



Centuria Capital Group

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

CNI

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6 October 2017

Dear Stapled Securityholder

Centuria Capital Group Entitlement Offer – Notification to Ineligible Retail Stapled Securityholders

On 4 October 2017, Centuria Capital Limited and Centuria Funds Management Limited as responsible entity of the Centuria Capital Fund (**Centuria Capital Group**) announced a 1 for 4.9 accelerated non-renounceable entitlement offer of new fully paid stapled securities in Centuria Capital Group (**New Stapled Securities**) at an offer price of \$1.28 per New Stapled Security (**Issue Price**) to raise approximately A\$60 million (**Entitlement Offer**).

This letter is to inform you about the Entitlement Offer and to explain why you will not be able to subscribe for New Stapled Securities under the Entitlement Offer. This letter is not an offer to issue New Stapled Securities to you, nor an invitation for you to apply for New Stapled Securities. **You are not required to do anything in response to this letter but there may be financial implications for you as a result of the Entitlement Offer that you should be aware of.**

Details of the Entitlement Offer

The Entitlement Offer is underwritten and comprises an institutional component (**Institutional Entitlement Offer**) and an offer to Eligible Retail Stapled Securityholders (as defined below) (**Retail Entitlement Offer**).

The proceeds from the Entitlement Offer will be used to:

- replenish Centuria Capital Group's free cash position post the \$53 million acquisition of a 9.3% interest in ASX-listed Propertylink Group (ASX: PLG);
- support co-investments in Centuria Capital Group's listed funds, undertake corporate M&A initiatives (including Centuria Capital Group's proposal to PLG) and provide capacity to support growth in the unlisted property funds management business (deposits or underwriting/ warehousing); and
- reduce Centuria Capital Group's gearing and provide additional working capital.

The Retail Entitlement Offer is being made to Eligible Retail Stapled Securityholders (as defined below) on the basis of 1 New Stapled Security for every 4.9 existing stapled securities (**Existing Stapled Security**) held at 7.00pm (Sydney time) on 6 October 2017 (**Record**

Date), at the Issue Price per New Stapled Security.

The Entitlement Offer is being made by Centuria Capital Group in accordance with sections 708AA and 1012DAA of the Corporations Act 2001 (Cth) (**Corporations Act**) (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84), meaning that no prospectus or product disclosure statement needs to be prepared with respect to the Entitlement Offer.

The Entitlement Offer is co-lead managed and underwritten by Moelis Australia Advisory Pty Ltd (**Underwriter**).

Documents relating to the Retail Entitlement Offer were lodged with the ASX on 6 October 2017 and are expected to be despatched to Eligible Retail Stapled Securityholders on 10 October 2017.

Eligibility to participate in the Retail Entitlement Offer

Centuria Capital Group has determined, pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules and section 9A(3)(a) of the Corporations Act, that it would be unreasonable to make offers to securityholders in countries other than Australia and New Zealand in connection with the Retail Entitlement Offer having regard to:

- (a) the relatively small number of securityholders in the other jurisdictions where the Retail Entitlement Offer would be made;
- (b) the number and value of securities for which such securityholders would otherwise have been entitled; and
- (c) the costs of complying with the legal and regulatory requirements in each other jurisdiction where the Retail Entitlement Offer would be made.

An Eligible Retail Stapled Securityholder is a holder of Existing Stapled Securities who:

- (a) was a registered holder of Existing Stapled Securities as at 7.00pm (Sydney time) on the Record Date;
- (b) has a registered address in Australia or New Zealand;
- (c) 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 securities in Centuria Capital Group for the account or benefit of such person in the United States);
- (d) is not an Eligible Institutional Stapled Securityholder (as defined in the Retail Entitlement Offer Booklet lodged with ASX on 6 October 2017) (other than a nominee to the extent that the nominee also holds Existing Stapled Securities on behalf of an Eligible Retail Stapled Securityholder) or an Ineligible Institutional Stapled Securityholder (as defined in the Retail Entitlement Offer Booklet lodged with ASX on 6 October 2017); and
- (e) is eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Unfortunately, according to our records you do not satisfy the criteria for an Eligible Retail Stapled Securityholder, and therefore Centuria Capital Group is unable to extend to you the opportunity to participate in the Retail Entitlement Offer. If our records are incorrect on this matter, please contact the Centuria Offer Information Line on the details below.

Determination of eligibility of investors for the purposes of the Retail Entitlement Offer is determined by Centuria Capital Group with reference to a number of matters. The Underwriter and its affiliates and related bodies corporate and each of their directors, officers, partners, employees, advisers and agents disclaim any liability in respect of any determination as to eligibility, to the maximum extent permitted by law.



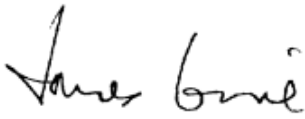
Treatment of Ineligible Retail Stapled Securityholders

As the Entitlement Offer is non-renounceable, you will not receive any payment or value for entitlements in respect of any New Stapled Securities that would have been offered to you if you were eligible.

You do not need to respond to this letter. If you have questions in relation to any of the matters described above, please contact the Centuria Offer Information Line on 1300 059 025 (from within Australia) or +61 3 9415 4294 (from outside Australia) from 8.30am to 5.00pm (Sydney time), Monday to Friday during the Retail Offer Period (10 October 2017 to 20 October 2017).

On behalf of the Board of Centuria Capital Group, we thank you for your continued support of Centuria Capital Group.

Yours faithfully



James Lonie
Company Secretary, Centuria Capital Group

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Important Notices

This letter does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any stapled securities in Centuria Capital Group and is not a prospectus or offering document under Australian law or any other law. This letter does not constitute financial product advice and does not and will not form any part of any contract for the acquisition of New Stapled Securities in Centuria Capital Group. In particular, this letter does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Neither the entitlements nor the New Stapled Securities that will be offered and sold in the Entitlement Offer have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state or other jurisdiction of the United States. Accordingly, entitlements may not be issued to or exercised by, and the New Stapled Securities may not be offered or sold to persons in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable U.S. state securities law. The entitlements and the New Stapled Securities to be offered and sold in the Retail Entitlement Offer may only be offered and sold to persons that are not in the United States and are not acting for the account or benefit of persons in the United States, in each case, in "offshore transactions" (as defined in Rule 902(h) of the Securities Act) in reliance on Regulation S under the Securities Act.