

Centuria®



**Centuria Capital Group**

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

# CONDITIONAL RETAIL ENTITLEMENT OFFER

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**Details of a 1 for 1 conditional, accelerated non-renounceable  
pro rata entitlement offer of Stapled Securities at an Issue  
Price of \$1.00 per New Stapled Security**

**Retail Entitlement Offer closes at 5.00pm (Sydney time),  
Wednesday, 28 December 2016**

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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 Investment Commission. If you have any queries please call your professional adviser or the Centuria Offer Information Line on 1300 648 172 (from within Australia) or +61 3 9415 4140 (from outside Australia) between 8.30am and 5.00pm (Sydney time), Monday to Friday during the Retail Offer Period (Wednesday, 30 November 2016 to Wednesday, 21 December 2016).



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## Important Notice

This Retail Offer Booklet is dated Friday, 25 November 2016. Capitalised terms in this section have the meaning given to them in this Retail Offer Booklet.

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

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 "Key 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 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 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 transitional provisions of the *Financial Markets Conduct Act 2013* (New Zealand) and the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand) or, if allotment of the New Securities occurs after 30 November 2016, any replacement exemption notice.

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**

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 U.S. 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)

### **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, 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.

### **Forward looking statements**

This Retail Offer Booklet 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 impact of the Acquisition, 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 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 “Key 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 professional advisers.

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# Chairman's Letter

## Centuria – Conditional Retail Entitlement Offer

Dear Stapled Securityholder,

On behalf of the Directors, I am pleased to invite you to participate in Centuria's recently announced fully underwritten 1 for 1 conditional, accelerated non-renounceable entitlement offer (**Entitlement Offer**) of new Centuria stapled securities (**New Stapled Securities**) at an issue price of \$1.00 per New Stapled Security (**Issue Price**).

### Equity Raising

On 23 November 2016, Centuria announced its intention to raise approximately \$150 million by way of:

- an approximately \$23 million placement (**Placement**); to Eligible Institutional Stapled Securityholders and Eligible Institutional Investors;
- an approximately \$50 million conditional placement (**Conditional Placement**) to Eligible Institutional Stapled Securityholders and Eligible Institutional Investors; and
- an approximately \$77 million Entitlement Offer. The Entitlement Offer comprises an accelerated non-renounceable entitlement offer to Eligible Institutional Stapled Securityholders (**Institutional Entitlement Offer**) and a non-renounceable entitlement offer to Eligible Retail Stapled Securityholders (**Retail Entitlement Offer**) (collectively the Placement, Conditional Placement and the Entitlement Offer are referred to as the **Equity Raising**).

The Placement and the Conditional Placement together with the Institutional Entitlement Offer received strong support with commitments of approximately \$99.1 million. The Equity Raising is fully 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 Equity Raising will be used to partially fund the acquisition from 360 Capital Group (a stapled group comprising 360 Capital Group Limited (ACN 113 569 136) and 360 Capital Trust (ARSN 104 552 598)) (**TGP**) of 360 Capital Investment Management Limited (**CIML**) and certain co-investment stakes in listed and unlisted funds which CIML manages (**Transactions**) for aggregate initial consideration of \$217 million. CIML is the manager of 360 Capital Industrial Fund (ASX:TIX), 360 Capital Office Fund (ASX:TOF) and four unlisted funds

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.

### Outlook

The Transaction represents a transformational change in the scale of Centuria's funds management business with Funds Under Management (**FUM**) expected to increase from \$2.2bn to \$3.6bn (+63%)<sup>1</sup>, providing Stapled Securityholders with an exposure to a substantial funds management platform with established access to deep listed and unlisted investor bases covering real estate and investment bonds.

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1. Assumes the Equity Raising completes in full. See the Investor Presentation included in Appendix B for details of the Conditional Placement Backstop Arrangement in the event the Conditional Placement is not approved.

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## Chairman's Letter

The Transaction and associated Equity Raising provides a range of benefits for investors including:

- creation of a leading property funds management platform that includes exposure to a dedicated ASX listed industrial REIT (TIX) and the potential to create the largest ASX listed metro focused office fund/REIT in the future;
- significant improvement in Centuria's earnings quality with recurring revenues expected to increase from 65% to 77% post transaction;
- leverages Centuria's existing capabilities and underutilised property platform;
- compelling market metrics offering investors an expected forecast FY17 DPS Yield of 7.5%

### Conditions of the Equity Raising

The Entitlement Offer is conditional on:

- a TGP securityholder resolution to approve the change of responsible entity of TGP, being passed at a meeting of TGP securityholders to be held on Monday, 28 November 2016 (**TGP Meeting**) (**TGP Acquisition Condition**); and
- a TOF unitholder resolution to approve the sale of TGP's 28.8% interest in TOF to Centuria (19.99%) and Centuria Metropolitan REIT (**CMA**) (8.8%), being passed at a meeting of TOF unitholders to be held on Friday, 23 December 2016 (**TOF Meeting**) (**TOF Acquisition Condition**),

(together, **Acquisition Conditions**).

If the Acquisition Conditions are not satisfied, the Entitlement Offer will be withdrawn and no New Stapled Securities will be issued. If this happens, all Application Monies paid for the New Stapled Securities under the Entitlement Offer will be reimbursed to the relevant securityholders in accordance with the Corporations Act without interest being payable.

The Placement component of the Equity Raising is also conditional on the satisfaction of the Acquisition Conditions.

In addition to the Acquisition Conditions, the Conditional Placement is also conditional on Centuria's Stapled Securityholders passing a resolution at a meeting of Centuria's Stapled Securityholders to be held on Tuesday, 3 January 2017 (**Centuria Meeting**) to approve the issue of new Stapled Securities under the Conditional Placement (**Centuria Approval Condition**).

### Conditional Retail Entitlement Offer

This letter relates to the Retail Entitlement Offer, which will raise approximately \$50.9 million. Under the Retail Entitlement Offer, Eligible Retail Stapled Securityholders can subscribe for 1 New Stapled Security for every 1 Stapled Security held as at the Record Date at an Issue Price of \$1.00 per New Stapled Security. The Issue Price under the Retail Entitlement Offer is the same Issue Price as for the Placement, the Conditional Placement and the Institutional Entitlement Offer, and represents a discount of 2.9% to the \$1.03 closing price of Stapled Securities on Tuesday, 22 November 2016.

New Stapled Securities will only be issued under the Retail Entitlement Offer if the Acquisition Conditions are satisfied.

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

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 Wednesday, 30 November 2016. 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 oversubscription, the allocation of Additional New Stapled Securities will be at the discretion of the Underwriter and subject to scale back.

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## Chairman's Letter

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 Wednesday, 28 December 2016, 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.

### **The Retail Entitlement Offer closes at 5.00pm (Sydney time) on 28 December 2016**

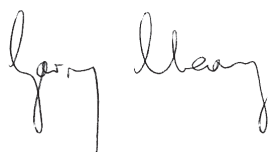
The Centuria Board advises you to carefully read this Retail Offer Booklet in its entirety and to seek appropriate professional advice before making any investment decision. In particular, you should refer to the "Key Risks" section of the Investor Presentation included in Annexure B of this Retail Offer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

If you have any questions about the Retail Entitlement Offer, please do not hesitate to contact Centuria's Offer Information Line on 1300 648 172 (from within Australia) or +61 3 9415 4140 (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 Charney  
Chairman



# Key Dates

<b>Announcement of the Entitlement Offer</b>	<b>Wednesday 23 November 2016</b>
<b>Record Date for eligibility in the Entitlement Offer (7.00pm, Sydney time)</b>	<b>Friday 25 November 2016</b>
<b>Retail Entitlement Offer opens</b>	<b>Wednesday 30 November 2016</b>
<b>Retail Offer Booklet despatched</b>	<b>Wednesday 30 November 2016</b>
<b>TGP securityholder meeting and vote to determine whether TGP Acquisition Condition will be satisfied (TGP Meeting)</b>	<b>Monday 28 November 2016</b>
<b>TOF unitholder meeting and vote to determine whether TOF Acquisition Condition will be satisfied (TOF Meeting)</b>	<b>Friday 23 December 2016</b>
<b>Retail Entitlement Offer closes (5.00pm, Sydney time)</b>	<b>Wednesday 28 December 2016</b>
<b>Centuria securityholder meeting and vote to determine whether Centuria Approval Conditional will be satisfied (Centuria Meeting)</b>	<b>Tuesday 3 January 2017</b>
<b>Settlement of the Retail Entitlement Offer (as well as settlement of the Placement, Conditional Placement and Institutional Entitlement Offer)</b>	<b>Thursday 5 January 2017</b>
<b>Allotment and Issue of New Stapled Securities under the Placement, Conditional Placement, Institutional Entitlement Offer and the Retail Entitlement Offer</b>	<b>Friday 6 January 2017</b>
<b>New Stapled Securities under the Placement, Conditional Placement, Institutional Entitlement Offer and the Retail Entitlement Offer commence trading on ASX</b>	<b>Monday 9 January 2017</b>
<b>Despatch of holding statements</b>	<b>Monday 9 January 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 (whether the Acquisition Conditions are satisfied or otherwise) 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.

## **Offer is conditional on TGP securityholder and TOF unitholder votes**

The Entitlement Offer is conditional on the satisfaction of the Acquisition Conditions. If the Acquisition Conditions are not satisfied at the TGP Meeting and the TOF Meeting, the Entitlement Offer will be withdrawn and no New Stapled Securities will be issued.

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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 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 "Key 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 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 sole discretion of 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 Wednesday, 28 December 2016 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 648 172 (from within Australia) or +61 3 9415 4140 (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 \$150 million through the fully underwritten Placement, Conditional Placement and the Entitlement Offer, which comprises the Institutional Entitlement Offer and the Retail Entitlement Offer. Under the Entitlement Offer, Centuria is conditionally offering Eligible Stapled Securityholders the opportunity to subscribe for 1 New Stapled Security for every 1 Stapled Security held on the Record Date. The Issue Price per New Stapled Security is \$1.00.

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 Placement, the Conditional Placement and the Entitlement Offer, the use of the proceeds of the Placement, the Conditional Placement and the Entitlement Offer, and for further information on Centuria and its strategy.

### 1.2 Conditions of Entitlement Offer

The Entitlement Offer is conditional on the Acquisition Conditions being satisfied at the TGP Meeting and the TOF Meeting. If the Acquisition Conditions are not satisfied at the TGP Meeting and the TOF Meeting, the Entitlement Offer will be withdrawn and no New Stapled Securities will be issued. If this happens, all Application Monies paid for New Stapled Securities under the Entitlement Offer will be reimbursed to the relevant securityholders in accordance with the Corporations Act without interest being payable.

### 1.3 Placement and Conditional Placement

The Placement and the Conditional Placement were conducted on 23 and 24 November 2016 with Eligible Institutional Stapled Securityholders and Eligible Institutional Investors offered New Stapled Securities at a fixed issue price of \$1.00 per security. Commitments for \$72.8 million were received under the Placement and the Conditional Placement.

New Stapled Securities are expected to be allotted:

- in respect of the Placement and the Conditional Placement, if the Acquisition Conditions are satisfied at the TGP Meeting and the TOF Meeting; and
- in respect of the Conditional Placement, if the Centuria Approval Condition is satisfied at the Centuria Meeting,

on Friday, 6 January 2017.

### 1.4 Institutional Entitlement Offer

On 23 and 24 November 2016, 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 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 \$26.3 million, at an Issue Price of \$1.00 per New Stapled Security. If the Acquisition Conditions are satisfied, New Stapled Securities are expected to be allotted under the Institutional Entitlement Offer along with allotment of New Securities under the Retail Entitlement Offer, Placement and Conditional Placement on Friday, 6 January 2017.

**1.5 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 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, the Institutional Entitlement Offer, Placement and Conditional Placement on Friday, 6 January 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 Wednesday, 28 December 2016, with New Stapled Securities to be allotted on Friday, 6 January 2017.

The Retail Entitlement Offer is fully underwritten, and seeks to raise approximately \$50.9 million. The Issue Price under the Retail Entitlement Offer is the same as the Issue Price under the Institutional Entitlement Offer.

**1.6 Ranking of New Stapled Securities**

New Stapled Securities will rank equally with existing Stapled Securities.

**1.7 Reconciliation**

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.

**1.8 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 Placement, the Conditional Placement, the Institutional Entitlement Offer and the Retail Entitlement Offer (including any Additional Stapled Securities) will commence on Monday, 9 January 2017.

**1.9 Holding Statements**

Holding statements are expected to be despatched to Eligible Stapled Securityholders on Monday, 9 January 2017 in respect of New Stapled Securities allotted under the Placement, Conditional Placement, the Institutional Entitlement Offer and 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.

**1.10 Withdrawal of the Entitlement Offer**

Subject to the consent of the Underwriter, Centuria reserves the right to withdraw the Entitlement Offer at any time (whether the Acquisition Conditions are satisfied or otherwise), 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

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### 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).

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).

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

### 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.

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 \$1.00 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 Wednesday, 28 December 2016.

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 referred to in the Entitlement and Acceptance Form (and included on page 25 of this Retail Offer Booklet).



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 Wednesday, 28 December 2016, New Stapled Securities (and Additional New Stapled Securities) are, subject to satisfaction of the Acquisition Conditions, expected to be allotted to you on the Allotment Date being Friday, 6 January 2017. Your payment of the Application Monies will not be accepted after the Retail Closing Date, being 5.00pm (Sydney time) on Wednesday, 28 December 2016, and no New Stapled Securities (or Additional 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 sole discretion of the Underwriter and may be subject to scale back.

The issue of New Stapled Securities under the Retail Entitlement Offer is conditional on satisfaction of the Acquisition Conditions at the TGP Meeting and the TOF Meeting. If the Acquisition Conditions are not satisfied at the TGP Meeting and the TOF Meeting, Centuria will withdraw the Entitlement Offer. If that happens, all Application Monies paid for New Stapled Securities under the Entitlement Offer will be reimbursed to the relevant Stapled Securityholders without interest being payable and with no New Stapled Securities being issued under the Entitlement Offer.

## 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 on page 17) together with a cheque, bank draft or money order which must be:
  - in respect of the full Application Monies (being \$1.00 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 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 Wednesday, 28 December 2016 and New Stapled Securities (and Additional New Stapled Securities) will, subject to satisfaction of the Acquisition Conditions, be allotted to you on the Allotment Date being Friday, 6 January 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 Wednesday, 28 December 2016 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 sole discretion of the Underwriter and may be subject to scale back.

The issue of New Stapled Securities under the Retail Entitlement Offer is conditional on satisfaction of the Acquisition Conditions at the TGP Meeting and the TOF Meeting. If the Acquisition Conditions are not satisfied at the TGP Meeting and the TOF Meeting, Centuria will withdraw the Entitlement Offer. If that happens, all Application Monies paid for New Stapled Securities under the Entitlement Offer will be reimbursed to the relevant Stapled Securityholders without interest being payable and with no New Stapled Securities being issued under the Entitlement Offer.

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 Wednesday, 28 December 2016 at the following address:

## Postal Address

### Mail to:

Computershare Investor Services Pty Limited  
GPO Box 1282  
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 referred to in the Entitlement and Acceptance Form (and the back page of this Retail Offer Booklet); and
- 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
- have lost your Entitlement and Acceptance Form and would like a replacement form,

please call Centuria's Offer Information Line on 1300 648 172 (from within Australia) or +61 3 9415 4140 (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 should, if the Acquisition Conditions are satisfied at the TGP Meeting and the TOF Meeting, 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 should, if the Acquisition Conditions are satisfied at the TGP Meeting and the TOF Meeting, 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 trustees. 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 taxable income on revenue account. 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 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 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 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 648 172 (from within Australia) or +61 3 9415 4140 (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 Wednesday, 30 November 2016.

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 2.2.2 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 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 "Key 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", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "predict", "guidance", "plan" 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 subject to significant uncertainties, risks and contingencies. 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 "Key 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 transitional provisions of the *Financial Markets Conduct Act 2013* (New Zealand) and the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand) or, if allotment of the New Securities occurs after 30 November 2016, any replacement exemption notice.

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 Ineligible Stapled Securityholders

Pursuant to section 615 of the Corporations Act, following the Retail Closing Date, Moelis Australia Securities Pty Ltd ACN 122 781 560 as nominee (**Nominee**) will invite Institutional Investors to bid for New Stapled Securities in respect of Entitlements which would have been offered to Ineligible Stapled Securityholders had they been entitled to participate in the Entitlement Offer. If the price at which the Entitlements are sold is above the Issue Price, then the Nominee will work with Centuria and the Underwriter to distribute to Ineligible Stapled Securityholders their proportion of proceeds of sale that exceed the Issue Price (net of expenses and taxes). In conducting this process, the Nominee is not providing services or acting as agent or sub-agent on behalf of, for or to any Ineligible Stapled Securityholder or accepting any duties (whether fiduciary or otherwise) to any Ineligible Stapled Securityholder.

## 4.11 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 Retail Entitlement Offer by the beneficiary complies with applicable foreign laws. Centuria is not able to advise on foreign laws. Stapled Securityholders who are nominees or custodians are therefore advised to seek independent advice as to how to proceed.

## 4.12 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 Equity Raising (including the Entitlement Offer).

Centuria must pay the Underwriter an underwriting fee of 3.8% of the proceeds of the Equity Raising. Centuria must also pay or reimburse the Underwriter for costs it has incurred in respect of the Equity Raising, 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 Equity Raising or the Underwriting Agreement.

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 Securities under the Equity Raising on the 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);
- Centuria (or a subsidiary of Centuria) is or becomes insolvent;
- Centuria, or any of its directors or officers (as those terms are defined in the Corporations Act) engage in any fraudulent conduct or activity in connection with the Equity Raising;
- ASIC issues, or threatens in writing to issue, proceedings or notifies Centuria in writing that it has commenced any investigation in relation to the Equity Raising, 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 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

Equity Raising, has given or would be likely to give rise to a liability for the Underwriter or a contravention of applicable laws:

- Centuria is in breach of certain disclosure related 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.

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 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 recommendations 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.

## 4.13 Control effect of the Equity Raising

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 extent to which Eligible Stapled Securityholders take up New Stapled Securities under the Entitlement Offer.

The potential effect on control is summarised below:

- If all Eligible Stapled Securityholders take up their Entitlements under the Entitlement Offer, then the Entitlement Offer will have no significant effect on the control of Centuria<sup>2</sup>;
- If 50% of Eligible Stapled Securityholders take up their Entitlements under the Entitlement Offer, then new institutional investors<sup>3</sup> will receive 38.6m New Stapled Securities (being 17% of Stapled Securities on issue in Centuria following the Equity Raising, or, in the event that the Conditional Placement does not proceed, 38.6m New Stapled Securities, being 21.8% of the Stapled Securities on issue in Centuria following the Entitlement Offer and Placement) and the interests of those Eligible Stapled Securityholders who do not take up their Entitlements under the Entitlement Offer will be diluted;
- If 25% of Eligible Stapled Securityholders take up their Entitlements under the Entitlement Offer, then new institutional investors<sup>4</sup> will receive 57.9m New Stapled Securities (being 25.5% of Stapled Securities on issue in Centuria following the Equity Raising, or, in the event that the Conditional Placement does not proceed, 57.9m New Stapled Securities, being 32.7% of the Stapled Securities on issue in Centuria following the Entitlement Offer and Placement) and the interests of those Eligible Stapled Securityholders who do not take up their Entitlements under the Entitlement Offer will be diluted;
- If no Eligible Stapled Securityholders take up their Entitlements under the Entitlement Offer, then new institutional investors<sup>5</sup> will receive 77.2m New Stapled Securities (being 34% of the Stapled Securities on issue in Centuria following the Equity Raising, or, in the event that the Conditional Placement does not proceed, 77.2m New Stapled Securities, being 43.6% of the Stapled Securities on issue in Centuria following the Entitlement Offer and Placement and the interests of all Eligible Stapled Securityholders will be diluted.

The Underwriter has received sub-underwriting commitments for at least 54.5% of 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 securityholder take-up of New Stapled Securities offered in the Entitlement Offer, would be 15.5% of the Stapled Securities on issue in Centuria following the Equity Raising (or, in the event that the Conditional Placement does not proceed, 19.8% of the Stapled Securities on issue in Centuria following the Entitlement Offer and Placement). 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 34% of the Stapled Securities on issue in Centuria following the Equity Raising (or, in the event that the Conditional Placement does not proceed, 43.6% of the Stapled Securities on issue in Centuria following the Entitlement Offer and Placement).

## 4.14 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.

## 4.15 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.

## 4.16 ASX Confirmations

ASX has provided a waiver of Listing Rule 7.1 to permit Centuria to take into account New Stapled Securities to be issued under the Entitlement Offer in determining the permitted size of the Placement, and have also provided a number of confirmations in relation to the Transaction and the Offer, including in relation to Listing Rule 11.1, aspects of the structure of the Entitlement Offer and the Entitlement Offer Timetable shown on page 9.

2. Although the Placement and Conditional Placement will result in the issue of 72.8m New Stapled Securities, being 32.0% of Stapled Securities on issue in Centuria following the Entitlement Offer (or, if the Conditional Placement does not proceed, then an additional 22.6 million New Stapled Securities, being 12.8% of Stapled Securities on issue following the Entitlement Offer).

3. Potentially including the Underwriter and certain sub-underwriters appointed in relation to the Equity Raising.

4. Potentially including the Underwriter and certain sub-underwriters appointed in relation to the Equity Raising.

5. Potentially including the Underwriter and certain sub-underwriters appointed in relation to the Equity Raising.



## 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 “Key risks” section of the Investor Presentation included in Annexure B of the Retail Offer Booklet, and that investments in Centuria are subject to risks;
- agree to be bound by the terms of the Retail Entitlement Offer;
- 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 \$1.00 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 Announcements



Australian Securities Exchange - Company Announcements Platform

## Centuria Capital Group

### Acquisition of 360 Capital Group's real estate platform

Sydney, 23 November 2016

- Centuria Capital Group "Centuria" to acquire the majority of 360 Capital Group's real estate funds management platform including co-investment interests in listed funds for a total of \$217m
- Transformational change with 63% increase in funds under management "FUM" from \$2.2bn to \$3.6bn
- Significant increase in recurring revenue (base management fees and co-investment distributions) forecast at 77% of total revenue
- Forecast FY17 underlying EPS yield 9.9%
- Forecast FY17 DPS yield 7.5%
- Centuria market capitalisation to increase from approximately \$80m to \$230 million (based on \$1.00 per security issue price) providing greater liquidity for its security holders
- Greater Balance Sheet strength enables Centuria to co-invest at the fund level aligning Centuria with the interests of its investors

Centuria Capital Group (**Centuria**) is pleased to announce it has agreed to acquire the majority of 360 Capital Group's (**TGP**) real estate management platform for \$217 million.

"The acquisition transitions Centuria to the next stage of growth, and is consistent with our strategy of growing the property funds platform, growing recurring revenues and an increased level of co-investment in managed funds," said John McBain, Group Chief Executive Officer.

The Transaction involves Centuria acquiring 360 Capital Investment Management Limited (**CIML**) the manager of 360 Capital Industrial Fund (**TIX**), 360 Capital Office Fund (**TOF**) and four unlisted real estate funds for \$91.5 million, plus \$10 million in cash in support of CIML's AFSL and net assets requirements.

The Transaction includes the acquisition of TGP's co-investment stakes in TIX (15.6%) and TOF (19.99%) for \$115.8 million. Centuria has also entered into a two year put and call option arrangement over TGP's equity interests in four unlisted funds in the sum of \$59 million.

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## Annexure A – ASX Announcements



Centuria's subsidiary, Centuria Property Funds Limited (CPFL), in its capacity as the Responsible Entity of Centuria Metropolitan REIT (CMA), announced it will acquire a further 8.8% of TOF from TGP, conditional on TOF unitholder approval.

The Transaction makes Centuria one of the largest ASX listed pure-play Australian real estate fund managers, with property FUM increasing to in excess of \$2.8 billion (\$3.6 billion in total FUM including its existing Investment Bond business).

Mr McBain said: "This transaction is transformational for Centuria and consistent with the Group's strategy to increase the scale of its property funds management platform, increase recurring revenues and expand access to distribution channels for third party capital".

"The TGP property platform is complementary with Centuria's platform as its funds under management are largely listed REITs while Centuria's existing property business is weighted towards unlisted property funds".

"On completion, Centuria will have substantially greater scale positioning it for growth. Centuria now has improved capacity to raise funds in the listed REIT market, unlisted real estate funds and in Centuria itself".

The \$900 million listed 360 Capital industrial Fund (TIX) will be renamed Centuria Industrial REIT. Centuria will utilise its integrated property services capability to preserve the income characteristics of the fund whilst seeking to add value through its hands-on management style.

The 360 Office Fund (TOF) will be renamed Centuria Urban REIT. Once the transaction is complete, and subject to market conditions being appropriate, the potential exists for CMA and TOF to merge and create a sector-dominant metropolitan office REIT with over \$600 million of assets.

"Centuria has a long term track record of delivering strong shareholder and investor returns. This transformational transaction will build on this success by delivering new growth opportunities and introducing a broader investor base to the Centuria platform," concluded Mr McBain.

- Ends -

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## Annexure A – ASX Announcements



### About Us

Centuria Capital "CNI" is an ASX-listed specialist investment manager with \$2.2 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 A – ASX Announcements



### Australian Securities Exchange - Company Announcements Platform

## Centuria Capital Group

### Proposed transaction overview

#### Transaction Overview

Centuria has agreed to acquire TGP's property funds management platform under CIML and the majority of TGP's co-investment holdings in TIX (15.6%) and TOF (19.99%). Centuria has also entered into a two year put and call option arrangement over the majority of TGP's equity interests in four unlisted funds (~\$59m) as part of the Transaction.

CIML		Co-Investment Holdings	Deferred Settlement
Managed Funds		Strategic Co-Investments	Unlisted Equity Interests
Listed	Unlisted	19.99% interest in TOF	42.3% interest in 360 Capital 111 St. George's Terrace Property Trust
360 Capital Office Fund (ASX:TOF)	360 Capital 111 St George's Terrace Property Trust	15.6% interest in TIX	49.9% interest in 360 Capital Retail Fund No. 1
360 Capital Industrial Fund (ASX: TIX)	360 Capital Retail Fund No. 1		38.8% interest in 360 Capital Havelock House Property Trust
	360 Capital Havelock House Property Trust		35.7% interest in 360 Capital 441 Murray Street Property Trust
	360 Capital 441 Murray Street Property Trust		

#### Property Funds Management

The purchase price of \$91.5 million for the funds management platform represents an FY17 annualised EBIT multiple of 10.0x. Centuria will leverage its existing capabilities to manage the new platform with only minimal increase in corporate overheads expected as a result of the transaction. Centuria has developed a detailed integration plan to ensure an orderly transition of the listed and unlisted funds.

#### Listed Co-investments

Centuria has agreed to acquire the majority of TGP's co-investment holdings in TIX (15.6%) and TOF (19.99%) for a total consideration of \$115.8 million.

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## Annexure A – ASX Announcements



### *Unlisted Equity Interests*

Centuria has entered into put and call arrangements over the majority of TGP's equity interests in four unlisted funds managed by CIML for a fixed price consideration of \$58.9m. Centuria intends to arrange for the transfer of the majority of the unlisted equity interests into new or existing unlisted Centuria funds over the two-year period.

### **Transaction Funding**

The Transaction will be funded as follows:

Sources	(\$m)	Uses	(\$m)
Available cash	27.1	Purchase of CIML property fund management rights	91.5
Vendor financing	50.0	CIML net assets acquired (predominantly cash)	10.0
Equity raising	150.0	Co-investments in TIX and TOF (including accrued distribution)	115.8
		Transaction and equity raising costs	9.7
<b>Total Sources</b>	<b>227.1</b>	<b>Total Uses</b>	<b>227.1</b>

TGP has agreed to provide Centuria with \$50m in vendor financing for a minimum period of 18 months. The vendor loan has been provided to allow Centuria adequate time after Transaction to establish a long-term financing arrangements via traditional banking channels.

### **Transaction Highlights**

The Transaction and associated Equity Raising provides a range of benefits for new and existing Centuria investors including:

- creation of a leading property funds management platform that includes exposure to a dedicated ASX listed industrial REIT (TIX) and the potential to create the largest ASX listed metro focused office fund/REIT;
- significant improvement in Centuria's earnings quality with recurring revenues expected to increase from 65% to 77% post transaction;
- leverages Centuria's existing capabilities and under-utilised property platform;
- compelling market metrics offering investors an expected forecast FY17 PE multiple of 10.1x and FY17 DPS Yield of 7.5%

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### **The Equity Raising**

Centuria will raise \$150 million under the Equity Raising, comprising the Placement, Conditional Placement and an accelerated non-renounceable Entitlement Offer. Securities issued under the Offer will rank equally with existing securities on issues. The Equity Raising is fully underwritten by Moelis Australia Advisory Pty Ltd (Underwriter).

The Equity Raising is conditional on TGP unitholders approving a change of RE of TGP (from CIML to a new entity) at the AGM scheduled for 28 November 2016, and TOF unitholders approving the sale of TGP's 28.8% in TOF to Centuria (19.99%) and CMA (8.8%), at an EGM anticipated to be held on 23 December 2016.

### *Conditional Entitlement Offer*

Under the Entitlement Offer, eligible securityholders are invited to participate on a pro-rata basis by subscribing for 1 new Centuria security for every 1 security owned at 7.00pm on 25 November 2016 at an issue price of \$1.00 per security.

The Entitlement Offer comprises an accelerated non-renounceable entitlement offer to Institutional Investors (Institutional Entitlement Offer) and a non-renounceable entitlement offer to Retail Investors (Retail Entitlement Offer).

### *Placement*

Centuria is conducting a \$23 million Placement to new and existing Institutional and Sophisticated Investors at an issue price of \$1.00 per security.

### *Conditional Placement*

Centuria is conducting a \$50 million Conditional Placement to new and existing Institutional Investors at an issue price of \$1.00 per security.

The Conditional Placement is also subject to approval of the issue of New Securities under the Conditional Placement by eligible CNI security holders at an EGM scheduled for 3 January 2017. If the Conditional Placement is not approved, the Conditional Placement new securities will not be issued. Centuria has entered into alternative funding arrangements in order to proceed with the Transaction.



## Annexure A – ASX Announcements



### Key dates

The key dates for the offer are set out in the following timetable. The key dates are subject to change.

<b><u>Indicative Offer Timetable</u></b>	<b><u>Date</u></b>
<b>Trading Halt and announcement of the Transaction and Equity Raising</b>	<b>Wednesday, 23 November 2016</b>
Placement, Conditional Placement & Institutional Entitlement Offer opens	Wednesday, 23 November 2016
Placement, Conditional Placement & Institutional Entitlement Offer closes	Thursday, 24 November 2016
Record date for Retail Entitlement Offer (7:00pm AEST)	Friday, 25 November 2016
<b>TGP AGM</b>	Monday, 28 November 2016
Retail Entitlement Offer Opens	Wednesday, 30 November 2016
<b>TOF EGM to approve the sale of 28.8% stake by TGP to Centuria and CMA (Estimated)</b>	<b>Friday, 23 December 2016</b>
Retail Entitlement Offer Closes (5:00pm AEST)	Wednesday, 28 December 2016
Record date for 1 <sup>st</sup> half interim dividend/distribution to be paid February 2017	Friday, 30 December 2016
<b>Centuria EGM to approve Conditional Placement</b>	<b>Tuesday, 3 January 2017</b>
Settlement of the Entitlement Offer, Placement & Conditional Placement (assuming Transaction is approved)	Thursday, 5 January 2017
Allotment under the Entitlement Offer, Placement & Conditional Placement (assuming Transaction is approved)	Friday, 6 January 2017
ASX quotation and dispatch of holding statements	Monday, 9 January 2017

Eligible retail securityholders will be sent details of the entitlement offer shortly. Retail securityholders with questions about the Offer should contact the Entitlement Offer Information Line on 1300 648 172 (from within Australia) or +61 3 9415 4140 (from outside Australia) or visit [www.centuriacapitaloffer.com.au](http://www.centuriacapitaloffer.com.au) during the Retail Offer Period.

**- Ends -**

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## Annexure A – ASX Announcements



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**About Us**

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# Annexure B – Investor Presentation

Centuria Capital Group



## Centuria Capital Group Acquisition and Capital Raising

23 November 2016

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#### Financial data

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

Investors should note that the pro forma financial information and Offer metrics assume that a Conditional Placement for \$50m is undertaken by Centuria. The Conditional Placement is conditional on the approval by ordinary resolution of non-participating security holders at an extraordinary general meeting scheduled for 3 January 2017. The Board has a high level of confidence that this resolution will be passed since Securityholders associated with the Board hold 13.7% of stapled securities, and shareholders (including Nootide Investments Limited, Investors Mutual Limited and Ellerston Capital Limited) controlling a further 10.7% of stapled securities have indicated their intention of voting in favour. However, if the resolution is not approved then the new securities relating to the Conditional Placement will not be issued. In this case, Centuria has put in place the Conditional Placement Backstop Arrangements to provide funding certainty to assist Centuria to settle the Transaction. Further details on the Conditional Placement and the Conditional Placement Backstop Arrangements are provided on pages 30, 44, 47 and 50.

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In this document "Centuria" refers to the Centuria Capital Group (ASX:CNI) which is a stapled group comprising of Centuria Capital Limited and Centuria Capital Fund.

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## Section 1 Executive Summary



## Executive Summary

- Centuria to acquire the majority of 360 Capital Group's (ASX:TGP) real estate platform for \$217m ("Transaction") comprising:
  - the manager of 360 Capital Industrial Fund (ASX:TIX), 360 Capital Office Fund (ASX:TOF) and four unlisted funds; and
  - co-investment stakes in TIX (approximately 15.6%) and TOF (19.99%)<sup>1</sup>
- Centuria has also entered into a two year put and call option arrangement over TGP's equity interests in four unlisted funds (~\$59m) as part of the Transaction
- Centuria Property Funds Limited ("CPFL"), as the Responsible Entity of Centuria Metropolitan REIT (ASX:CMA), announces its intention to acquire a further 8.8% of TOF from TGP, conditional on TOF unitholder approval
- Transformational change in the scale of Centuria's funds management business with Funds Under Management ("FUM") increasing from \$2.2bn<sup>2</sup> to \$3.6bn (+63%). Centuria will manage:
  - TIX, being the largest ASX listed REIT focused entirely on industrial assets (\$0.9bn FUM);
  - CMA and TOF which have complementary platforms focused on metropolitan office assets, with the potential to merge these funds in the future; and
  - One of the leading unlisted property funds management platforms (\$1.3bn FUM)
- The Transaction is to be funded by way of a fully underwritten \$150 million conditional equity raising at \$1.00 per CNI security<sup>1</sup>, with the balance of funds to be provided through existing cash reserves of approximately \$27 million and a vendor loan advanced to Centuria from TGP of \$50 million
- The Transaction conditions include TGP Security holder approval to change the responsible entity of TGP and TOF unitholder approval for the sale of TGP's 28.8% in TOF to Centuria (19.99%) and CMA (8.8%)

1. Assumes that the Conditional Placement is approved. If the Conditional Placement is not approved, Centuria expects to implement the Conditional Placement Backstop Arrangements. See page 44.

2. FUM as at 30 June 2016 adjusted for the establishment of the Centuria Zenith Fund (\$287m in additional settled FUM).

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## Transaction Rationale



### Creating one of the leading property funds management platforms

- Increases listed property FUM ~four-fold to \$1.55bn including exposure to a dedicated industrial REIT (TIX) and the potential to create the largest metro focused office fund/REIT (CMA/TOF)
- Complements Centuria's leading unlisted property funds management business (\$1.3bn FUM) with continuing growth potential
- Expands the investor base for Centuria across both listed and unlisted funds with addition of existing investors in TGP funds



### Recurring underlying revenue streams increase from 65% to 77% of post transaction

- Underlying revenue of acquired funds is predominately comprised of base fee and property management fees
- Co-investment income from TIX and CMA/TOF are expected to account for approximately 45% of Centuria's net profit post transaction<sup>1</sup>



### Leverages Centuria's existing capabilities and underutilised property platform

- Brings the existing property funds management platform to scale with minimum changes in corporate overheads
- Centuria and its managed fund investors benefit from Centuria's fully integrated funds management and property services platform



### Compelling Market Metrics

- Centuria is expected to offer investors a forecast FY17 PE multiple of 10.1x and FY17 DPS yield of 7.5%, with DPS expected to increase 35.9% post transaction due to material increase in co-investment income and stapled structure<sup>2</sup>
- Centuria's indicative market capitalisation post transaction is ~\$230m<sup>3</sup> moving it close to S&P/ASX 300 index inclusion

- Assumes that the Conditional Placement is approved. If the Conditional Placement is not approved, Centuria expects to implement the Conditional Placement Backstop Arrangements. See page 44.
- FY17PE and DPS calculated using expected underlying NPAT and dividend/distribution based on an offer price of \$1.00. Refer to page 27 for Proforma P&L and the appendix for financial assumptions and key risks. Underlying NPAT is a financial measure which is not prescribed by Australian Accounting Standards (AAS) and represents profit under AAS adjusted for specific non-cash and significant items (including fair value gains and losses and transaction costs). Assumes that the Conditional Placement is approved. If the Conditional Placement is not approved, Centuria expects to implement the Conditional Placement Backstop Arrangements. See page 44.
- Based on the Offer price of \$1.00 per CNI security, and assumes full Equity Raising.

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## Transformational change in scale

		Centuria Pre	Centuria Post	Change
Portfolio	Funds Under Management	2,207 <sup>1</sup>	3,603	63%
	No of listed property funds	1	3	2
	No of unlisted property funds	14	18	4
Income metrics <sup>2</sup>	FY17 Forecast Underlying EPS (cents)	9.3	9.9	6.0%
	FY17 Forecast DPS (cents)	5.5	7.5	35.9%
Balance sheet metrics <sup>2</sup>	NAV per security	1.53	1.14	(25.6%)
	Corporate gearing <sup>3</sup>	8.6%	11.4%	2.8ppts
	Corporate debt to EBITDA	2.0x	2.2x	0.2x
Market Metrics <sup>2</sup>	Indicative market capitalisation (\$m)	79.5 <sup>4</sup>	229.5 <sup>4</sup>	150.0
	FY17 PE Ratio	10.7x	10.1x	(0.6x)
	FY17 DPS yield	5.5%	7.5%	35.9%
	DPS payout ratio	60%	76%	16ppts

- FUM adjusted for the establishment of the Zenith Fund (\$287m).
- Balance sheet metrics based on 30 June 2016 Balance Sheet adjusted for Proforma impact of the Transaction and the Equity Raising completing in full. FY17PE and DPS calculated using underlying NPAT and distribution/dividends, based on an offer price of \$1.00, assuming that Transaction completes on 1 January 2017 and Equity Raising completes in full. Refer to page 27 and page 28 for Proforma Balance Sheet and P&L and the appendix for financial assumptions and key risks. Underlying NPAT is a financial measure which is not prescribed by Australian Accounting Standards (AAS) and represents profit under AAS adjusted for specific non-cash and significant items (including fair value gains and losses and transaction costs). Assumes that the Conditional Placement is approved. If the Conditional Placement is not approved, Centuria expects to implement the Conditional Placement Backstop Arrangements. See page 44.
- Corporate gearing calculated as (corporate debt – cash) / (total assets – reverse mortgage receivables – cash).
- As at 22 November 2016, being the date immediately prior to the announcement of the Transaction. Revised market capitalisation based on the full Equity Raising amount at Offer price.

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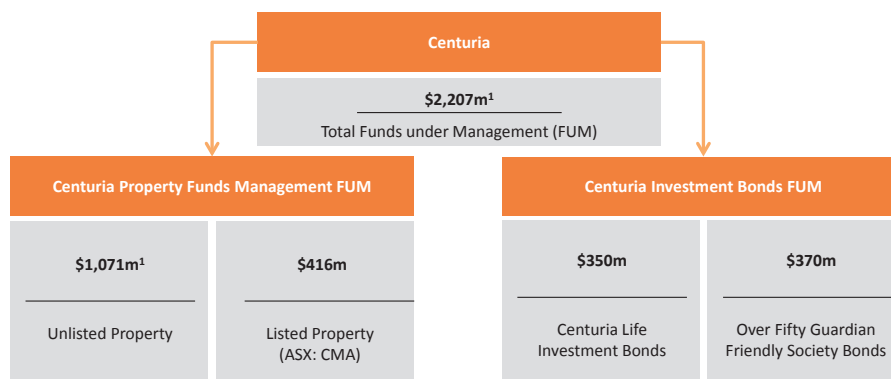
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## Section 2

# Centuria to Date

## Centuria Profile

- Founded in 1998, Centuria is an ASX listed investment manager currently managing \$2.2bn of investments<sup>1</sup>
  - Property Funds Management Division:** Manages a portfolio of 14 unlisted funds and the ASX listed Centuria Metropolitan REIT (ASX:CMA)
  - Investment Bonds:** Offers a range of investment products including tax-effective bonds and pre-paid funeral plans



1. FUM as at 30 June 2016 adjusted for the establishment of the Centuria Zenith Fund (\$287m in additional settled FUM).

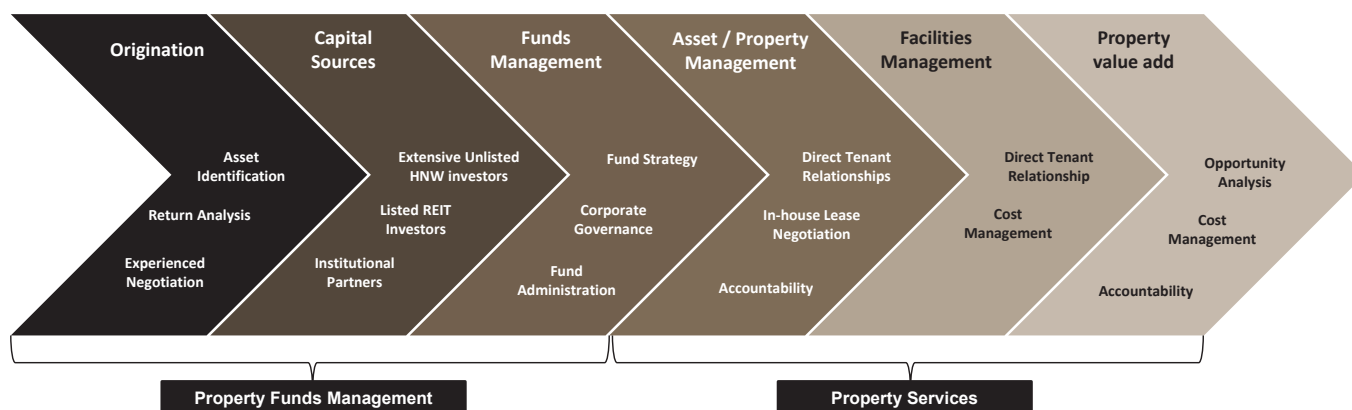
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## Vertically Integrated Property Model

- Centuria has a fully integrated property management platform that seeks to add value to the origination and ownership process through a hands on approach to all aspects of asset ownership
- Centuria has 39 employees spread across the various disciplines within its property funds management and property services division and believes that this model provides enhanced returns to both Centuria and Centuria fund investors over the course of asset ownership



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## Achieving Strategic Milestones

- Centuria has a disciplined approach to its strategy delivering on its milestone initiatives, including recent examples:

Delivering attractive returns to 3 <sup>rd</sup> party investors	<ul style="list-style-type: none"> <li>~30% IRR on sale of 175 Castlereagh St</li> <li>~20% IRR on sale of 80 Waterloo Rd, Macquarie Park</li> </ul>
Capital partnering success	<ul style="list-style-type: none"> <li>Partnered with Blackrock to establish \$287m Centuria Zenith Fund</li> <li>Successful joint bid with Mirvac for Australian Technology Park site</li> </ul>
Increase co-investment income	<ul style="list-style-type: none"> <li>Additional seed investment in Centuria Diversified Property Fund (\$5.6m)<sup>1</sup> and Centuria Woden Green Estate Development Fund (\$1.2m)</li> <li>Acquiring co-investment stakes in TIX and TOF</li> </ul>
Stapling proposal	<ul style="list-style-type: none"> <li>Corporate restructure to allow efficient co-investment ownership for Centuria security holders</li> </ul>
Investment Bonds expansion	<ul style="list-style-type: none"> <li>Launched "White Label" investment bond offering</li> <li>New FUM gains in FY16 with broaden distribution</li> </ul>

175 Castlereagh St. Sydney, NSW



80 Waterloo Rd, Macquarie Park, NSW



1. Total investment in Centuria Diversified Property Fund of \$6.2m since inception.

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### Select Portfolio Acquisitions Over Last 5 Years

- Centuria's growth story is underpinned by its continued acquisition of higher value property through both its listed and unlisted funds



1. Centuria unlisted fund and CMA each own a 50% interest in 203 Pacific Highway, NSW

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## Section 3 The Transaction

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## Transaction Overview

- Centuria has agreed to acquire TGP's real estate funds management platform under 360 Capital Investment Management Limited ("CIML") and TGP's co-investment holdings
- Centuria will examine options for the transfer of the majority of the unlisted equity interests into new or existing unlisted Centuria funds over a two year period

Property Funds Management Business	Co-Investment Holdings	Deferred Settlement <sup>1</sup>																
<div>Managed Funds</div> <table><tr><th>Listed</th><th>Unlisted</th></tr><tr><td>360 Capital Office Fund (ASX:TOF)</td><td>360 Capital 111 St George's Terrace Property Trust</td></tr><tr><td>360 Capital Industrial Fund (ASX:TIX)</td><td>360 Capital Retail Fund No. 1</td></tr><tr><td></td><td>360 Capital Havelock House Property Trust</td></tr><tr><td></td><td>360 Capital 441 Murray Street Property Trust</td></tr></table>	Listed	Unlisted	360 Capital Office Fund (ASX:TOF)	360 Capital 111 St George's Terrace Property Trust	360 Capital Industrial Fund (ASX:TIX)	360 Capital Retail Fund No. 1		360 Capital Havelock House Property Trust		360 Capital 441 Murray Street Property Trust	<div>Strategic Co-Investments</div> <table><tr><td>19.99% interest in TOF<sup>2</sup></td></tr><tr><td>15.6% interest in TIX</td></tr></table>	19.99% interest in TOF <sup>2</sup>	15.6% interest in TIX	<div>Unlisted Equity Interests</div> <table><tr><td>42.3% interest in 360 Capital 111 St. George's Terrace Property Trust<sup>3</sup></td></tr><tr><td>49.9% interest in 360 Capital Retail Fund No. 1</td></tr><tr><td>38.8% interest in 360 Capital Havelock House Property Trust</td></tr><tr><td>35.7% interest in 360 Capital 441 Murray Street Property Trust</td></tr></table>	42.3% interest in 360 Capital 111 St. George's Terrace Property Trust <sup>3</sup>	49.9% interest in 360 Capital Retail Fund No. 1	38.8% interest in 360 Capital Havelock House Property Trust	35.7% interest in 360 Capital 441 Murray Street Property Trust
Listed	Unlisted																	
360 Capital Office Fund (ASX:TOF)	360 Capital 111 St George's Terrace Property Trust																	
360 Capital Industrial Fund (ASX:TIX)	360 Capital Retail Fund No. 1																	
	360 Capital Havelock House Property Trust																	
	360 Capital 441 Murray Street Property Trust																	
19.99% interest in TOF <sup>2</sup>																		
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42.3% interest in 360 Capital 111 St. George's Terrace Property Trust <sup>3</sup>																		
49.9% interest in 360 Capital Retail Fund No. 1																		
38.8% interest in 360 Capital Havelock House Property Trust																		
35.7% interest in 360 Capital 441 Murray Street Property Trust																		
<div>Total Consideration: \$91.5m Forecast FY17 Annualised EBIT Multiple of 10.0x<sup>3</sup></div>	<div>Total Consideration: \$115.8m Average FY17 DPS Yield: 8.3%<sup>4</sup></div>	<div>Deferred Settlement Consideration: \$58.9m Average FY17 DPS Yield: 9.2%<sup>4</sup></div>																

- Centuria has entered into a 2 year put and call arrangement over the unlisted co-investments for approximately \$59 million.
- CMA to acquire the 8.8% holding, with Centuria and CMA holding 28.8% interest in TOF, conditional on TOF unitholder approval. Assumes that the Conditional Placement is approved. If the Conditional Placement is not approved, Centuria expects to implement the Conditional Placement Backstop Arrangements. See page 44.
- Refer to page 16 for additional detail.
- Based on expected weighted average annualised distribution entitlement and the agreed acquisition price of units in the respective Unit Sale Agreement. Further details, including relevant assumptions, material contracts and risks are provided in the appendix.
- CIML, as responsible entity of the Trust, is undertaking the equity raising on behalf of 360 Capital 111 St George's Terrace Property Trust. CIML has indicated that it will not participate in the capital raising and ownership interest will reduce to 38.9% on completion if the equity raising is successful.

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## Acquisition Metrics – Funds Management Platform

- Acquiring funds management platform for \$91.5m (+ additional \$10m in cash and net assets) which represents a 10.0x multiple to forecast FY17 annualised EBIT expected to be generated by the platform
- Fees predominately relate to base management fees and property services fee income
  - Consistent with its existing funds and asset management philosophy, Centuria will bring property management services in-house
- Existing Centuria platform is underutilised and therefore minimal incremental costs will be required to manage the acquired FUM
- No FUM growth assumed in forecasts for acquisition of 360 Capital funds management platform

Forecast FY17 annualised incremental EBIT Multiple <sup>1</sup>	\$m
Funds Management Fees	9.1
Property Management Fees	1.5
Performance Fees	-
Transactional Fees	-
<b>Total Management Income</b>	<b>10.6</b>
Expenses	(1.5)
<b>Incremental EBIT</b>	<b>9.1</b>
<b>EBIT Multiple</b>	<b>10.0x</b>

- Assumes transaction completed on 1 July 2016 as EBIT multiple is calculated on an annualised basis. Further details, including relevant assumptions and risks are provided in the appendix. Assumes that the Conditional Placement is approved. If the Conditional Placement is not approved, Centuria expects to implement the Conditional Placement Backstop Arrangements. See page 44.

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### Overview of the 360 Capital Funds<sup>1</sup>

	TIX	TOF	360 Capital 111 St. George's Terrace Property Trust	360 Capital Retail Fund No 1	360 Capital Havelock House Property Trust	360 Capital 441 Murray Street Property Trust
<b>Fund Type</b>	Listed	Listed	Unlisted	Unlisted	Unlisted	Unlisted
<b>Sector Focus</b>	Industrial	Office	Office	Retail	Healthcare	Office
<b>AUM (\$)</b>	923.3	211.0	142.0	72.5	25.3	22.4
<b>Market capitalisation (\$m)<sup>2</sup></b>	517.2	158.3	n/a	n/a	n/a	n/a
<b>No of properties</b>	37	3	1	2	1	1
<b>WACR</b>	7.5%	7.1%	7.6%	6.9%	7.5%	8.3%
<b>Occupancy (by GLA)</b>	99.4%	99.2%	88.0%	97.2%	100.0%	100.0%
<b>WALE (by income)</b>	4.7	4.7	4.1	6.5	11.6	0.4
<b>Gearing<sup>3</sup></b>	42.6%	17.8%	49.4%	46.0%	46.2%	47.1%

1. All figures, unless stated, are based as at 30 June 2016.
2. Market capitalisation as at 22 November 2016, being the date immediately prior to the announcement of the Transaction.
3. Gearing defined as net debt / (total tangible assets – cash).

## Section 4 The Expanded Centuria

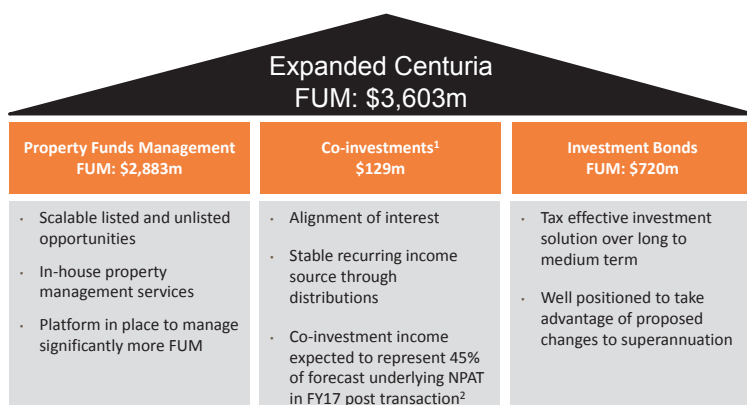
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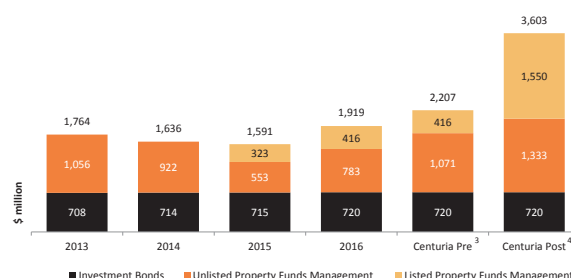


## Overview of the Expanded Centuria

- Centuria provides security holders with an exposure to a substantial funds management platform with established access to deep listed and unlisted investor bases covering real estate and investment bonds
- Centuria has a unique approach where it intends to grow both unlisted and listed property platforms with equal focus



### Funds under management



- Co-Investments represent equity investments made by Centuria in each underlying listed/unlisted fund and form a component of the property funds management FUM. Assumes that the Conditional Placement is approved. If the Conditional Placement is not approved, Centuria expects to implement the Conditional Placement Backstop Arrangements. See page 44.
- Refer to page 27 and page 28 for Proforma Balance Sheet and P&L and the appendix for financial assumptions and key risks.
- FUM as at 30 June 2016 adjusted for the establishment of the Zenith Fund (\$287m in additional FUM).
- FUM as at 30 June 2016 adjusted for the establishment of the Zenith Fund (\$287m in additional FUM) + Incremental FUM growth from acquisition of TGP platform.

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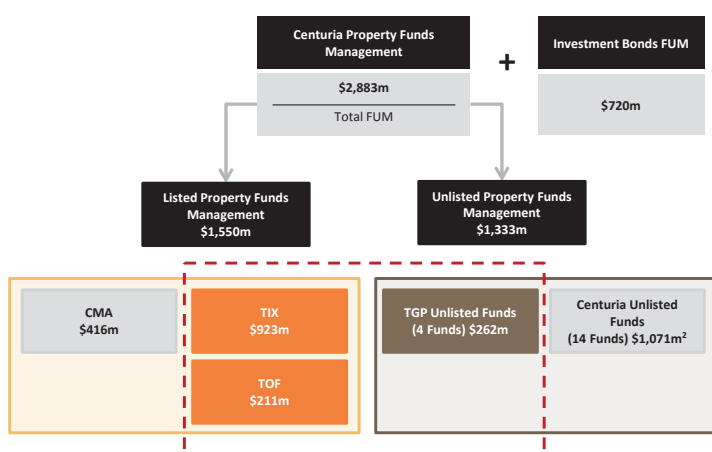
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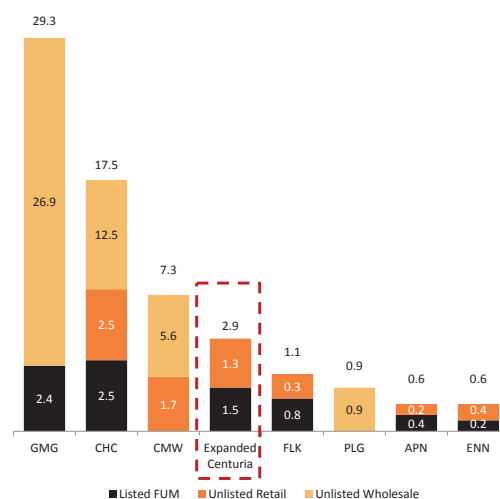


## Transformational change in scale to over \$3.6bn in FUM

- An approximately four-fold increase in listed property funds under management business transforms Centuria into the fourth largest pure play ASX listed property funds management business



### Comparable Property Funds Under Management (\$m)<sup>1</sup>



- As at 30 June 2016, sourced from ASX disclosures. Note ENN includes FUM increase from Elanor Retail Property Fund (as disclosed on 4 October 2016).
- FUM as at 30 June 2016 adjusted for the establishment of the Zenith Fund (\$287m in additional FUM).

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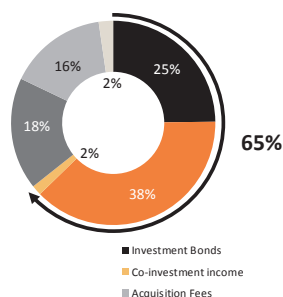
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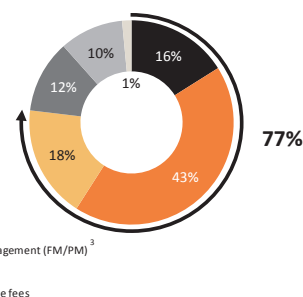
### Enhanced earnings quality as recurring revenue grows

- Centuria's earnings quality is materially improved with recurring revenues expected to increase from 65% to 77% of total revenue post Transaction<sup>1,2</sup>
- Post Transaction, co-investment income becomes a major contributor to Centuria's net profit<sup>1,2</sup>
  - Increased contribution to approximately 18% of revenue and ~45% of net profit on an annualised basis
  - Stapled structure allows for efficient flow through of co-investment income to Centuria investors
- The expected increase in recurring co-investment income underpins the expected increase in FY17 distributions

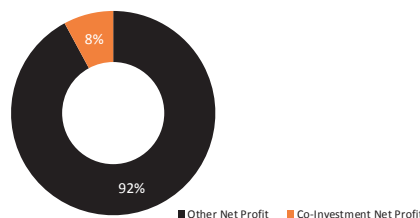
Revenue Centuria pre<sup>1</sup>



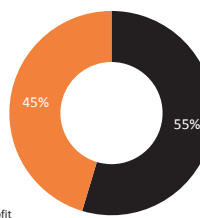
Revenue Centuria post<sup>1,2</sup>



NPAT Centuria pre<sup>5</sup>



NPAT Centuria post<sup>5</sup>



- Represents underlying revenue calculated on an annualised basis. Refer to the appendix for financial assumptions and key risks.
- Assumes that the Conditional Placement is approved. If the Conditional Placement is not approved, Centuria expects to implement the Conditional Placement Backstop Arrangements. See page 44.
- FM = Funds Management, PM = Property Management
- Other revenue includes: Sales Fees, Development Income, Project Management Fees, Design Recovery, Fees associated with Belmont Road, Interest Income and Other
- Represents underlying NPAT calculated on an annualised basis. Refer to the appendix for financial assumptions and key risks. Underlying NPAT is a financial measure which is not prescribed by Australian Accounting Standards (AAS) and represents profit under AAS adjusted for specific non-cash and significant items (including fair value gains and losses and transaction costs).

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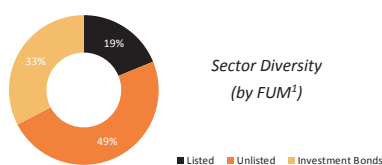
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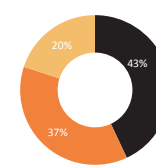
### Creating a diversified property funds management platform

- Centuria real estate platform significantly rebalanced to listed REITs and the industrial asset class
  - TIX is a dedicated industrial REIT included in the S&P/ASX 300 index
  - The potential to create the largest metro focused office fund/REIT in the future (CMA/TOF)

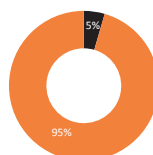
Centuria pre



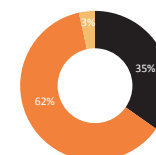
Centuria post



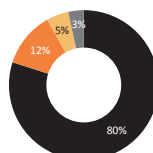
■ Listed ■ Unlisted ■ Investment Bonds



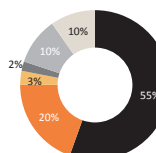
Capital Source (by Valuation)



■ Industrial ■ Office ■ Other



Geographic Diversification (by Valuation)



■ NSW ■ QLD ■ ACT ■ SA ■ VIC ■ WA

- FUM as at 30 June 2016 adjusted for the establishment of the Zenith Fund (\$287m in additional FUM)

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## Annexure B – Investor Presentation



### Leverages Centuria's existing capabilities

- Significant incremental income generation resulting from additional FUM added to the platform<sup>1</sup>

Listed Funds		Unlisted Funds	
Advantages	Considerations	Advantages	Considerations
<ul style="list-style-type: none"> <li>Ability to leverage equity capital markets</li> <li>Very scalable business</li> <li>Expanded REITs advance growth options</li> </ul>	<ul style="list-style-type: none"> <li>Sizeable co-investment</li> </ul>	<ul style="list-style-type: none"> <li>Additional fee opportunities on acquisition, equity raising and performance fees for outperformance success of the funds</li> </ul>	<ul style="list-style-type: none"> <li>Capital recycling required to launch new funds</li> <li>Generally funds will have finite term</li> </ul>
TIX, TOF, CMA		Unlisted Property Average Fees	
Recurring Revenue		Recurring Revenue	
Base Management Fee (% of GAV)	0.55 – 0.60%	Base Management Fee (% of GAV)	0.80%
Custodian fee (% of GAV)	0.05% <sup>2</sup>	Custodian fee (% of GAV)	0.05%
Property Management Fees <sup>3</sup> (% of Gross revenue)	1.3 - 2.2%	Property Management Fees <sup>3</sup> (% of Gross revenue)	2.5%
Leasing Fees <sup>4</sup> (% of first year lease revenue)	3.0 - 5.5%	Leasing Fees <sup>3</sup> (% of first year lease revenue)	3.0 - 5.5%
Transactional Revenue		Transactional Revenue	
Acquisition fees (% of acquisition price)	-	Acquisition fees (% of acquisition price)	1.5%
\$200m of incremental FUM		\$200m of incremental FUM	
Recurring Revenue (\$m)	1.6 – 1.7	Recurring Revenue (\$m)	2.2
Transactional Revenue (\$m)	nil	Transactional Revenue (\$m)	3.0
Total Revenue (\$m)	1.6 - 1.7	Total Revenue (\$m)	5.2
EBITDA Margin (%)	60% - 80%	EBITDA Margin (%)	60 – 80%
Incremental EBITDA (\$m)	1.0 – 1.4	Incremental EBITDA (\$m)	3.1 – 4.2

1. Illustrative purposes only
2. Not applicable to CMA as fees payable to custodian is considered an operating cost
3. Assumes Centuria will manage 80% of underlying FUM of TIX and TOF (with remainder externally managed by third parties)
4. Assumes 70% rollover of existing tenants on expiry of lease term



## Section 5 Transitioning to the Expanded Centuria



## Annexure B – Investor Presentation



### Benefits for Property Fund Investors

- Centuria's property funds management business has been serving Australian investors since 1998 with 33 completed funds totalling \$1.3 billion

#### Committed & experienced Manager

- Vertically Integrated property management model with depth and experience across all facets of platform (refer page 11)
- Recent transaction includes \$279.1 million acquisition of "The Zenith" in partnership with leading global institutional investor Blackrock

#### Focus on corporate governance & alignment of interests

- Centuria's Property Funds management business has a strong focus on corporate governance and seeks to align Centuria's interests with those of investors through substantial co-investments in the funds

#### Orderly transition

- Listed Funds**
  - TIX to be managed in line with previously stated strategies with additional benefit of access to Centuria's integrated property model
  - The potential to create the largest metro focused office fund/REIT in the future (CMA/TOF)
- Unlisted Funds**
  - Centuria will manage the unlisted funds in line with present policy, but will review all funds within 3 months of completion and adjust its strategy as required



## Section 6 Financial Impact

# Annexure B – Investor Presentation

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## Financial Impact: Proforma Forecast FY17 Profit and Loss Statement

- Assumes the Transaction is implemented on 1 Jan 2017 and the Equity Raising completes in full<sup>1,2</sup>
- Forecast FY17 Underlying revenue increases 27% to \$47.2m due to an expected:
  - \$4.5m increase in property funds management fees (\$9.1m annualised)
  - \$0.8m increase in property services fees (\$1.5m annualised)
  - \$4.8m from co-investments in TIX and TOF (\$9.7m annualised)
- Forecast FY17 total expenses expected to increase by \$0.8m (\$1.6m annualised) from additional staffing and corporate overheads given ability to leverage Centuria's existing platform
- FY17 DPS expected to increase 35.9% with attractive distribution yield of 7.5%
- Key assumptions applied in the Proforma forecast FY17 Profit and Loss Statement are outlined in the appendix (page 52)
- Key risks are contained in the appendix (page 41-44)

- For the purposes of this presentation, the financial information does not consolidate any funds operated by Centuria Life Limited on behalf of policy holders. The profit and loss from these funds are required to be consolidated for statutory purposes.
- Assumes that the Conditional Placement is approved. If the Conditional Placement is not approved, Centuria expects to implement the Conditional Placement Backstop Arrangements. See page 44.
- For the purposes of this Presentation, the financial information does not consolidate the four unlisted funds in which TGP's equity interests are subject to put and call arrangements with Centuria. The profit and loss from these funds are required to be consolidated for statutory purposes. This will result in an increase to revenue and expenses, the elimination of management fee for the unlisted funds and an offsetting adjustment to non-controlling interests. Therefore NPAT on a statutory basis would increase. However, NPAT after non-controlling interest will not be impacted on a statutory basis.
- Underlying NPAT excludes transaction costs of \$2.6 million required to be expensed through the profit and loss statement for statutory reporting purposes.
- Underlying NPAT is a financial measure which is not prescribed by Australian Accounting Standards ("AAS") and represents profit under AAS adjusted for specific non-cash and significant items (including fair value gains and losses and transaction costs).

### Proforma forecast FY17 Underlying Profit and Loss Statement<sup>1,2,3,4,5</sup> (A\$m)

	Centuria pre	Transaction	Centuria post
Investment bond fees	9.2	-	9.2
Property funds management fees	9.4	4.5	13.9
Property services fees	4.7	0.8	5.4
Co-investment income	0.6	4.8	5.4
Acquisition fees	5.8	-	5.8
Performance fees	0.9	-	0.9
Other revenue	6.6	-	6.6
<b>Underlying revenue</b>	<b>37.1</b>	<b>10.1</b>	<b>47.2</b>
Staffing expenses	(15.7)	(0.7)	(16.4)
Other expenses	(8.3)	(0.1)	(8.4)
<b>Underlying EBITDA</b>	<b>13.1</b>	<b>9.3</b>	<b>22.4</b>
Depreciation	(0.3)	-	(0.3)
<b>Underlying EBIT</b>	<b>12.8</b>	<b>9.3</b>	<b>22.1</b>
Net Interest expense	(2.3)	(1.2)	(3.6)
<b>Underlying Net Profit Before Tax</b>	<b>10.5</b>	<b>8.0</b>	<b>18.5</b>
Underlying tax expense	(3.3)	(0.3)	(3.6)
<b>Underlying Net Profit After Tax</b>	<b>7.2</b>	<b>7.7</b>	<b>14.9</b>
Underlying EPS (cents)	9.3		9.9
DPS (cents)	5.5		7.5

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## Financial Impact: Proforma Balance Sheet

- Proforma adjustments to 30 June 2016 Balance Sheet reflect:
  - Payment of accrued fees from the sale of Macquarie Park (\$9.7m) and return of deposit on Centuria Zenith Fund (\$6.8m) and repayment of other liabilities offset by increase in other receivables (\$1.9m)
  - Additional seed investment in Centuria Diversified Property Fund (\$5.6m)<sup>1</sup> and Centuria Woden Green Estate Development Fund (\$1.2m)
  - Acceptance of Growthpoint Offer and participation in Cash Alternative Facility (\$40.5m) with proceeds used to retire debt
- The proceeds from the equity raising are applied to acquisition of:
  - units in TIX and TOF (\$115.8m in total) and associated accrued distributions
  - Property fund management rights (\$91.5m) and associated net assets of CIML (\$10m which is predominantly cash)
- Additionally, Centuria will draw down a vendor loan from TGP (\$50m) and utilise available cash on balance sheet (\$27m) to fund the acquisition and associated transaction costs
- Centuria will consider its funding options at the time of exercise of the put and call options over TGP's interest in the 4 unlisted funds and at the time of repayment of the vendor loan. Funding sources may include drawdown under existing debt facilities, establishment in new debt facilities or a further equity raising

### 30 Jun 2016: Proforma Balance Sheet<sup>2,3,4</sup> (A\$m)

	Centuria pre	Adjustments	Transaction	Centuria post
Cash	13.2	17.7	(17.1)	13.8
Trade & Other Receivables	19.7	(14.6)	0.0	5.1
Other Investment Assets	47.2	(33.7)	115.8	129.3
Reverse Mortgage Receivables	51.6			51.6
Properties Held for Development	35.7			35.7
Intangible Assets	53.0		91.5	144.5
Other Assets	1.9			1.9
<b>Total assets</b>	<b>222.2</b>	<b>(30.6)</b>	<b>190.2</b>	<b>381.9</b>
Trade & Other Payables	9.2	(1.5)		7.7
Corporate Debt	26.8	(26.8)	50.0	50.0
Development Facility Debt	23.4			23.4
Reverse Mortgage Debt	9.8			9.8
Derivative Liabilities (Reverse Mortgages)	20.8			20.8
Other Liabilities	4.6	(2.3)		2.3
<b>Total liabilities</b>	<b>94.5</b>	<b>(30.6)</b>	<b>50.0</b>	<b>114.0</b>
Non-controlling interests	9.7			9.7
<b>Net assets attributable to CNI</b>	<b>118.0</b>	<b>(0.0)</b>	<b>140.2</b>	<b>258.2</b>
NAV per security	1.53	-	-	1.14
Corporate gearing <sup>5</sup>	8.6%	-	-	11.4%

- Total investment in Centuria Diversified Property Fund of \$6.2m since inception.
- Assumes that the Conditional Placement is approved. If the Conditional Placement is not approved, Centuria expects to implement the Conditional Placement Backstop Arrangements. See page 44.
- For the purposes of this Presentation, the financial information does not consolidate any funds operated by Centuria Life Limited on behalf of policy holders. These profit and loss from these funds are required to be consolidated for statutory purposes.
- For the purposes of this Presentation, the financial information does not consolidate the four unlisted funds in which TGP's equity interests are subject to a fixed price consideration put and call arrangement with Centuria. On a statutory basis the assets and liabilities of the unlisted funds would be included, increasing both assets and liabilities. The offset would be recorded in "Non-controlling interests". Therefore net assets attributable to CNI remain the same as presented.
- Corporate gearing calculated as (corporate debt - cash) / (total assets - reverse mortgage receivables - cash).

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## Section 7 Equity Raising Summary



## Equity Raising Overview

- The \$150m fully underwritten equity raising at an Offer Price of \$1.00 per New Security comprises a:
  - 1 for 1 accelerated pro-rata non-renounceable entitlement offer to raise approximately \$77m
  - Placement to existing and new institutional investors to raise \$23m
  - Conditional Placement to existing and new institutional investors to raise \$50m
- The equity raising is conditional on TGP unitholders approving a change of RE of TGP (from CIML to a new entity) and TOF unitholders approving the sale of TGP's 28.8% in TOF to Centuria (19.99%) and CMA (8.8%)<sup>1</sup>
- The Conditional Placement is also subject to approval by eligible non participating CNI security holders at an EGM scheduled for 3 January 2017
  - If the Conditional Placement is not approved, Centuria has put in place the Conditional Placement Backstop Arrangements to provide funding certainty to assist Centuria to settle the Transaction (Conditional Placement Backstop)<sup>2</sup>
- The Conditional Placement Backstop involves a number of alternative funding arrangements including:
  - Not acquiring 19.99% of TOF from TGP
  - Drawdown of additional \$17m on existing debt facility which is intended to be subsequently refinanced within 3 months via a discounted rights issue underwritten by Moelis

### Key Offer Information<sup>1</sup>

Offer Price per security (\$)	\$1.00
Discount to last closing price (%)	(2.9%)
No of New Centuria securities issued (m) <sup>2</sup>	150
Total capital raising amount (\$m) <sup>2</sup>	150
Pro forma market capitalisation post (\$m) <sup>2,3</sup>	229.5
Forecast FY17 earnings yield (%) <sup>4</sup>	9.9%
Forecast FY17 distribution yield (%) <sup>4</sup>	7.5%
Pro forma gearing ratio post Transaction (%) <sup>5</sup>	11.4%

- In the event that the TGP Security holders or TOF unitholders do not approve the Transaction, then New Securities will not be issued and any application monies paid will be reimbursed without interest
- If the Conditional Placement is not approved the Conditional Placement securities will not be issued. See page 44 for the financial impact of and risks associated with those arrangements.
- At an Offer price of \$1.00
- Forecast earnings and distribution yield calculated using underlying NPAT and distributions, based on an offer price of \$1.00. Refer to page 27 for Proforma P&L and the appendix for financial assumptions and key risks. Underlying NPAT is a financial measure which is not prescribed by Australian Accounting Standards (AAS) and represents profit under AAS adjusted for specific non-cash and significant items (including fair value gains and losses and transaction costs)
- Gearing calculated as (corporate debt – cash) / (total assets – reverse mortgage receivables – cash)

# Annexure B – Investor Presentation

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## Details of the Equity Raising

<b>Equity Raising Details</b>	<ul style="list-style-type: none"> <li>An Equity Raising of up to 150 million New Securities to raise approximately \$150 million</li> </ul>
<b>Entitlement Offer</b>	<ul style="list-style-type: none"> <li>1-for-1 accelerated non-renounceable entitlement offer to raise approximately \$77 million</li> <li>Record date is 25 November 2016</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 (concurrent with the Placement and Conditional Placement)</li> <li>Retail Entitlement Offer opens on 30 November 2016 and closes on 28 December 2016<sup>1</sup></li> <li>Conditional on TGP Security holder and TOF unitholder approval of the Transaction<sup>2</sup></li> </ul>
<b>Placement</b>	<ul style="list-style-type: none"> <li>Institutional Placement to raise approximately \$23 million offered to existing and new institutional investors</li> <li>Conditional on TGP security holder and TOF unitholder approval of the Transaction<sup>2</sup></li> </ul>
<b>Conditional Placement</b>	<ul style="list-style-type: none"> <li>Conditional Institutional Placement to raise approximately \$50 million offered to existing and new institutional investors</li> <li>Conditional on Centuria approval of the issue of new securities under the Conditional Placement<sup>3</sup>, and TGP security holder and TOF unitholder approval of the Transaction<sup>2</sup></li> </ul>
<b>Settlement</b>	<ul style="list-style-type: none"> <li>Settlement of the of the Institutional Entitlement Offer, Retail Entitlement Offer, Placement and Conditional Placement will occur concurrently once the conditions are satisfied</li> </ul>
<b>Ranking</b>	<ul style="list-style-type: none"> <li>New Securities issued under the equity raising will rank equally with existing Centuria securities</li> </ul>
<b>Pricing</b>	<ul style="list-style-type: none"> <li>The Offer Price of \$1.00 per new security represents a 2.9% discount to the closing price of \$1.03 at 22 November 2016</li> </ul>
<b>Dividend / Distribution entitlement</b>	<ul style="list-style-type: none"> <li>Directors to declare a 2.3 cent interim dividend/distribution for existing security holders</li> <li>Record date for the interim dividend/distribution is 30 December 2016 (to be paid in February 2017)</li> <li>Forecast final dividend/distribution of 5.2 cents for all security holders (existing and new) for the 6 months to 30 June 2017</li> </ul>
<b>Underwriter</b>	<ul style="list-style-type: none"> <li>The equity raising is fully underwritten by Moelis Australia Advisory Pty Ltd</li> </ul>
<b>Directors Intentions</b>	<ul style="list-style-type: none"> <li>Certain Directors and members of senior management who hold CNI securities have committed to take up all or some of their entitlements in the Entitlement Offer. In addition, certain Directors and members of senior management (or entities associated with these Directors and senior management) have agreed to sub-underwriting commitments in connection with the Entitlement Offer as detailed on page 54<sup>4,5</sup></li> </ul>

1. Timetable is subject to change at Centuria's discretion with the prior written consent of the Underwriter (subject to the law and ASX listing rules).
2. In the event that the TGP or TOF unitholders do not approve the Transaction, then New Securities will not be issued and any application monies paid will be reimbursed without interest.
3. Assumes that the Conditional Placement is approved. If the Conditional Placement is not approved, Centuria expects to implement the Conditional Placement Backstop Arrangements. See pages 30 and 44.
4. Some of the Directors may enter into funding arrangements in order to fund their participation in the Entitlement Offer and/or sub-underwriting commitments
5. The Directors and members of senior management who have entered into sub-underwriting commitments with the Underwriter will receive a fee from the Underwriter based on that sub-underwriting commitment consistent with the fee arrangements entered into by the Underwriter with other third party sub-underwriters

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## Sources and Uses of the Proceeds

- The equity raising will partly fund the acquisition of CIML, the co-investments in TIX and TOF and fund the Transaction and associated transaction costs
- TGP has agreed to provide Centuria with \$50m in vendor financing for a minimum period of 18 months
  - The vendor loan has been provided to allow Centuria adequate time post Transaction to establish a long-term financing arrangement (ie. corporate bond or loan) via traditional banking channels<sup>2</sup>
  - Further details on the vendor loan are outlined in the material contracts summary on page 49

Sources	(\$m)	Uses	(\$m)
Available cash	27.1	Purchase of CIML property funds management rights	91.5
Vendor financing	50.0	CIML net assets acquired (predominantly cash)	10.0
Equity raising <sup>1</sup>	150.0	Co-investments in TIX and TOF	115.8
		Transaction and equity raising costs	9.7
<b>Total sources</b>	<b>227.1</b>	<b>Total uses</b>	<b>227.1</b>

1. In the event that Centuria security holders do not approve the Conditional Placement, then Conditional Placement securities will not be issued. Centuria has put in place the Conditional Placement Backstop Arrangements to provide funding certainty to assist Centuria to settle the Transaction. See page 30 for further details on the Conditional Placement Backstop alternative funding arrangements if the Conditional Placement is not approved, and page 44 for the risks associated with those arrangements.
2. Centuria will consider its funding options at the time of repayment of the vendor loan. Funding sources may include drawdown under existing debt facilities, establishment in new debt facilities or a further equity raising

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# Annexure B – Investor Presentation

## Equity Raising Indicative Timetable

Indicative Offer Timetable	
Trading Halt and announcement of the Transaction and Equity Raising	Wednesday, 23 November 2016
Placement, Conditional Placement & Institutional Entitlement Offer opens	Wednesday, 23 November 2016
Placement, Conditional Placement & Institutional Entitlement Offer closes	Thursday, 24 November 2016
Record date for Retail Entitlement Offer (7:00pm AEST)	Friday, 25 November 2016
TGP AGM	Monday, 28 November 2016
Retail Entitlement Offer Opens	Wednesday, 30 November 2016
TOF EGM to approve the sale of 28.8% stake by TGP to Centuria and CMA (Estimated)	Friday, 23 December 2016
Retail Entitlement Offer Closes (5:00pm AEST)	Wednesday, 28 December 2016
Record date for 1 <sup>st</sup> half interim dividend/distribution to be paid February 2017	Friday, 30 December 2016
Centuria EGM to approve Conditional Placement	Tuesday, 3 January 2017
Settlement of the Entitlement Offer, Placement & Conditional Placement (assuming Transaction is approved)	Thursday, 5 January 2017
Allotment under the Entitlement Offer, Placement & Conditional Placement (assuming Transaction is approved)	Friday, 6 January 2017
ASX quotation under the Entitlement Offer, Placement & Conditional Placement (assuming Transaction is approved)	Monday, 9 January 2017
Dispatch of holding statements	Monday, 9 January 2017

1. Timetable is subject to change at Centuria's discretion with the prior written consent of the Underwriter (subject to the law and ASX listing rules).

## Section 8 Appendices

# Annexure B – Investor Presentation

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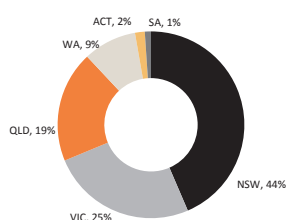
## 360 Capital Industrial Fund (ASX: TIX)

### TIX Overview

- Largest ASX listed pure rent collecting industrial AREIT with a market capitalisation of \$517.2m as at 22 November 2016
- Holds an investment portfolio of 37 assets independently valued at approximately \$905m
- Successfully acquired and integrated Australia Industria REIT's (ANI) portfolio in 2015, contributing an additional 16 properties to TIX's portfolio
- Outperformed the broader index having delivered a total return of ~93% since listing versus the broader S&P/ASX300 A-REIT Accumulation Index of ~62%

Financial Metrics (30 June 2016)	
NTA per Unit (\$)	2.32
Gearing (%)	42.6%
Property Metrics (30 June 2016)	
Independent Valuation (\$m)	905.2
Number of Properties	37
Cap Rate	7.45%
Occupancy (by GLA)	99.4%
WALE (by Income)	4.7
GLA (sqm)	686,411

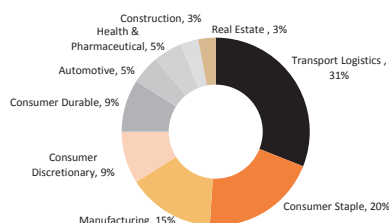
### TIX Geographical Distribution (by Value)



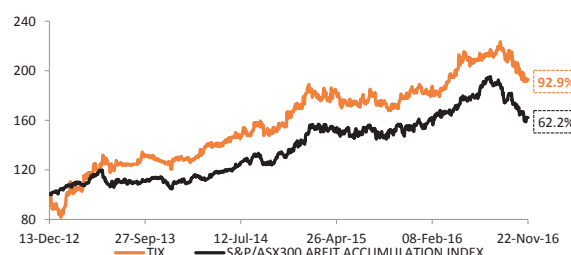
Note: Sourced from public disclosures

1. Total Return source: Bloomberg as at 22 November 2016.

### Tenant Diversification (by income)



### Total Return<sup>1</sup>



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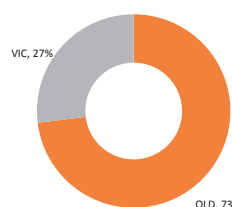
## 360 Capital Office Fund (ASX:TOF)

### TOF Overview

- Listed in April 2014 with a strategic focus on acquiring suburban A and CBD B grade office properties
- TOF has a market capitalisation of \$158.3m as at 22 November 2016, and currently holds an investment portfolio of 3 assets independently valued at approximately \$208m
- Significant balance sheet capacity (~\$60m if at fully deployed target gearing of 35%)
- Delivered a total return of ~33% since listing versus the broader S&P/ASX300 A-REIT Accumulation Index of ~39%

Financial Metrics (30 June 2016)	
NTA per Unit (\$)	2.25
Gearing (%)	17.8%
Property Metrics (30 June 2016)	
Independent Valuation (\$m)	207.9
Number of Properties	3
Cap Rate	7.12%
Occupancy (by GLA)	99.2%
WALE (by Income)	4.7
GLA (sqm)	28,954

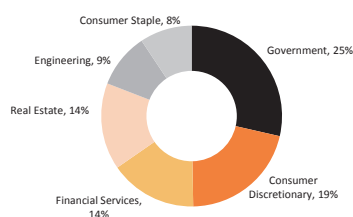
### TOF Geographical Distribution (by value)



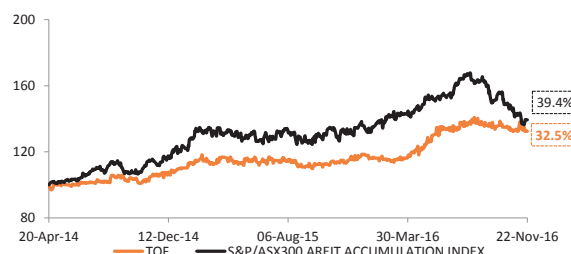
Note: Sourced from public disclosures

1. Total Return source: Bloomberg as at 22 November 2016.

### Tenant Diversification (by income)



### Total Return<sup>1</sup>



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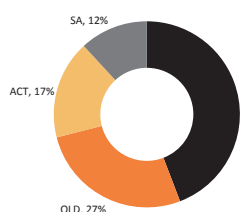
## Centuria Metropolitan REIT (ASX: CMA)

### CMA Overview

- ASX listed REIT with a market capitalisation of \$248.4m as at 22 November 2016
- Conservatively managed REIT with a robust tenancy base delivering predictable and growing earnings & distributions
- Holds an investment portfolio of 10 office and 3 industrial assets, independently valued at approximately \$396.7m as at 30 June 2016
- Delivered a total return of ~23% since listing versus the broader S&P/ASX300 A-REIT Accumulation Index of ~20%

Financial Metrics (30 June 2016)	
NTA per Stapled Security (\$)	2.18
Gearing (%)	33.2%
Property Metrics (30 June 2016)	
Independent Valuation (\$m)	396.7
Number of Properties	13
Cap Rate	7.86%
Occupancy (by NLA)	97.2%
WALE (by NLA)	4.4
NLA (sqm)	112,653

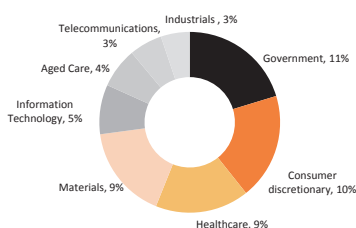
### CMA Geographical Distribution (by Value)



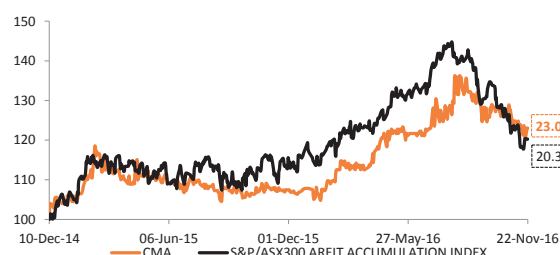
Note: Sourced from public disclosures

1. Total Return source: Bloomberg as at 22 November 2016.

### Tenant Diversification (by income)



### Total Return<sup>1</sup>



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## Board of Directors



### Garry Charny, Chairman

- Garry Charny was appointed Chairman of the Centuria Board in March 2016; He is currently the Managing Director and founder of Wolseley Corporate and Chairman of Spotted Turquoise Films; Garry has had extensive board experience in both listed and unlisted companies across a diverse range of sectors including property, retail, technology and media



### Peter Done, Non-Executive Director & Chairman of CPFL

- Peter Done is Independent Chairman of Centuria Property Funds Limited, appointed to the Board of CPFL in 2007; Previously Partner at KPMG for over 27 years; Peter is a Fellow of the Institute of Chartered Accountants Australia



### John McBain, Executive Director & Group CEO

- John McBain joined the Centuria Board in July 2006; John brings a wealth of executive and entrepreneurial experience to the board, previously holding key senior positions on a number of property development and investment companies; Founder of boutique funds manager Century Funds Management, property funds manager Waltus Investments Australia and specialist property consultancy Hanover Group



### Susan Wheeldon-Steele, Non-Executive Director

- Susan is currently the Head of Performance at Google; previously Head of Brand and Retail at AMP Capital Shopping Centres; 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 and Virgin Atlantic airline brands, and as Vice President of Groupson



### Nicholas Collishaw, Executive Director & CEO Listed Property Funds

- Nicholas Collishaw was appointed Chief Executive Officer of Centuria's Listed Property Funds in May 2013; Previously CEO and Managing Director at the Mirvac Group where he was responsible for successfully guiding the business through the impact of the global financial crisis and implementing a strategy to position the real estate developer and investor for sustained growth; Nicholas has over 30 years' experience in all major real estate markets within Australia and investment markets in the United States, United Kingdom and Middle East



### Jason Huljich, Executive Director & CEO Unlisted Property Funds

- Jason Huljich is an Executive Director of Centuria Capital & CPFL and CEO of Centuria's Unlisted Property Funds; Jason has been with Centuria since its inception in 1999 and was appointed to the Board of CPFL in 2001; He is responsible for providing strategic leadership and ensuring the effective operation of CPFL's Unlisted property portfolio; Currently President of the Property Funds Association (PFA) and sits on the National Executive Committee



### John Slater, Non-Executive Director

- Prior to joining the Board, John founded boutique Financial Advisory firm Riviera Capital and was a senior executive in the KPMG Financial Services practice; Previously on Investment Committees of KPMG Financial Services, Berkeley Group and Byron Capital and has been an adviser to the Centuria Life Friendly Society Investment Committees since 2011

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## Key management biographies



**John McBain, Executive Director & Group CEO**

- Please refer to "Board of Directors" above



**Neil Rogan, General Manager, Investment Bonds Division**

- Neil was appointed GM – Investment Bonds Division at Centuria Life in October 2014. Neil is responsible for the business strategy and operations of the Investment Bond Division; Neil has more than 20 years' experience in the financial services industry, having held a number of senior roles at AMP Ltd including Head of Marketing and Campaigns, Head of Product Marketing and leading the change for the introduction of MySuper in 2013; Throughout 2014, Neil was a NSW Council member of the Australian Marketing Institute



**Nicholas Collishaw, Executive Director & CEO Listed Property Funds**

- Please refer to "Board of Directors" above



**Simon Holt, Chief Financial Officer**

- Simon Holt is responsible for the financial and treasury management of the Centuria Capital Group; Previously Chief Financial Officer of WorleyParsons and has held senior finance positions at Westfield Group; Simon is an associate of the Institute of Chartered Accountants Australia and is a member of Australian Institute of Company Directors



**Jason Huljich, Executive Director & CEO Unlisted Property Funds**

- Please refer to "Board of Directors" above

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## CIML Fee Structures

Listed			
TIX		TOF	
Management	Property	Management	Property
Base management fee: 0.60% of gross asset value	Nil	Base management fee: 0.60% of gross asset value	Nil
Custodian fee: 0.05% of gross asset value		Custodian fee: 0.05% of gross asset value	
Unlisted			
360 Capital 111 St. George's Terrace Property Trust		360 Capital Retail Fund No. 1	
Management	Property	Management	Property
Base management fee: 6.0% gross proceeds	Disposal fee: 2.5% sale price of property minus \$3.425m	Base management fee: 0.60% of gross asset value	Disposal fee: 2.5% sale price of property minus \$3.425m
Custodian fee: 0.05% gross asset value	Leasing fee: 8.5% of gross proceeds for first year	Custodian fee: 0.05% gross asset value	Leasing fee: 8.5% of gross proceeds for first year
		Performance Fee: 20.0% of outperformance of the fund over an IRR hurdle of 10% the Issue Price of \$1.00 per Unit	
360 Capital Havelock House Property Trust		360 Capital 441 Murray Street Property Trust	
Management	Property	Management	Property
Base management fee: 6.0% gross Proceeds	Nil	Base management fee: 5.0% gross Proceeds	Nil
Custodian fee: 0.05% gross asset value		Custodian fee: 0.05% gross asset value	

Asset Services

- Fee streams include
- Development management
  - Major tenant leasing / rent reviews
  - Acquisition and disposals
  - Due diligence
  - Property financial management
  - Energy procurement

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## Risks

### 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. 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 New Securities or that the price of the New Securities will increase. There may be relatively few or many buyers or sellers of the New 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 New 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 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.

#### **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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## Risks

### **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 and capitalisation rates, 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. Centuria is aware of vacancies in a number of the property assets in the portfolio of unlisted funds to be acquired under the Transaction. Centuria has considered vacancies and factored these into the total consideration payable under the Transaction.

### **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-Investment's**

- Centuria long term strategy is to continue holding co-investment positions 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 Centuria's securities.

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# Annexure B – Investor Presentation

Centuria Capital Group



## Risks

### 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

- The Transaction announced in this Presentation is subject to a number of completion conditions, in particular:
  - The Transaction is subject to the condition relating to TGP Unitholder approval of change of Responsible Entity and TOF Unitholder approval of the sale of TGP's 28.8% unitholding in TOF to Centuria (19.99%) and CMA (8.8%). If either of these conditions is not satisfied, the transaction will not proceed and New Securities will not be issued under the Offer.
  - Whilst Centuria is not aware of any reason why the Transaction will not proceed or will be delayed, there is a risk that these conditions may not be satisfied or that satisfaction of those conditions is delayed and accordingly that the Transaction does not complete or that completion is delayed. To the extent that the Transaction fails to complete or that completion is delayed, the financial performance and forecast of Centuria could be materially adversely affected.
- In addition to the Transaction announced in this Presentation, Centuria is undertaking due diligence on a potential further single asset acquisition that it expects to undertake in coming months. 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 the Transaction 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 sever 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), Nicholas Collishaw (CEO Listed Property Funds), 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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## Risks

### Risks Specific To the Transaction

#### Conditional Placement Backstop Arrangements

- The Conditional Placement is conditional on the approval by ordinary resolution of non-participating security holders at an extraordinary general meeting scheduled for 3 January 2017. If the resolution is not approved then the new securities offered under Conditional Placement will not be issued. In this case, Centuria has put in place the Conditional Placement Backstop Arrangements<sup>1</sup> to provide funding certainty to assist Centuria to settle the Transaction. The Conditional Placement Backstop Arrangements could adversely impact on Centuria's current and future business and financial performance including:
  - The loss of an important strategic holding in TOF
  - Reduction in recurring income in the future from lost co-investment income given loss of strategic holding
  - Increase in indebtedness of Centuria, particularly prior to undertaking the Conditional Backstop equity raising or if it fails to complete
  - Uncertainty on the equity raising price under the Conditional Placement Backstop underwriting arrangements
- The Conditional Placement Backstop Arrangements would result in corporate debt initially increasing from \$50 million to \$67 million and corporate gearing increasing 7.4% from 11.4% to 18.8%<sup>2</sup>. This is being driven by increase in corporate debt and corresponding reduction in total assets (because the acquisition of TOF units would not proceed).
- While this would have an immediate minor positive effect on forecast Financial Year 2017 underlying earnings per Stapled Security, due to increased leverage, Centuria's board does not believe it would be prudent to maintain this level of debt, and therefore, expect that Centuria would undertake the Conditional Placement Backstop Arrangements in this case. The additional equity raised via the Conditional Placement Backstop Arrangements would return gearing to a level that is closer to target corporate gearing levels to approximately 12%. However, the Conditional Placement Backstop Arrangements are likely to dilute future underlying earnings and distributions per Stapled Security.
- Additionally, the Conditional Placement Backstop Arrangements result in the loss of Centuria's strategic stake in TOF. This will result in a reduction in recurring co-investment income and increased reliance on transaction based revenues which may be subject to increased earnings volatility.

1. For details regarding the Conditional Placement Backstop Arrangement, see page 31 and the Material Contracts Summaries in respect of the "TOF Unit Sale Deed" and "Backstop Underwriting Agreement" on pages 47 and 50.

2. Corporate gearing calculated as (corporate debt – cash) / (total assets – reverse mortgage receivables – cash)

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# Annexure B – Investor Presentation



## Material Contracts: Share Sale Agreement

### 1.0 Share Sale Agreement:

#### 1.1 Sale and Consideration

- 360 Capital Group Limited (**Seller**), Centuria Capital Limited (**Buyer**) and Centuria Funds Management Limited as responsible entity of the Centuria Capital Fund (CCF) propose to enter into a share sale agreement for the sale of 100% of the issued share capital of 360 Capital Investment Management Limited (CIML or the Company) for \$101.5m, subject to adjustment following the agreement or determination of completion accounts<sup>1</sup>.

#### 1.2 Conditions Precedent

- The sale will be conditional on the satisfaction or waiver of the following conditions precedent before 16 January 2017:
  - TGP securityholders approving the change of responsible entity of 360 Capital Investment Trust from CIML to 360 Capital FM Limited (360CFML) and any other matters required by law or a regulatory authority;
  - TOF unitholders approving the sale of 28.8% of the units on issue in TOF under the TOF Unit Sale Agreement (see 3 below) (**TOF Condition**);
  - the Seller obtaining the consent to the transactions under this agreement from the holders of the notes issued by the Company as responsible entity of the 360 Capital Investment Trust pursuant to an information memorandum dated 17 September 2014;
  - Moelis Australia Advisory Pty Limited not terminating the Underwriting Agreement;
  - Certain third party consents to the change in control of the Company; and
  - the execution of the following transaction documents:
    - the TIX Unit Sale Agreement (see 2 below);
    - the TOF Unit Sale Agreement (see 3 below);
    - the Call Option (see 4 below);
    - the Put Option (see 5 below);
    - the Retail Call Option (see 6 below);
    - the Loan (see 7 below);
    - the Underwriting Agreement;
    - a 12 month investment management agreement in relation to TOT under which the Company delegates the management of TOT to 360CFML and passes through its responsible entity fee in full; and
    - a 12 month investment management agreement in relation to Subiaco Square Shopping Centre Property Trust under which the Company delegates the management of that trust to 360CFML and passes through its responsible entity fee in full.

#### 1.3 Restrictions on activities

- Between signing and Completion of this agreement (**Completion**) the Seller will use reasonable endeavours to procure that the business conducted by CIML and its subsidiaries (**the Business**) is carried on in the ordinary and usual course, consistent with usual practices.

1. CIML holds approximately \$10m in cash, and the effective purchase price is therefore \$91.5m



## Material Contracts: Share Sale Agreement cont.

- For up to 18 months following Completion in relation to TIX and TOF and otherwise for up to 2 years following Completion and subject to the Buyer not defaulting under the Loan, the Seller will not take action which would have a material adverse effect on the Buyer's management of the Business or the Buyer's business. In consideration of this, the Buyer will also, for 18 months following Completion, not take action which would have a material adverse effect on the Seller's continued management of or the Buyer's business.

#### 1.4 Warranties and indemnities

- The Seller gives the Buyer a range of warranties on the signing of the agreement and on Completion. These include warranties as to title, the absence of encumbrances, the assets and contracts of the Business and the information provided during the due diligence process. The Seller has also given a tax indemnity including in respect of any tax payable as a result of having been a member of the TGP tax and GST groups.
- There will be a framework of limitations on bringing claims under the agreement including warranty claims and the process for bringing warranty claims. These will include:
  - a warranty claim time limitation of 5 years after Completion for tax warranties and 12 months after Completion for other warranties;
  - the maximum amount that can be claimed under tax, title, capacity and authorisation, validity of agreement and solvency warranties is 100% of the purchase price and the maximum that can be claimed under other warranties is 60% of the purchase price; and
  - the amount claimed under one or more warranties must be at least \$1,000,000 but if that threshold is reached, the whole of that amount may be claimed.

#### 1.5 Deal Protection

- The Seller will not solicit or participate in proposals which require the Seller to abandon the transactions under this agreement, including by another party acquiring control of the Company or more than a 19.9% relevant interest in the Seller, subject to fiduciary exceptions. The Seller will notify the Buyer of any third party proposals and has provided a right to the Buyer to match third party proposals.
- A reimbursement fee of \$2,300,000 is payable to the Buyer if the transactions under this agreement do not proceed in certain circumstances.
- The Seller will contribute 50% of the Buyer's defence costs up to \$3,575,000 if there is a proposal for a third party to become the responsible entity of TOF, or otherwise to acquire a relevant interest in 40% or more of TOF units within 12 months of Completion.

#### 1.6 Termination

- This agreement may be terminated if the conditions precedent are not satisfied or waived or a party fails to remedy a default notice in relation to obligations at Completion.
- The agreement may also be terminated by the Buyer if
  - there is a breach of a title warranty or the Seller is insolvent;
  - a suspension or termination of the Company's Australian financial services licence occurs between signing and Completion or
  - a breach of Warranty occurs or is reasonably likely to occur that is reasonably likely to result in a claim by the Buyer in excess of \$5.0m.

# Annexure B – Investor Presentation



## Material Contracts: TIX & TOF Unit Sale Agreement

### 2.0 TIX Unit Sale Agreement

- The Seller, the Company as trustee of the 360 Capital Diversified Property Fund, the Company as trustee of the 360 Capital Diversified Property Industrial Sub Trust, the Company as trustee of the 360 Capital Diversified Property Industrial Sub Trust No.2, Centuria Investment Holdings Pty Limited as trustee of Centuria Capital No. 2 Industrial Fund (TIX Buyer), 360 Capital FM Limited (Incoming Trustee), CCF and the Buyer will enter into the TIX unit sale deed in relation to the acquisition of 33,148,945 units in TIX by TIX Buyer.
- The completion of this deed and the acquisition of TIX units under it are conditional on Completion.
- The price payable by TIX Buyer for the TIX units under this deed is:
  - \$2.50 per unit or \$82,872,362 in aggregate and its obligations are guaranteed by the Buyer; plus
  - an amount per TIX unit acquired on account of the sellers' proportionate share of the distribution for the calendar quarter in which the completion of the acquisition occurs. This amount is calculated by reference to the number of days in that quarter that those sellers had held the TIX units and a distribution amount of 5.4 cents per TIX unit.
- The obligations of the TIX Buyer are guaranteed by the Buyer and CCF.
- Each party gives warranties under this agreement in relation to their authority and solvency and where they are a trustee, their status as trustee and right to be indemnified out of the assets of the relevant trust for costs properly incurred in performance of this agreement

### 3.0 TOF Unit Sale Deed

- The Buyer, the Seller, the Company, the Company as trustee of the 360 Capital Investment Trust, the Company as trustee of the 360 Capital Diversified Property Fund, the Company as trustee of the 360 Capital Diversified Property Office Sub Trust, the Company as trustee of the 360 Capital Diversified Property Office Sub Trust 2 (CC2OF), the Company as trustee of the 360 Capital Diversified Property Office Sub Trust 3, Centuria Investment Holdings Pty Limited as trustee of Centuria Capital No. 2 Office Fund, Centuria Property Funds Limited as responsible entity of CMA, Incoming Trustee, CCF and Moelis Australia Advisory Pty Limited (Moelis) will enter into the TOF unit sale deed in relation to the sale of up to 21,071,706 units in TOF to one or more entities (TOF Buyers).
- The completion of this deed and the acquisition of TOF units under it are conditional on satisfaction or waiver of conditions under the Share Sale Agreement. Additionally:
  - where both the TOF Condition is satisfied by Completion and eligible Centuria Securityholders approve the issue of New Securities under the Conditional Placement by Completion, the TOF Buyers are CC2OF and Centuria Metropolitan REIT No.1 and:
    - CC2OF will acquire 14,648,622 TOF units, representing 19.99% of the TOF units on issue; and
    - Centuria Metropolitan REIT No.1 will acquire 6,423,084 TOF units, representing 8.76% of the TOF units on issue
  - where the TOF Condition is satisfied but eligible Securityholders do not approve the issue of New Securities under the Conditional Placement by Completion, the TOF Buyers are Centuria Metropolitan REIT No.1 & Moelis and:
    - Moelis will buy, or procure buyers for, 13,556,754 TOF units, representing 18.5% of the TOF units on issue; and
    - Centuria Metropolitan REIT No.1 will acquire 6,423,084 TOF units, representing 8.76% of the TOF units on issue
    - the sellers will continue to hold 1,099,749 TOF units, representing 1.5% of the TOF units on issue
- The price payable by the TOF Buyers for the TOF units under this agreement:
  - is \$2.25 per TOF unit (or \$47,411,339 in aggregate if all 21,071,706 TOF units are acquired under this agreement); plus
  - an amount per TOF unit acquired on account of the sellers' proportionate share of the distribution for the calendar quarter in which the completion of the acquisition occurs. This amount is calculated by reference to the number of days in that quarter that those sellers had held the TOF units and a distribution amount of 4.25 cents per TOF unit
- The obligations of Centuria Metropolitan REIT No.1 and CC2OF are guaranteed by the Buyer and CCF
- Each party gives warranties under this agreement in relation to their authority and where they are a trustee, their status as trustee and right to be indemnified out of the assets of the relevant trust for any liability incurred in performance of this agreement
- See pages 30 and 44 for further details in relation to the Conditional Placement Backstop Arrangements.



## Material Contracts: Call, Put and Retail Options

### 4.0 Call Option

- The Seller, the Company as trustee of the 360 Capital Diversified Property Fund, the Company as trustee of the 360 Capital Trust, Incoming Trustee Centuria Funds Management Limited as trustee of Centuria Capital No. 2 Fund, CCF and the Buyer have agreed to enter into a 'call option deed' (**Call Option**) under which Centuria Funds Management Limited as trustee of Centuria Capital No. 2 Fund (**Call Option Buyer**) will have a call option for up to two years which, if exercised, will allow it to acquire some or all of:
  - 1,855,000 units in 360 Capital 441 Murray Street Property Trust for \$2.04 per unit;
  - 3,574,166 units in 360 Capital Havelock House Property Trust for \$1.41 per unit;
  - 8,166,914 units in 360 Capital 111 St Georges Terrace Property Trust for \$3.74 per unit; and
  - 21,499,000 units in 360 Capital Retail Fund No. 1 for \$0.91 per unit,
  - for an aggregate purchase price of up to approximately \$58.9m if all units are acquired
- If the Call Option Buyer exercises the option to acquire units in 360 Capital 441 Murray Street Property Trust, the Seller will guarantee a return of 8% per annum on the acquired units for the remaining option period.
- For the option period until the Call Option Buyer exercises its Call Option over the units, the Call Option Buyer, CCF and the Buyer will guarantee an overall return of 7.5% per annum on the remaining units for the remaining option period based on initial capital values equal to the exercise price for the units.

### 5.0 Put Option

- The Seller, the Company as trustee of the 360 Capital Diversified Property Fund, the Company as trustee of the 360 Capital Trust, Incoming Trustee, CCF, the Buyer and the Call Option Buyer will enter into a 'put option deed' (**Put Option**) under which the Company or the Incoming Trustee (as applicable) can during the 20 business days following the expiry of the Call Option exercise period put to the Call Option Buyer any of the units the subject of the Call Option which have not been acquired by the Call Option Buyer under the Call Option, for the same exercise price as under the Call Option
- The Put Option may be exercised early in respect of units in a trust in limited circumstances, including if the relevant trust is wound up, a real estate asset of the trust is sold, a merger of the trust occurs or there is a redemption of more than 50% of units in the trust

### 6.0 Retail Call Option

- The Seller, the Company as trustee of the 360 Capital Diversified Property Fund, Incoming Trustee, the Call Option Buyer, CCF and the Buyer will enter into a 'retail call option deed' (**Retail Call Option Deed**) in relation to a further call option over 7,044,584 units in 360 Capital Retail Fund No.1 (less any units sold to a third party between Completion and the date which is 2 years later) which may be exercised by the Call Option Buyer at the same time as and on the same terms as the Call Option for an aggregate purchase price of up to approximately \$6.4m if all these units are acquired

# Annexure B – Investor Presentation



## Material Contracts: Loan Agreement & Underwriting Agreement

### 7.0 Loan Agreement

- It is proposed that the Seller will provide an interest only vendor loan to Centuria Funds Management Limited as responsible entity for the Centuria Capital Fund (**Borrower**) for \$50,000,000 for a term of 18 months (**Vendor Loan**).
- The loan is to be secured against the assets of the TIX Buyer which will grant a general security agreement including a fixed charge over the TIX units to the Seller. No other security over these units is permitted and, amongst other things, the TIX Buyer will undertake not to sell any TIX units until the Vendor Loan is fully repaid.
- Key terms of the Vendor Loan include
  - interest will be charged at a rate of 5.0% p.a. paid monthly in arrears and accruing daily;
  - prepayment of the Vendor Loan is permissible and a \$500,000 fee will be payable by the Borrower if the Vendor Loan has not been repaid by the due date;
  - a loan to value ratio (LVR) of 65% or lower must be maintained in respect of the Vendor Loan calculated at any time by reference to the ratio (calculated as a percentage) of the gross assets of the TIX Buyer and the principal sum outstanding at that time;
  - if the 65% LVR is breached, additional TIX units or TOF units must be provided as top up security or the Borrower may elect to prepay part of the principal sum to reduce the LVR to 65%;
  - if a breach of the LVR is not cured within 2 business days, the interest rate will increase to 20% p.a. (calculated daily from the day of the breach) until such time as the breach is rectified;
  - if the LVR is greater than 70% and not reduced within 5 business days, the Seller has the right to demand immediate repayment of the Vendor Loan;
  - the Buyer is to provide a guarantee to the Seller for the obligations of the Borrower and the TIX Buyer in respect of the Vendor Loan;
  - if the Conditional Placement is not approved the terms of the Vendor Loan will be amended to reduce the term and alter the interest payment mechanics;
  - any default under the banking facilities to be provided by National Australia Bank Limited must be notified to the Seller in writing;
  - default in respect of financial liabilities of the Buyer or the Borrower in amounts exceeding \$500,000 or in respect of the TIX Grantor (at first instance) in amounts exceeding \$50,000 will be defaults under the terms of the vendor loan; and
  - in the case of the TIX Buyer, distributions may be made while no potential event of default or event of default is subsisting and in the case of each other the Borrower and the Buyer, any distributions in an amount not exceeding the net profit after tax of the Group for the prior financial year (in aggregate) are permissible.

### 8.0 Underwriting Agreement

- Moelis Australia Advisory Pty Ltd ("Moelis") is acting as lead manager, bookrunner and underwriter to the Equity Raising. Centuria has entered into an Underwriting Agreement with Moelis in respect of the Equity Raising.
- Centuria must pay Moelis an underwriting fee of 3.8% of the proceeds of the Equity Raising. Centuria must also pay or reimburse Moelis for costs it has incurred in respect of the Equity Raising, 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 Moelis 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 Equity Raising or the Underwriting Agreement.
- The Underwriting Agreement contains representations and warranties in favour of Moelis. Moelis 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 Securities under the Equity Raising on the 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 Moelis (such consent not to be unreasonably withheld or delayed);
  - Centuria (or its subsidiaries) is or becomes insolvent;
  - Centuria, or any of its directors or officers (as those terms are defined in the Corporations Act) engage in any fraudulent conduct or activity in connection with the Equity Raising;



## Material Contracts: Underwriting Agreement (cont.) & Backstop Underwriting Agreement

- ASIC issues, or threatens in writing to issue, proceedings or notifies Centuria in writing that it has commenced any investigation in relation to the Equity Raising, 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 Securities will not be granted by the ASX.
- Moelis 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 Equity Raising, has given or would be likely to give rise to a liability for Moelis or a contravention of applicable laws:
  - Centuria is in breach of certain disclosure related warranties given by Centuria in favour of Moelis (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 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.

### 9.0 Backstop Underwriting Agreement

- Moelis Australia Advisory Pty Ltd and Centuria propose to enter into a further backstop underwriting agreement in the event that the issue of New Securities under the Conditional Placement is not approved by eligible Centuria security holders (**Backstop Underwriting Agreement**).
- Pursuant to the Backstop Underwriting Agreement, Moelis will act as lead manager, bookrunner and underwriter to a further accelerated entitlement offer to be undertaken by Centuria to raise approximately \$17.2m in order to refinance the drawdown of an additional \$17.2m on an existing NAB facility that forms part of the Conditional Placement Backstop Arrangements.
- The terms of the Backstop Underwriting Agreement are otherwise on commercial terms, including, in relation to the indemnity to be provided to Moelis by Centuria, fees payable to Moelis, representations and warranties and termination rights.



## Annexure B – Investor Presentation



### Financial Assumptions – General Transaction

The Directors' best estimate assumptions in relation to the forecast financial information are based on the following general assumptions

Implementation Date	• The Transaction is implemented on 1 January 2017
Offer	• The Offer is fully subscribed and the Conditional Placement is approved by Centuria security holders
Legislation	• No material changes to accounting policies or Corporations Act
Regulation	• No material changes to legislative or regulatory environment
Investment Properties	• No underlying movement in fair value of investment properties
Litigation	• No material contract disputes or litigation



### Financial Assumptions – P&L

Investment Bond Fees and Funds Management Fees	• Investment Bonds and funds management fees have been calculated in accordance with expanded Centuria's agreements with the respective Funds. Refer to page 23 for illustrative example of fees associated with the management of each underlying Fund • Funds management fees in relation to TGP's two listed and four unlisted funds are based on the forecast FY17 fees as disclosed in TGP's FY16 Financial Presentation
Property services fees	• Are based on the Director's estimates of property services and leasing fees available to the expanded Centuria. It assumes that all existing external property services contracts in TGP portfolio are undertaken in-house by Centuria
Co-investment income	• Based on forecast distributions as per respective Fund Distribution Guidance released in FY16 Financial Presentations
Acquisition fees	• Includes acquisition fees received in relation to the Zenith acquisition (\$2.8m) and Director's estimate of acquisition fees on forecast asset acquisitions equating to approximately \$200m of FUM
Performance fees	• Director's estimate of the performance fee in relation to the forecast outperformance of the Belmont Road fund
Other revenue	• Other revenue includes transactional fees, Belmont Road investment income and other revenue associated with the reverse mortgage portfolio
Staffing costs	• Are based on the Director's estimates of the ongoing staffing costs required to operate the expanded Centuria Capital Group
Other expenses	• Director's estimates of the ongoing costs required to operate the expanded Centuria Capital Group
Net Interest expense	• Director's estimate of interest expenses associated with reverse mortgage portfolio, holding costs for GMF securities and interest payable on new vendor loan. Vendor loan all in interest rate of 5% p.a. for first 12 months
Tax Expense	• Reflects implementation of the Stapling Proposal on 17 October 2016 and assumes the Trusts are subject to Division 6 of the Income Tax Assessment Act 1936 (and therefore the trustee should not be liable for income tax provided that unitholders are presently entitled to net income of the trusts)

# Annexure B – Investor Presentation

Centuria Capital Group



## Foreign Jurisdictions

### International Offer Restrictions:

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

#### 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 (the "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 New 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 New 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 New 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 (the "FMC Act").

The New Securities are not being offered to the public within New Zealand other than to existing security holders of Centuria with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the FMC Act and the Securities Act (Overseas Companies) Exemption Notice 2013, or if allotment of the New Securities occurs after 6 January 2017, any replacement exemption notice.

Other than in the entitlement offer, the New 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 (the "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 New 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 New Securities may not be circulated or distributed, nor may the New 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 New 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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Centuria Capital Group



## Director sub-underwriting commitments

The Directors of CNI are supportive of the Transaction and the Entitlement Offer

Certain Directors and members of senior management (or entities associated with these Directors or members of senior management) of CNI, agreed to sub-underwriting commitments in connection with the Entitlement Offer as detailed below<sup>1</sup>:

Director	Sub-underwriting Commitment Limit (\$)
Garry Charny, Chairman	• \$225,000
John McBain, Group CEO	• \$500,000
Jason Huljich, Executive Director & CEO, Unlisted Property Funds	• \$2,000,000

Moelis Australia Advisory Pty Ltd has entered into an underwriting agreement with Centuria, under which it has agreed to lead manage and underwrite the Entitlement Offer ("Underwriting Agreement"). The terms of the Underwriting Agreement are summarised on page 49.

Moelis Australia Advisory Pty Ltd 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 and members of senior management (or entities associated with those Directors or members of senior management) has given a sub-underwriting commitment in favour of Moelis Advisory Australia Pty Ltd 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 Moelis Australia Advisory Pty Ltd up to their respective Sub-underwriting Commitment Limit, at the Issue Price.

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 Moelis Australia Advisory Pty Ltd<sup>2</sup>.

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 Moelis Australia Advisory Pty Ltd under the Underwriting Agreement.

1. Some of the Directors may enter into funding arrangements in order to fund their participation in the Entitlement Offer and/or sub-underwriting commitments  
2. This fee is consistent with the fee arrangements entered into by the underwriters with other third party sub-underwriters

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# Annexure B – Investor Presentation



## Glossary

ASIC	Australian Securities and Investment Commission
ASX	ASX Limited (ABN 98 008 624 691)
AUM	Assets under Management
Balance Sheet Gearing	Gearing calculated as total borrowings - cash divided by total assets
Centuria	The ASX listed stapled entity comprising Centuria Capital Limited (ACN 095 454 336) and Centuria Capital Fund (ARSN 613 856 358)
Centuria Funds Management Limited	The Responsible Entity of the Centuria Capital Fund
Centuria Capital Group	Refer to Centuria
Centuria Property Funds Limited	Responsible Entity of CMA
CIML	360 Capital Investment Management Limited (ACN 133 363 185), as responsible entity of TGP and its subsidiary Funds
CMA	Centuria Metropolitan REIT, an ASX listed stapled entity, comprising Centuria Metropolitan REIT No. 1 ARSN 124 364 718 and Centuria Metropolitan REIT No. 2 ARSN 124 364 656
Corporations Act	Corporations Act 2001 (Cth)
CPFL	Refer to Centuria Property Funds Limited
DPS	Distribution per Stapled Security
DPS Payout Ratio	DPS as a percentage of EPS
EBIT	Earnings Before Interest and Taxes
EBTIDA	Earnings Before Interest, Taxes, Depreciation and Amortisation
EPS	Earnings per share
Equity Raising	Raising of Equity under the entitlement offer, institutional placement and conditional placement
FUM	Funds Under Management



## Glossary

FY17	Financial Year ended 30 June 2017
GLA	Gross lettable area, the total lettable floor area in square metres
IFRS	International Financial Reporting Standards as developed and maintained by the International Accounting Standards Board
IRR	Internal Rate of Return
NAV	Net Asset Value, calculated as Net Assets divided by total shares outstanding
NPAT	Net Profit After Tax
PE	Offer Price divided by underlying NPAT per share
REIT	Real Estate Investment Trust
Security Holder	The registered holder of a Stapled Security
TGP	360 Capital Group, a stapled group comprising 360 Capital Group Limited (ACN 113 569 136) and 360 Capital Trust (ARSN 104 552 598).
TIX	360 Capital Industrial Fund (ARSN 099 680 252)
TOF	360 Capital Office Fund (ARSN 106 453 196)
TOT	360 Capital Total Return Fund comprising 360 Capital Total Return Passive Fund (ARSN 602 304 432) and 360 Capital Total Return Active Fund (ARSN 602 303 613)
Transaction	Refers to the transaction between CNI and TGP, involving CNI's purchase of CIML and corresponding co-investment stakes in TIX and TOF, in addition to Centuria's right to exercise the put and call options associated with the purchase of TGP's ownership interests in four unlisted funds
Underwriter	Moelis Australia Advisory Pty Ltd (ABN 72 142 008 446)
US Securities Act	The U.S. Securities Act of 1933, as amended
WACR	Weighted average capitalisation rate
WALE	Weighted average lease expiry

# Glossary

Defined Term	Meaning
<b>Acquisition</b>	has the meaning given in the Investor Presentation.
<b>Acquisition Conditions</b>	the TGP Acquisition Condition and the TOF Acquisition Condition.
<b>Additional New Stapled Securities</b>	New Stapled Securities in excess of a Stapled Securityholder's Entitlement.
<b>Allotment Date</b>	Friday, 6 January 2017.
<b>Application Monies</b>	monies received from an applicant in respect of their Application.
<b>Application</b>	an application for New Stapled Securities under the Retail Entitlement Offer.
<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, 23 November 2016 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 Centuria Capital Limited (ABN 22 095 454 336).
<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>Centuria Approval Condition</b>	Certain Stapled Securityholder resolutions to approve the issue of new Stapled Securities under the Conditional Placement being passed at the Centuria Meeting.
<b>Centuria Meeting</b>	the meeting of Centuria's Stapled Securityholders to be held on Tuesday, 3 January 2017 for the purpose of satisfying the Centuria Approval Condition.

## Glossary

Defined Term	Meaning
<b>Conditional Placement</b>	The conditional placement of new Stapled Securities to Eligible Institutional Stapled Securityholders and Institutional Investors, which is conditional on the satisfaction of the Centuria Approval Condition, as described in section 1.3.
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).
<b>Distribution</b>	the amount of income of Centuria payable to Stapled Securityholders in accordance with the constitutions of Centuria Capital Limited (ABN 22 095 454 336) and the Centuria Capital Fund (ARSN 613 856 358).
<b>Eligible Institutional Stapled Securityholder</b>	an Institutional Stapled Securityholder which has been invited to participate in the Institutional Entitlement Offer.
<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 1 New Stapled Security for every 1 Stapled Security 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, which is conditional on the satisfaction of the Acquisition Conditions.
<b>Equity Raising</b>	the Placement, Conditional Placement and the Entitlement Offer.
<b>Ineligible Stapled Securityholder</b>	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 1.4.

## Glossary

Defined Term	Meaning
<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 23 November 2016 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 \$1.00 per New Stapled Security.
<b>New Stapled Securities</b>	Stapled Securities offered under the Entitlement Offer.
<b>Placement</b>	the placement of new Stapled Securities to Eligible Institutional Stapled Securityholders and Institutional Investors, which is conditional on the satisfaction of the Acquisition Conditions, as described in sections 1.2 and 1.3.
<b>Record Date</b>	7.00pm (Sydney time) on Friday, 25 November 2016.
<b>Registry</b>	Computershare Investor Services Pty Limited (ABN 48 078 279 277).
<b>Retail Closing Date</b>	5.00pm (Sydney time), Wednesday, 28 December 2016.
<b>Retail Entitlement Offer</b>	the offer of New Stapled Securities to Eligible Retail Stapled Securityholders, as described in Section 1.5.
<b>Retail Offer Booklet</b>	this booklet dated Friday, 25 November 2016, 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>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.

## Glossary

Defined Term	Meaning
<b>TGP</b>	360 Capital Group, a stapled group comprising 360 Capital Group Limited (ACN 113 569 136) and 360 Capital Investment Trust (ARSN 104 552 598).
<b>TGP Meeting</b>	the meeting of TGP's securityholders to be held on Monday, 28 November 2016 for the purpose of satisfying the TGP Acquisition Condition.
<b>TIX</b>	360 Capital Industrial Fund (ARSN 099 680 252).
<b>TOF</b>	360 Capital Office Fund (ARSN 106 453 196).
<b>TOF Meeting</b>	the meeting of TOF's unitholders to be held on Friday, 23 December 2016 for the purpose of satisfying the TOF Acquisition Condition.
<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 23 November 2016, 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.



# Corporate Directory

**Centuria Capital Group Registered Office**

Level 39.01, 100 Miller Street  
North Sydney NSW 2060

**Offer Information Line**

1300 648 172 (toll free within Australia)  
+61 3 9415 4140 (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**

Herbert Smith Freehills  
Level 34, ANZ Tower  
161 Castlereagh 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