



17 October 2018

Dear Securityholder,

I am pleased to invite you to the 2018 Annual General Meeting (**AGM**) of Centuria Capital Group (**CNI**) which is to be held:

**Date:** Friday, 16 November 2018  
**Time:** 10.00 am  
**Location** Sofitel Sydney Wentworth  
Brisbane Room, Level 3  
61-101 Phillip Street, Sydney

Registration will commence at 9:30am. To assist with registration formalities, please bring the enclosed proxy form with you to the AGM. Light refreshments will be served before the meeting.

The following documents are enclosed with this letter:

- Notice of meeting including:
  - Items of Business
  - Voting Instructions
  - Explanatory Notes
- Appointment of Proxy Form
- A copy of the CNI 2018 Annual Report (if requested).

The Annual Report will also be made available on the Centuria website [www.centuria.com.au](http://www.centuria.com.au).

Thank you for your support of Centuria during the year and I look forward to seeing you at the AGM.

Yours sincerely,

A handwritten signature in black ink, appearing to be "G. Charny", written in a cursive style.

**Garry Charny**  
Chairman



## CENTURIA CAPITAL GROUP

### NOTICE OF 2018 ANNUAL GENERAL MEETING

Notice is hereby given that:

- the Annual General Meeting of shareholders of Centuria Capital Limited ACN 095 454 336 (**Company**); and
- a General Meeting of unitholders of Centuria Capital Fund ARSN 613 856 358 (**Fund**),

(together, the **AGM**) will be held concurrently at the Sofitel Sydney Wentworth, Brisbane Room, Level 3, 61-101 Phillip Street, Sydney, on Friday, 16 November 2018 at 10:00 am.

This Notice of Meeting is issued by the Company and by Centuria Funds Management Limited ACN 607 153 588 (**CFML**) in its capacity as responsible entity for the Fund.

The Company's constitution and the Fund's constitution provide that meetings of shareholders of the Company and unitholders of the Fund may be held concurrently whilst shares in the Company are stapled to the units in the Fund. Accordingly, the meeting will be a general meeting of Securityholders of both the Company and the Fund (together, the **Centuria Capital Group** or **Group**).

Resolutions which are referred to below as being "in respect of the Company only" will be voted on by Securityholders in their capacity as shareholders of the Company. The other resolutions will be voted on by Securityholders both in their capacity as shareholders of the Company and as unitholders of the Fund.

Terms and abbreviations are defined in the Glossary at the end of this Notice of Meeting and Explanatory Notes.

For further information please refer to the Explanatory Notes which accompany and form part of this Notice of Meeting.

## ITEMS OF BUSINESS

**Item 1. Financial Report, Directors' Report and Auditor's Report (in respect of the Company only)**

To receive and consider the Financial Report of the Company, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2018.

**Item 2. Remuneration Report (in respect of the Company only)**

To consider and, if thought fit, to pass the following as an ordinary resolution of the Company:

*"That the Company's Remuneration Report for the financial year ended 30 June 2018 be adopted."*

Please note that the vote on this resolution is advisory only, and does not bind the Directors or the Company.

Voting exclusions apply to this proposed resolution (as described below).

**Item 3. Re-election of Director – Mr Garry Charny (in respect of the Company only)**

To consider and, if thought fit, to pass the following as an ordinary resolution of the Company:

*"That Mr Garry Charny be re-elected as a Director of the Company."*

**Item 4. Re-election of Director – Ms Susan Wheeldon-Steele (in respect of the Company only)**

To consider and, if thought fit, to pass the following as an ordinary resolution of the Company:

*"That Ms Susan Wheeldon-Steele be re-elected as a Director of the Company."*

**Item 5. Grant of Tranche 6 Performance Rights under the Executive Incentive Plan to Mr John McBain and Mr Jason Huljich**

To consider for the purposes of ASX Listing Rule 10.14 (and all other purposes) and, if thought fit, to pass the following resolutions as ordinary resolutions of the Group:

- (a) *"Approval be given for the issue of Tranche 6 Performance Rights to Mr John McBain under the Centuria Capital Group Executive Incentive Plan on the terms summarised in the Explanatory Notes."*
- (b) *"Approval be given for the issue of Tranche 6 Performance Rights to Mr Jason Huljich under the Centuria Capital Group Executive Incentive Plan on the terms summarised in the Explanatory Notes."*

Each resolution in Item 5 will be voted on separately.

Voting exclusions apply to these proposed resolutions (as described below).

**Item 6. Approval under Listing Rule 7.4 to refresh the Group's 15% placement capacity under ASX Listing Rule 7.1**

To consider, and if thought fit, to pass the following resolution as an ordinary resolution of the Group:

*"That for the purposes of ASX Listing Rule 7.4 and for all other purposes, approval be given for the issue of 15,729,437 fully paid ordinary securities pursuant to the institutional placement announced by the Centuria Capital Group to the ASX on 10 October 2018 as detailed in the Explanatory Notes."*

Voting exclusions apply to this proposed resolution (as described below).

## VOTING EXCLUSION STATEMENTS

The *Corporations Act 2001* (Cth) (**Corporations Act**) and the ASX Listing Rules require that certain persons must not vote, and the Company must disregard any votes cast by or on behalf of certain persons, on some of the items to be considered at the AGM. These voting exclusions are described below.

### Voting Exclusion: Item 2 – Remuneration Report

In respect of the resolution set out in Item 2, in accordance with the Corporations Act, the Company will disregard any votes cast:

- by or on behalf of a member of the key management personnel (**KMP**) named in the remuneration report for the year ended 30 June 2018, or that KMP's closely related party, regardless of the capacity in which the vote is cast
- as a proxy by a member of the KMP at the date of the meeting, or that KMP's closely related party, unless the vote is cast as a proxy for a person who is entitled to vote on this resolution:
  - in accordance with their directions of how to vote as set out in the proxy appointment; or
  - by the Chairman pursuant to an express authorisation on the Proxy Form.

### Voting Exclusion: Item 5. Grant of Tranche 6 Performance Rights under the Executive Incentive Plan to Mr John McBain and Mr Jason Huljich

In respect of the resolutions set out in Item 5, in accordance with the Corporations Act and the ASX Listing Rules the Group will disregard any votes cast:

- in favour of this resolution by or on behalf of a Director of the Company or CFML (except by a Director who is ineligible to participate in the Group's Executive Incentive Plan) or an associate of that Director, regardless of the capacity in which the vote is cast
- on this resolution as a proxy by a member of the KMP at the date of the meeting, or that KMP's closely related party, unless the vote is cast as a proxy for a person who is entitled to vote on this resolution:
  - in accordance with their directions of how to vote as set out in the proxy appointment; or
  - by the Chairman pursuant to an express authorisation on the Proxy Form.

### Voting Exclusion: Item 6. Approval under Listing Rule 7.4 to refresh the Group's 15% placement capacity under ASX Listing Rule 7.1

The Group will disregard any votes cast on the Resolution by or on behalf of:

- a person who participated in the issue referred to; and
- an associate of the person named above.

However, the Group need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

## VOTING INSTRUCTIONS

### Voting entitlement

The Directors of the Company and CFML have determined that persons holding Securities in the Group at 10:00 am (Australian Eastern Daylight Time) on Wednesday, 14 November 2018 will, for the purposes of determining voting entitlements at the AGM, be taken to be the Securityholders of the Group.

## **How to vote**

Securityholders may vote by attending the meeting in person, by proxy or by authorised representative.

## **Proxies and authorised representatives**

A Securityholder who is entitled to attend and vote at the AGM has the right to appoint a proxy to attend and vote for them. The proxy does not have to be a Securityholder of the Group.

Securityholders holding two or more Securities can appoint either one or two proxies. Where two proxies are appointed, the appointing Securityholder can specify the number of votes or the proportion of the Securityholder's votes they want each proxy to exercise. If no number or proportion is specified, each proxy may exercise half of the Securityholder's votes. Neither proxy may vote on a show of hands.

Corporate Securityholders must provide the Group with satisfactory evidence of the appointment of any corporate representative, prior to the commencement of the AGM.

A proxy can be either an individual or a body corporate. Should you appoint a body corporate as your proxy, that body corporate will need to ensure that it:

- appoints an individual as its corporate representative to exercise its powers at meetings; and
- provides the Group with satisfactory evidence of the appointment of its corporate representative prior to commencement of the AGM.

If a proxy appointment is signed by the Securityholder but does not name the proxy or proxies in whose favour it is given, the Chairperson may either act as proxy or complete the proxy appointment by inserting the name or names of one or more Directors or the Secretary. In addition, if you direct your proxy how to vote and your nominated proxy does not attend the AGM, or attends but does not vote on a poll on a resolution, the Chairperson of the AGM will act in place of the nominated proxy and vote in accordance with any instructions.

A proxy form and a reply paid envelope are enclosed with this Notice of Meeting. If you wish to appoint two proxies, please obtain an additional form from the Group's Registry or make a photocopy of the enclosed proxy form. To be effective, a duly completed proxy form and the power of attorney (if any) under which the proxy form is signed or a certified copy of the relevant authority must be received at the Registry or at the Group's registered office at least 48 hours before the start of the AGM (being no later than 10.00 am (Australian Eastern Daylight Time) on Wednesday, 14 November 2018).

Proxies may be returned to Computershare Investor Services Pty Limited as follows:

### **By mail:**

GPO Box 242, Melbourne Victoria 3001

(a reply paid envelope is enclosed)

### **In person:**

Yarra Falls, 452 Johnston Street,  
Abbotsford Victoria 3067

### **By facsimile to:**

1800 783 447 (within Australia)

(+61 3) 9473 2555 (outside Australia)

### **Online at:**

[www.investorvote.com.au](http://www.investorvote.com.au)

To use this facility please follow the instructions on your enclosed proxy form.

### **Online for Intermediary Online Users only at:**

[www.intermediaryonline.com](http://www.intermediaryonline.com)

## **Undirected proxies**

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on each item by marking either "For", "Against" or "Abstain" against each item of business on the Proxy Form. If in respect of any of the items of business against which you do not direct your proxy how to vote, you are authorising your proxy to vote as they decide, subject to any applicable voting exclusions.

For all resolutions that are directly or indirectly related to the remuneration of a member of the KMP (being the resolutions set out in Item 2 and Item 5 of this Notice of Meeting), the Corporations Act prohibits the KMP (other than the Chairperson) and their closely related parties from voting as your proxy unless you direct them how to vote. 'Closely related party' is defined in the Corporations Act and includes a spouse, dependant and certain other close family members, as well as any companies controlled by the KMP.

As per clause 51.6(c) of the Company's constitution, if the Chairperson of the AGM is your proxy and the appointment directs the way the Chairperson is to vote, the Chairperson must vote on a poll, and must vote as directed, for each item of business on the Proxy Form.

However, if the Chairperson is your proxy and you do not direct the way the Chairperson is to vote, then by signing and returning the proxy form you will be expressly authorising the Chairperson to vote as he sees fit in respect of the relevant resolution. The Chairperson intends to vote available undirected proxies in favour of all resolutions.

By order of the Board of Directors of Centuria Capital Limited and Centuria Funds Management Limited.



**Anna Kovarik**  
Company Secretary  
17 October 2018

## EXPLANATORY NOTES

These Explanatory Notes have been prepared to provide Securityholders with sufficient information to assess the merits of the resolutions and the business to be conducted at the AGM. You should read the Explanatory Notes in full before making any decisions in relation to the resolutions.

### **Item 1: Financial Report, Directors' Report and Auditor's Report**

The Corporations Act requires the Financial Report (which includes the Directors' Declaration, Directors' Report and Auditor's Report (**Reports**)) to be received and considered at the AGM.

Neither the Corporations Act nor the Company's constitution requires Securityholders to vote on such Reports. Securityholders will, however, be given a reasonable opportunity to ask questions about the Reports at the AGM. A reasonable opportunity will also be given to Securityholders to ask the auditor questions relevant to the conduct of the audit and the preparation and contents of the Auditor's Report.

The Company's 2018 Annual Report is available for Securityholders to access and download from the Company's website at [www.centuria.com.au](http://www.centuria.com.au). If you would like to receive a hard copy of the Annual Report, please contact the Security Registry on 1800 112 929. Securityholders who have specifically requested a hard copy of the 2018 Annual Report will receive it by mail.

### **Item 2: Approval of Remuneration Report**

Securityholders are asked to consider adopting the Company's Remuneration Report. The Remuneration Report contains prescribed information regarding remuneration, is set out in the 2018 Annual Report and is also available from the Company's website ([www.centuria.com.au](http://www.centuria.com.au)).

The Remuneration Report outlines the Company's remuneration arrangements for Directors, the CEO and for certain company executives for the financial year ended 30 June 2018. A reasonable opportunity for discussion of the Remuneration Report will be provided at the AGM.

Securityholders will be requested to vote on the Remuneration Report. However, the Securityholder vote is advisory only and does not bind the Directors or the Company. Nevertheless, the Board will take into account the outcome of the vote when considering the future remuneration arrangements of the Company.

Under the Corporations Act, if 25% or more of votes cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, Securityholders will be asked to vote at the second of those AGMs on a "spill" resolution. If that "spill" resolution is passed, another meeting of Securityholders must be held within 90 days and all of the Company's Directors (other than the Managing Director and the Chief Executive Officer) are removed from office immediately prior to meeting and must stand for re-election.

#### *Recommendation*

The Directors do not consider it appropriate to give a recommendation on this proposed resolution as it relates to their remuneration.

### **Item 3: Re-election of Mr Garry Charny as a Director of the Company**

In accordance with the terms of the Company's constitution, Mr Garry Charny retires by rotation at the close of the AGM and, being eligible, offers himself for re-election as a Director.

Mr Garry Charny's details are as follows:

Garry is the Managing Director and principal of Wolseley Corporate, an Australian corporate advisory and investment house, advising on local and international transactions in jurisdictions including USA, United Kingdom, Malaysia, India and throughout South-East Asia. Wolseley specializes in mergers and acquisitions, strategic corporate advice and contentious matters resolution.

Garry is also Chairperson of Spotted Turquoise Films, an international Film and Television Company based in Sydney and Los Angeles.

He has had broad board experience in both listed and unlisted companies across a diverse range of sectors including property (Trafalgar Corporate, Manboom); retail (Apparel Group, Sportscraft, Saba); technology (General Electric EcXpress, 1st Available) and media (Boost Media, Macquarie Radio, April Entertainment).

He was co-founder and Chairperson of Boost Media International, an international media advisory business with offices in Sydney, New York, Toronto, Kuala Lumpur and Delhi and President of Boost Media LLC (USA).

From 1983-1995 he practised as a Barrister-at Law at the Sydney Bar with a specialty in corporate, commercial, equity and media law and was an Adjunct Lecturer in Law at the University of NSW.

Garry was appointed to the Centuria Capital Board on 23 February 2016, and appointed as Chairman of the Board on 30 March 2016. Garry is also Chairman of Centuria Life Limited and Over Fifty Guardian Friendly Society Limited which are part of the Centuria Capital Group.

#### *Recommendation*

The Directors unanimously support the re-election of Mr Charny as a Director of the Company and recommend that Securityholders vote in favour of this resolution. Mr Charny abstained from participating in any consideration by the Directors on his re-election.

#### **Item 4: Re-election of Ms Susan Wheeldon-Steele as a Director of the Company**

In accordance with the terms of the Company's constitution, Ms Susan Wheeldon-Steele retires by rotation at the close of the AGM and, being eligible, offers herself for re-election as a Director.

Ms Susan Wheeldon-Steele's details are as follows:

Susan is the Head of Performance at Google where she works with major national and global companies to develop and deliver growth strategies that future proof and build clients' businesses and brands in a constantly changing environment.

She has previous experience in retail property asset management at AMP Capital Shopping Centres, as Head of Brand & Retail, responsible for delivering alternative revenue from 38 retail assets across Australia and New Zealand with combined annual sales in excess of \$5 billion.

During her career Susan has held a number of senior roles in Australia and the United Kingdom across a diverse range of industries including global law firms DLA Piper and King & Wood Mallesons, working with the Virgin Australia & Virgin Atlantic airline brands, and as Vice President of Groupon.

Susan is currently a director of Nimble Limited.

She holds an MBA from the Australian Graduate School of Management (AGSM) and is a member of Australian Institute of Company Directors.

Susan was appointed to the Company's Board on 31 August 2016.

#### *Recommendation*

The Directors unanimously support the re-election of Ms Susan Wheeldon-Steele as a Director of the Company and recommend that Securityholders vote in favour of this resolution. Ms Susan Wheeldon-Steele abstained from participating in any consideration by the Directors on her re-election.

#### **Item 5: Grant of Tranche 6 Performance Rights under the Executive Incentive Plan to Mr John McBain and Mr Jason Huljich**

This relates to the Securityholder approval which is being sought:

- for the grant of new performance rights under the Group Executive Incentive Plan to Mr John McBain and Mr Jason Huljich, with a performance period from 1 July 2018 to 30 June 2021 (**Tranche 6 Performance Rights**); and

**Overview of Performance Rights granted under the long term incentive (LTI) component of the remuneration for the Executive Directors**

The Executive Incentive Plan (**Plan**) forms a key element of the Centuria Capital Group’s incentive and retention strategy for senior executives. The primary objectives of the Nomination and Remuneration Committee and the Board in setting remuneration for the executive Directors and providing them with equity based LTIs under the Plan for the 2019, 2020 and 2021 financial years are to:

- focus the executive Directors on the long term performance of the Centuria Capital Group and creation of securityholder value;
- ensure the executive Directors’ remuneration outcomes are aligned with Securityholder interests; and
- ensure the executive Directors’ remuneration is competitive and aligned with general market practice of ASX-listed companies.

It is proposed that the following two executive Directors (**Executive Directors**) be granted performance rights as the LTI component of their remuneration under the terms of the Plan:

- Mr John McBain, Group CEO; and
- Mr Jason Huljich, Head of Real Estate and Funds Management

Each Executive Director will be entitled to receive an LTI grant, based on a specified percentage of their total fixed remuneration in the form of performance rights, which are subject to performance conditions (**Performance Rights**). A summary of the key terms of the LTI grant is set out below.

**Why is Securityholder approval being sought?**

ASX Listing Rule 10.14 requires Securityholder approval in order for a Director to be issued Equity Securities in the Group.

Accordingly, Securityholders are asked to approve the grant of Performance Rights to the Executive Directors on the terms and conditions set out below.

**Key terms of the Performance Rights**

|   |  |
|---|--|
| <p><b>Details of the proposed LTI grant</b></p> | <p>The proposed FY2019 grant for:</p> <ul style="list-style-type: none"> <li>• Mr McBain is 638,298 Performance Rights over Securities in the Group; and</li> <li>• Mr Huljich is 505,319 Performance Rights over Securities in the Group.</li> </ul> <p>The grants represent the LTI component of their respective remuneration packages (<b>LTI Grant</b>).</p> <p>The maximum number of Performance Rights has been calculated based on 75% of the total fixed remuneration for Mr McBain and 75% of the total fixed remuneration for Mr Huljich. The value of the LTI Grant has then been divided by the volume weighted average price of the Company’s shares over the five ASX Trading Days immediately following 14 August 2018, being the date that the Company released its full-year results for the financial year ending 30 June 2018. That volume weighted average price was \$1.41 per Security.</p> |
| <p><b>Entitlements</b></p>                      | <p>Each Performance Right is a right to acquire one Security in the Group (or an equivalent cash amount), subject to the achievement of the “performance hurdles” set out below.</p> <p>Performance Rights do not carry any dividend or voting rights.</p> <p>Performance Rights are non-transferable, except in limited circumstances or with the consent of the Board.</p>   |

| <b>Date of grant</b>   | If Securityholder approval is obtained, the Performance Rights will be granted to the Executive Directors as soon as practicable after the AGM, but in any event, within 12 months of the AGM.  |  |  |                |      |                     |  |               |    |
|--|---|--|--|----------------|------|---------------------|--|---------------|----|
| <b>Performance hurdles</b>                                       | <p>The Performance Rights will be divided into two tranches (or parts) which have separate performance hurdles.</p> <p>Of the total LTI Grant to an Executive Director, the proportion of the Performance Rights subject to the performance hurdles will be:</p> <ul style="list-style-type: none"> <li>• FUM Growth Hurdle <span style="float: right;">25%</span></li> <li>• Total Securityholder Return (TSR) Hurdle <span style="float: right;">75%</span></li> <li><b>Total</b> <span style="float: right;"><b>100%</b></span></li> </ul> <p>The calculation of these two performance hurdles is discussed below.</p>   |  |  |                |      |                     |  |               |    |
| <p><b>1. FUM Growth Hurdle (25% of LTI Grant)</b></p>            | <p>25% of the Performance Rights will be subject to the Group growing its property and friendly society funds under management (<b>FUM Growth Hurdle</b>).</p> <p>Funds Under Management (<b>FUM</b>) consists of total FUM in the direct property, listed property and life businesses.</p> <p>The calculation of FUM under this hurdle will be adjusted if there is a major transaction.</p> <p>Of the 25% of the Performance Rights subject to the FUM Growth Hurdle, the proportion that will vest, if any, will be determined by reference to the annual compound growth in FUM achieved over the Performance Period compared to the targets, as follows:</p> <table border="1" data-bbox="405 1093 1490 1456"> <thead> <tr> <th data-bbox="405 1093 852 1227"><b>Annual compound growth in FUM over the Performance Period</b></th> <th data-bbox="852 1093 1490 1227"><b>Performance Rights subject to FUM Growth Hurdle that vest</b></th> </tr> </thead> <tbody> <tr> <td data-bbox="405 1227 852 1294">20% or greater</td> <td data-bbox="852 1227 1490 1294">100%</td> </tr> <tr> <td data-bbox="405 1294 852 1397">Between 10% and 20%</td> <td data-bbox="852 1294 1490 1397">Between 25% to 100% progressive pro rata vesting (i.e. on a straight-line basis)</td> </tr> <tr> <td data-bbox="405 1397 852 1464">Less than 10%</td> <td data-bbox="852 1397 1490 1464">0%</td> </tr> </tbody> </table> | <b>Annual compound growth in FUM over the Performance Period</b> | <b>Performance Rights subject to FUM Growth Hurdle that vest</b> | 20% or greater | 100% | Between 10% and 20% | Between 25% to 100% progressive pro rata vesting (i.e. on a straight-line basis) | Less than 10% | 0% |
| <b>Annual compound growth in FUM over the Performance Period</b> | <b>Performance Rights subject to FUM Growth Hurdle that vest</b>  |  |  |                |      |                     |  |               |    |
| 20% or greater   | 100%  |  |  |                |      |                     |  |               |    |
| Between 10% and 20%  | Between 25% to 100% progressive pro rata vesting (i.e. on a straight-line basis)  |  |  |                |      |                     |  |               |    |
| Less than 10%  | 0%  |  |  |                |      |                     |  |               |    |

| <p><b>2. TSR Hurdle (75% of LTI Grant)</b></p>           | <p>75% of the Performance Rights will be subject to a total Securityholder return hurdle (<b>TSR hurdle</b>). The Total Security return (<b>TSR</b>) is the return Securityholders would earn if they held a notional number of Securities over a period of time.</p> <p>TSR measures the growth in the Group's Security price together with the value of dividends and distributions during a period, assuming that dividends and distributions delivered during the period are re-invested into new Securities.</p> <p>Of the 75% of the Performance Rights subject to the TSR Hurdle, the proportion that will vest, if any, will be determined by reference to the annual absolute TSR achieved over the Performance Period compared to the targets, as follows:</p> <table border="1" data-bbox="408 555 1497 891"> <thead> <tr> <th data-bbox="408 555 906 654">Annual absolute TSR achieved over the Performance Period</th> <th data-bbox="912 555 1497 654">Performance Rights subject to TSR Hurdle that vest</th> </tr> </thead> <tbody> <tr> <td data-bbox="408 663 906 721">15% or greater</td> <td data-bbox="912 663 1497 721">100%</td> </tr> <tr> <td data-bbox="408 730 906 824">Between 10% and 15%</td> <td data-bbox="912 730 1497 824">Between 25% to 100% progressive pro rata vesting (i.e. on a straight-line basis)</td> </tr> <tr> <td data-bbox="408 833 906 891">Less than 10%</td> <td data-bbox="912 833 1497 891">0%</td> </tr> </tbody> </table> | Annual absolute TSR achieved over the Performance Period | Performance Rights subject to TSR Hurdle that vest | 15% or greater | 100% | Between 10% and 15% | Between 25% to 100% progressive pro rata vesting (i.e. on a straight-line basis) | Less than 10% | 0% |
|--|---|--|--|----------------|------|---------------------|--|---------------|----|
| Annual absolute TSR achieved over the Performance Period | Performance Rights subject to TSR Hurdle that vest  |  |  |                |      |                     |  |               |    |
| 15% or greater   | 100%  |  |  |                |      |                     |  |               |    |
| Between 10% and 15%                                      | Between 25% to 100% progressive pro rata vesting (i.e. on a straight-line basis)  |  |  |                |      |                     |  |               |    |
| Less than 10%  | 0%  |  |  |                |      |                     |  |               |    |
| <p><b>Performance Period and vesting</b></p>             | <p>The Performance Period is 3 years, commencing on 1 July 2018 and ending on 30 June 2021.</p> <p>Following the end of the Performance Period, the performance hurdles will be tested and the Board will determine the extent to which the Performance Rights will vest.</p> <p>Any Performance Rights that do not vest following testing of the performance hurdles at the end of the Performance Period will lapse.</p>  |  |  |                |      |                     |  |               |    |
| <p><b>Allocation of Securities upon vesting</b></p>      | <p>Following testing of the applicable performance hurdles, one fully paid Security in the Group will be allocated in relation to each Performance Right which vests.</p> <p>The Group's obligation to allocate Securities on vesting may be satisfied by issuing new Securities, acquiring Securities on market or transferring Securities from an employee security trust or an equivalent cash payment.</p>  |  |  |                |      |                     |  |               |    |
| <p><b>Trading restrictions</b></p>                       | <p>Securities allocated on the vesting of Performance Rights will not be subject to any further trading restrictions, subject to complying with the Group's Security Trading Policy.</p>  |  |  |                |      |                     |  |               |    |
| <p><b>Price payable for Securities</b></p>               | <p>No amount will be payable in respect of the allocation of Performance Rights, nor in respect of any Securities granted upon vesting of the Performance Rights.</p>   |  |  |                |      |                     |  |               |    |

|  |  |
|--|--|
| <p><b>Cessation of employment</b></p>    | <p>If an Executive Director ceases to be employed by the Group before the end of the Performance Period, whether the Performance Rights lapse will depend on the circumstances of cessation.</p> <p>If an Executive Director ceases employment due to resignation, termination for cause or termination for gross misconduct, all unvested Performance Rights will lapse at cessation unless the Board determines otherwise.</p> <p>If an Executive Director ceases employment for any other reason prior to Performance Rights vesting, a pro-rata number of unvested Performance Rights (based on the Performance Period that has elapsed at the time of cessation) will remain unvested until the end of the original Performance Period and vest to the extent that the relevant performance hurdles have been satisfied at any time. The balance of Performance Rights will lapse at cessation.</p>   |
| <p><b>Other relevant information</b></p> | <p>No other Director of the Group is eligible to participate in the Plan or any other employee incentive scheme of the Group.</p> <p>To date, under the Plan, 2,515,049 Performance Rights have been granted to Mr McBain and 1,503,666 Performance Rights have been granted to Mr Huljich. The following Performance Rights have vested:</p> <ul style="list-style-type: none"> <li>• 938,770 Performance Rights granted to Mr McBain; and</li> <li>• 581,517 Performance Rights granted to Mr Huljich.</li> </ul> <p>The following Performance Rights have lapsed:</p> <ul style="list-style-type: none"> <li>• 80,765 Performance Rights granted to Mr McBain; and</li> <li>• 49,679 Performance Rights granted to Mr Huljich.</li> </ul> <p>Since the date of the 2017 annual general meeting (2017 AGM), the following Performance Rights, with a Performance Period being 1 July 2015 to 30 June 2018, vested:</p> <ul style="list-style-type: none"> <li>• 481,102 Performance Rights to Mr McBain; and</li> <li>• 300,000 Performance Rights to Mr Huljich.</li> </ul> |

### *Recommendation*

The Directors (other than the Executive Directors) unanimously support the resolutions in Item 5 and recommend that Securityholders vote in favour of each of these resolutions. The Executive Directors abstained from participating in any consideration by the Directors of the resolutions relating to the grant of Performance Rights under the Plan.

### **Item 6. Approval under Listing Rule 7.4 to refresh the Group's 15% placement capacity under ASX Listing Rule 7.1**

#### ***Purpose of the Resolution***

Listing Rule 7.1 operates to limit the number of Equity Securities that may be issued or agreed to be issued by the Group in any 12 month period to 15% of its Equity Securities on issue, unless the issue is approved by the Securityholders or an exemption applies. Under Listing Rule 7.4, an issue of any Equity Securities without approval under Listing Rule 7.1 may be treated as having been made with Securityholder approval for the purpose of Listing Rule 7.1 if:

- the issue did not breach Listing Rule 7.1; and
- holders of ordinary Securities subsequently approve it.

Approval is being sought under the Resolution for the issue of 15,729,437 Securities pursuant to the institutional placement announced to the ASX on 10 October 2018 (**Placement**).

The purpose of this Resolution is to refresh the Group's placement capacity to issue, or agree to issue Securities under Listing Rule 7.1 and to provide the Group with the maximum flexibility as to how it manages its future capital requirements, especially having regard to its current growth strategy.

Accordingly, approval is sought for the purposes of Listing Rule 7.4 to ratify the issue of Securities made under the Placement.

**Background on the Placement**

Information regarding the Placement and the use of the funds raised will be made available in an investor presentation and retail offer booklet that will be provided to securityholders and will be available on the ASX's announcement platform.

**Information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the proposed approval of the Placement:

|  |  |
|--|--|
| Number of securities issued for which approval is sought   | 15,729,437 Securities  |
| Issue price of securities  | \$1.30 per Security  |
| Terms of the securities  | The Securities will be issued on the same terms as existing Securities on issue.   |
| Names of the persons to whom the Group issued the Securities or the basis on which those persons were determined | The Securities will be issued pursuant to an institutional placement to existing and new institutional investors.  |
| Use of funds   | <p>Centuria announced on 10 October 2018 that it will undertake a \$100 million equity raising consisting of a 1:5 accelerated non-renounceable entitlement offer to raise \$79.7 million and a placement to eligible institutional investors to raise \$20.3 million (<b>Equity Raising</b>).</p> <p>Also on 10 October 2018, Centuria Property Funds Limited (<b>CPFL</b>) as responsible entity of the Centuria Metropolitan REIT (<b>CMA</b>) announced that CMA, in conjunction with the Lederer Group, entered into agreements to acquire a \$645 million portfolio of four high quality office assets from a subsidiary of Hines Global REIT, Inc. (<b>Hines Assets</b>). To partially fund the acquisitions of the Hines Assets, CMA undertook a \$276 million equity raising (<b>CMA Equity Raising</b>).</p> <p>The proceeds from the Placement form part of the \$100 million pool of funds raised by the Equity Raising, which will be used to:</p> <ul style="list-style-type: none"> <li>• fund CNI's obligations in respect of the CMA Equity Raising, being: <ul style="list-style-type: none"> <li>- a \$20 million contribution to the acquisition of the Hines Assets;</li> <li>- a \$78 million commitment to participate in the CMA Equity Raising by taking up its full entitlement and sub-underwriting up to \$50</li> </ul> </li> </ul> |

|  |  |
|--|--|
|  | <p>million of the retail component of the CMA Equity Raising;</p> <ul style="list-style-type: none"> <li>• Replenish CNI’s working capital after CNI has invested a further \$64 million in co-investments to: <ul style="list-style-type: none"> <li>- strengthen alignment with CIP and CMA by increasing its holdings to 22.9% and 23.4% respectively; and</li> <li>- increase its strategic investment in Property Link Group (PLG) to 12.9%;</li> </ul> </li> <li>• CNI will retain sufficient capacity for future investment opportunities that may include: <ul style="list-style-type: none"> <li>- continued support for co-investments in CNI’s listed funds which are in a growth phase and may continue to seek additional capital to fund that growth;</li> <li>- grow its unlisted property funds management business by increasing CNI’s capacity to co-invest in unlisted property funds;</li> <li>- provide seed capital to launch new wholesale funds management initiatives; and</li> <li>- undertake corporate M&amp;A transactions to grow Centuria’s property funds management platform and funds under management.</li> </ul> </li> </ul> |
|--|--|

**Directors' recommendation**

The Directors unanimously recommend that Securityholders vote in favour of the resolution in Item 6.

The Directors intend to vote their Securities in favour of the resolution.

The Chairman intends to vote all available proxies in favour of the resolution in Item 6.

## Glossary

In this Notice of Meeting (including the Explanatory Notes):

|  |   |
|--|---|
| <b>AEDT</b>                              | means Australian Eastern Daylight Time.   |
| <b>AGM</b>                               | means the annual general meeting of the shareholders of the Company which will be held in conjunction with a general meeting of unitholders of the Fund (as adjourned from time to time) on 16 November 2018.   |
| <b>ASX</b>                               | means ASX Limited or the Australian Securities Exchange operated by ASX Limited, as the context requires.   |
| <b>Board</b>                             | means the board of directors.   |
| <b>Centuria Capital Group</b>            | means the stapled group comprising Centuria Capital Limited ACN 095 454 336, Centuria Capital Fund ARSN 613 856 358 and Centuria Funds Management Limited ACN 607 153 588 as responsible entity for Centuria Capital Fund and the controlled entities of Centuria Capital Limited and Centuria Capital Fund (including their subsidiaries). |
| <b>Chairperson</b>                       | means the Chairperson of the Group, currently Mr Charny.  |
| <b>Company</b>                           | means Centuria Capital Limited ACN 095 454 336.   |
| <b>Corporations Act</b>                  | means the <i>Corporations Act 2001</i> (Cth).   |
| <b>Deed</b>                              | means a deed of Access, Insurance and Indemnity between a Director and Centuria Capital Group.  |
| <b>Director</b>                          | means a director of the Company or the Centuria Funds Management Limited, as the context requires.  |
| <b>Equity Securities</b>                 | has the same meaning as given in the Listing Rules.   |
| <b>Fund</b>                              | means Centuria Capital Fund ARSN 613 856 358.   |
| <b>Group</b>                             | has the same meaning as Centuria Capital Group.   |
| <b>KMP or "key management personnel"</b> | has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group.   |
| <b>Listing Rules</b>                     | means the listing rules of the ASX.   |
| <b>Notice of Meeting</b>                 | means this Notice of Meeting.   |
| <b>Non-Executive Directors</b>           | means, as at the date of this Notice of Meeting, Garry Charny, Peter Done, John Slater, Susan Wheeldon-Steele and Nicholas Collishaw.   |
| <b>Placement</b>                         | means the issue of 15,729,437 Securities to institutional investors as described in the Explanatory Notes.  |
| <b>Plan</b>                              | means the executive incentive plan of the Group.  |
| <b>Security</b>                          | means a fully paid ordinary share in the Company stapled to a fully paid ordinary unit in the Fund.   |
| <b>Securityholder</b>                    | means a holder of a Security.   |
| <b>Trading Days</b>                      | means a day determined by the ASX to be a trading day in accordance with the Listing Rules.   |
| <b>VWAP</b>                              | means volume weighted average price.  |

**Questions and comments**

You may wish to give advance notice of any question(s) you would like to have considered at the forthcoming Annual General Meeting. If so, please detach and return this slip to Centuria Capital Group at Suite 39.01 Level 39, 100 Miller Street, North Sydney, NSW 2060. We will do our best to answer as many questions as possible at the Annual General Meeting. Any written questions for the auditor should be given to the Company no later than a week before the AGM. We will pass on questions to the auditor as soon as practicable after receipt. Please attach extra pages if necessary.

Name: .....

Address: .....

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**1. for Chairperson**

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**2. for Auditor**

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### Centuria Capital Group

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

CNI

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

### Lodge your vote:

**Online:**  
www.investorvote.com.au

**By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

**In Person:**  
Computershare Investor Services Pty Limited  
Yarra Falls, 452 Johnston Street,  
Abbotsford Victoria 3067

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) www.intermediaryonline.com

**For all enquiries call:**  
(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

## Proxy Form

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### Vote and view the annual report online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



### Your access information that you will need to vote:

**Control Number: 999999**

**SRN/HIN: I9999999999 PIN: 99999**

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

**For your vote to be effective it must be received by 10:00am (AEDT) on Wednesday, 14 November 2018**

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

#### Lodgement of a Proxy

The proxy form may be lodged with Computershare (details above). A reply paid envelope is included with the Notice of Meeting and this Proxy Form.

### Signing Instructions for Postal Forms

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form** →

MR SAM SAMPLE  
 FLAT 123  
 123 SAMPLE STREET  
 THE SAMPLE HILL  
 SAMPLE ESTATE  
 SAMPLEVILLE VIC 3030

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



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# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Centuria Capital Group hereby appoint

the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Centuria Capital Group to be held at the Sofitel Sydney Wentworth, Brisbane Room, Level 3, 61-101 Phillip Street, Sydney on Friday, 16 November 2018 at 10:00am (AEDT) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 2, 5a and 5b (except where I/we have indicated a different voting intention below) even though Items 2, 5a and 5b are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 2, 5a and 5b by marking the appropriate box in step 2 below.

## STEP 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

|  | For                      | Against                  | Abstain                  |
|--|--------------------------|--------------------------|--------------------------|
| 2. Remuneration Report   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Re-election of Director – Mr Garry Charny   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Re-election of Director – Ms Susan Wheeldon-Steele  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5a). Grant of Tranche 6 Performance Rights under the Executive Incentive Plan to Mr John McBain            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5b). Grant of Tranche 6 Performance Rights under the Executive Incentive Plan to Mr Jason Huljich          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6 Approval under Listing Rule 7.4 to refresh the Group's 15% placement capacity under ASX Listing Rule 7.1 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /