

13 November 2017

## Entitlement Offer to raise approximately \$30 million

### Key Points

- Fully underwritten non-renounceable entitlement offer to raise approximately \$30 million.
- Proceeds to contribute to temporary debt reduction and acquisitions and projects of the Fund, including acquisition at 588 Swan Street, Richmond (Melbourne) (**Botanicca 9**) as announced on 10 November 2017.
- Offer price of \$1.15 per new unit, a 5.0% discount to NTA of \$1.21.

### Entitlement Offer

GARDA Capital Limited in its capacity as responsible entity (**GARDA**) of GARDA Diversified Property Fund (**GDF** or **Fund**) is pleased to announce that it will conduct a 1 for 4.3 non-renounceable entitlement offer of fully paid ordinary units in GDF (**New Units**) to raise approximately \$30 million (**Entitlement Offer**).

The offer price will be \$1.15 per unit (**Offer Price**). The Offer Price represents:

- 5.0% discount to net tangible assets of \$1.21;
- 4.2% to the last traded price of GDF's units on 10 November 2017 of \$1.20;
- 6.2% to the previous five day volume weighted average price (**VWAP**) of GDF's units up to and including 10 November 2017 of \$1.226; and
- 3.4% to the theoretical ex-rights price (**TERP**) of \$1.191.<sup>1</sup>

Under the Entitlement Offer, eligible unitholders will be able to subscribe for 1 new ordinary unit in GDF for every 4.3 existing units held at 7.00pm (AEST) on Friday, 17 November 2017 (**Record Date**) at the Offer Price (**Entitlements**).

The Entitlement Offer is fully underwritten by Morgans Corporate Limited (**Underwriter**), subject to the terms of an underwriting agreement and certain sub-underwriting arrangements.

GARDA Capital Group (through the custodian of GARDA Capital Trust) currently holds approximately 8.9% of the GDF units on issue and has committed to take up its full entitlement under the Entitlement Offer. It is also one of the priority sub-underwriters of the Entitlement Offer.

The proceeds of the Entitlement Offer will be applied towards:

- short term reduction of the Fund's debt. These facilities will be available for redraw in connection with the Fund's current acquisitions and projects;
- the acquisition of and associated expenditure in respect of Botanicca 9. Details of the Botanicca 9 acquisition and construction are contained in the presentation on the Entitlement Offer that has been lodged with ASX today; and
- Entitlement Offer costs.

<sup>1</sup> The theoretical ex-rights price (TERP) is the theoretical price at which Units should trade immediately after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which Units trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to TERP. TERP is calculated by reference to the last traded price of \$1.20 on 10 November 2017, on a cum-distribution basis and assuming 100% take-up of the Entitlement Offer. Potential investors should also consider that Units will trade ex a distribution of 2.25 cents on Monday, 18 December 2017 which is prior to the issue and allotment of New Units under the Entitlement Offer.

The Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferable. Unitholders who do not take up their Entitlements will not receive any value in respect of those Entitlements that they do not take up. Unitholders who are not eligible to receive Entitlements will not receive any value in respect of the Entitlements they would have received had they been eligible.

Approximately 26.1 million New Units will be issued as part of the Entitlement Offer. Units issued under the Entitlement Offer will rank equally with existing units, but will not participate in any distribution with a record date prior to allotment of the New Units.

The Entitlement Offer will include a top up facility under which eligible unitholders who take up their full Entitlement will be invited to apply for additional units in the Entitlement Offer from a pool of those not taken up by other eligible unitholders. GARDA, in consultation with the Underwriter, shall determine an appropriate allotment and scaling policy (if required) for all shortfall, including applications under the top up facility. There is no guarantee that applicants under this top up facility will receive all or any of the units they apply for under the facility.

GARDA will notify unitholders as to whether they are eligible to participate in the Entitlement Offer. Eligible unitholders will receive an information booklet including a personalised entitlement and acceptance form which will provide further details of how to participate in the Entitlement Offer.

A presentation on the Entitlement Offer has been lodged with ASX today and is able to be downloaded from ASX's website, [www.asx.com.au](http://www.asx.com.au).

#### Key dates<sup>2</sup>

Event	Date
Announcement of Entitlement Offer	Monday, 13 November 2017
Record date 7.00pm (AEST)	Friday, 17 November 2017
Entitlement Offer opens Information booklet and entitlement and acceptance form despatched to eligible unitholders	Tuesday, 21 November 2017
Entitlement Offer closes	Wednesday, 13 December 2017
Distribution ex-date	Monday, 18 December 2017
Distribution record date	Tuesday, 19 December 2017
Settlement of Entitlement Offer	Tuesday, 19 December 2017
Allotment of New Units under the Entitlement Offer	Wednesday, 20 December 2017
Trading of New Units under the Entitlement Offer	Thursday, 21 December 2017
Despatch of holding statements for New Units issued under the Entitlement Offer	Friday, 22 December 2017

<sup>2</sup> All dates are indicative only and subject to change. GARDA and the Underwriter reserve the right to withdraw or vary the timetable without notice.

## Important information

This announcement has been prepared for publication in Australia and may not be released or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States, or in any other jurisdiction in which such an offer would be illegal. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933 (the 'US Securities Act'), or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, within the United States, unless the securities have been registered under the US Securities Act or an exemption from the registration requirements of the US Securities Act is available.

This announcement contains certain 'forward-looking statements' within the meaning of the securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as 'may,' 'should,' 'expect,' 'anticipate,' 'estimate,' 'scheduled' or 'continue' or the negative thereof or comparable terminology. Any forecasts or other forward looking statements contained in this announcement are subject to known and unknown risks and uncertainties and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material. GARDA does not give any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur and you are cautioned not to place undue reliance on forward-looking statements.

**-Ends-**

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### **About GARDA Diversified Property Fund (ARSN 104 391 273)**

GDF is an ASX listed real estate investment trust (REIT) which invests in commercial offices in city and suburban markets as well as industrial facilities along the eastern seaboard of Australia.

GDF currently holds nine established property assets independently valued at \$233 million, including current unconditional contracted acquisitions.

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### **About GARDA Capital Limited**

GARDA Capital Group is an ASX listed (ASX: GCM) real estate investment and funds management group. The GARDA Capital Group is co-invested in GDF holding a 9% stake.

GARDA Capital Limited is the responsible entity of GDF, is a member of the GARDA Capital Group and holds AFSL 246714 which permits it to act as the responsible entity for GDF.

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