
Investa Office Fund (ASX: IOF)

In relation to the proposed acquisition by Quartz BidCo Pty Ltd (ACN 626 431 927) and Quartz Sub TC Pty Limited (ACN 626 431 963) in its capacity as trustee of the Quartz Bid Trust of all of the issued securities of Investa Office Fund comprising Armstrong Jones Office Fund (ARSN 090 242 229) and Prime Credit Property Trust (ARSN 089 849 196)

Vote in favour

The Directors of Investa Listed Funds Management Limited, the responsible entity of Investa Office Fund, continue to

UNANIMOUSLY RECOMMEND

that IOF Unitholders vote in favour of the Proposal Resolutions, in the absence of a Superior Proposal.

Details of Meeting

Time: 10.00am (Sydney time)

Date: 29 August 2018

Place: Level 4, Room 5, Hilton Sydney,
488 George Street, Sydney NSW 2000

This is an important document and requires your immediate attention. You should read this document and the Explanatory Memorandum dated 24 July 2018 in its entirety before deciding how to vote.

If you are in any doubt about how to deal with this document, you should consult your legal, investment or other professional adviser.

Financial Adviser

J.P.Morgan

Legal Adviser

Allens & Linklaters

Important Notices and Disclaimer

What is this document

This Supplementary Explanatory Memorandum supplements the Explanatory Memorandum dated 24 July 2018 which contains information about the Proposal, which, if approved and implemented, will result in the Acquirer acquiring all of the IOF Units.

This Supplementary Explanatory Memorandum must be read together with the Explanatory Memorandum. If there are any inconsistencies between this Supplementary Explanatory Memorandum and the Explanatory Memorandum, this Supplementary Explanatory Memorandum will prevail.

This Supplementary Explanatory Memorandum, together with the Explanatory Memorandum, comprise an explanatory statement and notices of meeting for IOF Unitholders in relation to the Proposal.

The Proposal is subject to a number of conditions precedent, including IOF Unitholders approving the Proposal Resolutions (see Section 8.3 of the Explanatory Memorandum).

General

This Supplementary Explanatory Memorandum is important and requires your immediate attention. You should read this Supplementary Explanatory Memorandum in full before making any decision as to how to vote at the Meeting.

If you have sold all of your IOF Units, please ignore this Supplementary Explanatory Memorandum.

If you are in doubt as to what you should do, you should consult your legal, investment or other professional adviser.

Purpose of this document

This Supplementary Explanatory Memorandum, together with the Explanatory Memorandum, has been prepared for IOF Unitholders in connection with the extraordinary general meeting to be held on 29 August 2018 in relation to the Proposal under which the Acquirer proposes to acquire all of the IOF Units on issue. This Supplementary Explanatory Memorandum does not constitute or contain an offer to IOF Unitholders, or a solicitation of an offer from IOF Unitholders, in any jurisdiction.

A copy of this Supplementary Explanatory Memorandum has been provided to ASIC and ASX. None of ASIC or ASX, or their officers take any responsibility for the contents of this Supplementary Explanatory Memorandum.

Court involvement

The Court provided the First Judicial Advice on 24 July 2018 and the judicial advice in relation to this Supplementary Explanatory Memorandum on 16 August 2018. The Court's provision of judicial advice is not and should not be treated as an endorsement by the Court of, or any other expression of opinion by the Court on, the Proposal. In particular, the Court's provision of the judicial advice does not mean that the Court:

- has formed any view as to the merits of the Proposal or as to how IOF Unitholders should vote (on these matters IOF Unitholders must reach their own decision); or
- has prepared, or is responsible for, the content of this Supplementary Explanatory Memorandum.

Notice of Second Judicial Advice hearing

On the Second Judicial Advice Date, the Court will consider whether to give the Second Judicial Advice following the vote at the Meeting.

Any IOF Unitholder may appear at the Second Judicial Advice hearing, expected to be held on 30 August 2018 at the Supreme Court of New South Wales, 184 Phillip Street, Sydney.

Any IOF Unitholder who wishes to oppose the Second Judicial Advice at the Second Judicial Advice hearing may do so by filing with the Court and serving on IOF a notice of appearance in the prescribed form together with any affidavit that the IOF Unitholder proposes to rely on.

Responsible entity

ILFML is the responsible entity of the AJO Fund and the PCP Trust. The AJO Fund and the PCP Trust are managed investment schemes registered under Chapter 5C of the Corporations Act.

Unless the context otherwise requires in this Supplementary Explanatory Memorandum, a reference to ILFML is a reference to it in its capacity as responsible entity of the AJO Fund and the PCP Trust.

Glossary

Capitalised terms used in this Supplementary Explanatory Memorandum are defined in the Glossary in Section 6 and in Section 9 of the Explanatory Memorandum.

Section 6.2 also sets out certain rules of interpretation which apply to this Supplementary Explanatory Memorandum.

No investment advice

This Supplementary Explanatory Memorandum contains general financial product advice only and has been prepared without taking account of the investment objectives, financial situation, tax position or particular needs of any IOF Unitholder or any other person.

The information and recommendations contained in this Supplementary Explanatory Memorandum do not constitute, and should not be taken as, financial product advice.

Before acting on any of the matters described in this Supplementary Explanatory Memorandum, you should have regard to your investment objectives, financial situation, tax position or particular needs and obtain your own advice by contacting your legal, investment or other professional adviser.

Your investment in IOF is subject to investment and other risks, including possible loss of income and principal invested. ILFML gives no guarantee or assurance as to the performance of IOF, the IOF Units or the repayment of capital. Past performance is not indicative of future performance.

Forward looking statements

Some of the statements appearing in this Supplementary Explanatory Memorandum may be in the nature of forward looking statements. Forward looking statements or statements of intent in relation to future events in this Supplementary Explanatory Memorandum should not be taken to be a forecast or prediction that those events will occur. Forward looking statements generally may be identified by the use of forward looking words such as 'believe', 'aim', 'expect', 'anticipate', 'intending', 'foreseeing', 'likely', 'should', 'planned', 'may', 'estimate', 'potential', or other similar words.

Similarly, statements that describe the objectives, plans, goals or expectations of IOF are or may be forward looking statements. You should be aware that such statements are subject to inherent risks and uncertainties.

Those risks and uncertainties include factors and risks specific to the circumstances in which IOF operates, as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement and deviations are both normal and to be expected.

Neither ILFML nor IOF, their officers, agents or advisers, or any person named in this Supplementary Explanatory Memorandum or involved in the preparation of this Supplementary Explanatory Memorandum makes any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement. Accordingly, you are cautioned not to place undue reliance on those statements.

This Supplementary Explanatory Memorandum also contains forward looking statements based on the current expectations of ILFML about future events. The prospective information is, however, subject to risks, uncertainties and assumptions that could cause actual results to differ materially from the expectations described in such prospective information.

Factors which may affect future financial performance include the assumptions underlying any forecast or forward looking statement, financial information not proving correct and other matters not currently known to, or considered by, ILFML. IOF Unitholders should note that the historical financial performance of IOF is no assurance or indicator of future financial performance of IOF (whether or not the Proposal proceeds). ILFML does not guarantee any particular rate of return or the performance of IOF nor does it guarantee the repayment of capital or any particular tax treatment in respect of any investment in IOF.

The forward looking statements in this Supplementary Explanatory Memorandum reflect facts, circumstances and views held only at the date of this Supplementary Explanatory Memorandum. Subject to any continuing obligations under the ASX Listing Rules or the Corporations Act, ILFML and its officers, employees, agents and advisers disclaim any obligation or undertaking to distribute after the date of this Supplementary Explanatory Memorandum any updates or revisions to any forward-looking statements to reflect any change in expectations in relation to them or any change in events, conditions or circumstances on which any such statement is based.

Responsibility statement

Except as outlined below, the information contained in this Supplementary Explanatory Memorandum other than the ICPF Group Information has been prepared by ILFML and is its responsibility alone. Except as outlined below, the ICPF Group, nor any of its Controlled Entities, directors, officers, employees or advisers assumes any responsibility for the accuracy or completeness of such information.

The ICPF Group has prepared and provided the ICPF Group Information and is responsible for that information. Neither ILFML nor IOF, nor any of their respective Controlled Entities, directors, officers, agents or advisers assume any responsibility for the accuracy or completeness of the ICPF Group Information.

No consenting party has withdrawn their consent to be named before the date of this Supplementary Explanatory Memorandum.

Foreign jurisdictions

The release, publication or distribution of this Supplementary Explanatory Memorandum in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions and persons outside Australia who come into possession of this Supplementary Explanatory Memorandum should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations.

IOF Unitholders who are nominees, trustees or custodians should seek independent advice as to how they should proceed.

Important Notices and Disclaimer

This Supplementary Explanatory Memorandum has been prepared in accordance with laws of the Commonwealth of Australia and the information contained in this Supplementary Explanatory Memorandum may not be the same as that which would have been disclosed if this Supplementary Explanatory Memorandum had been prepared in accordance with the laws and regulations of jurisdictions outside Australia.

Privacy

ILFML may collect personal information in the process of implementing the Proposal. The type of information that they may collect about you includes your name, contact details and information on your unitholding in IOF and the names of persons appointed by you to act as a proxy, attorney or corporate representative at the Meeting, as relevant to you. The collection of some of this information is required or authorised by the Corporations Act.

The primary purpose of the collection of personal information is to assist ILFML to conduct the Meeting and implement the Proposal. Without this information, ILFML may be hindered in its ability to issue this Supplementary Explanatory Memorandum and implement the Proposal. Personal information of the type described above may be disclosed to Link Market Services Limited, third party service providers (including print and mail service providers and parties otherwise involved in the conduct of the Meeting), authorised securities brokers, professional advisers, Related Bodies Corporate of ILFML, Government Agencies, and also where disclosure is otherwise required or allowed by law.

IOF Unitholders who are individuals and the other individuals in respect of whom personal information is collected as outlined above have certain rights to access the personal information collected in relation to them. If you would like to obtain details of information about you held by ILFML, please contact the IOF Unitholder Information Line on +61 1300 851 394, between 8.30am and 7.30pm Monday to Friday (Sydney time).

IOF Unitholders who appoint an individual as their proxy, corporate representative or attorney to vote at the Meeting should ensure that they inform that person of the matters relating to the collection and use of personal information outlined above.

Currency and financial information

Unless stated otherwise, all references to dollars, \$, cents or c in this Supplementary Explanatory Memorandum are to Australian currency.

Unless stated otherwise or implied, references to dates or years are financial year references. All financial and operational information contained in this Supplementary Explanatory Memorandum is current as at the date of this Supplementary Explanatory Memorandum unless otherwise specified.

Charts, maps and diagrams

Any diagrams, charts, maps, graphs and tables appearing in this Supplementary Explanatory Memorandum are illustrative only and may not be drawn to scale. Unless stated otherwise, all data contained in diagrams, charts, maps, graphs and tables is based on information available as at 31 December 2017.

Effect of rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Supplementary Explanatory Memorandum are subject to the effect of rounding.

Accordingly, the actual calculation of these figures, amounts, percentages, prices, estimates, calculations of value and fractions may differ from the figures, amounts, percentages, prices, estimates, calculations of value and fractions set out in this Supplementary Explanatory Memorandum.

As a result, any calculations you make based on the figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Supplementary Explanatory Memorandum may differ from the correct answers to those calculations.

Any discrepancies between totals in tables or financial statements, or in calculations, graphs or charts are due to rounding.

Timetable and dates

All times and dates referred to in this Supplementary Explanatory Memorandum are times and dates in Australian Eastern Standard Time, being the time in Sydney, Australia, unless otherwise indicated. All times and dates relating to the implementation of the Proposal referred to in this Supplementary Explanatory Memorandum may change and, among other things, are subject to all necessary approvals from Government Agencies.

Additional information

If, after reading this Supplementary Explanatory Memorandum, you have any questions regarding the Proposal, please call the IOF Unitholder Information Line on +61 1300 851 394, between 8.30am and 7.30pm Monday to Friday (Sydney time), or consult your legal, investment or other professional adviser.

Date of Explanatory Memorandum

This Supplementary Explanatory Memorandum is dated 16 August 2018.

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Letter from the Chairman

16 August 2018

Dear IOF Unitholder,

Background

This Supplementary Explanatory Memorandum follows the Explanatory Memorandum dated 24 July 2018 (**Explanatory Memorandum**) relating to the proposal by Quartz BidCo Pty Ltd and Quartz Sub TC Pty Ltd as trustee of the Quartz Bid Trust (together, the **Acquirer**) to acquire all of the units in IOF by way of trust scheme (**Proposal**). The Acquirer is affiliated with The Blackstone Group L.P. and entities which are ultimately owned and/or controlled by The Blackstone Group L.P. (together, **Blackstone**).

Section 253E of the Corporations Act

In the Explanatory Memorandum, it was noted that, as at the date of the Explanatory Memorandum:

- Investa Wholesale Funds Management Limited (**IWFML**) in its capacity as responsible entity of the Investa Commercial Property Fund (**ICPF**) holds 119,667,397 IOF Units, representing 19.9973% of the total number of issued IOF Units.
- In light of the voting exclusion in section 253E of the Corporations Act, ILFML expects that IWFML would not be able to vote on the Proposal Resolutions.
- If after the date of the Explanatory Memorandum, the circumstances explaining why IWFML would not be able to vote, change, the voting entitlement of IWFML may be affected.

On 13 August 2018, ILFML announced that:

- it had been notified in writing by IWFML that ICPF Holdco Pty Limited (**ICPF Holdco**) (a wholly-owned subsidiary of the ICPF Group) had sold a 50% interest in the Investa Office Management Platform to, and entered into a joint venture deed with, Macquarie Real Estate Investment Holding (Australia) Pty Limited (**MREPL**), a wholly-owned subsidiary of Macquarie Group Limited (**Platform Transaction**); and
- in ICPF's opinion, the Platform Transaction means that ICPF is not restricted by section 253E of the Corporations Act from voting on the Proposal Resolutions because, in ICPF's view, ILFML and IWFML are no longer associates in relation to IOF.

ILFML subsequently announced on 15 August 2018, that based on its investigations, and the evidence that has been made available to the Directors of ILFML, and after receiving legal advice, the Directors of ILFML had concluded that IWFML is not an associate of ILFML, and that, as a result, ICPF is not restricted from voting on the Proposal under section 253E of the Corporations Act.

The reasons for the ILFML Directors' conclusion in relation to section 253E are set out in Section 3 of this Supplementary Explanatory Memorandum.

Other matters relevant to voting

Whether ICPF (or any other IOF Unitholder) would be restricted from being able to vote at the Meeting will be determined by the Chair of the Meeting based on circumstances known at the relevant time.

However, as at the date of this Supplementary Explanatory Memorandum, and based on the investigations of, and the evidence that has been made available to, the Directors of ILFML, and after receiving legal advice, the Directors of ILFML have concluded that the ICPF Group is not restricted from voting on the Proposal under any other applicable law. See Section 4 for further detail.

IWFML has advised ILFML that, as at the date of this Supplementary Explanatory Memorandum, the ICPF Group has not yet determined how (or, for that matter, if) it intends to vote on the Proposal.

ILFML Directors' Recommendation

The Directors of ILFML continue to unanimously recommend that IOF Unitholders vote in favour of the Proposal Resolutions, in the absence of a Superior Proposal.

Independent Expert's Opinion

The Independent Expert has informed ILFML that the information in this Supplementary Explanatory Memorandum has not changed its opinion that the Proposal is in the best interests of IOF Unitholders in the absence of a Superior Proposal.

New meeting date

The Meeting to consider the Proposal Resolutions was originally scheduled for 21 August 2018. As a consequence of the updated information in this Supplementary Explanatory Memorandum, the Directors have determined that the Meeting should be adjourned. The Meeting will now be held at **10.00am on Wednesday, 29 August 2018 at Level 4, Room 5, Hilton Sydney, 488 George Street, Sydney NSW 2000.**

A full list of the new dates in connection with the Proposal is set out on page 6.

Voting Record Date and Proxy Forms

All IOF Unitholders on the IOF Register as at 7.00pm (Sydney time) on 27 August 2018 will be entitled to attend and vote at the Meeting (subject to any applicable voting exclusions).

If you are not able to attend the Meeting, you can vote by proxy. If you have already submitted a valid proxy form for the Meeting that was to be held on 21 August 2018, and you do not want to change the way in which you have voted, you do not need to do anything. If you have already submitted a valid proxy form for the Meeting that was to be held on 21 August 2018, and you want to change the way in which you have voted, you may do that by completing and returning a new proxy form to the IOF Registry in accordance with the details contained in Section 6 of Schedule 1 of the Explanatory Memorandum.

A new proxy form accompanies this Supplementary Explanatory Memorandum and may be used by IOF Unitholders who have not already submitted a proxy form or who want to change their vote. Completed proxy forms must be received by the IOF Registry by no later than 10.00am (Sydney time) on 27 August 2018.

Conclusion

I look forward to your participation at the Meeting on 29 August 2018 and encourage you to vote in favour of the resolutions relating to the Proposal in the absence of a Superior Proposal.

Yours sincerely,



Richard Longes

Chairman

INVESTA LISTED FUNDS MANAGEMENT LIMITED

Key Dates

Date of the Explanatory Memorandum	24 July 2018
Date of this Supplementary Explanatory Memorandum	16 August 2018
Time and date by which Proxy Forms must be received	10.00am, 27 August 2018
Voting Record Date	7.00pm, 27 August 2018
Time and date of the Meeting	10.00am, 29 August 2018

If the Proposal is approved by IOF Unitholders and all other Conditions Precedent in connection with the Proposal are fulfilled or waived, the following key dates apply:

Second Judicial Advice Date	30 August 2018
Effective Date	30 August 2018
Record Date	7.00pm, 5 September 2018
Implementation Date	12 September 2018

Dates and times are indicative only and are subject to change. Unless otherwise specified, all times and dates refer to Sydney time. Any changes to the timetable will be notified to the ASX and made available on the website at <https://www.investa.com.au/funds/iof/asx-announcements>.

1. Frequently Asked Questions

This Section 1 answers some supplementary frequently asked questions about the Proposal. It is not intended to address all relevant issues for IOF Unitholders. This Section 1 should be read together with all other parts of this Supplementary Explanatory Memorandum and the Explanatory Memorandum.

Question	Answer	More information
This Supplementary Explanatory Memorandum		
1. Why have I received this document?	<p>This is a Supplementary Explanatory Memorandum that has been sent to you because you are an IOF Unitholder and you are being asked to vote on the Proposal Resolutions.</p> <p>This Supplementary Memorandum provides an update in relation to the voting eligibility of IWFML and other events that have occurred since the Explanatory Memorandum was released on 24 July 2018.</p>	N/A
2. What has changed since the Explanatory Memorandum?	<p>IWFML and ICPF Holdings together hold 19.9973% of the total number of issued IOF Units.</p> <p>On 11 August 2018, ILFML was notified that ICPF HoldCo (a wholly-owned subsidiary of the ICPF Group) had sold a 50% interest in the Investa Office Management Platform to a wholly-owned subsidiary of Macquarie.</p> <p>Based on the investigations of, and the evidence that has been made available to, the Directors of ILFML, and after receiving legal advice, the Directors of ILFML have concluded that neither IWFML nor ICPF Holdings are restricted from voting on the Proposal under any applicable law, as at the date of this Supplementary Explanatory Memorandum.</p> <p>The Meeting to consider the Proposal Resolutions was originally scheduled for 21 August 2018. As a consequence of the updated information in this Supplementary Explanatory Memorandum, the Directors have determined that the Meeting should be adjourned. The Meeting will now be held at 10.00am on Wednesday, 29 August 2018 at Level 4, Room 5, Hilton Sydney, 488 George Street, Sydney NSW 2000.</p>	Sections 3 and 4

1. Frequently Asked Questions

Question	Answer	More information
Independent Expert opinion and the Directors' recommendation		
3. Do the Directors continue to recommend the Proposal?	Yes. The Directors continue to unanimously recommend that IOF Unitholders vote in favour of the Proposal Resolutions, in the absence of a Superior Proposal.	Chairman's Letter
4. What is the opinion of the Independent Expert?	<p>The Independent Expert has concluded that the Proposal is in the best interests of IOF Unitholders in the absence of a Superior Proposal. In arriving at this opinion, the Independent Expert assessed the Proposal to be not fair but reasonable.</p> <p>The Independent Expert has informed ILFML that the information in this Supplementary Explanatory Memorandum has not changed that opinion.</p>	Independent Expert's Report (Schedule 2 to the Explanatory Memorandum)
5. How do the Directors intend to vote?	The Directors intend to vote all IOF Units they hold or control in favour of the Proposal, in the absence of a Superior Proposal.	N/A
Platform Transaction		
6. Are there any implications for IOF now that the Investa Office Management Platform is owned 50% by the ICPF Group, and 50% by Macquarie?	<p>As announced by IWFML on 13 August 2018, "<i>following the Platform Transaction, there will be no change to the Platform's operational and governance policies, including the Resolution of Conflict Policy or the Platform's management team, which will continue to be responsible for day-to-day management and operations.</i>"</p> <p>The ILFML Board's recommendation that IOF Unitholders vote in favour of the Proposal is not affected by the Platform Transaction, nor is the Independent Expert's conclusion that the Proposal is in the best interests of IOF Unitholders in the absence of a Superior Proposal.</p>	N/A
7. If the Proposal is approved and implemented, will the Acquirer be able to change the responsible entity and transition management of IOF from the Investa Office Management Platform?	<p>Yes.</p> <p>If the Proposal is approved and implemented, the Acquirer will be able to exercise the legal and equitable rights that it will have as the ultimate owner of IOF to ensure an orderly integration of IOF within the business of the Acquirer Group. It will also be able to take steps to change the responsible entity of AJO Fund and PCP Trust to an entity within the Acquirer Group and reduce the responsible entity fees of each to nil.</p>	N/A

Question	Answer	More information
Meeting details, voting and approval thresholds		
8. When and where will the Meeting be held?	The Meeting will be held at Level 4, Room 5, Hilton Sydney, 488 George Street, Sydney NSW 2000 on Wednesday, 29 August 2018, commencing at 10.00am (Sydney time).	N/A
9. Who is eligible to vote at the Meeting?	<p>All IOF Unitholders on the IOF Register as at 7.00pm (Sydney time) on 27 August 2018 (the Voting Record Date) are entitled to attend and vote at the meeting, except that:</p> <ul style="list-style-type: none"> • for the purposes of the Trust Acquisition Resolutions, and in accordance with item 7, section 611 and section 253E of the Corporations Act, the Acquirer and its Associates must not cast any votes in favour of the resolutions, and ILFML and its Associates are not entitled to vote their interests if they have an interest in the resolutions other than as a member of IOF; • for the purposes of the Trust Constitution Amendment Resolutions, and in accordance with section 253E of the Corporations Act, ILFML and its Associates are not entitled to vote their interests if they have an interest in the resolutions other than as a member of IOF; and • for the purposes of the De-stapling Resolutions, and in accordance with section 253E of the Corporations Act, ILFML and its Associates are not entitled to vote their interests if they have an interest in the resolutions other than as a member of IOF. 	Notice of Meeting (Schedule 1 to the Explanatory Memorandum)
10. Further questions	If after reading this Supplementary Explanatory Memorandum you have any questions about the Proposal, you should call the IOF Unitholder Information Line on +61 1300 851 394 between 8.30am and 7.30pm (Sydney time) Monday to Friday. If you are in any doubt as to what you should do, you should consult your legal, investment or other professional adviser without delay.	N/A

2. ICPF Group's Unitholding in IOF and the Platform Transaction

2.1 ICPF Group's unitholding in IOF

The Explanatory Memorandum stated that, as at 24 July 2018, IWFML in its capacity as the responsible entity of ICPF, held 119,667,397 IOF Units, representing 19.9973% of the total number of issued IOF Units.

On 11 August 2018, IWFML advised ILFML that as of 7 August 2018:

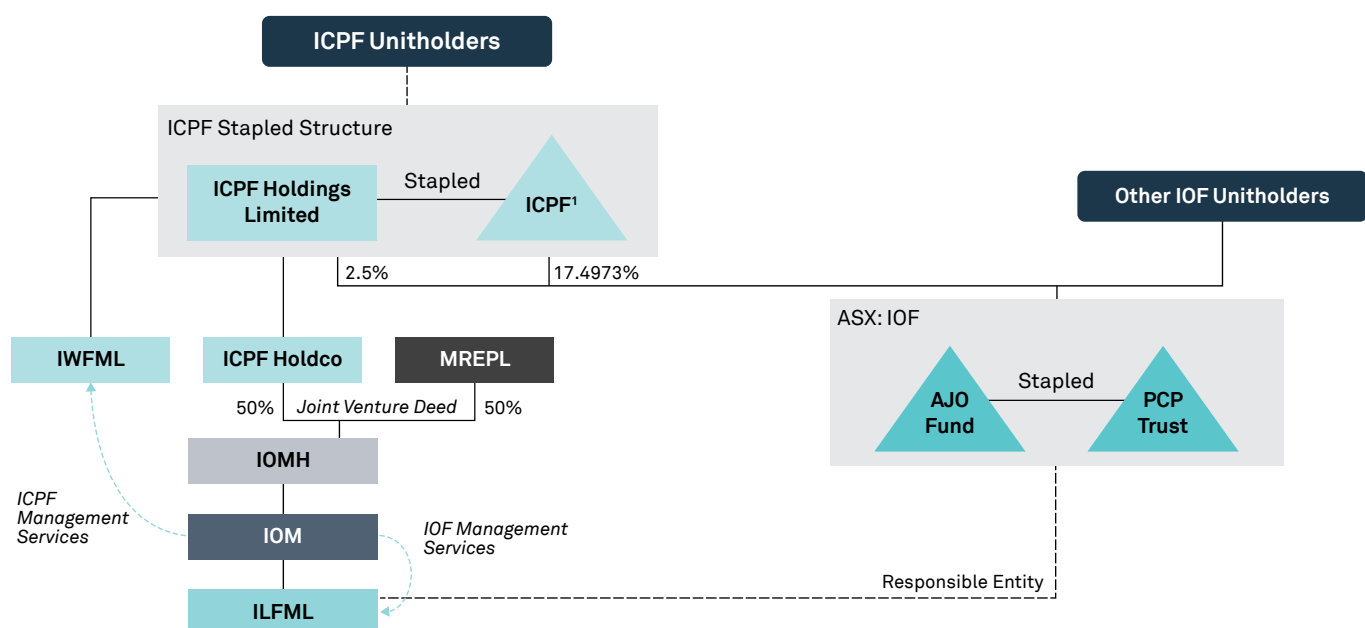
- IWFML in its capacity as responsible entity of ICPF is the registered holder of 104,706,923 IOF Units (representing 17.4973% of the total number of IOF Units on issue); and
- ICPF Holdings Limited (the direct parent company of IWFML) (*ICPF Holdings*) is the registered holder of 14,960,474 IOF Units (representing 2.5% of the total number of IOF Units on issue).

2.2 Overview of the Platform Transaction

On 11 August 2018, IWFML also notified ILFML that the Platform Transaction had been completed with:

- MREPL, a wholly-owned subsidiary of Macquarie, acquiring a 50% interest in the Investa Office Management Platform through the acquisition of 50% of the shares in Investa Office Management Holdings Pty Limited (ACN 126 219 903) (*IOMH*); and
- entry into the Joint Venture Deed by MREPL, ICPF Holdco, and IOMH.

A simplified structure chart of the ICPF Group and its unitholding in IOF following completion of the Platform Transaction (as provided by IWFML to ILFML) is set out below:



1. Responsible entity of ICPF is IWFML

Set out below in Sections 3 to 4 are the reasons forming the basis for the ILFML Directors' conclusion, that as at the date of this Supplementary Explanatory Memorandum, and based on the investigations of, and the evidence that has been made available to, the Directors of ILFML, and after receiving legal advice, ICPF Holdings and IWFML are not restricted from voting on the Proposal under any applicable law.

3. *Voting Exclusion in Section 253E of the Corporations Act*

3.1 Overview of section 253E

Section 253E provides that the responsible entity of a registered scheme and its associates are not entitled to vote their interest on a resolution at a meeting of the scheme's members if they have an interest in the resolution or matter other than as a member.

As a result, it is necessary to determine whether IWFML or ICPF Holdings (which together hold 19.9973% of the total number of issued IOF Units) are associates of ILFML by considering whether IWFML or ICPF Holdings:

- a. control or are controlled by ILFML, or are under the control of another entity that also controls ILFML;
- b. have, or propose to enter into, a relevant agreement with ILFML for the purpose of controlling or influencing the composition of ILFML's board, the conduct of IOF's affairs, or whether ILFML (or another company) becomes or remains the responsible entity of IOF; or
- c. are acting or proposing to act in concert with ILFML in relation to the affairs of IOF.

For the reasons set out below, based on the investigations of, and the evidence that has been made available to, the Directors of ILFML, and after receiving legal advice, the Directors of ILFML have concluded that neither IWFML nor ICPF Holdings are associates of ILFML for the purposes of section 253E of the Corporations Act.

3.2 Analysis of whether IWFML or ICPF Holdings are associates of ILFML

a. IWFML and ILFML – control group analysis

Under section 12(2)(a) of the Corporations Act, IWFML will be an associate of ILFML if:

- i. ILFML exercises control over IWFML;
- ii. IWFML exercises control over ILFML; or
- iii. an entity exercises control over both ILFML and IWFML.

In relation to paragraphs (i) and (ii), IWFML has confirmed to ILFML that it is not aware of any facts or circumstances to suggest that either ILFML or IWFML exercise control over each other, and ILFML is not aware of any evidence to the contrary after having made due enquiries.

In relation to paragraph (iii), ILFML and IWFML would be associates if they were both under the control of a third entity, such as ICPF Holdings.

In ILFML's opinion, based on the investigations of, and the evidence that has been made available to, the Directors of ILFML, and after receiving legal advice, the Directors of ILFML have concluded that ILFML and IWFML are not under the common control of ICPF Holdings. Specifically, in ILFML's view, there is insufficient evidence to support a conclusion that ICPF Holdings controls ILFML for the following reasons:

- ILFML is a Subsidiary of IOMH, which is the subject of a 50-50 joint venture between Macquarie and ICPF Holdco, that is governed by the terms of a Joint Venture Deed.
- Section 50AA(3) of the Corporations Act provides that an entity (the **first entity**) does not control a second entity merely because the first entity and a third entity jointly have the capacity to determine the outcome of decisions about the second entity's financial and operating policies.

3. *Voting Exclusion in Section 253E of the Corporations Act*

- The terms of the Joint Venture Deed as presented to ILFML¹ show that MREPL and ICPF Holdco have the joint capacity to determine the outcome of key decisions, including decisions relating to financial and operating policies of IOMH and its subsidiaries. This joint capacity is reflected in equal board representation and director voting rights, equal shareholding, and the requirement for unanimous shareholder or unanimous board approval for certain key decisions relating to IOMH and its subsidiaries.
- As a result, ICPF Holdings would **not** be considered to control ILFML unless there were factors to support a conclusion that ICPF Holdings directly or indirectly had some additional capacity (beyond its joint capacity arising under the Joint Venture Deed) to determine the outcome of decisions about ILFML's financial and operating policies, including through the practical influence it is able to exert over ILFML, or any practice or pattern of behavior affecting the financial or operating policies of ILFML. IWFML has confirmed to ILFML that it is not aware of any facts or circumstances which suggest that ICPF Holdings has the ability to determine the outcome of decisions about ILFML's financial and operating policies (other than through its joint capacity to do so with Macquarie arising under the Joint Venture Deed), and ILFML is not aware of any evidence to the contrary after having made due enquiries.

b. ICPF Holdings and ILFML – control group analysis

Under section 12(2)(a) of the Corporations Act, ICPF Holdings will be an associate of ILFML if:

- ILFML exercises control over ICPF Holdings;
- ICPF Holdings exercises control over ILFML; or
- an entity exercises control over both ILFML and IWFML.

IWFML has confirmed to ILFML that it is not aware of any facts or circumstances to suggest that either ILFML or ICPF Holdings exercise control over each other, or are under the common control of a third entity, and ILFML is not aware of any evidence to the contrary after having made due enquiries.

c. Relevant agreement analysis

Under section 12(2)(b) of the Corporations Act, IWFML and ICPF Holdings will be associates of ILFML if either entity has, or proposes to enter into, an agreement, arrangement or understanding with ILFML with the purpose of controlling or influencing:

- whether ILFML or another entity becomes or remains responsible entity of IOF;
- the composition of ILFML's board; or
- the conduct of IOF's affairs.

IWFML has confirmed to ILFML that it is not aware of any facts or circumstances to suggest that there is any such actual or proposed agreement, arrangement or understanding between ILFML and IWFML (or between ILFML and ICPF Holdings), and ILFML is not aware of any evidence to the contrary after having made due enquiries.

d. Acting in concert analysis

Under section 12(2)(c) of the Corporations Act, IWFML and ICPF Holdings will be associates of ILFML if either entity is acting, or proposes to act, in concert with ILFML, in relation to the affairs of IOF.

IWFML has confirmed to ILFML that it is not aware of any facts or circumstances to suggest that either IWFML or ICPF Holdings is acting or proposes to act, in concert with ILFML in relation to the affairs of IOF, and ILFML is not aware of any evidence to the contrary after having made due enquiries.

1. ILFML has received a redacted copy of the Joint Venture Deed from IWFML. IWFML has confirmed that the redacted provisions are commercially sensitive provisions that are not relevant to the question of control or association. IWFML has also confirmed that the redacted provisions are not relevant to ILFML's consideration of the practical influence that either the ICPF Group or Macquarie could exert over IOMH or its Subsidiaries, or any practice or pattern of behaviour affecting the financial and operating policies of IOMH or any of its Subsidiaries.

4. *Other matters relevant to voting*

Whether ICPF Holdings or IWFML (or any other IOF Unitholder) would be restricted from being able to vote at the Meeting will be determined by the Chair of the Meeting based on circumstances known at the relevant time.

However, as at the date of this Supplementary Explanatory Memorandum, based on the investigations of, and the evidence that has been made available to, the Directors of ILFML, and after receiving legal advice, the Directors of ILFML have concluded that neither ICPF Holdings nor IWFML are restricted from voting on the Proposal under any other applicable law.

In this context, IWFML has confirmed to ILFML (and ILFML is not aware of any evidence to the contrary after having made due enquiries) that, as at the date of this Supplementary Explanatory Memorandum:

- a. there are no agreements, arrangements or understandings with any party relevant to ILFML's consideration of whether IWFML or ICPF Holdings should be restricted from voting (other than the Joint Venture Deed); and
- b. neither ICPF Holdings nor IWFML are associates of the Acquirer in relation to IOF.¹

IWFML has advised ILFML that, as at the date of this Supplementary Explanatory Memorandum, ICPF Holdings and IWFML have not yet determined how (or, for that matter, if) they intend to vote on the Proposal.

1. Section 611, item 7 of the Corporations Act contains an exception to the 20% rule in section 606 of the Corporations Act, for acquisitions approved by a resolution passed at a general meeting of members of the relevant target entity. Under paragraph (a) of item 7, no votes may be cast in favour of the resolution by the person proposing to make the acquisition and their associates. This means that ICPF Holdings and IWFML would be prohibited from voting in favour of the Trust Acquisition Resolutions if they were associates of the Acquirer.

5. *Additional Information*

5.1 Consents to be named

The following persons have given, and have not, before the date of issue of this Supplementary Explanatory Memorandum, withdrawn their consent to be named in this Supplementary Explanatory Memorandum in the form and the context in which they are named:

- a. the Acquirer;
- b. the ICPF Group;
The ICPF Group has given its written consent to the inclusion of the ICPF Group Information, and the references to that information in the form and context in which it is included in this Supplementary Explanatory Memorandum and has not, before the date of issue of this Supplementary Explanatory Memorandum, withdrawn such consent
- c. KPMG Corporate Finance as the Independent Expert;
- d. Link Market Services Limited as IOF's security registrar;
- e. Allens as IOF's legal adviser;
- f. J.P. Morgan Australia Limited as IOF's financial adviser;
- g. PricewaterhouseCoopers as IOF's auditor; and
- h. PricewaterhouseCoopers Securities Limited as IOF's accounting adviser.

Other than as specifically outlined above, each party referred to in this Section 5.1 has not caused or authorised the issue of this Supplementary Explanatory Memorandum and does not make or purport to make any statement in this Supplementary Explanatory Memorandum or any statement on which a statement is based, and takes no responsibility for any part of this Supplementary Explanatory Memorandum other than any reference to its name.

5.2 Supplementary Information

To the extent required by the Listing Rules, the Corporations Act or any other applicable law, ILFML will issue a supplementary document to this Supplementary Explanatory Memorandum if it becomes aware of any of the following between the date of this Supplementary Explanatory Memorandum and the date of the Meeting:

- a. a material statement in this Supplementary Explanatory Memorandum is or becomes false or misleading;
- b. a material omission from this Supplementary Explanatory Memorandum;
- c. a significant change affecting a matter included in this Supplementary Explanatory Memorandum; or
- d. a significant new matter has arisen and it would have been required to be included in this Supplementary Explanatory Memorandum if it had arisen before the date of this Supplementary Explanatory Memorandum.

Depending on the nature and timing of the changed circumstances and subject to obtaining any relevant approvals, ILFML may circulate and publish the supplementary document by any or all of:

- a. placing an advertisement in a prominently published newspaper that is circulated in Australia;
- b. posting the supplementary document on IOF's website;
- c. making an announcement on ASX; or
- d. issuing a supplementary document.

5.3 No other information

Other than as contained in this Supplementary Explanatory Memorandum, there is no information within the knowledge of any member of the ILFML Board that is material to the making of a decision in relation to the Proposal to be voted on by IOF Unitholders, and that has not been previously disclosed to IOF Unitholders.

6. Glossary and Interpretation

6.1 Definitions

In this Supplementary Explanatory Memorandum unless the context otherwise appears, defined terms have the meanings given to them in the Explanatory Memorandum, and the following terms have the meanings shown below.

Term	Meaning
Effective Date	the date on which the Proposal becomes Effective (expected to be 30 August 2018).
Explanatory Memorandum	the explanatory memorandum dated 24 July 2018, including the attachments to it.
ICPF Group	the stapled group comprising ICPF and ICPF Holdings, and including (where the context requires) each of their Controlled Entities.
ICPF Group Information	the information provided by the ICPF Group for inclusion in this Supplementary Explanatory Memorandum and for which the ICPF Group is responsible.
ICPF Holdco	ICPF Holdco Pty Limited (ACN 610 994 815).
Implementation Date	the date that the Proposal is implemented, being the third Business Day following the Record Date or such other date as ILFML, BidCo and Bid Trust agree in writing (expected to be 12 September 2018).
Investa Office Management Platform	the funds, property and asset management business carried on by IOM and its Subsidiaries.
IOMH	Investa Office Management Holdings Pty Limited (ACN 126 219 903).
Joint Venture Deed	the joint venture deed dated 10 August 2018 between ICPF Holdco, MREPL, and IOMH.
Macquarie	Macquarie Group Limited (ACN 122 169 279).
Meeting	the extraordinary general meeting of IOF Unitholders convened by the Notice of Meeting, as adjourned.
MREPL	Macquarie Real Estate Investment Holding (Australia) Pty Limited (ACN 625 995 324).
Platform Transaction	The transaction and arrangements under which ICPF Holdco sold a 50% interest in the Investa Office Management Platform to, and entered into the Joint Venture Deed with, MREPL, a wholly-owned subsidiary of Macquarie.

6. Glossary and Interpretation

Term	Meaning
Record Date	7.00pm on the fifth Business Day following the Effective Date, or such other date as agreed between the Acquirer and ILFML (expected to be 5 September 2018).
Second Judicial Advice Date	the date on which the Second Judicial Advice is obtained (expected to be 30 August 2018).
Voting Record Date	the time and date for determining eligibility to vote at the Meeting (expected to be 7.00pm, 27 August 2018).

6.2 Interpretation

In this Supplementary Explanatory Memorandum, unless the context otherwise appears:

- a. words and phrases have the same meaning (if any) given to them in the Corporations Act;
- b. words importing a gender include any gender;
- c. words importing the singular include the plural and vice versa;
- d. an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;
- e. a reference to a clause, attachment or schedule is a reference to a clause of and an attachment and schedule to this Supplementary Explanatory Memorandum as relevant;
- f. a reference to any statute, regulation, proclamation, ordinance or by law includes all statutes, regulations, proclamations, ordinances, or by laws amending, varying, consolidating or replacing it and a reference to a statute includes all regulations, proclamations, ordinances and by laws issued under that statute;
- g. headings and bold type are for convenience only and do not affect the interpretation of this Supplementary Explanatory Memorandum;
- h. a reference to time is a reference to time in Sydney, Australia;
- i. a reference to writing includes electronic and digital communications; and
- j. a reference to dollars, \$, A\$, cents, ¢ and currency is a reference to the lawful currency of the Commonwealth of Australia.

Corporate Directory

INVESTA OFFICE FUND

Armstrong Jones Office Fund

ARSN 090 242 229

Prime Credit Property Trust

ARSN 089 849 196

FINANCIAL ADVISER

J.P. Morgan Australia Limited

Level 18, J.P. Morgan House, 85 Castlereagh Street
Sydney NSW 2000 Australia

AUDITOR

PricewaterhouseCoopers

ABN 52 780 433 757

One International Towers Sydney
Watermans Quay, Barangaroo
Sydney NSW 2000

IOF REGISTRY

Link Market Services Limited

Level 12, 680 George Street
Sydney NSW 2000 Australia

Locked Bag A14

Sydney South NSW 1235 Australia

Phone: +61 1300 851 394

Fax (general): (02) 9287 0303

Fax (voting): (02) 9287 0309

Email: investa@linkmarketservices.com.au

RESPONSIBLE ENTITY

Investa Listed Funds Management Limited

ACN 149 175 655

AFSL 401414

LEGAL ADVISER

Allens

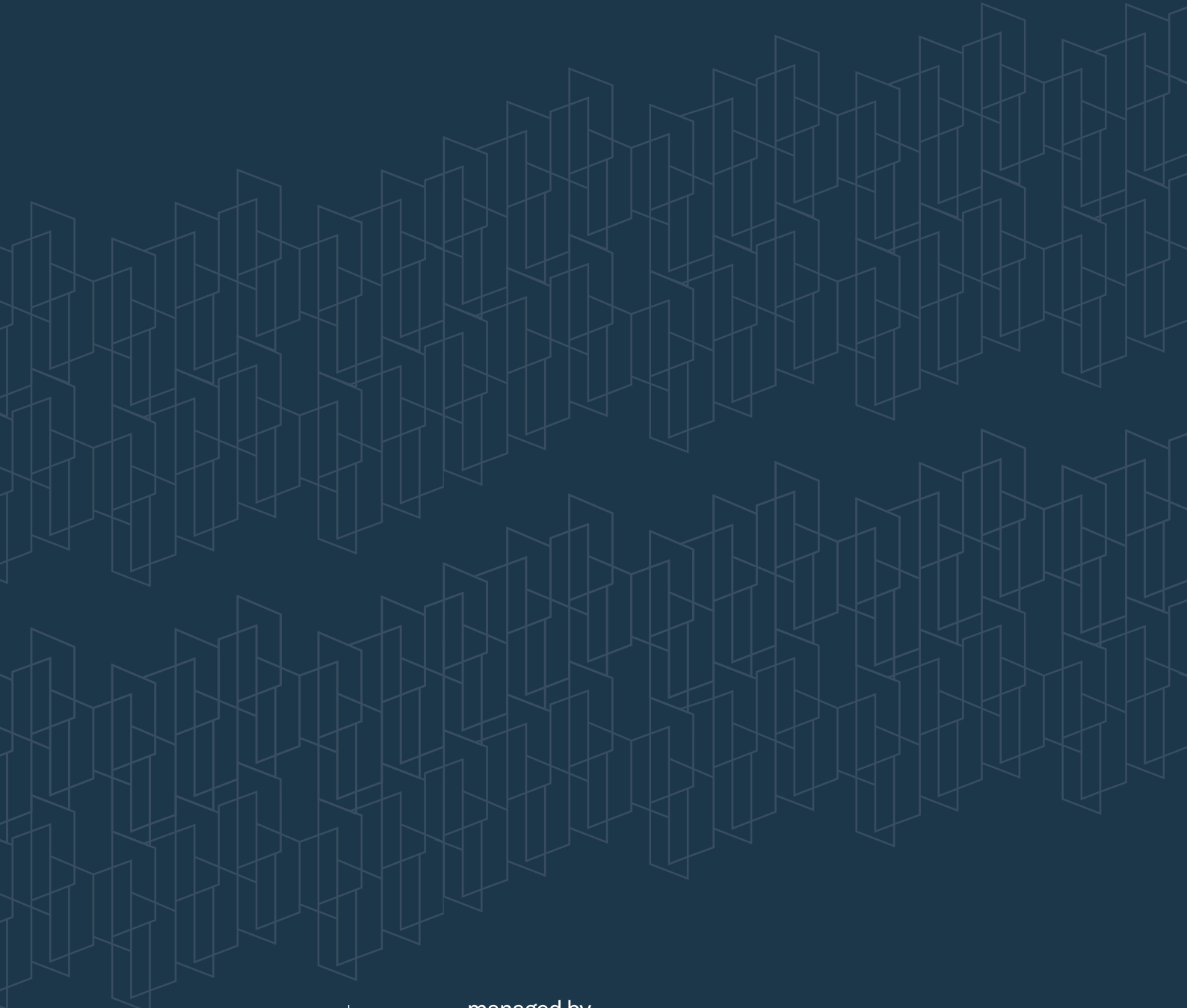
Level 28, 126 Phillip Street
Sydney NSW 2000 Australia

ACCOUNTING ADVISER

PricewaterhouseCoopers Securities Limited

ACN 003 311 617

One International Towers Sydney
Watermans Quay, Barangaroo
Sydney NSW 2000



INVESTA OFFICE FUND

ARMSTRONG JONES OFFICE FUND ARSN 090 242 229
 PRIME CREDIT PROPERTY TRUST ARSN 089 849 196
 RESPONSIBLE ENTITY:
 INVESTA LISTED FUNDS MANAGEMENT LIMITED
 ACN 149 175 655 AFSL 401414


LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
 Investa Office Fund
 C/- Link Market Services Limited
 Locked Bag A14
 Sydney South NSW 1235 Australia

 **BY FAX**
 +61 2 9287 0309

 **BY HAND**
 Link Market Services Limited
 1A Homebush Bay Drive, Rhodes NSW 2138

 **ALL ENQUIRIES TO**
 Telephone: +61 1300 851 394



X99999999999

SUPPLEMENTARY PROXY FORM

I/We being a member(s) of Investa Office Fund and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Extraordinary General Meeting of the Company to be held at **10:00am on Wednesday, 29 August 2018 at Level 4, Room 5, Hilton Sydney, 488 George Street, Sydney NSW 2000** (the **Meeting**) and at any postponement or adjournment of the Meeting.

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.


STEP 1

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 AJO Trust Acquisition Resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 AJO De-stapling Resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 PCP Trust Acquisition Resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 PCP De-stapling Resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 AJO Trust Constitution Amendment Resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 PCP Trust Constitution Amendment Resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

 * If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 2

SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED

Securityholder 1 (Individual)

Joint Securityholder 2 (Individual)

Joint Securityholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the securityholder. If a joint holding, either securityholder may sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

STEP 3



HOW TO COMPLETE THIS SECURITYHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's security register. If this information is incorrect, please make the correction on the form. Securityholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your securities using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a securityholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's security registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either securityholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's security registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am on Monday, 27 August 2018**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your securityholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

Investa Office Fund
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE EXTRAORDINARY GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**