

25 October 2018

Dear Fellow Securityholder,

I am writing to update you on important recent developments in relation to the upcoming Extraordinary General Meeting (**Meeting**) requisitioned by Centuria¹ to remove and replace all current Propertylink (Holdings) Limited (**Propertylink**) Directors (other than the Managing Director, Mr Stuart Dawes).

We believe Centuria's concerns about performance are without merit for the reasons set out in the Notice Of Meeting, and concerns that the current board is pursuing a bid for CIP rather than the ESR proposal are no longer applicable.

- **YOUR DIRECTORS UNANIMOUSLY RECOMMEND THAT YOU VOTE AGAINST ALL OF THE RESOLUTIONS**
- **YOUR CURRENT DIRECTORS ARE WORKING IN SECURITYHOLDERS' INTERESTS BY BRINGING ESR'S IMPROVED \$1.20 PROPOSAL TO YOU**
- **REPLACEMENT OF YOUR CURRENT DIRECTORS COULD DISRUPT IMPLEMENTATION OF ESR'S PROPOSAL**
- **CENTURIA HAS NOT DISCLOSED ITS INTENTIONS IN RELATION TO THE ESR PROPOSAL OR THE VIEWS OF ITS PROPOSED DIRECTORS**
- **PROPERTYLINK'S BOARD HAS AND CONTINUES TO ACT IN THE INTERESTS OF PROPERTYLINK SECURITYHOLDERS AS A WHOLE**

The Propertylink Board of Directors (**Directors**) would also like to provide you with important information regarding ESR Real Estate (Australia) Pty Ltd's (**ESR**) non-binding, indicative and conditional proposal to acquire all Propertylink securities by way of an agreed takeover bid (the **Proposal**). Your Directors believe that this new information is material to Propertylink securityholders in considering Centuria's proposed resolutions.

REVISED PROPOSAL FROM ESR

On 16 October 2018, Propertylink announced that following further discussions with ESR in relation to its Proposal, ESR has increased its consideration to \$1.20² per Propertylink security in cash. Further, Propertylink announced it has granted ESR due diligence, and entered into a Process Deed with ESR which sets out the terms of, and steps required to finalise, the Proposal. The finalisation of the Proposal

¹ Propertylink Holdings Limited securityholder meeting requisitioned by Centuria Investment Holdings Pty Limited as trustee of Centuria Capital No. 2 Industrial Fund (Centuria) on 20 September 2018. Centuria is a wholly-owned subsidiary of the Centuria Capital Group (CNI).

² The Proposal price will be reduced by the cash amount of any dividends or distributions that PLG securityholders receive or become entitled to receive. All references to the Proposal consideration in this announcement are to the Proposal consideration subject to any such reduction.

is subject to satisfactory completion of due diligence by ESR and negotiation of a Bid Implementation Agreement (**BIA**) on terms acceptable to Propertylink and ESR.

The Proposal price of \$1.20² represents a:

- 14.3% premium to the closing price of Propertylink securities at 20 September 2018 of \$1.05, being the day prior to the announcement of ESR's initial proposal to acquire Propertylink;
- 15.4% premium to Propertylink's Net Tangible Assets (**NTA**) per security as at 30 June 2018 of \$1.04;
- 15.2% premium to the 6 month VWAP of Propertylink securities to 20 September 2018 of \$1.04; and
- 4.3% increment to ESR's initial proposal price of \$1.15.

The takeover bid to implement the Proposal, if it proceeds, will be subject to such conditions as may be agreed by Propertylink and ESR following the conduct of due diligence by ESR.³

The Directors of Propertylink believe the Proposal at \$1.20² per security would represent an attractive premium to the Propertylink trading price prior to the receipt of the Proposal and Propertylink's 30 June 2018 NTA. The Directors therefore intend, on entry into a BIA, to unanimously recommend securityholders accept a takeover bid from ESR at \$1.20² per security, subject to an Independent Expert opining that the ESR offer is fair and reasonable to Propertylink securityholders not associated with ESR and in the absence of a superior proposal.

REPLACEMENT OF CURRENT DIRECTORS BY CENTURIA COULD DISRUPT THE PROPOSAL

Securityholders are currently being asked by Centuria to replace all current Directors other than Managing Director (Mr Stuart Dawes), and elect six replacement Directors nominated by Centuria.

It is the view of the Directors of Propertylink that replacing six out of seven of the current Directors could potentially disrupt implementation of the Proposal. Your current Directors have intimate knowledge of Propertylink's assets, investment management business, financing arrangements, ownership structure, lenders and stakeholder relationships which are crucial to consideration and, if applicable, implementation of the Proposal. The current Directors have also participated in engagement with ESR and have extensively considered the Proposal.

Furthermore, your current Directors are best placed to finalise the Proposal, which still remains subject to satisfactory completion of due diligence by ESR and negotiation of a BIA on terms acceptable to Propertylink and ESR.

ESR has informed Propertylink that, subject to execution of a binding BIA which has not been terminated and the Propertylink Directors continuing to unanimously recommend the Proposal at the relevant time and there being no material change in circumstances, ESR intends to **vote its 19.9% interest against** all of the resolutions proposed by Centuria at the Meeting.

³ The conditions to ESR's initial proposal were attached to ESR's letter which was announced on 21 September 2018. The conditions that will apply to ESR's takeover bid under the Proposal will be agreed during negotiation of the BIA.

Your Directors note that CNI has welcomed Propertylink's announcement regarding the Proposal and has encouraged the Propertylink Board to continue to support the Proposal in the absence of a superior proposal. However, Centuria has indicated that it has not yet formed a final view as to its intentions in relation to the Proposal and the position of the Centuria nominated Directors in relation to the Proposal is not known. Consequently, reconstituting the Propertylink Board with Centuria nominated Directors has the potential to disrupt the Proposal and put implementation of the Proposal at risk.

Your Directors continue to unanimously recommend that securityholders vote AGAINST ALL RESOLUTIONS.

CONTROL IMPLICATIONS OF CENTURIA BOARD PROPOSAL

The Directors reiterate that if the resolutions are passed, Centuria and CNI will gain effective control of Propertylink without paying an appropriate control premium to all Propertylink securityholders. In contrast, the Proposal price of \$1.20 per security represents a 14.3% premium to the closing price of Propertylink securities at 20 September 2018 of \$1.05, being the day prior to the announcement of ESR's initial proposal to acquire Propertylink, and a 15.4% premium to Propertylink's NTA per security as at 30 June 2018 of \$1.04.

PROPERTYLINK'S PROPOSAL TO ACQUIRE CIP

At this time, Propertylink has decided not to proceed with its non-binding, indicative proposal to acquire Centuria Industrial REIT (**CIP**) which it announced on 13 September 2018. Propertylink reserves the right to proceed with a proposal to acquire CIP in the event that ESR's Proposal is withdrawn or a BIA is not entered into.

NEXT STEPS

The Proposal remains incomplete at this stage, and finalisation of the Proposal in accordance with the Process Deed is subject to the satisfactory completion of due diligence by ESR and the negotiation of a BIA. There is no guarantee that the Proposal will lead to a binding offer to acquire Propertylink securities.

Propertylink has commissioned independent valuations for 100% of Propertylink's wholly owned industrial portfolio and Propertylink's co-investment positions. Propertylink will announce the result of the independent valuation process once valuations are finalised.

Propertylink securityholders do not need to take any action in relation to the Proposal at the present time. In the event that the Proposal is finalised, a binding BIA will be entered into with ESR. A Bidder's Statement in relation to the Proposal would be expected to be released by ESR shortly thereafter.

Your Directors remain committed to acting in the best interests of Propertylink securityholders and will continue to keep securityholders informed in relation to the Proposal.

DETAILS OF THE MEETING AND VOTING INFORMATION

The Extraordinary General Meeting requisitioned by Centuria will be held at Computershare Investor Services Pty Ltd, Level 4, 60 Carrington Street, Sydney NSW 2000 on Thursday, 15 November 2018 at 10:00am (AEDT).

If you are unable to attend the meeting, I encourage you to complete and return your Proxy Form by no later than 10:00am on Tuesday 13 November 2018 in one of the ways set out in the Proxy Form attached to Propertylink's Notice of Extraordinary General Meeting.

If you require further information or have questions, please contact the Propertylink Securityholder Information Line on 1300 889 468 (within Australia) or +61 2 8022 7954 (outside Australia).

I look forward to your attendance at the Meeting and thank you for your support.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Peter Lancken', is positioned below the text 'Yours sincerely,'.

Peter Lancken
Chairman