CNI ANNOUNCES $100M EQUITY RAISING

Wednesday, 18 September 2019

Centuria Capital Group (ASX: **CNI** or **Centuria**) announces:

- A $100 million equity raising at $2.10 per security to support;
    - Co-investment in CMA in its $380.5 million acquisition of two A-grade office properties
    - Increased working capital to support capital management initiatives
- CNI's AUM increases to $6.5 billion
- Market capitalisation increases from approximately $836 million to $936 million
- Centuria re-confirms its FY20 forecast distribution of 9.7 cps

TRANSACTION OVERVIEW

Co-investment support of CMA growth

Centuria Capital Group (**CNI** or **Centuria**) announces that Centuria Metropolitan REIT (**CMA**) has entered into agreements to acquire two A-Grade office assets in fringe CBD locations in Sydney and Perth for $380.5 million (the Acquisition).

The Acquisition includes a 100% interest in William Square, Northbridge, WA, and 50% interest in 8 Central Avenue, Eveleigh, NSW from a Centuria managed unlisted fund. The 8 Central Avenue acquisition is conditional upon approval from unitholders in CMA and the Centuria unlisted fund.

To fund the Acquisition, CMA will undertake a $273 million equity raising and draw new debt. CNI will commit $37.5 million to the CMA equity raising of which $30 million will be via a conditional placement which is subject to CMA unitholder approval. Post-transaction, CNI will hold approximately 22.6% of the units on issue in CMA (previously 24.9%).

Capital Management

To fund its commitment to the CMA equity raising, and its capital management initiatives, CNI will raise $100 million in new equity via an institutional placement. A non-underwritten Securityholder Purchase Plan ("**SPP**") for eligible retail investors will also be undertaken.

CNI will have approximately $70 million of working capital available post completion of investment and capital management initiatives which includes its commitment to retire $35.0 million of 7.0% coupon, 2021 fixed rate corporate bonds from existing cash reserves due to past asset disposals. Post the transactions, institutional placement and recent settlement of a 63% economic interest in Centuria Heathley, CNI's operating gearing will reduce to 14.3%.

John McBain, Joint CEO, commented, "Centuria's commitment to the CMA equity raising is aligned to our strategy of supporting platform expansion across our real estate division. Additionally, Centuria's debt repayment is accretive and is viewed as a sensible deployment of capital."

"Centuria has commenced FY20 strongly with the successful raising for the new $127 million Centuria 80 Flinders Street unlisted fund, completion of the Centuria Heathley acquisition, establishment of a $500 million healthcare real estate institutional mandate with AXA IM and Grosvenor, inclusion in the S&P/ASX 300 index, and the group is currently in due diligence to acquire three additional assets totalling circa $290 million and slated for unlisted funds."

EQUITY RAISING

Institutional Placement

Centuria is undertaking an underwritten $100 million Institutional Placement at an issue price of $2.10 per security (The **Placement**). The Issue Price represents a 3.9% discount to the 5 day VWAP of $2.19 on 17th September 2019.

New securities issued under the Equity Raising will rank equally with existing CNI securities and will be entitled to the full interim distribution for the FY20 half, ending 31 December 2019.

Moelis Australia Advisory Pty Ltd acted as Lead Manager and underwriter to the Equity Raise. Shaw and Partners acted as Co-lead Manager on the Equity Raising and HWL Ebsworth is Legal Advisor to CNI.

Securityholder Purchase Plan

Eligible retail securityholders will be invited to subscribe for up to $30,000 in CNI units as part of a non-underwritten Securityholder Purchase Plan ("**SPP**"), free of any brokerage or transaction costs at the same price as the institutional placement.

The Record Date for the SPP is 7:00pm (AEDT) Tuesday, 17 September 2019 and the SPP offer will open on Monday, 23rd September 2019 and close on Wednesday, 9th October 2019.

Indicative timetable

Key event	Date (2019)
Record Date for SPP	**Tuesday 17 September, 7.00pm**
Trading Halt and announcement of placement	**Wednesday 18 September**
Placement Bookbuild	**Wednesday 18 September**
Announce Results of Transaction, Trading Halt Lifted	**Thursday 19 September**
SPP Offer Opens and Dispatch of SPP Booklet	**Monday 23 September**

Settlement of Institutional Placement	**Tuesday 24 September**
Allotment and ASX quotation of Institutional Placement Securities	**Wednesday 25 September**
SPP Offer Closes	**Wednesday 9 October**
Allotment of SPP Securities	**Monday 14 October**
ASX Quotation of SPP	**Tuesday 15 October**

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

ADDITIONAL INFORMATION

Additional information about the Placement, including key risks, is contained in the CNI investor presentation released to the ASX today. Further details on the SPP, including terms and how to apply will be set out in the SPP booklet, which is expected to be lodged with the ASX and sent to eligible securityholders on or around Monday 23 September.

– Ends –

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

John McBain
Joint CEO
Centuria Capital Limited
Phone: 02 8923 8910
Email:john.mcbain@centuria.com.au

Tim Mitchell
Group Head of Investor Relations
Centuria Capital Limited
Phone: 02 8923 8923
Email:tim.mitchell@centuria.com.au

Gigi Shaw
Associate Director
BlueChip Communication
Phone: 02 9018 8633
Email:gigi@bluechipcommunication.com.au

About Centuria Capital Group

Centuria Capital Group (CNI) is an ASX-listed specialist investment manager with $6.5 billion[1] of assets 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.

www.centuria.com.au

[1] Subject to completion of CMA's transactions

Disclaimer

This announcement contains selected summary information and does not purport to be all-inclusive, comprehensive or to contain all of the information that may be relevant, or which a prospective investor may require in evaluations for a possible investment in CNI. It should be read in conjunction with CNI's periodic and continuous disclosure announcements which are available at www.centuria.com.au.

This announcement is provided for general information purposes only. It should not be relied upon by the recipient in considering the merits of CNI or the acquisition of securities in CNI.

Before making an investment decision, the recipient should consider its own financial situation, objectives and needs, and conduct its own independent investigation and assessment of the contents of this announcement, including obtaining investment, legal, tax, accounting and such other advice as necessary or appropriate.

This announcement may contain forward-looking statements, guidance, forecasts, estimates, prospects, projections or statements in relation to future matters ('Forward Statements'). No independent third party has reviewed the reasonableness of any such statements or assumptions. No member of CNI represents or warrants that such Forward Statements will be achieved or will prove to be correct or gives any warranty, express or implied, as to the accuracy, completeness, likelihood of achievement or reasonableness of any Forward Statement contained in this announcement.