



19 March 2021

Dear Investor,

STOCKLAND DIRECT RETAIL TRUST NO.1 (SDRT1 OR THE TRUST) – REDEMPTION AND CANCELLATION OF UNITS

We refer to your investment in the Trust and our last update provided to you on 30 October 2020.

As you are aware, the Trust was terminated pursuant to a resolution of unitholders passed on 8 March 2019, and the winding-up of the Trust has commenced.

The sale of Benowa Gardens, the last asset held by the Trust, settled on 20 March 2020, and we are pleased to confirm that the vendor warranty period in connection with the sale has expired without any claims being made.

Accordingly, in order to now complete the winding-up of the Trust, we wish to provide notice that, pursuant to clause 23.6 of the constitution of the Trust, your remaining units in the Trust are hereby redeemed and cancelled at a redemption price of \$2.47246 per existing unit, effective as at the date of this letter.

Further information and guidance regarding the tax implications of the redemption of your units and distributions paid will be included in the Trust's annual taxation statement and tax guide for the year ending 30 June 2021, which we anticipate will be provided to investors on or around 31 August 2021.

The Trust's interim financial report at 31 December 2020 has been provided adopting your preferred method of communication.

Trust performance

The total return of the Trust since inception as at 19 March 2021 is 6.11 per cent per annum.

Next steps

The winding up of the Trust will be completed in accordance with the constitution of the Trust and the relevant provisions of Part 5C.9 of the Corporations Act 2001 (Cth) as soon as

practicable after the redemption and cancellation of your remaining units. We will provide a further update once this has been completed.

If you have any questions or require further information, please do not hesitate to contact me on +61 2 9035 3120 or email paul.wyatt@stockland.com.au. Alternatively, if you have any queries in relation to your holding in the Trust, please contact Computershare on 1300 855 080.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'P. Wyatt', written in a cursive style.

Paul Wyatt

Fund Manager on behalf of Stockland Capital Partners Limited