Centuria Funds Management business operate may affect the value of funds managed by Centuria and the financial performance of Centuria. This may include changes in stamp duty or tenancy legislation, policies in relation to land development and zoning and delays in the granting of approvals or registration of subdivision plans.

### Risks Specific To Centuria

#### Funds Management

- Centuria manages a number of funds on behalf of third party investors. The majority of Centuria's income is derived from fees calculated with reference to the value of funds under the control of the Centuria Funds Management business. Centuria's financial performance may be adversely affected if it was not able to appropriately respond to the following risks:
  - significant or prolonged underperformance of the Centuria Funds that may affect the ability of Centuria to retain existing funds and to attract new funds under management.
  - unitholder or competitor actions initiated to remove funds from the control of the Centuria Funds Management business.
  - a number of funds under the control of the Centuria Funds Management business are fixed term funds or funds where strategic review dates fall due in the short to medium term. Unitholder approval and/or endorsement is required for extensions to the term of these funds. There is a risk that investors may not approve or endorse such extensions or that key investors may terminate management arrangements or otherwise remove their funds from the control of Centuria Funds Management business at any time.
  - the direct property funds that Centuria Funds Management manages have exposure to a variety of entities that lease or otherwise occupy the properties owned by these funds. Insolvency or financial distress leading to a default by a major lessee or lessees across a number of leases, or failure to secure new leases on acceptable terms, could give rise to earnings volatility and breach of financial covenants within these funds.
  - to the extent that property values or income levels in a particular fund fall, there is a risk that the management fee income derived from that fund may be adversely impacted.

#### Reliance on third party equity

- As a fund manager, growth in Centuria's earnings may be impacted by the ability of Centuria to establish new listed or unlisted funds. Specifically such income growth is dependent on the ability of Centuria to continue to source and maintain equity from new and existing investors for current and future funds.

#### Co-Investments

- Centuria long term strategy is to continue holding co-investments in a number of the funds it manages. Such investments are subject to the general investment risks outlined above. Factors influencing the financial performance of these managed funds may adversely impact the value of Centuria's assets or quantum of its earnings which may in turn impact the price of the Securities.

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# Annexure B – Investor Presentation



CENTURIA CAPITAL GROUP | EQUITY RAISING | ASK: CNI | 4 October 2017

## Funding

- Centuria and funds managed by the Centuria Funds Management business relies on access to various sources of capital, along with the refinancing and/or variation of existing debt facilities. An inability to obtain the necessary funding or refinancing on acceptable terms and at commercial rates or a material increase in the costs of such funding may have an adverse impact on Centuria's performance or financial position. Further, these debt facilities are subject to various covenants including interest coverage ratios and loan to valuation ratios. The use of debt funding may enhance returns and increase the number of assets that Centuria can acquire, but it may also substantially increase the risk of loss. Use of debt funding may adversely affect Centuria when economic factors such as rising interest rates and/or margins, severe economic downturns, availability of credit, reduction in asset values or further deterioration in the condition of debt and equity markets occur. If an investment is unable to generate sufficient cash flow to meet the principal and interest payments on its indebtedness, the value of Centuria's equity component could be significantly reduced.

## Acquisition risks

- Centuria also has a significant potential acquisition pipeline that it is pursuing in order to drive future growth of the business. There is no guarantee that Centuria will be able to execute all current or future acquisitions. To the extent that or any current or future acquisitions are not successfully integrated with Centuria's existing business, the financial performance of Centuria could be materially adversely affected.
- There is a risk that Centuria will be unable to identify future acquisition opportunities that meet its investment objectives, or if such acquisition opportunities are identified, that they can be acquired on appropriate terms, thereby potentially limiting the growth of Centuria and its Funds Management business. Any failure to identify appropriate assets or successfully acquire such assets could materially adversely affect the growth prospects and financial performance of Centuria. While it is Centuria's policy to conduct a thorough due diligence process in relation to any such acquisition, risks remain that are inherent in such acquisitions.

## Dilution risk

- Centuria's security holders who do not participate in the Entitlement Offer, or do not take up all of their entitlements under the Entitlement Offer, will have their investment in Centuria diluted and receive no value for their entitlement. Investors may also have their investment in Centuria diluted by future capital raisings. Centuria may issue new securities to finance future acquisitions or pay down debt which may, under certain circumstances, dilute the value of an investor's interest. Centuria will only raise equity if it believes that the benefit to investors of acquiring the relevant assets or reducing gearing is greater than the short term detriment caused by the potential dilution associated with a capital raising.

## Information system disruption

- Centuria relies on its infrastructure and information technology in order to operate its business. A severe disruption to or failure of Centuria's information technology systems may adversely impact the operations of Centuria and its current and future business and financial performance.

## Personnel risk

- The ability of Centuria to successfully deliver on its strategy is dependent on retaining key employees (such as John McBain (Group CEO), Jason Huljich (CEO of Unlisted Property Funds), Simon Holt (CFO) and Neil Rogan (General Manager Investment Bonds)). The loss of senior management, or other key personnel, could adversely impact on Centuria's current and future business and financial performance.

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CENTURIA CAPITAL GROUP | EQUITY RAISING | ASK: CNI | 4 October 2017

## APPENDIX C: INTERNATIONAL OFFER RESTRICTIONS

This document does not constitute an offer of Securities in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the Securities may not be offered or sold, in any country outside Australia except to the extent permitted below

### United States

This document may not be released or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. The New Securities have not been and will not be, registered under the US Securities Act of 1933 (US Securities Act) or the securities laws of any state or other jurisdiction in the United States. The New Securities may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable US State securities laws.

### Hong Kong

WARNING: This document has not been, and will not be, authorized by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (SFO). No action has been taken in Hong Kong to authorize this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Stapled Securities have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO). No advertisement, invitation or document relating to the Stapled Securities has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Stapled Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors as defined in the SFO and any rules made under that ordinance. The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

### New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (FMC Act). The Stapled Securities are not being offered to the public within New Zealand other than to existing securityholders of Centuria with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the FMC Act and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016. Other than in the Entitlement Offer, the Stapled Securities may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

### Singapore

This document has not been registered as a prospectus with the Monetary Authority of Singapore (MAS) and, accordingly, statutory liability under the Securities and Futures Act, Chapter 289 (SFA) in relation to the content of prospectuses does not apply, and you should consider carefully whether the investment is suitable for you. The issuer is not authorised or recognised by the MAS and the Stapled Securities are not allowed to be offered to the retail public. This document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Stapled Securities may not be circulated or distributed, nor may the Stapled Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except to "institutional investors" (as defined in the SFA), or otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA. This document has been given to you on the basis that you are an "institutional investor" (as defined under the SFA). In the event that you are not an institutional investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore. Any offer is not made to you with a view to the Stapled Securities being subsequently offered for sale to any other party. You are advised to acquaint yourself with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

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# Glossary

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<b>Defined Term</b>	<b>Meaning</b>
<b>Additional New Stapled Securities</b>	New Stapled Securities in excess of a Stapled Securityholder's Entitlement.
<b>Allotment Date</b>	Friday, 27 October 2017.
<b>Application</b>	an application for New Stapled Securities under the Retail Entitlement Offer.
<b>Application Monies</b>	monies received from an applicant in respect of their Application.
<b>ASIC</b>	Australian Securities & Investments Commission.
<b>ASX</b>	ASX Limited (ABN 98 008 624 691) and, where the context requires, the financial market that it operates (i.e., the Australian Securities Exchange).
<b>ASX Announcement</b>	the announcement released to ASX on Wednesday, 4 October 2017 in relation to the Entitlement Offer and annexed as Annexure A to this Retail Offer Booklet.
<b>ASX Listing Rules</b>	the listing rules of ASX.
<b>Board</b>	the board of directors of both Centuria Capital Limited (ABN 22 095 454 336) and Centuria Funds Management Limited (ACN 607 153 588) as responsible entity of the Centuria Capital Fund (ARSN 613 856 358).
<b>Centuria</b>	Centuria Capital Group (ASX: CNI), which is comprised of Centuria Capital Limited (ABN 22 095 454 336) and Centuria Funds Management Limited (ACN 607 153 588) as responsible entity of the Centuria Capital Fund (ARSN 613 856 358).
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).
<b>Early Retail Acceptance Due Date</b>	5.00pm (Sydney time) Wednesday, 11 October 2017.
<b>Eligible Institutional Stapled Securityholder</b>	an Institutional Stapled Securityholder which has been invited to participate in the Institutional Entitlement Offer.

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# Glossary

Defined Term	Meaning
<b>Eligible Retail Stapled Securityholder</b>	a Stapled Securityholder on the Record Date who: <ul style="list-style-type: none"><li>• has a registered address in Australia or New Zealand;</li><li>• is not in the United States and is not acting for the account or benefit of a person in the United States (to the extent such person holds Stapled Securities for the account or benefit of such person in the United States);</li><li>• is not an Institutional Stapled Securityholder; and</li><li>• is eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.</li></ul>
<b>Eligible Stapled Securityholder</b>	an Eligible Institutional Stapled Securityholder or an Eligible Retail Stapled Securityholder.
<b>Entitlement</b>	the entitlement to subscribe for 1 New Stapled Security for every 4.9 Stapled Securities held on the Record Date by Eligible Stapled Securityholders.
<b>Entitlement and Acceptance Form</b>	the Entitlement and Acceptance Form accompanying this Retail Offer Booklet upon which an Application can be made.
<b>Entitlement Offer</b>	the offer of New Stapled Securities under the Institutional Entitlement Offer and the Retail Entitlement Offer.
<b>Ineligible Stapled Securityholder</b>	a Stapled Securityholder that is neither an Eligible Institutional Stapled Securityholder nor an Eligible Retail Stapled Securityholder.
<b>Institutional Entitlement Offer</b>	the offer of New Stapled Securities to Eligible Institutional Stapled Securityholders and Institutional Investors, as described in Section 1.2.
<b>Institutional Investor</b>	a person: <ol style="list-style-type: none"><li>1. in the case of a person with a registered address in Australia, who is an “exempt investor” as defined in ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84; or</li><li>2. if outside Australia, to whom offers for issue of Stapled Securities may lawfully be made without the need for a lodged product disclosure statement, prospectus or other disclosure document or other lodgement, registration, filing with or approval by a governmental agency (other than one with which Centuria is willing, in its absolute discretion, to comply).</li></ol>
<b>Institutional Stapled Securityholder</b>	a holder of Stapled Securities on the Record Date who is an Institutional Investor.
<b>Investor Presentation</b>	the investor presentation dated 4 October 2017 in relation to the Entitlement Offer and annexed as Annexure B to this Retail Offer Booklet.
<b>Issue Price</b>	the issue price per New Stapled Security, being \$1.28 per New Stapled Security.
<b>New Stapled Securities</b>	Stapled Securities offered under the Entitlement Offer.

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## Glossary

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<b>Defined Term</b>	<b>Meaning</b>
<b>Record Date</b>	7.00pm (Sydney time) on Friday, 6 October 2017.
<b>Registry</b>	Computershare Investor Services Pty Limited (ABN 48 078 279 277)
<b>Retail Closing Date</b>	5.00pm (Sydney time), Friday, 20 October 2017.
<b>Retail Entitlement Offer</b>	the offer of New Stapled Securities to Eligible Retail Stapled Securityholders, as described in Section 1.3.
<b>Retail Offer Booklet</b>	this booklet dated Friday, 6 October 2017, including the ASX Announcement and the Investor Presentation.
<b>Retail Offer Period</b>	the period from the date the Retail Entitlement Offer opens until the Retail Closing Date.
<b>Settlement Date</b>	Thursday, 26 October 2017.
<b>Stapled Security</b>	a stapled security consisting of one share in Centuria Capital Limited (ABN 22 095 454 336) and one unit in the Centuria Capital Fund (ARSN 613 856 358).
<b>Stapled Securityholder</b>	the registered holder of a Stapled Security.
<b>Sydney Time</b>	Australian Eastern Daylight Time.
<b>Underwriter</b>	Moelis Australia Advisory Pty. Ltd. (ABN 72 142 008 446).
<b>Underwriting Agreement</b>	the underwriting agreement between Centuria and the Underwriter dated on or around 4 October 2017, as described in section 4.11.
<b>US or United States</b>	United States of America, its territories and possessions, any state of the United States and the District of Columbia.
<b>U.S. Securities Act</b>	the U.S. Securities Act of 1933, as amended.

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# Corporate Directory

## **Centuria Capital Group Registered Office**

Level 39.01, 100 Miller Street  
North Sydney NSW 2060

## **Offer Information Line**

1300 059 025 (toll free within Australia)  
+61 3 9415 4294 (outside Australia)

Open between 8.30am and 5.00pm (Sydney time) Monday to Friday during the Retail Offer Period

## **Underwriter**

Moelis Australia Advisory Pty. Ltd.  
Level 27, Governor Phillip Tower  
One Farrer Place  
Sydney NSW 2000

## **Legal Adviser**

HWL Ebsworth  
Level 14  
Australia Square  
264-278 George Street  
Sydney NSW 2000

## **Registry**

Computershare Investor Services Pty Limited  
Level 4, 60 Carrington Street  
Sydney NSW 2000





**Centuria Capital Group**

Consisting of:

Centuria Capital Limited ABN 22 095 454 336 and  
Centuria Capital Fund ARSN 613 856 358