

ASX RELEASE

22 December 2021

UPDATED INFORMATION REGARDING THE MERGER

Aventus Capital Limited (ACN 606 555 480) (Aventus Trustee) (in its capacity as responsible entity of the Aventus Retail Property Fund (ARSN 608 000 764) (Aventus Trust)) and Aventus Holdings Limited (ACN 627 640 180) (Aventus Company) (collectively, Aventus) announce updates on the proposed merger with HomeCo Daily Needs REIT (ARSN 645 086 620) and Home Consortium (currently a stapled group comprising Home Consortium Limited (ACN 138 990 593) and Home Consortium Developments Limited (ACN 635 859 700)) (Merger).

Other than as defined in this release, a word or phrase used in this release has the same meaning given in the Scheme Booklet in relation to the Merger.

Independent Expert's consideration of the results of the independent valuation of the Aventus portfolio

On Friday, 17 December 2021, Aventus released the results of the independent valuation of the Aventus portfolio as at 31 December 2021 (**Portfolio Revaluation**).

Aventus has received confirmation from the Deloitte Corporate Finance Pty Limited (Independent Expert) that the Portfolio Revaluation does not change the Independent Expert's opinion in relation to the Merger.

The Independent Expert has confirmed its opinion that the Merger is fair and reasonable and therefore in the best interests of Aventus Securityholders (other than Excluded Securityholders). The confirmation letter is attached.

Further details about the Independent Expert's conclusion on the Merger are included in the Scheme Booklet. The Scheme Booklet was released to the ASX on 7 December 2021 and has been dispatched to Aventus Securityholders.

ACCC update

Aventus and HomeCo requested that the ACCC grant informal clearance for the Merger on 17 November 2021. The ACCC has effectively provided this clearance by confirming that it does not intend to conduct a public review of the Merger.

This announcement has been approved by the Chair and CEO for release

Mary Weaver
Company Secretary
(02) 9285 6711

The Directors
Aventus Group
Level 33
1 Farrer Place
Sydney NSW 2000

21 December 2021

Dear Directors

Re: Aventus Group IER – Updated property valuations and impact on our opinion

Introduction

On 18 October 2021, Aventus Group (AVN) announced a proposed merger of the Aventus Retail Property Fund (ARPF) with the HomeCo Daily Needs REIT (HDN) and a merger of Aventus Holdings Limited (AHL) (investment manager for ARPF) with the Home Consortium (HMC) (the Proposed Merger). The directors of AVN (the Directors) requested Deloitte Corporate Finance Pty Limited (Deloitte Corporate Finance) to provide an independent expert's report (IER) advising whether or not, in our opinion, the Proposed Merger is fair and reasonable to and in the best interests of AVN securityholders (other than Excluded AVN Securityholders).

We provided our opinion which is summarised in an IER dated 6 December 2021 and which was included in the Scheme Booklet and distributed to AVN securityholders on 7 December 2021. Whilst we encourage AVN securityholders to read our IER in full, in summary, our opinion was that the Proposed Merger is fair and reasonable to and therefore in the best interests of AVN securityholders.

AVN and HDN have commissioned a revaluation of their respective property portfolios as at 31 December 2021 in line with their valuation policy for financial reporting purposes. The revised property valuations were disclosed to the ASX on 17 December 2021.

The Directors have requested Deloitte Corporate Finance to advise them as to whether these updated valuations impact the opinion we expressed in our IER.

This letter should be read in conjunction with our IER and should not be disclosed without our prior written consent. Capitalised terms in this letter have the same meaning as the IER.

Summary of our analysis

We have updated our analysis to reflect the updated valuations of the AVN and HDN property portfolios (which form part of the Merged HDN Group).

Set out in the following table is a comparison of our assessed value of an AVN security and the Consideration as set out in our IER based on the updated property valuations.

Table 1: Comparison of our valuation of an AVN security to the value of the Consideration

	Unit	IER		December 2021 updated	
		Low value	High value	Low value	High value
Estimated market value of one AVN security	\$	3.08	3.49	3.32	3.51
Estimated market value of the Consideration	\$	3.26	3.68	3.58	3.75

Source: Deloitte Corporate Finance analysis

Whilst the opinion expressed in our IER had anticipated an increase in property valuations (5% to 10% for AVN and nil to 5% for HDN) based on discussions with executives of AVN and HDN, the increase in valuations has been above this range (10.3% in respect of AVN and 8.4% in respect of HDN). This is also consistent with similar increases announced by other entities in the property sector as well as the movement in the security prices of those entities since the analysis underpinning our IER was undertaken. The increased property valuations have been the primary driver of the increase in valuation range both in respect of AVN and the Consideration.

Conclusion

Given the estimated value of the Consideration continues to be in excess of the estimated value of an AVN security, we continue to be of the opinion that the Proposed Merger is fair and reasonable to and therefore in the best interests of AVN securityholders.

This letter should be read in conjunction with our IER.

Yours faithfully



Tapan Parekh
 Authorised Representative
 AR Number: 461009