

Monash Investors – Proposed Fund Merger

Monash Investors Pty Limited (Monash Investors) proposes that, subject to unitholder and any necessary regulatory approvals, the AQUA traded Monash Investors Small Companies Trust (Hedge Fund) (ASX: MAAT) be merged into its equivalent unlisted fund, Monash Investors Small Companies Fund (MAIF).

Both funds are operated by The Trust Company (RE Services) Limited (ACN 003 278 83) (AFSL 235150) as the responsible entity (Perpetual) and are managed by Monash Investors (as investment manager) using the same investment strategy and investment process.

The proposed merger will significantly reduce the ongoing operating costs for MAAT investors and the one-off anticipated costs of the merger have already been provided for in MAAT's daily unit price.

Importantly, this merger, if implemented, will mean that MAAT unitholders will continue to have access to Monash Investors' smaller companies investment strategy with its impressive and demonstrated track record. MAIF, which has the same investment strategy and process as MAAT, has returned 9.8% pa (after fees) over almost 12 years, outperforming the S&P/ASX Small Ordinaries total return by 3.7% pa¹.

In order for the merger to proceed, it must be approved by a special resolution of MAAT unitholders. A copy of the notice of meeting and explanatory memorandum is attached. Perpetual engaged BDO Corporate Finance (East Coast) Pty Ltd (ACN 050 038 170) (**BDO**) to provide an independent expert's report in relation to the proposed merger and BDO has opined that the merger is fair and reasonable and in the best interests of the MAAT unitholders (a copy of BDO's report is included in the attached explanatory memorandum).

The proposed MAAT unitholder meeting will be held on 13 June 2024.

Concurrently, Monash Investors is announcing its own anticipated merger with ASX microcap specialist fund manager, DMX Asset Management. This merger will bring together two similarly-sized firms with a shared objective of delivering differentiated portfolio exposures, strong investment returns, and clear, transparent communications to investors.

¹ Returns calculated from inception date 2 July 2012 to 30 April 2024. Past performance is not a reliable indicator of future performance

Monash Investors Small Companies Trust (Hedge Fund) (ASX: MAAT)

Background

MAAT first started trading on the ASX in June 2021 following the transition from a Listed Investment Company (ASX: MA1) into an Exchange Traded Managed Fund. The aims of the transition were to eliminate the discount to NTA at which MA1 securities had traded on-market and to create liquidity for investors through the use of a market maker, and those aims were achieved.

However, the additional costs associated with the AQUA trading platform mean that MAAT investors are subject to significantly higher operating costs than the operating costs of MAIF (which is also operated by Perpetual as responsible entity and Monash Investors as investment manager using the same investment strategy and process as MAAT).

In addition, and unlike MAAT, Monash Investors, as investment manager, typically pays for the normal operating expenses of MAIF (excluding expenses related to the acquisition and disposal of investments) out of its management fee, rather than paying for them directly out of the assets of MAIF.

As a result, by merging MAAT into MAIF, the operating costs to which MAAT unitholders are currently subject would be reduced. Importantly, once the MAAT unitholders are issued with MAIF units as consideration for their MAT units, they would continue to be able to buy and sell units daily, with only a slightly slower expected settlement period of T + 4 days (rather than the T + 2 day settlement period provided for by the AQUA platform).

Portfolio Manager, Simon Shields commented *'We wanted to address the relatively high cost structure of MAAT versus our unlisted fund, MAIF, and we believe this proposed merger is very much in the best interests of our supportive, long-term oriented investors. This merger reduces operating costs while enabling unitholders to continue to have their investment managed using our strategy, which has a track record of strong outperformance'*.

Portfolio Manager, Shane Fitzgerald said *'As evidenced by transitioning from an LIC structure to an ETMF, we continue to monitor and manage investor access to our strategy. The merger will provide for a reduced operating cost structure that will help in seeking to continue to deliver value to investors in the years ahead'*.

Commenting further on the opportunity smaller companies investors are facing in the current environment, Shane noted that *'Having lagged their larger company counterparts over the past couple years, smaller companies are again receiving attention for their unique attributes, significant growth runways, and undemanding valuations. We believe from current prices, many small and micro-cap companies represent compelling value, and are priced to deliver strong returns over time. We're delighted to be expanding our investment capability through merging with DMX, and to be able to deliver a holistic smaller & micro-cap portfolio solution to investors through a streamlined fund following the merger of MAAT into MAIF.'*

Monash Investors Small Companies Trust (Hedge Fund) (ASX: MAAT)

Summary and Next Steps

Subject to MAAT unitholder approval, it is proposed that Monash Investors Small Companies Trust (Hedge Fund) (ASX: MAAT) will be merged into its equivalent unlisted vehicle, Monash Investors Small Companies Fund (**MAIF**). The anticipated costs of the merger are already reflected in MAAT's unit price.

The independent expert has concluded the proposed merger is fair and reasonable, and therefore is in the best interests of MAAT unitholders.

MAAT unitholders will vote on the proposal at a meeting of MAAT unitholders to be held on 13 June 2024 (**Meeting**). Details of the Meeting and proposed merger are contained in the notice of meeting and explanatory memorandum which is being sent today to MAAT unitholders and is attached to this announcement.

The current proposed timetable is as follows:

Date by which proxy forms must be received	10.00 am on 11 June 2024
Voting Record Date (persons on the MAAT Register at this time will be entitled to vote at the Meeting)	7.00 pm on 11 June 2024
Meeting Date	10.00 am on 13 June 2024
Market announcement as to whether the Merger Resolution has been Approved	After determining the voting results of the meeting on 13 June 2024

If the Merger Resolution is Approved and all the Merger Conditions satisfied, the following key dates will apply:

Merger Approval Date MAAT Amending Deed executed and lodged with ASIC, MAAT RE applies for MAAT Units to be suspended from trading on ASX and MAAT Unit applications and withdrawals suspended and Exchange Ratio calculated using prevailing NAV as at 12.01 am of the Merger Approval Date (using asset values as at close of business on 12 June 2024)	13 June 2024*
MAAT Register closed (all on-market sales that were matched before 13 June 2024 will have been settled by this time, with any off-market transfers received before this time to be processed before the Merger Record Date)	7.00 pm on 17 June 2024*
Merger Record Date	7.00pm on 18 June 2024*
Implementation Date (MAAT Units acquired by MAIF RE and issue of MAIF units to the MAAT Unitholders on the Merger Record Date)	21 June 2024*

All times are references to Sydney time. All dates above after the date of the Meeting (and noted with an *) are indicative only and may be changed by MAAT RE and, if required, the ASX. Any changes to the above key dates will be announced on ASX and notified on MAAT's website at www.monashinvestors.com.

Monash Investors Small Companies Trust (Hedge Fund) (ASX: MAAT)

Application for revocation of AQUA trading status of MAAT

Perpetual as responsible entity for MAAT has today applied to ASX for MAAT's admission to trading status on ASX's AQUA Platform to be revoked (**Trading Revocation Application**) on the basis that:

- if the MAAT unitholders approve the merger and the other merger conditions are satisfied and the merger is implemented then Perpetual as responsible entity for MAIF will hold (itself or through its custodian or nominee) all of the units of MAAT on issue and trading status on the AQUA platform would no longer be appropriate for MAAT; and
- if the MAAT unitholders do not approve the merger or it is not implemented for any other reason, Monash Investors, as investment manager, has recommended to Perpetual as the responsible entity of MAAT that MAAT be terminated, the assets of MAAT be realized, all liabilities of MAAT be satisfied or fully provided for and MAAT be wound up and MAAT unitholders be paid the net proceeds pro rata according to their unitholding.

Monash Investors has formed the opinion that if the merger is not implemented, it would be in the best interests of MAAT unitholders that MAAT be terminated given that the fixed operating costs of MAAT will represent an increasing percentage of the NAV of MAAT if it continues to decrease in size (for example, by reason of MAAT unitholders withdrawing their investments) and that MAAT would not be of a sufficient scale to efficiently defray the costs associated with remaining on the AQUA trading platform.

Perpetual as responsible entity of MAAT currently intends that, if the merger is not approved by MAAT unitholders, it will decide to suspend redemptions of MAAT units and terminate MAAT in accordance with Monash Investors' recommendation.

There is no guarantee that ASX will approve the Trading Revocation Application. Perpetual will make an announcement once ASX has considered the Trading Revocation Application and communicated to Perpetual its determination on whether to approve it.

If ASX does approve the Trading Revocation Application (and subject to any conditions that ASX may impose) MAAT units will cease to be traded on the ASX AQUA market.

Currently Perpetual and Monash Investor envisage that assuming that ASX approves the Trading Revocation Application and regardless of whether the merger is approved and implemented, existing MAAT unitholders will be able to trade their MAAT units on the ASX AQUA market until at least the close of trading on the day of the MAAT unitholder meeting scheduled for 13 June 2024.

For questions relating to the merger, please contact

E: contactus@monashinvestors.com

Monash Investors Small Companies Trust (Hedge Fund) (ASX: MAAT)

Please include your phone number if you would like to be contacted by a representative of Monash Investors.

Questions regarding the number of units you hold, how to vote at the Meeting or how to lodge the Proxy Form should be directed to the unit registry (Apex Fund Services).

For Unit Registry enquiries, please contact

Apex Fund Services

P: 1300 133 451 (in Australia)

+61 2 8259 8888 (international)

E: registry@apexgroup.com

For all business development enquiries, please contact

Cameron Harris (acting on behalf of Monash Investors)

E: cameron@gsmcapital.com.au

M: +61 400 248 435

For more information about MAAT or MAIF (including the investment strategy), please refer to the Monash Investors website at www.monashinvestors.com. You can also [subscribe to our updates here](#).

This notice has been prepared by Monash Investors Pty Limited (ACN 153 180 333, AFSL No. 417201), as investment manager for the Monash Investors Small Companies Trust (Hedge Fund) (ARSN 642 280 331) (**Fund**). This notice has been authorised for release by The Trust Company (RE Services) Limited (ABN 45 003 278 831, AFSL 235150) as the responsible entity of the Fund. This notice contains general information only and is not intended to provide you with financial advice. This notice has been prepared without taking into account your objectives, financial situation or needs. You should consider whether the information is suitable for your circumstances and for further information on the Fund please refer to the PDS together with the Target Market Determination (**TMD**) which are available at www.monashinvestors.com/maat/

This is an important document and requires your immediate attention. You should read this document in its entirety before deciding how to vote. If you are in any doubt about what to do, you should consult your professional adviser without delay.

MAAT Notice of Meeting and Explanatory Memorandum

Merger of

Monash Investors Small Companies Trust (Hedge Fund) ARSN 642 280 331 (MAAT)

and

Monash Investors Small Companies Fund ARSN 606 855 501 (MAIF)

Details of MAAT Meeting

Time: 10.00 am (Sydney time)

Date: 13 June 2024

Place: K&L Gates offices at Level 31, 1 O'Connell Street, Sydney NSW 2000

The Independent Expert has determined that the Merger is fair and reasonable and in the best interests of MAAT Unitholders

Issued by The Trust Company (RE Services) Limited ACN 003 278 831 (AFSL number 235150) as responsible entity of Monash Investors Small Companies Trust (Hedge Fund) ARSN 642 280 331

IMPORTANT NOTICES

Capitalised terms used in this explanatory memorandum (**EM**) (and the Notice of Meeting in Annexure A) are defined in the Glossary in Section 12. Annexures B, C, D, E and F use their own terms and abbreviations, which may have different defined meanings to those set out in the Glossary in Section 12.

Purpose of this EM

This EM is important and requires your immediate attention. It is dated 15 May 2024 and is issued by The Trust Company (RE Services) Limited ACN 003 278 831 (AFSL number 235150) as responsible entity (**MAAT RE**) of Monash Investors Small Companies Trust (Hedge Fund) ARSN 642 280 331 (**MAAT**) in connection with a meeting of MAAT Unitholders to consider whether to Approve the Merger by a Special Resolution. If the Merger is Approved all of the MAAT Units on issue will be transferred to The Trust Company (RE Services) Limited ACN 003 278 831 (AFSL number 235150) as responsible entity (**MAIF RE**) of Monash Investors Small Companies Fund ARSN 606 855 501 (**MAIF**) (or its custodian or nominee, including 1,000 MAAT Units which will be held on trust (but not a bare trust) by a person nominated by MAIF RE) in return for the issue of MAIF Units (being fully paid Class A units in MAIF) to MAAT Unitholders.

This EM contains information about the Merger that is material to the decision of MAAT Unitholders on how to vote on the Merger Resolution and includes:

- the formal Notice of Meeting of MAAT Unitholders (see Annexure A);
- the Independent Expert's Report (see Annexure B);
- the MAIF PDS for MAIF Units (which are to be issued to MAAT Unitholders if the Merger is implemented) (see Annexure C);
- the MAAT Amending Deed (which will be signed by MAAT RE and amend the MAAT Constitution by inserting the provisions pursuant to which the Merger will be implemented if the Merger Resolution is Approved) (see Annexure D);
- the Merger Deed Poll (under which the MAIF RE undertakes to issue MAIF Units to MAAT Unitholders if the Merger is implemented) (see Annexure E); and
- the Merger Implementation Deed (executed by MAAT RE, MAIF RE and Monash Investors and dated 15 May 2024 setting out the provisions pursuant to which the Merger will be proposed to MAAT Unitholders and implemented if the Merger Resolution is Approved and all other Merger Conditions are satisfied) (see Annexure F).

MAAT Unitholders should read this EM in its entirety before making a decision as to how to vote on the Merger Resolution to be considered at the Meeting. They should consider the potential advantages and the potential disadvantages of the Merger and the reasons for voting for or against the Merger as set out in Section 5, the risk factors associated with the Merger as set out in Section 9 and the views of the Independent Expert as set out in the Independent Expert's Report in Annexure B.

If the Merger Resolution is not Approved or the Merger is not otherwise implemented, Monash Investors has recommended that MAAT be terminated and wound up and the net proceeds from the realisation of MAAT's assets and payment of its liabilities be distributed to MAAT Unitholders and MAAT RE currently considers that it would be in the best interests of MAAT Unitholders for it to terminate and wind up MAAT if the Merger is not implemented.

MAIF PDS

MAIF RE is offering to issue MAIF Units to MAAT Unitholders as consideration under the Merger for the transfer of their MAAT Units to MAIF RE. A PDS relating to the MAIF Units being offered as consideration under the Merger is included as Annexure C (**MAIF PDS**) and it is issued by MAIF RE under Part 7.9 of the Corporations Act.

No investment advice

This EM contains general financial product advice only and has been prepared without taking account of any MAAT Unitholder's, or any other person's, investment objectives, financial situation, tax position or particular needs.

Before acting on any of the matters described in this EM, making any investment decision or deciding whether or not to vote in favour of the Merger Resolution, you should have regard to your investment objectives, financial situation, tax position and particular needs and obtain your own personal financial, legal, tax and other advice by contacting your professional adviser. Your investment in MAAT is subject to investment and other risks, including the possible loss of income and capital invested. MAAT RE gives no guarantee or assurance as to the performance of MAAT or the repayment of capital.

If the Merger is implemented and you receive MAIF Units, your investment in MAIF will be similarly subject to investment and other risks, including the possible loss of capital invested. MAIF RE gives no guarantee or assurance as to the performance of MAIF or the repayment of capital.

Nothing in this EM including in Section 10 constitutes tax advice. You should consult your own tax adviser regarding the consequences of the Merger in light of your particular circumstances.

Responsibility statements by Responsible Parties

Each Responsible Party has prepared, provided and is responsible for the Relevant Information referred to in the table in Section 11.6.

No Responsible Party (nor any of its directors, officers, employees and advisers) assumes any responsibility for the accuracy or completeness of any information other than the Relevant Information it has prepared, provided and is responsible for as referred to in the table in Section 11.6.

Regulatory information

A copy of this EM was provided to ASIC on 15 May 2024 in support of the application by MAAT RE and MAIF RE for the relief as described in Section 11.5. Neither ASIC nor any of its officers takes any responsibility for the contents of this EM (including the MAIF PDS).

A copy of this EM has been provided to ASX. Neither ASX nor any of its officers takes any responsibility for the contents of this EM (including the MAIF PDS).

Forward Looking Statements

Certain statements in this EM relate to future matters (**Forward Looking Statements**). The Forward Looking Statements in this EM are not based on historical facts, but rather reflect the current expectations of MAAT RE (in relation to the MAAT Information only) and MAIF RE (in relation to the MAIF Information only) concerning future results and events. These statements may generally be identified by the use of forward looking words or phrases such as "believe", "aim", "expect", "anticipated", "intending", "foreseeing", "likely", "should", "planned", "may", "estimate", "potential", or other similar words and phrases. Similarly, statements that describe MAAT RE's or MAIF RE's objectives, plans, goals or expectations are or may be Forward Looking Statements.

These Forward Looking Statements involve known and unknown risks, uncertainties, assumptions and other important factors and variables that could cause the actual results, performance or achievements of MAAT or MAIF to be materially different from future results, performance or achievements expressed or implied by such statements. Such Forward Looking Statements are based on numerous assumptions regarding present and future operating strategies and the environment in which MAAT or MAIF will operate in the future. The risk factors described in Section 9 could affect future results of MAAT or MAIF, causing them to differ materially from those expressed, implied or projected in any Forward Looking Statements. Those risk factors are not all of the factors, variables or uncertainties that could cause actual results to differ materially from those expressed in any Forward Looking Statement. Other unknown factors, variables or uncertainties could also have a materially adverse effect on the future results of MAAT or MAIF. Forward Looking Statements

should, therefore, be construed in light of such risk factors and undue reliance should not be placed on Forward Looking Statements.

The historical financial performance of MAIF and MAAT is no assurance or indicator of the future financial performance of MAAT and/or MAIF (whether or not the Merger proceeds). Neither MAAT RE nor MAIF RE guarantee any particular rate of return or the performance of MAAT or MAIF nor do they guarantee the repayment of capital from MAAT or MAIF or any particular tax treatment.

Other than as required by law, none of MAAT RE, MAIF RE and their respective directors, officers, employees and advisers or any other person gives any representation, assurance, warranty (whether express or implied) or guarantee that the accuracy, likelihood or occurrence of the events or results expressed or implied in any Forward Looking Statements in this EM will actually occur. Accordingly, you are cautioned not to place undue reliance on those statements.

The Forward Looking Statements in this EM reflect views held only at the date of this EM. Subject to any continuing obligations under law, and except as otherwise specifically stated in this EM, MAAT RE, MAIF RE and their directors, officers, employees and advisers disclaim any obligation or undertaking to provide after the date of this EM any updates or revisions to any Forward Looking Statements to reflect any change in expectations of MAAT RE or MAIF RE or any change in events, conditions or circumstances on which any such statement is based.

Updated information

This EM may be updated. Any updates will be available for inspection on the MAAT website at www.monashinvestors.com.

MAIF Information (including the MAIF PDS issued by MAIF RE in Annexure C) may change from time to time. Information that has changed in relation to MAIF that is not materially adverse but which MAIF RE wishes to provide to MAAT Unitholders will be made available on MAIF's website at www.monashinvestors.com. A paper copy of any updated information will be given, or an electronic copy made available, by MAAT RE to any person free of charge upon request.

MAIF RE may issue a supplementary or replacement PDS to change a statement, or supplement or replace the MAIF PDS, in accordance with the requirements of, and MAIF RE's obligations under, the Corporations Act. Any supplementary PDS should be read together with the MAIF PDS and any replacement PDS as a replacement of the MAIF PDS. Any supplementary or replacement PDS in respect of the MAIF PDS will be given by MAIF RE in accordance with its obligations under the Corporations Act. A copy of any such supplementary or replacement PDS regarding MAIF will also be made available on MAIF's website at www.monashinvestors.com and a printed copy will be given by MAIF RE free of charge upon request.

Notice to persons outside Australia

The release, publication or distribution of this EM in jurisdictions other than Australia may be restricted by laws or regulations in such other jurisdictions and persons outside Australia who come into possession of this EM 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.

This EM and the Merger do not constitute an offer of MAIF Units in any place in which, or to any person to whom, it would not be lawful to make such an offer.

General

Unless stated otherwise, all references to dollars, \$, cents or c in this EM are to Australian currency and to times and dates in this EM are to times and dates in Sydney, Australia. All times and dates relating to the implementation of the Merger referred to in this EM may change.

The information in this EM is current as at the date of this EM unless otherwise stated.

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1. Merger overview

1.1 Background

Monash Investors manages the investments of MAAT and MAIF, both of which:

- (a) have the same investment strategy and very similar investments;
- (b) are open ended, managed investment schemes registered by ASIC that are structured as unit trusts; and
- (c) are operated by Perpetual as the responsible entity.

The main differences between MAAT and MAIF arise from the fact that MAAT is AQUA Traded on the ASX and MAIF is an unlisted open-ended fund.

1.2 Merger rationale

Monash Investors has conducted a strategic review of the operation of MAAT and has concluded that it is not of a sufficiently large scale to efficiently defray the costs associated with maintaining it on the AQUA trading platform.

Assuming a constant NAV for MAAT of \$15.5m, Monash Investors estimates that for the financial year ending 30 June 2025:

- (a) MAAT's:
 - (i) annual operating costs would be approximately \$370,000 (plus GST) or **2.4%**; and
 - (ii) combined annual operating costs and management fees would be **4.1%**,
of MAAT's NAV; and
- (b) by comparison, MAIF's combined annual operating costs and management fees (post-Merger) will be **1.28%** of MAIF's NAV.

Accordingly Monash Investors estimates that MAAT Unitholders would save 2.82% of NAV in costs (less the one-off Merger costs (see Section 5.2(c)) if they exchanged their MAAT Units for MAIF Units pursuant to the Merger and should continue to benefit from lower costs as a result of MAIF not being AQUA Traded. If MAAT's NAV decreased (for example as a result of withdrawals) the annual operating costs as a percentage of MAAT's NAV would increase (reducing returns to MAAT Unitholders) given the fixed nature of most of those operating costs.

Given that MAAT and MAIF are both managed by Monash Investors using the same investment strategy and process, Monash Investors believes that there will should be no difference in the investment performance of MAIF as compared to MAAT.

Additional benefits of the Merger include that:

- (a) the enlarged MAIF (post-Merger with MAAT) will have greater scale and should benefit from cost efficiencies and synergies that will be effectively passed on to the former MAAT Unitholders through their investment in MAIF Units; and
- (b) all applications and redemptions in MAIF are subject to a buy/sell spread (or transaction costs adjustment) of 0.3% which is lower than the current minimum 0.53% market maker bid/ask spread provided by the market-maker to MAAT Unitholders when buying or selling MAAT Units on the ASX.

In Monash Investors' view, the drag on MAAT's performance created by the additional AQUA trading platform costs outweighs the benefit of the slightly faster settlement of AQUA market transactions (T+2 (or 2 Business

Days)) compared to direct off-market applications or withdrawals made to MAIF RE (usually T+4 (or 4 Business Days)).

Accordingly, Monash Investors has requested that MAAT RE propose the Merger and put the Merger Resolution to MAAT Unitholders for their consideration and MAAT RE has agreed to do that by entering into the Merger Implementation Deed and convening the Meeting.

If Approved by MAAT Unitholders by a Special Resolution, the Merger of MAAT and MAIF will be achieved by the amendment of the MAAT Constitution to provide for the transfer of the MAAT Units to MAIF RE in return for the issue of MAIF Units to MAAT Unitholders.

If the Merger Resolution is not Approved or the Merger is not otherwise implemented, Monash Investors has recommended that MAAT be terminated and wound up and the net proceeds from the realisation of MAAT's assets and payment of its liabilities be distributed to MAAT Unitholders and MAAT RE currently considers that it would be in the best interests of MAAT Unitholders for it to terminate and wind up MAAT if the Merger is not implemented.

1.3 MAAT RE recommendation: vote in favour of Merger

Perpetual is both MAAT RE and MAIF RE. It considers that it can bring an independent mind to bear on the issue of whether the Merger is in the best interests of MAAT Unitholders (see Section 5.2 for more details).

Perpetual as MAAT RE believes that the Merger is fair and reasonable to MAAT Unitholders and in their best interests and recommends that they vote in favour of the Merger.

1.4 Independent Expert's Report: Merger fair and reasonable to, and in the best interests of, MAAT Unitholders

MAAT RE appointed BDO Corporate Finance (East Coast) Pty Limited ABN 70 050 038 170 (**Independent Expert**) to prepare the Independent Expert's Report in relation to the Merger which is contained in Annexure B.

The Independent Expert has concluded that the Merger is fair and reasonable to, and in the best interests of, MAAT Unitholders.

1.5 What happens if the Merger is not implemented?

Monash Investors, as manager, has recommended to MAAT RE that if the MAAT Unitholders do not approve the Merger or it is not implemented for any other reason, then MAAT RE should resolve to terminate MAAT, realise all of its assets and satisfy or fully provide for all of its liabilities, distribute the net proceeds to the MAAT Unitholders pro rata according to their unitholdings and finally wind up MAAT. If the Merger is implemented, MAAT will become wholly-owned by MAIF RE (with all MAAT Units being held by MAIF RE, its custodian or nominee) and it would not be appropriate for MAAT to remain as AQUA traded in those circumstances.

Monash Investors has formed the opinion that if the Merger is not implemented, it would be in the best interests of MAAT Unitholders that MAAT be terminated given that the fixed operating costs of MAAT will represent an increasing percentage of the NAV of MAAT if it continues to decrease in size (for example, by reason of MAAT Unitholders withdrawing their investments) and that MAAT would not be of a sufficient scale to efficiently defray the costs associated with remaining on the AQUA trading platform.

MAAT RE currently intends that, if the Merger is not approved by MAAT Unitholders or is otherwise not implemented, it will suspend redemptions of MAAT Units and terminate MAAT in accordance with Monash Investors' recommendation with effect from the Meeting Date. The costs associated with terminating MAAT and finally winding it up will be paid or provided for out of the assets of MAAT before MAAT RE makes a final distribution to MAAT Unitholders. To the extent that MAAT RE has provided for liabilities to a greater extent than is ultimately required, the balance will be distributed to MAAT Unitholders.

1.6 Application for revocation of MAAT's AQUA trading status

MAAT RE has requested that ASX revoke MAAT's AQUA trading status for the reasons set out in Section 1.5.

MAAT RE has not received approval or in-principle approval to that request for revocation of MAAT's AQUA trading status. ASX is not required to act on MAAT RE's request and ASX may require conditions to be satisfied before it will act on the request. MAAT RE will make a further announcement to the market once it is advised by ASX whether or not it will agree to the request and of any conditions that ASX requires to be satisfied before it will act on the request.

If ASX does approve the request that it revoke MAAT's AQUA trading status (and subject to any conditions that ASX may impose) MAAT units will cease to be traded on the ASX AQUA market and MAAT Unitholders will not be able to sell or redeem their MAAT Units and will receive distributions from MAAT RE during and on the final winding up of MAAT.

1.7 DMX acquisition of Monash Investors

If the Merger is implemented, it is also proposed that DMX will acquire all of the shares in Monash Investors (although no change to the investment strategy or investment process used for MAIF or MAAT is currently proposed); MAIF RE (as the owner or controller (directly or indirectly through its nominee or custodian) of all of the MAAT Units post-Merger) will consider approving, and if thought fit approve, the change of control of Monash Investors (as provided for in the investment management agreement between Monash Investors and MAAT RE); Shane Fitzgerald will continue to be responsible for the day-to-day investment management services provided by Monash Investors in respect of MAIF and MAAT as an employee of DMX; Shane Fitzgerald will be joined as co-portfolio manager by Michael Haddad of DMX; and Simon Shields will be continue as a co-portfolio manager on a part-time basis for six months after the Merger to enable a smooth transition. Any future change of investment strategy by MAIF if the Merger is implemented and DMX acquires Monash Investors, would be subject to MAIF Unitholder approval by an ordinary resolution. See Section 8.5 for more details.

2. Letter from MAAT RE

Dear MAAT Unitholder

The Trust Company (RE Services) Limited as responsible entity (**MAAT RE**) of the Monash Investors Small Companies Trust (Hedge Fund) (**MAAT**) has convened the Meeting to allow MAAT Unitholders to consider the Merger, which if Approved and implemented would result in MAAT Unitholders receiving MAIF Units in return for transferring their MAAT Units to MAIF RE.

The Merger is proposed to be an "NAV-for-NAV", "merger of equals" transaction by way of a trust scheme. This EM contains details of the Merger, information about MAIF and MAAT and a detailed Independent Expert's Report.

The Independent Expert has concluded that the Merger is fair and reasonable to, and in the best interests of, MAAT Unitholders.

MAAT RE also believes that the Merger is fair and reasonable to MAAT Unitholders and in their best interests and recommends that they vote in favour of the Merger.

MAAT and MAIF are very similar as they:

- have the same investment strategy and process and very similar investments;
- are open ended, managed investment schemes registered by ASIC that are structured as unit trusts; and
- are both managed by Monash Investors (as investment manager) and operated by Perpetual (as the responsible entity).

The main differences between MAAT and MAIF arise from the fact that MAAT is AQUA Traded on the ASX and MAIF is an unlisted open-ended fund.

Monash Investors has requested that MAAT RE convene the Meeting to propose the Merger as Monash Investors believes that:

- the investment performance of MAIF as compared to MAAT should be very similar given they are both managed by Monash Investors using the same investment strategy and process;
- MAIF's operating costs (as a proportion of NAV) are significantly lower than MAAT's as MAIF does not incur the costs associated with the AQUA trading platform that MAAT currently incurs (see Section 5.2(c));
- the enlarged MAIF (post-Merger with MAAT) will have greater scale and should benefit from cost efficiencies and synergies;
- the drag on MAAT's performance created by the additional AQUA trading platform costs outweighs the benefit of the slightly faster settlement of AQUA market transactions (T+2 (or 2 Business Days)) compared to direct off-market applications or withdrawals made to MAIF RE (usually T+4 (or 4 Business Days)); and

- MAIF's buy/sell spread (or transaction costs adjustment) of 0.3% is lower than the current minimum 0.53% market maker bid/ask spread provided by the market-maker to MAAT Unitholders when buying or selling MAAT Units on the ASX.

The Merger will not proceed unless it is Approved by MAAT Unitholders by a Special Resolution at the Meeting and the other Merger Conditions are satisfied.

This EM contains important information in relation to the Merger. We urge you to read it carefully and to seek advice from your financial, legal, tax and other professional advisers before making any investment decision in relation to your MAAT Units and how to vote at the Meeting.

Please see the Notice of Meeting included in Annexure A for full details on how votes may be cast and timing requirements.

If you have any questions in relation to the Merger, please email Monash Investors at contactus@monashinvestors.com and please include your phone number if you would like a representative of Monash Investors to call you back.

Conclusion

Having reviewed the Merger, we believe that it is in the best interests of MAAT Unitholders, are pleased to present this opportunity to you and look forward to your participation at the Meeting.

Your vote is important and we encourage you to **vote in favour** of the Merger.

Yours sincerely,



Vicki Riggio

Director

The Trust Company (RE Services) Limited

3. Key dates and actions

You should read this EM in full and seek financial, legal, tax and other professional advice before making any decision in relation to your MAAT Units and how to vote on the Merger Resolution at the Meeting. If, after reading this EM, you have any questions regarding the Merger you should consult an independent, appropriately licensed and authorised professional adviser.

If you are a MAAT Unitholder on the MAAT Register on the Voting Record Date, being 7.00 pm (Sydney time) on 11 June 2024, you will be entitled to vote on the Merger Resolution (unless the RE Voting Exclusion applies to you).

You can vote: in person at the Meeting to be held at the offices of K&L Gates, Level 31, 1 O'Connell Street, Sydney NSW 2000, at 10.00 am, 13 June 2024; or by proxy, using the enclosed Proxy Form, provided you return it by 10.00 am on 11 June 2024 (see Annexure A for details). For details on how to appoint an attorney, or if you are a company and hold MAAT Units, on how to appoint a corporate representative to attend and vote at the Meeting for you, see the Notice of Meeting included in Annexure A.

Date by which proxy forms must be received	10.00 am on 11 June 2024
Voting Record Date (persons on the MAAT Register at this time will be entitlement to vote at the Meeting unless the RE Voting Exclusion applies to them)	7.00 pm on 11 June 2024
Meeting Date	10.00 am on 13 June 2024
Market announcement as to whether the Merger Resolution has been Approved	After 11.00 am on 13 June 2024

If the Merger Resolution is Approved and all the Merger Conditions satisfied, the following key dates will apply:

<p>Merger Approval Date</p> <p>MAAT Amending Deed executed and lodged with ASIC</p> <p>MAAT RE applies for MAAT Units to be suspended from trading on ASX as at close of trading on 13 June 2024 and MAAT Unit applications and withdrawals suspended</p> <p>Exchange Ratio calculated based on NAV prevailing as at commencement of the Merger Approval Date</p>	13 June 2024*
MAAT Register closed (all on-market sales that were matched before 13 June 2024 will have been settled by this time, with any off-market transfers received before suspension of MAAT Unit applications and withdrawals to be processed before the Merger Record Date)	7.00 pm on 17 June 2024*
Merger Record Date	7.00pm on 18 June 2024*
Implementation Date - MAAT Units will be acquired by MAIF RE and it will issue to the MAAT Unitholders on the Merger Record Date their MAIF Units as the Merger Consideration (assuming all Merger Conditions satisfied including ASX agreeing to revoke MAAT's AQUA trading status)	21 June 2024*

All times are references to Sydney time. All dates above after the date of the Meeting (and noted with an *) are indicative only and may be changed by MAAT RE and, if required, the ASX. Any changes to the above key dates will be announced on ASX and notified on MAAT's website at www.monashinvestors.com.

4. Frequently asked questions

This Section contains a summary of the Merger. MAAT Unitholders should read this EM in its entirety and seek financial, legal, tax or other professional advice as necessary.

Question	Answer	Information
EM and Notice of Meeting		
Why have I received this EM and the Notice of Meeting?	This document has been sent to you because you are a MAAT Unitholder and you are being asked to consider the Merger Resolution to Approve the Merger. This EM is intended to help you to decide how to vote on the Merger Resolution at the Meeting.	You should read all of this EM including Section 1, Section 5 and Annexure A
Merger overview		
What is the Merger?	<p>The Merger, if Approved by MAAT Unitholders and implemented will consolidate, or "merge", MAIF and MAAT into a single trust.</p> <p>The Merger involves the issue by MAIF RE of MAIF Units to MAAT Unitholders in exchange for their MAAT Units. This will be done by way of a trust transfer scheme facilitated by amendments to the MAAT Constitution contained in the MAAT Amending Deed, if the Merger Resolution is Approved.</p> <p>On an indicative basis as at the date of this EM, the NAV of MAAT is approximately \$15.5 million and the NAV of MAIF (after merging with MAAT) would be approximately \$47.9 million.</p>	Section 7
Why is the Merger being proposed?	MAAT RE and the investment manager of MAAT, Monash Investors, believe that the Merger is in the best interests of MAAT Unitholders. Monash Investors has estimated that MAAT's annual costs would be approximately \$370,000 (plus GST) in the next financial year alone if the Merger is not implemented, with the majority of these costs being associated with maintaining MAAT as an AQUA Traded product. Monash Investors anticipates that, if the Merger is implemented, MAAT Unitholders will benefit from a material increase in the scale of MAIF (post-Merger) and cost savings for MAAT Unitholders through efficiencies, synergies and the removal of the costs associated with MAAT being AQUA Traded. It considers that these savings will more than offset the one-off Merger costs of approximately \$270,000 (plus GST), if not entirely in the next financial year, then over time.	Section 1, Section 2 and Section 5
What will happen to MAAT if the Merger is Approved?	<p>If the Merger is Approved by MAAT Unitholders then:</p> <ul style="list-style-type: none"> MAAT Units will be suspended from trading on ASX and applications for MAAT Units, transfers of MAAT Units (other than to MAIF RE under the Merger) and withdrawals from MAAT will be suspended; if all of the Merger Conditions are satisfied, all of the MAAT Units will be transferred to MAIF RE and the 	Section 7

Question	Answer	Information
	<p>assets of MAAT will indirectly form part of the assets of MAIF; and</p> <ul style="list-style-type: none"> • an application will be made to have MAAT de-registered as a managed investments scheme with ASIC. 	
What are the Merger Conditions?	<p>The implementation of the Merger is subject to the satisfaction of the Merger Conditions being:</p> <ul style="list-style-type: none"> • the Merger Resolution is passed as a Special Resolution of MAAT Unitholders (that is, on a poll, at least 75% of the votes cast by MAAT Unitholders entitled to vote on the Merger Resolution are cast in favour of the Merger Resolution) and MAAT RE executes and lodges the MAAT Amending Deed with ASIC; • the Independent Expert concludes in the Independent's Expert's Report that the Merger is in the best interests of MAAT Unitholders and does not change its conclusion or withdraw its report before 8.00 am on the Meeting Date; • ASIC has granted the regulatory modifications described in Section 11.5 and have not withdrawn or modified them before 8.00 am on the Meeting Date; • ASX has agreed to revoke MAAT's AQUA trading status and any conditions of that revocation have been satisfied; • there is no restraining order or injunction or other prohibition restraining or prohibiting the Merger issued by a Government Agency in effect on the Implementation Date; and • the Merger Implementation Deed has not been terminated before 8.00 am on the Implementation Date. 	Section 11.7
Why might the Merger not proceed?	The Merger might not proceed if the Merger Conditions referred to above are not all satisfied.	Section 11.7
Are there any alternative proposals for MAAT?	No. As at the date of this EM, MAAT RE is not considering any alternative proposals to the Merger. Monash Investors considers that it would be in the best interests of MAAT Unitholders for MAAT RE to terminate and wind up MAAT if the Merger is not implemented and the net proceeds from the realisation of MAAT's assets after paying or providing for its liabilities to be distributed to MAAT Unitholders. MAAT RE currently intends to act in accordance with that recommendation if the Merger is not implemented.	-
Independent Expert's opinion and the recommendation of MAAT RE		
What is the opinion of the Independent Expert?	The Independent Expert has concluded that the Merger is fair and reasonable to, and in the best interests of, MAAT Unitholders.	Annexure B

Question	Answer	Information
	Neither MAAT RE nor any of its associates hold any MAAT Units. Neither Monash Investors nor any of its associates will vote on the Merger Resolution.	
Does MAAT RE recommend the Merger?	Yes. MAAT RE has recommended that MAAT Unitholders vote in favour of the Merger Resolution.	Section 5
Participation in the Merger		
Who is entitled to participate in the Merger?	If the Merger is implemented, Merger Participants (being all MAAT Unitholders on the MAAT Register on the Merger Record Date) will be entitled to receive MAIF Units in proportion to the MAAT Units they hold at that time, multiplied by the Exchange Ratio.	Section 7
Potential benefits, disadvantages and risks of the Merger		
Why should I vote in favour of the Merger?	<p>MAAT RE and Monash Investors consider that there are a number of potential benefits for MAAT Unitholders if the Merger is implemented, including:</p> <ul style="list-style-type: none"> • significant savings in operating costs (through the MAIF Units they will acquire); • material increase in scale in MAIF (post-Merger) and cost savings through efficiencies and synergies; and • MAIF's buy/sell spread of 0.3% is lower than the current minimum 0.53% market maker bid/ask spread provided by the market-maker to MAAT Unitholders on the ASX. <p>The Independent Expert has concluded that the Merger is fair and reasonable, and in the best interests of, MAAT Unitholders.</p>	<p>Section 5</p> <p>Independent Expert's Report (Annexure B)</p>
Why might I consider voting against the Merger?	<p>Although MAAT RE has recommended that MAAT Unitholders vote in favour of the Merger, there are potential disadvantages that MAAT Unitholders should consider. These include:</p> <ul style="list-style-type: none"> • that MAAT Unitholders will not be able to buy or sell their MAAT Units (or the MAIF Units they will receive if the Merger is implemented) on ASX (although they will be able to apply for the issue or withdrawal of MAIF Units directly with MAIF RE); • direct off-market applications or withdrawals made to MAIF RE (usually T+4 (or 4 Business Days)) will be slightly slower than AQUA Traded transactions; • there are one-off costs to MAAT in proposing and implementing the Merger, though these have been provided for and are reflected in MAAT's unit price; and • the taxation consequences of the Merger may not suit your financial position. 	Section 5.3

Question	Answer	Information
	These potential disadvantages may be reasons why MAAT Unitholders may consider voting against the Merger Resolution.	
Meeting details, voting and approval thresholds		
When and where will the Meeting be held?	The Meeting will be held at K&L Gates offices at Level 31, 1 O'Connell Street, Sydney NSW 2000 on 13 June 2024, commencing at 10.00 am (Sydney time).	Section 6
Who is entitled to vote at the Meeting?	All MAAT Unitholders on the MAAT Register as at 7.00 pm (Sydney time) on 11 June 2024 (the Voting Record Date) will be entitled to attend and vote at the Meeting, subject to the RE Voting Exclusion.	Section 6
Why should I vote?	Voting is not compulsory. However your vote will be important in determining whether the Merger will proceed.	Section 6
What is the Merger Resolution?	The Merger Resolution is a Special Resolution for the purposes of section 601GC(1)(a) of the Corporations Act pursuant to which it is being proposed that MAAT Unitholders approve amendments to the MAAT Constitution as set out in the MAAT Amending Deed to approve and implement the Merger.	Notice of Meeting (Annexure A)
What voting majority is required for the Merger Resolution?	The Merger Resolution is a Special Resolution and will be Approved if, on a poll, at least 75% of the votes cast by MAAT Unitholders entitled to vote on the Merger Resolution are cast in favour of the Merger Resolution.	Section 6
What choices do I have as a MAAT Unitholder?	As a MAAT Unitholder, you can: <ul style="list-style-type: none"> • vote on the Merger Resolution in person at the Meeting or by proxy, by attorney or, in the case of a body corporate, by a duly appointed corporate representative; • elect not to vote on the Merger Resolution; • sell or apply for redemption of your MAAT Units prior to the Meeting Date; or • you can do nothing. 	Section 5
If I wish to support the Merger, what should I do?	If you are a MAAT Unitholder on the Voting Record Date and you are entitled to vote on the Merger Resolution at the Meeting and wish to support the Merger, you should vote in favour of the Merger Resolution.	Section 5.2
How do I vote?	You may vote in person by attending the Meeting. Alternatively, if you do not want to, or cannot attend in person, you can vote by proxy, by attorney or by corporate representative (in the case of a body corporate) in accordance with the instructions in the Notice of Meeting.	Notice of Meeting (Annexure A)
What happens if I vote against the	If you do not vote, or if you vote against the Merger or the Merger Resolution, then the Merger may not be Approved. The Merger cannot be implemented unless the Merger	Section 6 and Section 7

Question	Answer	Information
Merger or do not vote?	Resolution is passed by MAAT Unitholders as a Special Resolution at the Meeting. However, even if you do not vote or vote against the Merger Resolution, this does not necessarily mean the Merger will not be Approved. If you vote against the Merger Resolution and it is Approved as a Special Resolution and the other Merger Conditions are satisfied, the Merger will be implemented.	
Can I keep my MAAT Units if the Merger is approved and is implemented?	No. If the Merger Resolution is passed as a Special Resolution (even if you did not vote, or voted against the Merger Resolution) and the Merger is implemented, you will be bound by the Merger and MAIF RE will acquire your MAAT Units and you will receive MAIF Units as the Merger Consideration.	Section 7.4
What happens if the Merger Resolution is not approved?	If the Merger Resolution is not passed as a Special Resolution of MAAT Unitholders at the Meeting or any other Merger Condition is not satisfied: <ul style="list-style-type: none"> the Merger will not take place; the potential benefits of the Merger (including the reduction in operating costs as a percentage of NAV) will not be realised; and Monash Investors has recommended to MAAT RE that it terminate and wind up MAAT and distribute the net proceeds from the realisation of MAAT's assets (after paying or providing for its liabilities) to MAAT Unitholders. 	Section 6 and Section 7
MAIF and MAIF Units		
What is the Monash Investors Small Companies Fund (MAIF)?	MAIF is an open ended unlisted managed investment scheme registered with ASIC under Chapter 5C of the Corporations Act. MAIF and MAAT have the same investment strategy and process and very similar fund features, other than that MAAT is AQUA Traded and MAIF is not.	Section 8 and the MAIF PDS (Annexure C)
Who is the RE and investment manager of MAIF?	Perpetual is the MAIF RE and Monash Investors is the investment manager of MAIF.	Section 8 and the MAIF PDS (Annexure C)
Implementation and other matters		
When will the Merger be completed and implemented?	If the Merger Resolution is passed and the Merger Conditions are satisfied or waived (if applicable), the Merger will be implemented on the Implementation Date, which is expected to be 21 June 2024.	Section 7.4
When will I receive my consideration under the Merger?	MAIF RE will issue the Consideration Units to the Merger Participants on the Implementation Date.	Section 7.2

Question	Answer	Information
Can I sell my MAAT Units on the ASX?	You can sell your MAAT Units on ASX up until the closing of trading on the Meeting Date. MAAT RE will apply for the suspension of trading in MAAT Units with effect from the close of trading on the Meeting Date (regardless of whether the Merger is implemented or not).	Section 7.4
Does MAIF RE intend to remove the Responsible Entity of MAAT?	No, MAIF RE does not intend to remove MAAT RE as Responsible Entity of MAAT. However, if the Merger is implemented, MAIF RE will apply for the de-registration of MAAT as a managed investments scheme by ASIC.	Section 7
What are the transaction costs associated with the Merger?	MAAT RE has incurred or will incur transaction costs of approximately \$270,000 (plus GST) in connection with the Merger, which have already been paid or provided for out of the assets of MAAT.	Section 5.3
Do I have to pay brokerage fees to participate in the Merger?	No brokerage will be payable by Merger Participants on the transfer of their MAAT Units under the Merger or the receipt by them of the Merger Consideration. If a MAAT Unitholder disposes of their MAAT Units before the Merger Record Date, brokerage may be payable.	-
What are the tax implications of the Merger for MAAT Unitholders?	The Merger should give rise to a CGT event for MAAT Unitholders. MAAT Unitholders who hold their MAAT Units on capital account should realise either a capital gain or capital loss. Any capital gain made by Australian resident MAAT Unitholders may be eligible for partial scrip for scrip rollover relief. A discussion of the Australian tax implications of the Merger for MAAT Unitholders is set out in Section 10. As Section 10 is general in nature, MAAT Unitholders are encouraged to seek specific tax advice on what the tax implications of the Merger are for them given their own circumstances.	Section 10
Additional AML / KYC information	If the Merger is implemented then a MAAT Unitholder who is issued with MAIF Units will, the next time that they transact or request a change in respect of their holding of MAIF Units or MAIF account, be contacted by the MAIF Registry provider (Apex Fund Services) to request AML/KYC documentation relating to their account. Apex will be required to receive and validate the requested documentation before the relevant transaction can be processed. This may impact the timing and value date for the relevant transaction.	-
Further questions	If after reading this EM you have any questions about the Merger, email contactus@monashinvestors.com with your query (and phone contact details if necessary).	-

5. Voting considerations for MAAT Unitholders

5.1 Interests of Perpetual

Perpetual is both MAAT RE and MAIF RE and has considered the proposed Merger.

As the fees that Perpetual will receive if the Merger is implemented will be no greater than if it is not implemented, Perpetual considers that it does not have an interest in the Merger that affects its ability to bring an independent mind to bear on the issue of whether the Merger is in the best interests of MAAT Unitholders. Accordingly, Perpetual considers that it is able to make a recommendation to MAAT Unitholders and it recommends that they vote in favour of the Merger Resolution.

5.2 Reasons to vote FOR the Merger

MAAT RE and Monash Investors believe that the Merger offers a number of potential benefits to MAAT Unitholders. These potential benefits are set out below and are considered by MAAT RE and Monash Investors as reasons why they recommend that MAAT Unitholders should vote in favour of the Merger.

(a) *MAAT RE recommendation*

In assessing the Merger, MAAT RE considered the potential benefits and potential disadvantages of the Merger for MAAT Unitholders. It believes that the potential benefits of the Merger (particularly the cost savings referred to below that would be achieved from ceasing to be AQUA Traded) outweigh the potential disadvantages.

For this reason, MAAT RE supports the Merger, believes it is in the best interests of MAAT Unitholders and recommends that MAAT Unitholders vote in favour of the Merger Resolution.

(b) *The Independent Expert has concluded that the Merger is fair and reasonable, and in the best interests of MAAT Unitholders*

MAAT RE appointed the Independent Expert to prepare the Independent Expert's Report to provide an opinion to MAAT Unitholders.

The Independent Expert has concluded that the Merger is fair and reasonable to, and in the best interests of, MAAT Unitholders.

MAAT Unitholders should carefully review the Independent Expert's Report in Annexure B in its entirety.

(c) *Reduced operating costs*

In Monash Investor's opinion, MAAT is not of a sufficiently large scale to efficiently defray the higher operating costs of MAAT associated with the AQUA Trading platform. In addition, post-Merger MAAT Unitholders would benefit from the increase in scale of MAIF (as the percentage of NAV of costs such as audit and registry fees would be less).

The estimated operating costs of MAAT over the next 12 months (assuming it remained as AQUA Traded and the Merger is not implemented) include:

Market Maker costs	\$120,000
iNAV	\$28,923
Administration costs	\$93,900
Registry costs	\$40,500
Audit fees	\$38,480
Tax advisor fees	\$15,000

AQUA Annual FUM fee	\$5,247
ASX Chess fees	\$15,000
ASIC fees	\$5,000
Other costs	\$10,000
Total	\$372,050 (plus GST)

Assuming a constant NAV for MAAT of \$15.5m, Monash Investors estimates that for the financial year ending 30 June 2025:

- (i) MAAT's:
 - (A) operating costs would represent approximately **2.4%**; and
 - (B) combined operating costs and management fees would represent approximately **4.1%**,
of MAAT's NAV; and
- (ii) by comparison MAIF's combined operating costs and management fees (post-Merger) will be approximately **1.28%** of MAIF's NAV.

(d) *Material increase in scale*

If the Merger is implemented, Monash Investors estimates that the post-Merger NAV of MAIF's investment portfolio will increase to approximately \$47.9 million, an amount over three times the size of the MAAT portfolio as at the date of this EM.

(e) *Reduced buy/sell spread*

If the Merger is implemented, Monash Investors anticipates that MAAT Unitholders will benefit from MAIF's buy/sell spread (or transaction costs adjustment) of 0.3% being lower than the current minimum 0.53% market maker bid/ask spread provided by the market-maker to MAAT Unitholders when buying or selling MAAT Units on the ASX.

5.3 Reasons to consider voting **AGAINST** the Merger

MAAT RE has recommended that MAAT Unitholders vote in favour of the Merger, and the Independent Expert has concluded that the Merger is fair and reasonable to, and in the best interests of, MAAT Unitholders.

Nevertheless there may be potential disadvantages associated with the Merger which are outlined below.

(a) *No longer able to buy or sell units on ASX*

If the Merger is implemented, MAAT Unitholders will no longer be able to buy or sell their investment on the AQUA Trading platform. (Although they will be able to directly apply for the issue and withdrawal of their MAIF Units (issued as consideration for their MAAT Units) to MAIF RE.)

(b) *Transaction costs relating to the Merger*

MAAT has or will incur transaction costs of approximately \$270,000 plus GST associated with implementing the Merger (although these have mainly been incurred already) as follows:

Independent Expert's Report	\$65,000 (plus GST)
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Tax advice	\$8,000 (plus GST)
K&L Gates (legal)	\$160,000 (plus GST)
Perpetual	\$18,200 (plus GST)
ASIC fees for relief applications	\$17,435
Total	\$268,635 (plus GST)

(c) *Dilution of voting power*

MAAT Unitholders as a whole currently control all of the votes in respect of MAAT. Following implementation of the Merger, MAIF will be a larger fund compared to MAAT on a standalone basis, with a greater number of unitholders and units on issue.

As a result, the relative voting power that a former MAAT Unitholder exercised in relation to MAAT before the Merger (as a percentage of the total voting power) will be lower than the MAAT Unitholder's voting power in MAIF after the Merger. However, this change in voting power is a feature of any open-ended managed investment scheme, including MAAT, and changes in the relative voting power already occur for MAAT Unitholders on a daily basis as a result of MAAT Units issued and redeemed in respect of the provision of liquidity on the ASX by MAAT RE.

MAAT RE does not consider this risk of dilution to be especially disadvantageous to MAAT Unitholders as they are inherently protected by MAIF's governance structures (which resemble MAAT's and are subject to the same protections afforded to all open-ended managed investment schemes) and because all MAIF Unitholders are able to redeem their MAIF Units at market prices.

(d) *The taxation consequences of the Merger may not suit your financial position*

A general guide to the taxation implications is set out in Section 10. This guide is expressed in general terms only and MAAT Unitholders should seek professional taxation advice regarding the tax consequences that are applicable to their own circumstances.

6. What are the Meeting details and how do I vote?

6.1 Meeting details

A copy of the Notice of Meeting is set out in Annexure A.

The Meeting will be held at 10.00 am on 13 June 2024 in the offices of K&L Gates at Level 31, 1 O'Connell Street, Sydney NSW 2000, New South Wales.

6.2 What is the business of the Meeting?

The Meeting of MAAT Unitholders will consider and, if thought fit, approve the Merger Resolution, which must be passed as a Special Resolution for the Merger to proceed (that is, on a poll at least 75% of the votes cast by MAAT Unitholders entitled to vote on the Merger Resolution are cast in favour of the Merger Resolution). The terms of the Merger Resolution are set out in the Notice of Meeting in Annexure A.

6.3 Who will be the Chair and what are the Chair's voting intentions?

The Chair of the Meeting will be James Lonie of K&L Gates (or such other person as is appointed in writing by MAAT RE). As of the date of this EM, James Lonie does not have an interest in MAAT Units. If you appoint the Chair of the Meeting as your proxy and you do not direct the Chair on how to vote, the Chair currently intends to exercise your proxy to vote in favour of each Resolution.

6.4 Persons entitled to vote at the Meeting and ways to vote

Subject to the RE Voting Exclusion, each MAAT Unitholder who is on the MAAT Register as at the Voting Record Date is entitled to attend and vote at the Meeting either in person, by proxy, by attorney or, in the case of a body corporate, by its corporate representative appointed in accordance with section 253B of the Corporations Act.

Voting at the Meeting will be by poll. Each MAAT Unitholder present in person or by proxy has one vote for every dollar of its total interest held in MAAT (held via MAAT Units). The value of a MAAT Unitholder's total interest in MAAT will be calculated by reference to the last sale price of MAAT Units on ASX on the Voting Record Date.

Instructions on how to attend and vote at the Meeting are set out in the Notice of Meeting in Annexure A.

6.5 RE Voting Exclusion

For the purposes of the Merger Resolution, and in accordance with section 253E of the Corporations Act, as Perpetual is the RE of both MAAT and MAIF, neither it nor any of its associates may exercise the votes attached to any MAAT Units they hold given that Perpetual may have an interest in the outcome of the Merger (arising from its potential personal interest in retaining its role and fees as RE). As far as Perpetual is aware, as at the date of this EM, neither it nor any of its associates hold MAAT Units.

6.6 Queries

If you have any questions in relation to the Meeting, please email Monash Investors at contactus@monashinvestors.com and include your phone number if you would like to be contacted by a representative of Monash Investors.

7. Implementation of the Merger

7.1 Overview of the Merger

The Merger involves the proposed acquisition by MAIF RE of all of the MAAT Units held by MAAT Unitholders in exchange for MAIF Units by way of a trust transfer scheme facilitated by amendments to the MAAT Constitution as set out in the MAAT Amending Deed in Annexure D.

7.2 Merger Consideration

If the Merger is implemented, Merger Participants will receive MAIF Units.

Merger Participants will receive the number of MAIF Units that is equal to the Exchange Ratio multiplied by the number of MAAT Units that they hold at 7:00 pm (Sydney time) on the Merger Record Date, anticipated to be 18 June 2024.

The Exchange Ratio is calculated as the NAV per MAAT Unit divided by the MAIF NAV per MAIF Unit as at the commencement of the Merger Approval Date.

The number of MAIF Units received by Merger Participants on the Implementation Date will be different to the number of MAAT Units they hold on the Merger Record Date as a result of the calculation described above.

By way of example, based on the NAV per MAAT Unit of \$0.9491 and a MAIF NAV per MAAT Unit of \$1.6672 on 31 March 2024, each MAAT Unitholder would be issued with approximately 0.57 MAIF Units for each MAAT Unit they hold (rounded down to the nearest whole unit). The actual number of MAIF Units that will be issued may be more or less than this depending on the NAV per MAIF Unit and MAAT Unit on the commencement of the Merger Approval Date, subject to rounding down to the nearest whole unit.

If the Merger Resolution is Approved, MAAT Unitholders will be notified of the Exchange Ratio by way of ASX announcement.

7.3 Merger Conditions

The Merger is subject to a number of Merger Conditions as set out in the Merger Implementation Deed (which cannot be waived).

The implementation of the Merger is subject to the satisfaction of the Merger Conditions being:

- (a) the Merger Resolution is passed as a Special Resolution of MAAT Unitholders (that is, on a poll at least 75% of the votes cast by MAAT Unitholders entitled to vote on the Merger Resolution are cast in favour of the Merger Resolution) and MAAT RE executes and lodges the MAAT Amending Deed with ASIC;
- (b) the Independent Expert concludes in the Independent's Expert's Report that the Merger is in the best interests of MAAT Unitholders and does not change its conclusion or withdraw its report before 8.00 am on the Meeting Date;
- (c) ASIC has granted the regulatory modifications described in Section 11.5 and has not withdrawn or modified them before 8.00 am on the Meeting Date;
- (d) ASX has agreed to revoke MAAT's AQUA trading status and the conditions of revocation have been satisfied;
- (e) there is no restraining order or injunction or other prohibition restraining or prohibiting the Merger issued by a Government Agency in effect at 8.00 am on the Implementation Date; and

- (f) the Merger Implementation Deed has not been terminated before 8.00 am on the Implementation Date.

7.4 Merger Implementation Deed

MAAT RE, MAIF RE and Monash Investors have entered into the Merger Implementation Deed in relation to the Merger under which MAAT RE agreed to put the Merger Resolution to MAAT Unitholders at the Meeting. The Merger will not proceed unless all of the Merger Conditions are satisfied in accordance with the Merger Implementation Deed.

MAAT RE and MAIF RE have agreed to use their respective best endeavours to satisfy, or procure the satisfaction of, the Merger Conditions.

7.5 Steps to implement the Merger

The implementation of the Merger involves three primary steps which will only occur if the Merger Conditions are satisfied (these conditions cannot be waived). The steps are:

- (a) subject to the Merger Resolution being Approved at the Meeting, MAAT RE will execute the MAAT Amending Deed to amend the MAAT Constitution to facilitate the Merger;
- (b) on the Implementation Date, MAIF RE will acquire all of the MAAT Units from Merger Participants by way of a trust transfer scheme pursuant to which each Merger Participant will receive the number of new MAIF Units that is equal to the Exchange Ratio multiplied by the number of MAAT Units that the Merger Participant held at 7:00pm (Sydney time) on the Merger Record Date; and
- (c) subject to ASX agreement, MAAT will be removed from trading status on the ASX AQUA market with effect on or around the Implementation Date, anticipated to be 21 June 2024.

7.6 Sale of Monash Investors to DMX

If the Merger is implemented, the shareholders of Monash Investors intend to sell their shares in Monash Investors to DMX in a transaction pursuant to which Shane Fitzgerald, a current co-portfolio manager and shareholder of Monash Investors, will continue to be responsible for the day-to-day investment management services provided by Monash Investors in respect of MAIF and MAAT as an employee of DMX. Shane will be joined as co-portfolio manager by Michael Haddad of DMX. Simon Shields will continue as a co-portfolio manager on a part-time basis to assist Shane Fitzgerald for six months after the merger to enable a smooth transition. DMX is an Australian fund manager founded in 2014 with expertise in investing in Australian small companies.

7.7 Merger Approval Date

If the Merger Resolution is Approved, MAAT RE intends to ask ASX to suspend MAAT Units from quotation on the ASX AQUA market at the close of trading on the Merger Approval Date and MAAT RE will execute the MAAT Amending Deed and lodge it with ASIC.

7.8 Merger Record Date

Persons who are recorded as MAAT Unitholders on the MAAT Register on the Merger Record Date (expected to be 7.00pm on 18 June 2024) will become entitled to MAIF Units in respect of the MAAT Units they hold at that time and will be the Merger Participants.

For the purposes of calculating entitlements under the Merger, only those persons registered in the MAAT Register as the holder of the relevant MAAT Units by the Merger Record Date will be entitled to receive MAIF Units as the Merger Consideration. Subject to the Corporations Act and the MAAT Constitution, MAAT RE must register registrable transfers and transmission applications for MAAT Units or transfers of the kind recognised above which are effected by 7.00pm on the Merger Record Date. MAAT RE will not accept for registration or recognise for any purpose any transfer or

transmission application in respect of MAAT Units later than two Business Days after the Merger Approval Date (other than as contemplated by the Merger in relation to the transfer of MAAT Units to MAIF RE) or received prior to that time but not in registrable form.

For the purposes of determining the entitlement to MAIF Units, MAAT RE will, until: (i) MAIF Units have been issued to MAAT Unitholders; and (ii) MAIF RE has been registered as the holder of the MAAT Units, maintain the MAAT Register in its form as at the Merger Record Date. The MAAT Register in this form will solely determine entitlements to MAIF Units. From the Merger Record Date, except as evidence of entitlement to MAIF Units in respect of the MAAT Units relating to that entry, all statements of holding in respect of MAAT Units cease to have effect as documents of title in respect of such MAAT Units and each entry on the MAAT Register will cease to be of any effect.

7.9 Issue of MAIF Units

If the Merger is implemented, on the Implementation Date:

- (a) all of the MAAT Units will be transferred to MAIF RE, without the need for any further act by a Merger Participants, by MAAT RE:
 - (i) by virtue of its appointment as attorney for each Merger Participant, procuring the delivery to MAIF RE of a duly completed and executed transfer form on behalf of each Merger Participants to transfer all of the MAAT Units to MAIF RE (or its custodian or nominee) and an application form to apply for MAIF Units; and
 - (ii) entering the name of MAIF RE in the MAAT Register as the holder of all MAAT Units; and
- (b) Merger Participants will receive MAIF Units.

7.10 Deemed warranty on transfer of MAAT Units to MAIF RE

Under the changes to the MAAT Constitution to be effected by the MAAT Amending Deed, MAAT Unitholders are taken to have warranted to MAIF RE, and have authorised MAAT RE to warrant, to MAIF RE, that:

- (a) all of their MAAT Units (including any rights and entitlements attaching to those securities) will, at the date of transfer to MAIF RE, be fully paid and free from encumbrances; and
- (b) they have full power and capacity to sell and to transfer their MAAT Units (including any rights and entitlements attaching to those securities) to MAIF RE under the Merger.

7.11 Appointment of MAIF RE as attorney and agent for MAAT Unitholders

Under the changes to the MAAT Constitution to be effected through the MAAT Amending Deed:

- (a) MAAT RE will have the power to do all things which it considers are necessary, desirable or reasonably incidental to effect the Merger, including completing and signing a transfer form for the transfer of MAAT Units to MAIF RE and completing and signing an application form for MAIF Units; and
- (b) subject to the issue of MAIF Units, on and from the Implementation Date until MAAT RE registers MAIF RE as the holder of the MAAT Units in the MAAT Register, each MAAT Unitholder irrevocably appoints MAIF RE as attorney and agent as its sole proxy, and where applicable, corporate representative, to attend unitholder meetings, exercise the votes attaching to MAAT Units registered in its name, and sign any unitholder resolution.

8. Information about MAAT and MAIF

8.1 Comparison of MAAT and MAIF

A summary of the key differences between MAAT and MAIF is provided below.

	MAAT	MAIF
Responsible Entity	Perpetual	
Manager	Monash Investors	
Fund type	AQUA Traded on the ASX under AQUA Rules and open-ended	Unlisted and open-ended
FUM (at date of EM)	\$15,543,041	\$32,313,960
Investment strategy	<p>MAAT is an actively managed Australian Small Companies fund. It predominantly invests in ASX listed securities that are generally trading outside the S&P/ASX 100 Index.</p> <p>MAAT's maximum holding of cash is 10% of MAAT's NAV. It also has a limited capacity for short selling.</p> <p>All assets of MAAT are located in Australia and denominated in Australian dollars.</p>	<p>MAIF is an actively managed Australian Small Companies fund. It predominantly invests in ASX listed securities that are generally trading outside the S&P/ASX 100 Index. As of January 2024, MAIF also holds unlisted international securities comprising approximately 2.3% of MAIF's portfolio by value which the Manager intends to dispose of within the next 18 months.</p> <p>MAIF's maximum holding of cash is 10% of MAIF's NAV. It also has a limited capacity for short selling.</p> <p>All assets of MAIF (other than the unlisted international securities that are being sold) are and will be located in Australia and denominated in Australian dollars.</p>
Investment objective	To outperform the S&P/ASX Small Ordinaries (Total Return) Index over a full market cycle	
Classes of units on issue	Single unit class	<p>Multiple unit classes.</p> <p>MAIF currently has on issue Class A units (which are available to retail and wholesale investors) and Class B units (which are available to wholesale investors only). The only other differences are that a higher management fee applies to the Class A units and a performance fee applies to the Class A units only.</p> <p>The MAIF Units to be issued to MAAT Unitholders under the Merger (if it is implemented) are Class A units.</p>
Valuation of assets	Each business day	

	MAAT	MAIF												
Liquidity	Investors can trade units on the ASX or apply for the issue of or to withdraw units directly with MAAT RE. Applications and withdrawals from MAAT are processed each business day.	Investors can apply for the issue of or to withdraw units directly with MAIF RE. Applications and withdrawals from MAIF are processed each business day.												
Investment horizon	5 years or more													
Distributions	Determined and payable annually													
Fees and costs Comparing MAAT Units and MAIF Units only)	Management fees and costs													
	2.64% per annum of NAV comprised as follows:	1.28% per annum for A Class units in MAIF (that is, the MAIF Units to be issued as the Merger Consideration) of NAV referable to the Class A units, comprised as follows:												
	<table border="1"> <tr> <td>Management fee</td> <td>1.28%</td> </tr> <tr> <td>Responsible Entity costs</td> <td>0.10%</td> </tr> <tr> <td>Costs fee (eg market maker fees, fund administrator fees, ASX fees, audit and legal fees)</td> <td>1.26%</td> </tr> </table>	Management fee	1.28%	Responsible Entity costs	0.10%	Costs fee (eg market maker fees, fund administrator fees, ASX fees, audit and legal fees)	1.26%	<table border="1"> <tr> <td>Management fee</td> <td>1.28%</td> </tr> <tr> <td>Responsible Entity costs*</td> <td>Nil</td> </tr> <tr> <td>Costs fee*</td> <td>Nil</td> </tr> </table>	Management fee	1.28%	Responsible Entity costs*	Nil	Costs fee*	Nil
	Management fee	1.28%												
	Responsible Entity costs	0.10%												
Costs fee (eg market maker fees, fund administrator fees, ASX fees, audit and legal fees)	1.26%													
Management fee	1.28%													
Responsible Entity costs*	Nil													
Costs fee*	Nil													
*Unlike MAAT, for MAIF, all Responsible Entity costs or other fees incurred by MAIF are paid for by Monash Investors as the investment manager.														
Performance fee														
<p>20.5% (exc. GST) of the amount by which MAAT's NAV per unit exceeds the high water mark, subject to a hurdle of the RBA cash rate + 5%.</p> <p>The high water mark is the NAV of the fund when a performance fee was last paid less any distributions of income or capital since such time or if a performance fee has never been paid, zero.</p> <p>As of January 2024, MAAT is 15.0% below its high water mark.</p> <p>The average performance fee over the last 3 years is 0.94% per annum of NAV.</p>	<p>20.5% (exc. GST) of the amount by which MAIF's NAV referable to the Class A units per Class A unit exceeds the high water mark, subject to a hurdle of the RBA cash rate + 5%.</p> <p>The relevant high water mark is the MAIF NAV referable to the Class A units when a performance fee was last paid less any distributions of income or capital since such time.</p> <p>As of January 2024, MAIF's NAV referable to the Class A units is 13.9% below its high water mark.</p> <p>The average performance fee paid over the last 5 years is 3.06% per annum of NAV.</p>													
Transaction costs														

	MAAT	MAIF
	0.42% per annum of NAV	0.59% per annum of NAV
	Buy/sell spread	
	0.30% upon entry and 0.30% upon exit when buying units directly with the RE	
Leverage	The fund may be leveraged through the use of short-selling	
Administrator / Registry	Apex Fund Services Pty Ltd	
Prime Broker / Custodian	Morgan Stanley & Co. International plc	

8.2 MAIF Constitution

If the Merger is implemented, MAAT Unitholders will exchange their MAAT Units for MAIF Units and will become MAIF Unitholders bound by the MAIF Constitution.

The MAIF Constitution, along with the Corporations Act and other relevant laws, governs the way in which MAIF operates and the rights and responsibilities and duties of MAIF RE and MAIF Unitholders. In general terms it is almost identical to the MAAT Constitution and its terms are disclosed in the MAIF PDS in Annexure C.

A copy of the MAIF Constitution is available at no charge from MAIF RE on request.

8.3 Key provisions of the MAIF and MAAT investment management agreements

The investment management agreement between Monash Investors and MAIF RE in respect of MAIF is similar in many material respects to the investment management agreement in respect of MAAT.

A comparison of some key provisions of the respective investment management agreements for MAIF and MAAT are set out in the table below. In the table, references to:

- (a) "**Fund**" means either MAAT or MAIF, in respect of MAAT RE or MAIF RE respectively; and
- (b) "**Fund RE**" mean either MAAT RE or MAIF RE, in respect of MAAT or MAIF respectively,

in each case, where the provisions of the MAIF and MAAT investment management agreements are materially similar.

Concept	Summary of MAAT provisions	Summary of MAIF provisions
Services	<ul style="list-style-type: none"> • Monash Investors agrees to invest, promote and manage the assets of the Fund on behalf of Fund RE in compliance with the Fund's investment strategy. • In providing investment management and other services, Monash Investor's responsibilities include, but are not limited to: <ul style="list-style-type: none"> ○ making investment decisions to hold, realise or dispose of investments of the Fund; 	

Concept	Summary of MAAT provisions	Summary of MAIF provisions
	<ul style="list-style-type: none"> ○ complying with the investment strategy for the Fund and reviewing the portfolio of the Fund at regular intervals to ensure the portfolio is managed in accordance with the Fund's investment strategy; ○ monitoring market liquidity and risks in relation to the Fund, and ensuring that appropriate portfolio management techniques are in place in order to minimise such risks; ○ ensuring that levels of securities trading for the Fund are appropriate, and not intended to generate brokerage; ○ ensuring that trades in the assets of the Fund are executed at the best available price and on a timely basis; ○ ensuring that an appropriate currency hedging policy is formulated and maintained; and ○ providing proper instructions to the custodian of the Fund in relation to transactions concerning the assets of the Fund. 	
Powers and discretions of Monash Investors	<p>Monash Investors may:</p> <ul style="list-style-type: none"> ● request Fund RE to summon a meeting of Investors which Fund RE must do, subject to its duties under any relevant law; ● request Fund RE consider retirement and appointment of a replacement responsible entity of the Fund; ● perform similar management or investment services for other persons; ● act as responsible entity for any one or more managed investment schemes or as manager or trustee of any trusts; ● invest in, or engage the services of, a related body corporate service entitled to and ● invest the Fund in another trust or scheme of which it or its related body corporate is the manager on the basis that any fees will be rebated to avoid double dipping. 	
Amendments	<p>The investment management agreement may be amended by exchange of letters signed by the Fund RE and Monash Investors.</p>	
Fund RE Indemnity	<p>The Fund RE indemnifies and hold harmless Monash Investors against any liabilities reasonably incurred by Monash Investors arising out of, or in connection with Monash Investors or any of its officers, employees or agents properly acting under the investment management agreement except to the extent that any liability is caused by negligence, fraud, default or dishonesty of the Monash Investors or any of its officers, employees or agents, Monash Investors' breach of the agreement, Monash Investors' failure to meet the required standard of care or any act or omission of Monash Investors or any of its officers, employees or agents that causes Fund RE to be liable to Investors for which the Fund RE has no right of indemnity from the Fund (Excluded Acts).</p> <p>This obligation continues after the termination of the investment management agreement.</p>	
Monash Investors indemnity	<p>Monash Investors must indemnify and hold harmless Fund RE against any liabilities reasonably incurred by Fund RE and Fund arising out of or, or in connection with, any of the Excluded Acts.</p>	

Concept	Summary of MAAT provisions	Summary of MAIF provisions
	This obligation continues after the termination of the investment management agreement.	
Management fee and performance fee	The Fund RE will pay Monash Investors a management fee and performance fee.	
Expenses	Monash Investors is entitled to be reimbursed for all expenses it reasonably and properly incurs in performing the services under the investment management agreement provided that it provides Fund RE with written notice of the expenses together with copies of any invoices or supporting documents that Fund RE may reasonably request to verify that the expenses have been reasonably and properly incurred.	
Term	The initial term of the investment management agreement is ten years, which may be extended by additional rolling terms of up to ten years by Monash Investors on written notice to MAAT RE and a resolution approving the extension being passed by MAAT Unitholders.	The investment management agreement is in force until it is terminated in accordance with its terms.
Termination by Fund RE	<p>MAAT RE may terminate the investment management agreement with immediate effect on written notice to Monash Investors, if:</p> <ul style="list-style-type: none"> • MAAT terminates in accordance with the MAAT Constitution or the Corporations Act; • on three months' notice in writing to Monash Investors, if after the initial term of the investment management agreement of ten years or such longer term as is approved by MAAT Unitholders, an ordinary resolution is passed by MAAT Unitholders at properly convened meeting directing MAAT RE to terminate the investment management agreement or the appointment of Monash Investors in respect of MAAT; • where a change of control event occurs in respect of Monash Investors and a Special Resolution is passed by MAAT Unitholders at a meeting properly convened directing MAAT RE to terminate the investment management agreement or the appointment 	<p>MAIF RE may terminate the investment management agreement with immediate effect on written notice to Monash Investors, if:</p> <ul style="list-style-type: none"> • MAIF terminates in accordance with the MAIF Constitution or the Corporations Act; • MAIF RE ceases to be the responsible entity of the Fund; • a Special Resolution is passed by MAIF Unitholders to terminate the appointment of Monash Investors in respect of the MAIF; or • an event which gives rise to a right of either MAIF RE or Monash Investors to terminate the investment management agreement occurs.

Concept	Summary of MAAT provisions	Summary of MAIF provisions
	<p>of Monash Investors in respect of MAAT; or</p> <ul style="list-style-type: none"> • an event which gives rise to a right of either MAAT RE or Monash Investors to terminate the investment management agreement occurs. 	
<p>Termination by Investment Manager</p>	<p>Monash Investors is entitled to terminate the investment management agreement on written notice to MAAT RE:</p> <ul style="list-style-type: none"> • to take effect three months after the date of the notice (or a lesser period, if MAAT RE agrees); or • to take effect immediately if: <ul style="list-style-type: none"> • MAAT RE ceases to be the responsible entity of MAAT; or • an event which gives rise to a right of either MAAT RE or Monash Investors to terminate the investment management agreement occurs. 	<p>Monash Investors is entitled to terminate the investment management agreement on written notice to MAIF RE:</p> <ul style="list-style-type: none"> • to take effect six months after the date of the notice (or a lesser period, if MAAT RE agrees); or • to take effect immediately if: <ul style="list-style-type: none"> • MAIF RE ceases to be the responsible entity of MAIF; or • an event which gives rise to a right of either MAIF RE or Monash Investors to terminate the investment management agreement occurs.
<p>Shared termination rights</p>	<p>Fund RE or Monash Investors may terminate the investment management agreement with immediate effect on written notice if:</p> <ul style="list-style-type: none"> • a receiver, receiver and manager, administrative receiver or similar person is appointed with respect to the assets and undertaking of either Monash Investors or Fund RE, as applicable; • either Monash Investors or Fund RE, as applicable: <ul style="list-style-type: none"> • goes into liquidation (other than for the purpose of a reconstruction or amalgamation on terms previously approved in writing by either Monash Investors or Fund RE, as applicable); • is placed under official management or an administrator is appointed to its affairs; • ceases to carry on business in relation to its activities as an investment manager; or • materially breaches or fails to observe or perform any duty, obligation, representation, warranty or undertaking required of it under the investment management agreement that, in the opinion of either Monash Investors or Fund RE (as applicable), materially and adversely affects the rights of Investors, and fails to rectify the breach or failure to rectify the breach to the reasonable satisfaction of either Monash Investors or Fund RE (as applicable) within a reasonable period specified by the relevant party in a notice to do so; or • either Fund RE or Monash Investors (as applicable) considers it reasonably necessary to do so in order to ensure compliance with its 	

Concept	Summary of MAAT provisions	Summary of MAIF provisions
	duties and obligations under the relevant law and in any circumstances by the relevant law, trust law or any other law or by any court of competent jurisdiction.	
Limitations on removal of Investment Manager	<p>MAAT RE must not change Monash Investors as investment manager of, or appoint a new investment manager for, MAAT unless Monash Investors consents. However MAAT RE may exercise relevant termination rights if applicable.</p> <p>Monash Investors may request that MAAT RE enter into the investment management agreement with a related body corporate of the Monash Investors.</p>	<p>MAIF RE must not change Monash Investors as investment manager of, or appoint a new investment manager for, MAIF unless:</p> <ul style="list-style-type: none"> • Monash Investors consents and a related body corporate of Monash Investors is appointed as the new investment manager; or • MAIF RE obtains the approval by Special Resolution of MAIF Unitholders of the replacement or removal of Monash Investors as investment manager for MAIF. <p>However MAIF RE may exercise relevant termination rights if applicable.</p>

8.4 Actions of MAIF RE after the acquisition of MAAT

If the Merger is implemented, MAIF RE:

- (a) intends to maintain and assess MAAT's equity positions in accordance with the existing investment strategy of MAIF;
- (b) intends to continue to employ the existing investment strategy, distributions policy, valuations policies, accounting standards, governance frameworks, reporting policies and other practices of MAIF (as set out in the MAIF PDS annexed as Annexure C) in respect of MAIF post-Merger;
- (c) intends to retain Monash Investors as the investment manager for MAIF post-Merger;
- (d) has no current intention to immediately dispose of the assets of MAAT, transfer MAAT's assets to any other person or raise further capital;
- (e) will cause MAAT RE to apply for the removal of MAAT Units from trading status on the ASX AQUA Market (if MAAT RE has not already done so in accordance with the Merger);
- (f) will apply to ASIC to deregister MAAT as a registered scheme with ASIC, as it will become a wholly-owned sub-trust of MAIF; and
- (g) does not intend to reconstitute, rearrange or otherwise alter the composition of the MAIF RE Board.

8.5 Actions of Monash Investors after the MAIF RE acquisition of MAAT

If the Merger is implemented, Monash Investors will continue to act as the investment manager of MAIF post-Merger, pursuant to the terms of the MAIF Constitution and the investment management agreement between Monash Investors and MAIF RE in respect of MAIF.

If the Merger is implemented, the current shareholders of Monash Investors (**Monash Shareholders**) intend to sell all of their shares in Monash Investors to DMX Asset Management Limited (**DMX**), an Australian fund manager with expertise in investing in Australian small companies.

(a) Monash Investors sale

As at the date of this EM, DMX and the Monash Shareholders have not executed a written agreement in connection with the sale of all shares in Monash Investors to DMX. If the Merger is implemented, the Monash Shareholders and DMX intend to reach a formal agreement pursuant to which, amongst other things:

- (i) DMX acquires all of the shares on issue in Monash Investors;
- (ii) Shane Fitzgerald will continue as a co-portfolio manager of MAIF as an employee of DMX;
- (iii) Simon Shields will continue as a co-portfolio manager of MAIF on a part-time basis for a 6 month transition period; and
- (iv) Michael Haddad of DMX will become a co-portfolio manager of MAIF.

(b) DMX

DMX was co-founded in 2014 by a micro-cap specialist investor, Steven McCarthy, and Australian funds management veteran executive, Roger Collison, within what was then an ASX-listed shell company. The concept was to leverage the resources of DMX together with Steven's 15+ years of corporate finance experience and 20+ year track record of success investing in under-the-radar Australian smaller companies to form a new specialist fund. This fund, DMX Capital Partners, was launched in 2015 and has generated a compound annual return to investors (net of fees & expenses, pre-tax) of 15% pa (as at 31 December 2023 – audited to 30 June 2023, unaudited six-months to 31 December 2023).

In 2017, experienced investor Chris Steptoe joined the firm, effectively expanding the research capabilities of the team. In 2020, Michael Haddad brought his 20 years of investment analysis and funds management experience in joining the team with a mandate of developing a new fund – the DMX Australian Shares Fund – and helping to expand the firm's capability within the smaller company sector.

Key personnel of DMX are Michael Haddad and Steven McCarthy who are both Directors, Portfolio Managers, and between them own approximately 83% of the business. (The balance is owned by external shareholders.) Michael & Steven are supported by Chris Steptoe as Research Analyst, and Roger Collison who is a Non-Executive Director, and Chair of the firm's Investment Committee.

For more information about DMX's strategy, historical performance or other details see Section 8.6(b) or see DMX's website dmxam.com.au.

8.6 MAIF governance, strategy and investment management

If the Merger is implemented, MAIF RE intends to operate MAIF post-Merger in the same manner that MAIF is currently operated.

(a) MAIF corporate governance

If the Merger is implemented, The Trust Company (RE Services) Limited will remain as the responsible entity of MAIF post-Merger and continue to employ the existing corporate governance, reporting and compliance frameworks for MAIF. For information about MAIF RE and its governance and reporting frameworks, see Sections 3 and 13 of the MAIF PDS included in Annexure C.

(b) **MAIF investment manager**

Monash Investors will remain as the investment manager of MAIF post-Merger. However, there will be a change of control of Monash Investors to DMX. Shane Fitzgerald, a current shareholder of Monash Investors, will remain as a portfolio manager of MAIF post-Merger.

Shane will be joined as co-portfolio manager by Michael Haddad of DMX. Simon Shields will continue to be a co-portfolio on a part time basis for six months after the Merger to enable a smooth transition. Further details of the change of control of Monash Investors are outlined in section 8.5(b) of this EM. Information about the intended portfolio managers of MAIF post-Merger is set out below.

Portfolio Managers of MAIF post-Merger

Portfolio Manager	Biography
<i>Michael Haddad</i>	<p>Michael is a Principal of DMX and is primarily responsible for the portfolio management of the DMX Australian Shares Fund. Michael was an Analyst and Principal at Sydney-based global equity firm Peters MacGregor Capital Management from 2002 until 2019. Since then, Michael has been with DMX, initially as an Investment Strategist, working with the team both on portfolio-wide matters including risk management, and portfolio construction; as well as participating in the individual stock research process.</p> <p>In 2020 Michael became a Principal of DMX and since 2021 has been portfolio manager for the DMX Australian Shares Fund. Michael has managed portfolios with both a global and Australia specific focus, with a strong interest in smaller companies. Michael holds a Bachelor of Management Studies (Honours) degree, a Graduate Diploma in Accounting & Finance, and is a CFA Charterholder.</p>
<i>Shane Fitzgerald</i>	<p>Shane has over 29 years' financial services experience including working at JP Morgan Securities (Australia) Limited and UBS Global Asset Management (Australia) Limited. He holds a Bachelor of Commerce with Honours in Economics. Shane commenced his career at JP Morgan as an analyst, before moving into a senior research analyst role and eventually becoming the Head of Insurance and Diversified Financial Research, as well as an Executive Director. In 2008, he joined UBS as a director and investment analyst. Shane is a director and co-founder of Monash Investors. His role includes research, analysis, dealing and investment management of the Fund. Approximately 90% of Shane's time will be spent on investment activities for MAIF post-Merger.</p>
<i>Simon Shields</i> <i>(for six-months post-Merger only)</i>	<p>Simon has over 34 years' experience as an analyst and portfolio manager. He has been Head of Australian Equities at Colonial First State and UBS Global Asset Management. He holds a Bachelor of Commerce (with honours), a Bachelor of Law, a Masters of Business Administration and is a Certified Financial Analyst (CFA). Simon is a director and co-founder of Monash Investors.</p>

(c) **MAIF investment strategy**

Monash Investors intends to employ the current investment strategy for MAIF in respect of MAIF post-Merger. For information on the investment strategy of MAIF, see "Investment Strategy" in Section 6 of the MAIF PDS annexed as Annexure C.

(d) **Other**

In respect of MAIF post-Merger, neither MAIF RE nor Monash Investors as at the date of this EM intends to make any changes to the current arrangements, policies and agreements applicable to MAIF, including in respect of:

- (a) asset custody and valuation services;
- (b) distributions policies;
- (c) unit application and withdrawal processes;
- (d) the engagement of key service providers, including the MAIF Registry and Prime Broker / Custodian; and
- (e) fees and costs.

However, like all registered schemes, the occurrence of both foreseeable and unforeseeable events (including changes in laws, regulations or market conditions) on and after the date of this EM may cause MAIF RE or Monash Investors to consider, implement and/or be affected by changes in respect of MAIF and its current arrangements, policies, agreements and service providers.

See the MAIF PDS in Annexure C for a detailed explanation of the current arrangements, policies and agreements applicable to MAIF.

9. Risk factors

If the Merger is implemented, Merger Participants will receive Consideration Units.

(a) MAIF risks

Merger Participants should be aware that there are a number of risks associated with receiving Consideration Units, which could reduce the price of Consideration Units in the future. There are a number of risk factors that could adversely affect MAIF's financial performance, financial position and cash flows as referred to in the MAIF PDS.

MAAT Unitholders should be aware that many of the risks associated with an investment in MAIF are the same as for an investment in MAAT. MAAT and MAIF pursue the same investment strategy and have achieved very similar performance throughout the operating history of MAAT:

Historical returns for MAIF Units and MAAT Units as at 29 February 2024		
	MAIF Units	MAAT Units
CYTD	9.76%	9.90%
FYTD	10.79%	10.77%
1 Month	4.02%	4.18%
3 Month	9.76%	9.90%
6 Month	11.95%	12.69%
1 Year	14.27%	14.11%
2 Year	4.58%	4.36%

Note: past performance is not an indicator of future performance.

(b) Tax consequences for MAAT Unitholders

If the Merger is implemented, there may be tax consequences for Merger Participants. Merger Participants should seek their own professional advice regarding the individual tax consequences of the Merger applicable to them.

(c) Exchange Ratio

If the Merger is implemented, Merger Participants will receive a number of MAIF Units that is equal to the Exchange Ratio multiplied by the number of MAAT Units held at the Merger Record Date. The Exchange Ratio will be calculated as the MAAT NAV per MAAT Unit divided by the MAIF NAV per MAIF Unit as at the commencement of the Merger Approval Date. The exact value of the Exchange Ratio is not certain.

If after the Merger Approval Date, the NAV of MAAT decreases relative to the NAV of MAIF, or the NAV of MAIF increases relative to the NAV of MAAT, it may imply an Exchange Ratio different to that used for the purposes of the Merger which means that the number of MAIF Units you will have received will be worth less than if the Merger were implemented at a later date. Given the similarity of the investments of MAAT and MAIF, MAAT RE and Monash Investors believe this is unlikely to be a significant risk.

Future prices may be either above or below current or historical market prices.

(d) Specific risks of MAIF

(i) Risks of MAIF Units

The key risks associated with MAIF Units and MAIF are set out in section 8 of the MAIF PDS included as Annexure C.

(ii) *Unlisted international equities risk*

The MAIF portfolio includes investments in unlisted equities which MAAT Unitholders are not currently exposed to. MAIF's unlisted international equities comprise approximately 2.6% of the MAIF portfolio. It is intended that these unlisted international equities will be disposed of in 2024 or 2025 by way of an initial public offering in the USA. The investment in these unlisted international equities exposes holders to company-specific risk and the risks inherent to any investment in the USA, including foreign exchange currency risk and general USA legal and regulatory risks.

(iii) *Market risk*

Certain events may have a negative effect on the price of all types of investments within a particular market. These events may include changes in economic, social, technological or political conditions, as well as market sentiment, the causes of which may include changes in governments or government policies, political unrest, wars, terrorism, pandemics and natural, nuclear and environmental disasters. The duration and potential impacts of such events can be highly unpredictable, which may give rise to increased and/or prolonged market volatility and changes in the value of investment markets can affect the value of the investments in MAIF.

10. Taxation Report

10.1 General

The comments below provide a general summary in relation to the potential Australian tax consequences of the Merger. These comments only apply to MAAT Unitholders who are resident in Australia for tax purposes and who hold their MAAT Units on capital account for Australian income tax purposes.

The summary of potential tax consequences described below are statements of general principle only and MAAT Unitholders should be aware that the actual Australian income tax implications may differ from those described below, depending on the individual circumstances of the unitholder.

MAAT Unitholders should obtain their own tax advice in relation to taxation consequences of the Merger having regard to their specific circumstances.

This summary does not consider the consequences for specific types of MAAT Unitholders for example, insurance companies, banks, MAAT Unitholders who hold their MAAT Units on revenue account or as trading stock or who carry on a business of trading in shares/units, MAAT Unitholders who are exempt from Australian tax or MAAT Unitholders who are subject to the Taxation of Financial Arrangements rules contained in Division 230 of *the Income Tax Assessment Act 1997*.

The summary below is based on the Australian tax law in force, established interpretations of that law, applicable case law and published Australian Taxation Office (**ATO**) statements of administrative practice at the date of issue of this EM. It does not consider the tax laws of countries other than Australia.

Tax laws are complex and may be amended at any time (including retrospectively). The tax consequences discussed below may change if there is a change in the tax law, interpretation of the tax law or in ATO administrative practice after the date of issue of this EM. MAAT RE has no obligation to monitor or update the information provided in this EM for changes which may affect the correctness of the information after the issue of this EM.

10.2 Taxation implications for MAAT Unitholders disposing of MAAT Units

(a) Capital Gains Tax (CGT) consequences

The disposal of MAAT Units by an Australian resident MAAT Unitholder should constitute a CGT event (being CGT Event A1). The time of the CGT event should be the Implementation Date.

(b) Capital gain or loss on disposal of MAAT Units

MAAT Unitholders should make a capital gain if the capital proceeds received on the disposal of their MAAT Units are more than the cost base of their MAAT Units. Alternatively, MAAT Unitholders may make a capital loss if those capital proceeds are less than the reduced cost base of their MAAT Units.

The capital proceeds received on disposal of MAAT Units should generally be equal to the money (or money equivalent) received in respect of the disposal of the MAAT Units, i.e. the market value of the MAIF Units received in accordance with the Exchange Ratio.

The cost base (or reduced cost base) of each MAAT Unit for a MAAT Unitholder should generally be the cost of acquiring that unit (including incidental costs of acquisition and disposal). There are special rules in the Australian tax legislation which determine how to calculate the cost base (or reduced cost base) of assets in particular circumstances. MAAT Unitholders will need to take into account any annual cost base adjustments referable to their MAAT Units when calculating the cost base (or reduced cost base) of their MAAT Units. MAAT Unitholder should seek their own tax advice on the relevant cost base (or reduced cost base) of their MAAT Units.

A taxpayer's capital gains and capital losses (including unapplied capital losses from earlier years) are aggregated to determine whether there is a net capital gain for an income year. A net capital gain is included in a taxpayer's assessable income and is subject to income tax at the taxpayer's applicable rate, subject to the availability of concessions such as the CGT discount and scrip for scrip rollover relief (as discussed below).

To the extent a MAAT Unitholder makes a capital loss on the disposal of their MAAT Units, the MAAT Unitholder may offset that capital loss against any capital gains derived in the same income year (but not against other assessable income). Where the capital losses made in an income year exceed the capital gains derived in the year, the MAAT Unitholder may be entitled to carry forward the excess capital loss to be offset against capital gains arising in future income years. A MAAT Unitholder cannot offset capital losses against other income, only capital gains.

(c) CGT discount

If a MAAT Unitholder, who is an individual, trustee of a trust or a complying superannuation entity derives a capital gain on the disposal of their MAAT Units, they may (subject to the satisfaction of certain conditions) be entitled to the CGT discount provided the MAAT Unitholder has held their MAAT Units for at least 12 months prior to the CGT event.

Prior to applying the CGT discount, a MAAT Unitholder must offset against their capital gain any capital losses made in the relevant income year and/or any unapplied capital loss brought forward from prior income years. The remaining amount can then be discounted by the applicable discount percentage (if available) and the resulting net capital gain should generally be included in the taxpayer's assessable income in the relevant income year.

The CGT discount percentage applies as follows:

- (i) individuals – 50% discount;
- (ii) complying superannuation funds – 33.33%; and
- (iii) trustee of a trust – 50%.

The CGT discount is not available for MAAT Unitholders who are companies or MAAT Unitholders who have held their MAAT units for less than twelve months.

(d) CGT Scrip for Scrip rollover relief

Broadly, scrip for scrip rollover relief may be available (subject to the satisfaction of certain conditions) to defer a capital gain made by a taxpayer if under an arrangement a taxpayer exchanges a unit in a trust for a unit in another trust.

MAAT Unitholders who make a capital gain on the disposal of their MAAT Units for MAIF Units may be able to elect scrip for scrip rollover relief from CGT.

(e) Electing scrip for scrip rollover relief

To the extent scrip for scrip rollover is available, the consequences are as follows:

- (i) The capital gain arising on the disposal of MAAT Units would be deferred until a future CGT event happens to the MAIF Units.
- (ii) The cost base of the MAIF Units received will be equal to the MAAT Unitholder's cost base of the MAAT Units. In effect, the cost base of the MAAT Units is transferred to the MAIF Units.
- (iii) For CGT purposes, the MAAT Unitholder will be deemed to have acquired the MAIF Units at the time they originally acquired their MAAT Units. This may be relevant for the purposes of

determining the availability of the CGT discount in respect of a subsequent disposal of the MAIF Units.

Where scrip for scrip rollover relief is not available or not claimed, the MAAT Unitholder should calculate the capital gain or loss arising from the disposal of the MAAT units to be taken into account in determining their assessable income. In this case, the CGT cost base of the MAIF Units will be their market value at the Implementation Date.

(f) GST

No GST should be payable in respect of the disposal of the MAAT Units.

(g) Stamp duty

No stamp duty is payable in respect of the disposal of the MAAT Units.

10.3 Taxation implications of holding MAIF Units

MAIF has previously elected into the AMIT regime. On the basis MAIF qualifies as an Attribution Managed Investment Trust (**AMIT**), it should generally not be liable to pay income tax where the MAIF RE properly attributes all of its taxable income and tax offsets on a fair and reasonable basis in accordance with MAIF's constituent documents.

MAIF Unitholders will be required to include in their assessable income the taxable income of MAIF (including any net capital gains derived by MAIF) attributed to them under the AMIT regime. MAIF may attribute a number of different types of income which reflect the income derived by MAIF. Taxable income assessable in the hands of a MAIF Unitholder should retain the same character that the income had when it was derived by MAIF.

Investors will receive a tax statement after the end of each financial year (referred to as an AMIT Member Annual Statement) that will provide them with details of the amounts that have been attributed to them by MAIF to assist them in the preparation of their tax return.

The taxable income of MAIF which the investor is required to include in their assessable income may be different to the cash distributions received by the investor in respect of their MAIF Units. This is because the distributions received on the units are determined by reference to the returns received by MAIF, whereas the tax components are determined by reference to the overall tax position of MAIF. In addition, an investor may be required to make, in certain circumstances, both upward and downward adjustments to the cost or cost base of their unit holdings in MAIF. This occurs where during an income year there is a difference between:

- (a) the total of the amounts (money or property) that an investor is entitled to from MAIF and the tax offsets that are attributed to an investor in relation to the year; and
- (b) the tax components (grossed up for any CGT discount) attributed in that investor's assessable income and any non-assessable non-exempt income.

If the amount in paragraph (a) above exceeds the amount in paragraph (b), the cost base of the investor's MAIF Units should be reduced by the excess amount. This results in either an increased capital gain, or a reduced capital loss, upon the subsequent disposal of the investor's MAIF Units. Should the cost base be reduced to below zero, the amount in excess of the cost base should be a capital gain that is to be included in the investor's taxable income. Conversely, where the amounts in paragraph (a) falls short of the amounts in paragraph (b) during an income year, the cost base of the investor's MAIF Units should be increased by the shortfall amount.

The AMIT Member Annual Statement will also contain a reasonable estimate of any cost base adjustments required to the investor's MAIF Units.

Australian residents holding their MAIF Units on capital account will generally realise a capital gain or capital loss when they redeem (or dispose of) MAIF Units. Depending on the type of unitholder, and how long the MAIF Units have been held, the CGT discount may be available which can reduce the capital gain by up to one half.

If MAIF Units are redeemed part way through a distribution period, the value of accumulated income may be included in the redemption price and attributed to a taxpayer as taxable income.

11. Additional information

11.1 Interests and benefits of MAAT RE and associates

- (a) As at the date this EM was lodged with ASIC no director of MAAT RE holds any MAAT Units.
- (b) No payment or other benefit will be made or given to any director, secretary or executive officer of MAAT RE or any Related Body Corporate of MAAT RE, as compensation for loss of, or as consideration for or in connection with his retirement from, office as director, secretary or executive officer of MAAT RE or of a Related Body Corporate, as the case may be, as a result of the Merger;
- (c) It is not proposed that any payment or other benefit be made or given to any Related Body Corporate of MAAT RE in connection with the Merger.
- (d) There is no agreement or arrangement made between any director of MAAT RE and another person in connection with or conditional on the outcome of the Merger.
- (e) No director of MAAT RE has an interest in any contract entered into by MAIF RE.
- (f) In the four months before the date of this EM neither MAIF RE nor any associate of MAIF RE gave, or offered to give or agreed to give, a benefit to another person that is not available under the Merger and was intended to or likely to induce the other person, or an associate of the other person, to:
 - (i) vote in favour of the Merger Resolution; or
 - (ii) dispose of their MAAT Units to MAIF RE.

11.2 Voting power of MAIF RE

At the date of this EM:

- (a) the total number of issued MAAT Units was 16,434,291; and
- (b) MAIF RE had no voting power in respect of MAAT.

If the Merger is implemented, MAIF RE will increase its voting power to 100% in respect of MAAT.

11.3 MAIF RE directors' interests and benefits

No director of MAIF RE holds or has any interest in any MAAT Units or MAIF Units as at the date of this EM.

11.4 Intentions

The current intentions of MAIF RE with respect to the continued operation of MAAT and major changes to be made to the operation of MAAT are set out in Section 7.

If the Merger Resolution is not Approved or the Merger is not otherwise implemented, Monash Investors has recommended that MAAT be terminated and wound up and the net proceeds from the realisation of MAAT's assets and payment of its liabilities be distributed to MAAT Unitholders and MAAT RE currently considers that it would be in the best interests of MAAT Unitholders for it to terminate and wind up MAAT if the Merger is not implemented.

11.5 ASIC relief

In connection with the Merger, MAAT RE and MAIF RE have applied to ASIC for relief or exemptions in respect of certain provisions of the Corporations Act, including:

Relief / Exemption	Summary
Section 941A	Relief from the requirement to provide a Financial Services Guide as part of this EM.
Section 1015C	Modification of requirements to allow the MAIF PDS to be distributed to the registered addresses of MAAT Unitholders.
Section 1016A(2)	Relief from the requirement to allow the Consideration Units to be issued to MAAT Unitholders pursuant to the Merger without an application form.
Section 1019A	Exemption so that no cooling-off period needs to be applied to the MAIF Units issued under the Merger.
Division 5A of Part 7.9	Modification of requirements to allow MAIF RE to make an offer to acquire to acquire all of the MAAT Units.

ASIC has notified MAAT RE and MAIF RE that it has granted in-principle approval for the relief referred to above.

11.6 Responsibility statements by Responsible Parties and consents of named persons and disclaimers

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

- (a) MAIF RE - as RE of MAIF and to the inclusion of the MAIF Information in this EM (including the MAIF PDS);
- (b) BDO Corporate Finance (East Coast) Pty Limited ABN 70 050 038 170 – as Independent Expert and author of the Independent Expert's Report in Annexure B;
- (c) Monash Investors - as investment manager of MAIF;
- (d) Apex Fund Services Pty Ltd – as the MAAT Registry and MAIF Registry;
- (e) K&L Gates – as legal adviser to MAAT RE and MAIF RE; and
- (f) DMX - as the proposed acquirer of all of the shares in Monash Investors, including the statements of intention in relation to there being no current intention to change the investment strategy of MAAT or MAIF post-Merger and that Shane Fitzgerald will continue to be responsible for the day-to-day investment management services provided by Monash Investors in respect of MAIF and MAAT as an employee of DMX and Simon Shields will be engaged by DMX on a part-time basis to assist Shane Fitzgerald with providing those investment management services for six months post-Merger.

Each Responsible Party has prepared, provided and is responsible for the Relevant Information and has given and has not, before the date of this EM, withdrawn its consent to the inclusion of the Relevant Information shown below and the references to that Relevant Information in this EM in the form and context in which it is included in this EM:

Responsible Party	Relevant Information
MAAT RE	MAAT Information as defined in Section 12
MAIF RE	MAIF Information as defined in Section 12

Monash Investors	Monash Investors Information as defined in Section 12
BDO Corporate Finance (East Coast) Pty Limited ABN 70 050 038 170	Independent Expert's Report in Annexure B

No Responsible Party (nor any of its directors, officers, employees and advisers) assumes any responsibility for the accuracy or completeness of any information other than the Relevant Information that the Responsible Party has prepared, provided and is responsible for as shown above.

No Responsible Party makes, or purports to make, any statement in this EM other than those statements contained in the Relevant Information referred to above and to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this EM other than as described in this Section with that Responsible Party's consent.

No person referred to in this Section 11.6, other than the Responsible Parties, makes, or purports to make, any statement in this EM.

11.7 Summary of the Merger Implementation Deed

Matter	Summary
Parties	MAIF RE, MAAT RE and Monash Investors
Merger Conditions	<p>The Merger is subject to the following Merger Conditions:</p> <ul style="list-style-type: none"> (a) the Merger Resolution is passed as a Special Resolution of MAAT Unitholders (that is, on a poll at least 75% of the votes cast by MAAT Unitholders entitled to vote on the Merger Resolution are cast in favour of the Merger Resolution) and MAAT RE executes and lodges the MAAT Amending Deed with ASIC; (b) the Independent Expert concludes in the Independent's Expert's Report that the Merger is in the best interests of MAAT Unitholders and does not change its conclusion or withdraw its report before 8.00 am on the Meeting Date; (c) ASIC has granted the regulatory modifications described in Section 11.5 and has not withdrawn or modified them before 8.00 am on the Meeting Date; (d) ASX has agreed to revoke MAAT's AQUA trading status and the conditions of revocation have been satisfied; (e) there is no restraining order or injunction or other prohibition restraining or prohibiting the Merger issued by a Government Agency in effect on the Implementation Date; and (f) the Merger Implementation Deed has not been terminated before the Implementation Date.
Merger Consideration	In consideration for the transfer of all MAAT Units to MAIF RE (or its custodian or nominee) pursuant to the Merger, MAIF RE will issue Merger Participants with new MAIF Units on a NAV for NAV basis.
Implementation obligations	The parties are required to use all reasonable endeavors and commit necessary resources to implement the Merger as soon as reasonably practicable and in accordance with the indicative timetable set out in the Merger Implementation Deed.

Matter	Summary
Termination rights	The Merger Implementation Deed may be terminated: (a) by mutual deed of the parties in writing; (b) if the Merger Conditions become incapable of satisfaction; (c) by a non-defaulting party if another party materially breaches it; and (d) by a party if a Government Agency takes action that permanently restrains or prohibits the Merger.
Representations and warranties and limitation of liability	Under the Merger Implementation Deed, the parties have given certain representations and warranties which are customary for a deed of this type. The liability of each of MAAT RE and MAIF RE arising under or in connection with the Merger Implementation Deed is limited to the amount that MAAT RE or MAIF RE, as the case may be, actually receives in the exercise of its right of indemnity from trust property.

11.8 Summary of the Merger Deed Poll

MAIF RE has entered into the Merger Deed Poll in favour of all Merger Participants and MAAT RE pursuant to which it agrees to provide the Merger Consideration to each Merger Participant in accordance with the terms of the Merger Implementation Deed.

The Merger Deed Poll may be relied upon and enforced by any Merger Participant.

The obligations of MAIF RE under the Merger Deed Poll are subject to the Merger Conditions being satisfied or waived. The Merger Deed Poll terminates upon the termination of the Merger Implementation Deed (which, amongst other triggers, will occur if the Merger is not implemented on or before 30 August 2024 unless MAIF RE and MAAT RE otherwise agree).

A copy of the Merger Deed Poll is set out in full in Annexure E.

11.9 Summary of amendments to the MAAT Constitution under the MAAT Amending Deed

A summary of the key proposed amendments to the MAAT Constitution contained in the MAAT Amending Deed, which would facilitate the Merger and which are the subject of the Merger Resolution, is set out below. A full copy of the proposed amendments to the MAAT Constitution is contained in the MAAT Amending Deed in Annexure D.

Matter	Summary
Parties	MAAT RE will execute the document as a deed poll if the Merger Resolution is Approved.
Implementation of Merger	Provides for the implementation of the Merger, including: (a) requiring all Merger Participants and MAAT RE to do all things necessary to give full effect to the Merger; and (b) allowing MAAT RE to do anything permitted by the MAAT Constitution as amended by the MAAT Amending Deed.
Merger Consideration	Each Merger Participant is entitled to receive the Merger Consideration for each MAAT Unit it holds.

Transfer of MAAT Units	On the Implementation Date, all MAAT Units will be transferred by MAAT RE executing a master transfer form on behalf of MAAT Unitholders to MAIF RE.
Merger Participants	Merger Participants are those persons recorded as holding MAAT Units in the MAAT Register on the Merger Record Date. MAAT Units cannot be disposed of or dealt after the Merger Record Date other than pursuant to the Merger.
Covenants and undertakings	Each Merger Participant irrevocably acknowledges and agrees to the implementation of the Merger on the terms of the MAAT Constitution as amended by the MAAT Amending Deed.
Power of attorney	Each Merger Participant irrevocably appoints MAAT RE (and its directors and officers) as its attorney and agent to implement and execute documents related to the Merger.
Suspension	MAAT RE must apply to ASX to suspend ASX trading of MAAT with effect from close of trading on the Merger Approval Date.

11.10 Personal information

Perpetual, the MAAT Registry and the MAIF Registry may collect and disclose to each other personal information in the process of implementing the Merger including administering the securityholdings arising from the Merger. The personal information may include the names, addresses, other contact details, bank account details and details of the holdings of MAAT Unitholders, and the names of individuals appointed by MAAT Unitholders as proxies, corporate representatives or attorneys at the Meeting. The collection of some of this information is required or authorised by the Corporations Act.

MAAT 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. Such individuals should contact the MAAT Registry on 1300 133 451 within Australia in the first instance if they wish to request access to that personal information.

The personal information is collected for the primary purpose of assisting MAIF RE and MAAT RE to implement the Merger (including administering the securityholdings arising from the Merger) and conduct the Meeting. The main consequence of not collecting the personal information outlined above would be that Perpetual, the MAAT Registry and the MAIF Registry may be hindered in, or prevented from, conducting the Meeting and implementing the Merger (including administering the securityholdings arising from the Merger).

The personal information may also be disclosed to the related bodies corporate of MAIF RE, MAAT RE, Monash Investors, the MAIF Registry and the MAAT Registry, third party service providers, including print and mail service providers, authorised securities brokers and professional advisers and to ASX and other regulatory authorities, and in any case, where disclosure is required or allowed by law or where the individual MAAT Unitholder has consented. Personal information of MAAT Unitholders may also be used to contact them in relation to their MAAT Units or the Merger.

MAAT 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 outlined above.

12. Glossary

In this EM (including the Notice of Meeting) the following terms have the meanings shown:

AFSL	an Australian financial services licence.
Approved	in relation to the Merger, that the Merger Resolution is passed as a Special Resolution.
AQUA Rules	ASX Operating Rules that apply to the quotation on ASX of funds, exchange trade funds and other structured securities and products such as the MAAT Units.
AQUA Traded	admitted to quotation on the securities market operated by ASX under the AQUA Rules and includes the MAAT Units.
ASIC	the Australian Securities and Investments Commission.
ASX	ASX Limited ABN 98 008 624 691 or the securities market it operates.
ASX Operating Rules	the official operating rules of ASX, as amended or replaced from time to time except to the extent of any express written waiver by ASX.
Business Day	a day on which banks are open for general banking business in Sydney (not being a Saturday, Sunday or public holiday).
CGT	capital gains tax.
Consideration Unit	a MAIF Unit to be issued by MAIF RE to Merger Participants under the Merger as consideration for the transfer by Merger Participants of MAAT Units to the MAIF RE (or its custodian or nominee).
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
DMX	DMX Asset Management Limited ACN 169 381 908 of Suite 2, Level 14, 9-13 Castlereagh Street, Sydney NSW 2000.
EM	this explanatory memorandum which sets out information regarding and details of the Merger and includes the Notice of Meeting.
Exchange Ratio	the NAV of MAAT per MAAT Unit divided by the MAIF NAV per MAIF Unit as at the commencement of the Merger Approval Date.
FUM	funds under management, being, in respect of a managed investment scheme, the value of the assets held by the RE.
Government Agency	any government or governmental, semi-governmental, administrative, monetary, fiscal or judicial body, department, commission, authority, tribunal, agency or entity and includes any minister (including for the avoidance of doubt, the Commonwealth Treasurer), ASIC, ASX and any regulatory organisation established under statute.
GST Act	<i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth).
Implementation Date	8.00 am on the date on which the Merger is to be implemented (expected to be 21 June 2024) if the Merger Conditions are satisfied being the third Business Day after the Merger Record Date, or such other date as MAAT RE, MAIF RE and Monash Investors agree in writing.

Independent Expert	BDO Corporate Finance (East Coast) Pty Limited ABN 70 050 038 170.
Independent Expert's Report	the report on the Merger prepared and issued by the Independent Expert contained in Annexure B (including any updates and amendments to it).
MAAT	Monash Investors Small Companies Trust (Hedge Fund) ARSN 642 280 331, being a registered managed investment scheme which is AQUA Traded.
MAAT Amending Deed	the deed to be entered into by MAAT RE amending the MAAT Constitution in the form included in Annexure D, if the Merger Resolution is Approved.
MAAT Constitution	the constitution of MAAT dated 2 July 2020, as amended from time to time.
MAAT Information	the information contained in this EM other than the MAIF Information, the Monash Investors Information, the Taxation Report and the Independent Expert's Report.
MAAT RE	The Trust Company (RE Services) Limited ACN 003 278 831 (AFSL number 235150) as RE of Monash Investors Small Companies Trust (Hedge Fund) ARSN 642 280 331.
MAAT Register	the register of MAAT Unitholders maintained by the MAAT Registry in accordance with the Corporations Act.
MAAT Registry	Apex Fund Services Pty Ltd ACN 118 902 891 which has been appointed by MAAT RE to maintain the MAAT Register and to provide registry services in relation to MAAT.
MAAT Unit	a fully paid ordinary unit in MAAT.
MAAT Unitholder	the registered holder of a MAAT Unit as recorded in the MAAT Register.
MAIF	Monash Investors Small Companies Fund ARSN 606 855 501.
MAIF Class B Unit	a fully paid Class B unit in MAIF.
MAIF Constitution	the constitution of MAIF dated 11 May 2012, as amended from time to time.
MAIF Information	the information in this EM that has been prepared by MAIF RE, being the information in respect of MAIF in Section 8.1 (Comparison of MAAT and MAIF), Section 8.2 (Summary of the MAIF Constitution), the information in respect of MAIF in Section 8.3 (Key provisions of the MAIF and MAAT investment management agreements), Section 8.4 (Actions of MAIF RE after the acquisition of MAAT), Section 8.6 (MAIF governance, strategy and investment management) Section 9(d) (Specific risks of MAIF), Annexure C (MAIF PDS) and statements in this EM expressed as being made by MAIF RE.
MAIF NAV	the value of the assets of MAIF less the value of the liabilities of MAIF, excluding any assets or liabilities attributable only to MAIF Class B Units.
MAIF PDS	the PDS dated 17 July 2023 issued by MAIF RE in respect of MAIF Units included as Annexure C.

MAIF RE	The Trust Company (RE Services) Limited ACN 003 278 831 (AFSL number 235150) as responsibility entity of Monash Investors Small Companies Fund ARSN 606 855 501.
MAIF Register	the register of MAIF Unitholders maintained by the MAIF Registry.
MAIF Registry	Apex Fund Services Pty Ltd ACN 118 902 891 which has been appointed by MAIF RE to maintain the MAIF Register and provide registry services in relation to MAIF.
MAIF Unit	a fully paid Class A unit in MAIF.
MAIF Unitholder	a registered holder of a MAIF Unit.
Meeting	the extraordinary general meeting of MAAT Unitholders convened by the Notice of Meeting at which the Merger Resolution is to be considered.
Meeting Date	the date on which the Meeting is held, which as at the date of this EM is expected to be 13 June 2024 (unless it is postponed or adjourned).
Merger	the proposed acquisition of all of the MAAT Units by MAIF RE (or its custodian or nominee) in return for the issue of Consideration Units as described in this EM and provided for in the Merger Implementation Deed, the Merger Deed Poll and the MAAT Amending Deed.
Merger Approval Date	the date (if any) on which the Merger Resolution is Approved by MAAT Unitholders.
Merger Conditions	the meaning given in the Merger Implementation Deed being the conditions precedent to the implementation of the Merger.
Merger Consideration	the consideration to be provided by MAIF RE to each Merger Participant under the Merger, being the number of MAIF Units calculated by multiplying the number of MAAT Units held by the Merger Participant as at the Merger Record Date by the Exchange Ratio, rounded down to the nearest whole number.
Merger Deed Poll	the merger deed poll made by MAIF RE in favour of the MAAT Unitholders and MAAT RE (a copy of which is included in Annexure E) under which it has agreed to perform the obligations required of it under the Merger (if it is Approved) including as transferee to accept the transfer of the MAAT Units and to issue MAIF Units as the Merger Consideration.
Merger Implementation Deed	the merger implementation deed dated 15 May 2024 between MAIF RE, MAAT RE and Monash Investors setting out the terms on which the Merger is to be proposed and implemented in the form included in Annexure F.
Merger Participant	each person who is a MAAT Unitholder on the Merger Record Date.
Merger Record Date	7.00 pm on the third Business Day after the Merger Approval Date, being the time and date as at which those MAAT Unitholders on the MAAT Register will qualify as Merger Participants. If the Merger Resolution is Approved, the Merger Record Date is currently expected to be 18 June 2024 (although this may be subject to change).
Merger Resolution	the following resolution of MAAT unitholders to be considered as a Special Resolution as proposed in the Notice of Meeting:

	<i>"That in accordance with section 601GC(1)(a) of the Corporations Act 2001 (Cth), the Constitution of the Monash Investors Small Companies Trust (Hedge Fund) ARSN 642 280 331 be amended as set out in the MAAT Amending Deed attached as Annexure D to the Explanatory Memorandum in which this Notice of Meeting was included as Annexure A."</i>
Monash Investors	Monash Investors Pty Ltd ACN 153 180 333, the investment manager of MAAT and MAIF.
Monash Investors Information	the information contained in this EM that refers to Monash Investors including any statements relating to the views, conclusions, opinions, beliefs or estimates of Monash Investors.
NAV	as the context requires, the net asset value of MAAT (in relation to the MAAT Units) or MAIF (so far as it relates to the MAIF Units), calculated in accordance with the MAAT Constitution or MAIF Constitution respectively.
Notice of Meeting	the notice of meeting of MAAT Unitholders included as Annexure A.
PDS	a product disclosure statement.
Perpetual	The Trust Company (RE Services) Limited ACN 003 278 831 (AFSL number 235150).
Prime Broker / Custodian	Morgan Stanley & Co. International plc (a public limited company duly organised under the laws of England and Wales and a foreign financial services provider relying on ASIC Class Order 03/1099: UK Regulated Financial Services Providers) registered as a foreign company in Australia with ARBN 613 032 705 - Liability is limited.
Proxy Form	the form by which a MAAT Unitholder may appoint a person to vote as their proxy on the Merger Resolution (without the MAAT Unitholder having to attend the Meeting in person), a copy of which is enclosed with this EM.
RE	the responsible entity of a managed investment scheme registered by ASIC.
RE Voting Exclusion	section 253E of the Corporations Act, which provides that MAIF RE, MAAT RE and their associates are not entitled to exercise the votes attached to any MAAT Units they hold on the Merger Resolution.
Related Body Corporate	has the meaning given to "related body corporate" in section 50 of the Corporations Act.
Relevant Information	in respect of a Responsible Party, means the information set out in the same row as the Responsible Party's name in the table in Section 11.6.
Responsible Party	a person named in the table in Section 11.6.
Section	a reference to a Section is to a Section of this EM.
Special Resolution	a special resolution of MAAT Unitholders, being a resolution on which on a poll at least 75% of the votes cast by MAAT Unitholders entitled to vote on the resolution are cast in favour of the resolution.

Voting Record Date

7.00 pm on 11 June 2024, being the time and date as at which MAAT RE will determine those persons who are MAAT Unitholders and who will qualify to vote on the Merger Resolution at the Meeting.

ANNEXURE A: MAAT NOTICE OF MEETING

The Trust Company (RE Services) Limited (ACN 003 278 831, AFSL 235150) (**MAAT RE**) in its capacity as Responsible Entity for the Monash Investors Small Companies Trust (Hedge Fund) ARSN 642 280 331 (**MAAT**), hereby gives notice that a meeting of the members of MAAT (**Meeting**) will be held on the date and at the time and place set out below:

Time: 10.00 am (Sydney time)
Date: 13 June 2024
Place: K&L Gates offices at Level 31, 1 O'Connell Street, Sydney NSW 2000

Business of the Meeting

Capitalised terms used but not defined in this Notice of Meeting have the meaning given in the explanatory memorandum (**EM**) in which this Notice of Meeting is included as Annexure A.

The business to be considered at the Meeting is to consider, and if thought fit, to pass the resolution of MAAT Unitholders set out below (**Merger Resolution**).

If the Merger is Approved by MAAT Unitholders and the other Merger Conditions satisfied, MAAT RE will implement the Merger as described in the EM and all of the MAAT Units will be transferred to MAIF RE in return for the issue of MAIF Units.

Resolution– Merger Resolution

That the following resolution be considered and, if thought fit, passed as a special resolution:

“That in accordance with section 601GC(1)(a) of the Corporations Act 2001 (Cth), the Constitution of the Monash Investors Small Companies Trust (Hedge Fund) ARSN 642 280 331 be amended as set out in the MAAT Amending Deed attached as Annexure D to the Explanatory Memorandum in which this Notice of Meeting was included as Annexure A.”

NOTES FOR MAAT UNITHOLDERS

The EM in which this Notice of Meeting is included as Annexure A forms part of this Notice of Meeting and provides detailed information relating to the Merger Resolution including the reasons why the Merger Resolution is being proposed and, if it is Approved, how MAAT RE will implement the Merger.

Required majority required for Approval

The Merger Resolution is a special resolution and will not be passed unless on a poll at least 75% of the votes cast by MAAT Unitholders entitled to vote on the Merger Resolution are cast in favour of the Merger Resolution.

The quorum for the Meeting is two MAAT Unitholders present in person or by proxy.

Entitlement to vote

Pursuant to Corporations Regulation 7.11.37, MAAT RE has determined that, subject to the RE Voting Exclusion described below, for the purposes of determining voting entitlements for the Meeting, MAAT Units will be taken to be held by those persons who are registered as MAAT Unitholders on the MAAT

Register as at the Voting Record Date (being 7.00 pm on 11 June 2024). Any transfers of MAAT Units after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Subject to the RE Voting Exclusion, each eligible MAAT Unitholder is entitled to attend and vote at the Meeting either in person, by proxy, by attorney or, in the case of a body corporate, by its corporate representative appointed in accordance with section 253B of the Corporations Act.

Voting at the Meeting will be by poll. Each MAAT Unitholder present in person or by proxy has one vote for every dollar of its total interest held in MAAT (held via MAAT Units). The value of a MAAT Unitholder's total interest in MAAT will be calculated by reference to the last sale price of MAAT Units on ASX immediately before the Voting Record Date (that is, the closing sale price on 11 June 2024).

If the MAAT Units are jointly held, only one of the joint MAAT Unitholders is entitled to vote. If more than one MAAT Unitholder votes in respect of jointly held MAAT Units, only the votes of the MAAT Unitholder whose name appears first in the MAAT Register will be counted.

RE Voting Exclusion

In accordance with section 253E of the Corporations Act, as Perpetual is the RE of both MAAT and MAIF, neither it nor any of its associates may exercise the votes attached to any MAAT Units they hold as Perpetual may have an interest in the outcome of the Merger (arising from its potential personal interest in retaining its role and fees as RE). As far as Perpetual is aware, as at the date of this Notice of Meeting, neither it nor any of its associates hold MAAT Units.

How to vote

Voting in person

You can attend and vote in person at the Meeting. Please arrive well before the Meeting commencement time in order to register your attendance.

Voting by proxy

If you are a MAAT Unitholder, you have the right to appoint a proxy in respect of the Meeting. Your proxy does not need to be a MAAT Unitholder and you may appoint the Chair of the Meeting as your proxy. The Proxy Form, which accompanies this EM, includes instructions on how to vote and appoint a proxy.

To be valid, Monash Investors must receive your Proxy Form (and an original or certified copy of the power of attorney under which the Proxy Form is signed if applicable) by no later than 10.00 am on 11 June 2024 (that is at least 48 hours before the Meeting).

A proxy will be admitted to the Meeting and given a voting card upon confirming their name and address and the identity of their appointer.

The appointment of a proxy will not preclude a MAAT Unitholder from attending in person and voting at the Meeting. At all times while the MAAT Unitholder is present at the Meeting, the proxy will not be permitted to speak at the Meeting or vote on the Merger Resolution.

If you are entitled to cast two or more votes you may appoint two proxies. If you appoint two proxies, then you may specify the proportion or number of votes each proxy is entitled to exercise. However, if you do not specify the proportion or number of votes for each proxy, then each proxy may exercise half of your votes.

If you do not name a proxy, or your named proxy does not attend the Meeting, the Chair of the Meeting will be your proxy and vote on your behalf.

If you are unable to attend the Meeting and vote in person and you want to appoint a proxy to attend the Meeting and vote on your behalf, complete, sign and return the Proxy Form enclosed with the EM

by no later than 10:00am (Sydney time) on 11 June 2024. Proxy Forms received after this time will not be valid.

A proxy does not need to be an MAAT Unitholder. They may be an individual or a company. A company that is a proxy must appoint an individual to exercise its powers at the Meeting. You may appoint up to two proxies. If you do so, you should specify the proportion or number of votes for each proxy. If not specified, each proxy will exercise half of the votes.

If your proxy does not attend the Meeting (or attends, but does not vote), then the Chair of the Meeting is appointed as your proxy.

All completed Proxy Forms (and any power of attorney under which they are signed) should be returned to **Monash Investors Pty Ltd, Level 57, 25 Martin Place, Sydney NSW 2000**, so that they are received before 10:00am (Sydney time) on 11 June 2024:

Voting by corporate representative

A MAAT Unitholder that is a body corporate can appoint a corporate representative to attend and vote on its behalf at the Meeting. The authorised corporate representative will be admitted to the Meeting and given a voting card upon providing, when registering prior to the Meeting, the original executed appointment document, their name and address and the identity of their appointer.

Voting by attorney

Powers of attorney must be lodged with Monash Investors at **Level 57, 25 Martin Place, Sydney NSW 2000** by no later than 10.00am on 11 June 2024 (that is at least 48 hours before the Meeting) or the original produced at the Meeting.

An attorney will be admitted to the Meeting and given a voting card upon confirming their name and address and the identity of their appointer.

The appointment of an attorney under a power of attorney will not preclude a MAAT Unitholder from attending in person and voting at the Meeting at which the MAAT Unitholder is entitled to attend and vote, however the attorney will not be permitted to participate in the Meeting or vote on the Merger Resolution while the MAAT Unitholder is present.

Questions

If you have any questions in relation to the Merger, please email Monash Investors at contactus@monashinvestors.com and please include your phone number if you would like a representative of Monash Investors to call you back.

Dated: 15 May 2024

By order of the Board of The Trust Company (RE Services) Limited
as Responsible Entity of the Monash Investors Small Companies Trust (Hedge Fund)



.....
Vicki Riggio
Director
The Trust Company (RE Services) Limited

**Monash Investors Small Companies Trust (Hedge Fund) ARSN 642 280 331
Proxy Form - Meeting of Members**

I/We.....(name of member)
of(address of member),
being a member of Monash Investors Small Companies Trust (Hedge Fund) ("**MAAT**"), appoint the person named below or the Chair if no person is named below as my/our proxy to vote and act for me/us and on my/our behalf at the meeting of members of MAAT to be held at K&L Gates, Level 31, 1 O'Connell Street, Sydney NSW 2000 on Thursday, 13 June 2024 at 10.00 am (Sydney time).

My/our proxy is authorised to vote in respect of the MAAT voting rights held by me/us set out below:

Name of proxy	Address of proxy	Voting authorisation
		_____ units OR _____ % of voting rights

I/We direct my proxy to vote in the following manner:

Resolution	For	Against	Abstain
<i>"That in accordance with section 601GC(1)(a) of the Corporations Act 2001 (Cth), the Constitution of the Monash Investors Small Companies Trust (Hedge Fund) ARSN 642 280 331 be amended as set out in the MAAT Amending Deed attached as Annexure D to the Explanatory Memorandum in which the Notice of Meeting was included as Annexure A."</i>			

Signature

For units held by natural persons:

.....
Signature

.....
Name (print)

.....
Date

For units held by corporations:

Signed by
in accordance with section 127 of the *Corporations Act 2001* (Cth):

.....
Signature of Director

.....
Signature of Director / Company Secretary

.....
Name of Director (print)

.....
Name of Director / Company Secretary
(print)

.....
Date

.....
Date

Proxy Form instructions

Appointment of proxy. Indicate who you wish to appoint as your proxy by writing their full name. A proxy can be another person or body corporate and does not need to be a member of MAAT. If a person attends the Meeting both as a member and as a proxy for another member, that person will only be counted once on a show of hands. Leave the name of your proxy blank if you wish for the Chair of the Meeting to act as your proxy.

Voting directions. Mark one of the boxes opposite the resolution to direct your proxy how to vote. If no directions are given, the proxy may vote as the proxy thinks fit or may abstain from voting. All your votes will be voted in accordance with your direction unless you indicate that only a portion of your votes are to be voted on any item by writing a percentage in the appropriate box. If you mark more than one box on the resolution your vote for the resolution will not be valid.

Signing instructions. To be valid this form must be signed by the MAAT member (the person or entity that holds the MAAT units). This means signing either the section for natural persons (e.g. for individuals or joint holders) or the section for corporations, as applicable.

For MAAT members who are natural persons:

- Signature – sign your name (either member may sign if the units are jointly held).
- Name – write your name as it appears on your MAAT holding statement.
- Date – include the date of signing.

For MAAT members who are corporations:

- Signed by – write the name of the corporation as it appears on your MAAT holding statement (this should be the same name as was written in the first line of the proxy form).
- Signature of Director or Director / Company Secretary - execute these signature lines in accordance with the member's constitution and the *Corporations Act 2001* (Cth), including by signing on the appropriate officeholder line.
- Name of Director or Director / Company Secretary - write the name of the relevant signatories.
- Date – include the date(s) of signing.

If signed by the member's attorney, the original, or a certified copy of the, power of attorney under which the Proxy Form was signed must be attached to the Proxy Form.

Lodgement of Proxy Form.

Completed Proxy Forms (and any power of attorney under which they are signed) should be returned:

By mail to **Monash Investors Pty Ltd**
Level 57, 25 Martin Place
Sydney NSW 2000

Any Proxy Forms must be received by 10.00 am (Sydney time) on Tuesday, 11 June 2024. Late Proxy Forms will not be accepted.

Questions

If you have any questions in relation to the Merger, please email Monash Investors at contactus@monashinvestors.com and please include your phone number if you would like a representative of Monash Investors to call you back.

Annexure B - Independent Expert's Report

INDEPENDENT EXPERT REPORT

The Monash Investors Small Companies Trust

In relation to the proposed acquisition of 100% of the units in The Monash Investors Small Companies Trust by The Monash Investors Small Companies Fund

15 May 2024

FINANCIAL SERVICES GUIDE

Dated: 15 May 2024

This Financial Services Guide (FSG) helps you decide whether to use any of the financial services offered by BDO Corporate Finance (East Coast) Pty Ltd (BDO Corporate Finance, we, us, our).

The FSG includes information about:

- Who we are and how we can be contacted
- The services we are authorised to provide under our Australian Financial Services Licence, Licence No: 247420
- Remuneration that we and/or our staff and any associates receive in connection with the financial services
- Any relevant associations or relationships we have
- Our complaints handling procedures and how you may access them.

FINANCIAL SERVICES WE ARE LICENSED TO PROVIDE

We hold an Australian Financial Services Licence which authorises us to provide financial product advice to retail and wholesale clients about securities and certain derivatives (limited to old law securities, options contracts and warrants). We can also arrange for customers to deal in securities, in some circumstances. Whilst we are authorised to provide personal and general advice to retail and wholesale clients, we only provide *general* advice to retail clients.

Any general advice we provide is provided on our own behalf, as a financial services licensee.

GENERAL FINANCIAL PRODUCT ADVICE

Our general advice is typically included in written reports. In those reports, we provide general financial product advice that is prepared without taking into account your personal objectives, financial situation or needs. You should consider the appropriateness of the general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

FEES, COMMISSIONS AND OTHER BENEFITS THAT WE MAY RECEIVE

We charge fees for providing reports. These fees are negotiated and agreed to with the person who engages us to provide the report. Fees will be agreed on an hourly basis or as a fixed amount depending on the terms of the agreement. In this instance, the Company has agreed to pay us \$65,000 for preparing the Report.

Except for the fees referred to above, neither BDO Corporate Finance, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of general advice.

All our employees receive a salary. Our employees are eligible for bonuses based on overall company performance but not directly in connection with any engagement for the provision of a report.

REFERRALS

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

ASSOCIATIONS AND RELATIONSHIPS

BDO Corporate Finance is a member firm of the BDO network in Australia, a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International). The general financial product advice in our report is provided by BDO Corporate Finance and not by BDO or its related entities. BDO and its related entities provide services primarily in the areas of audit, tax, consulting and financial advisory services.

We do not have any formal associations or relationships with any entities that are issuers of financial products. However, you should note that we and BDO (and its related entities) might from time to time provide professional services to financial product issuers in the ordinary course of business.

COMPLAINTS RESOLUTION

We are committed to meeting your needs and maintaining a high level of client satisfaction. If you are unsatisfied with a service we have provided you, we have avenues available to you for the investigation and resolution of any complaint you may have.

To make a formal complaint, please use the Complaints Form. For more on this, including the Complaints Form and contact details, see the [BDO Complaints Policy](#) available on our website.

BDO Corporate Finance is a member of AFCA (Member Number 11843). Where you are unsatisfied with the resolution reached through our Internal Dispute Resolution process, you may escalate this complaint to the Australian Financial Complaints Authority (AFCA) using the below contact details:

Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001
Email: info@afca.org.au
Phone: 1800 931 678
Fax: (03) 9613 6399
Interpreter service: 131 450
Website: <http://www.afca.org.au>

COMPENSATION ARRANGEMENTS

BDO Corporate Finance and its related entities hold Professional Indemnity insurance for the purpose of compensating retail clients for loss or damage suffered because of breaches of relevant obligations by BDO Corporate Finance or its representatives under Chapter 7 of the Corporations Act 2001. These arrangements and the level of cover held by BDO Corporate Finance satisfy the requirements of section 912B of the Corporations Act 2001.

CONTACT DETAILS

You may provide us with instructions using the details set out at the top of this FSG or by emailing - cf.ecp@bdo.com.au



SUMMARY OF FINDINGS



Tel: +61 2 9251 4100
Fax: +61 2 9240 9821
www.bdo.com.au

Level 11, 1 Margaret Street
Sydney NSW 2000
Australia

The Trust Company (RE Services) Limited as
Responsible Entity for the Monash Investors Small
Companies Trust
C/ - James Leonie
K&L Gates
Level 31, 1 O'Connell Street
Sydney NSW 2000

15 May 2024

Dear James,

Independent expert report in relation to the proposed acquisition of 100% of the units in the Monash Investors Small Companies Trust by the Monash Investors Small Companies Fund

1 Introduction and purpose

BDO Corporate Finance (East Coast) Pty Ltd (ABN 70 050 038 170) (**BDOCF**, **we**, **us** or **our**) have been engaged by The Trust Company (RE Services) Limited (**Perpetual** or the **Responsible Entity**) as Responsible Entity for the Monash Investors Small Companies Trust (**MAAT**) to prepare this independent expert report (**Report** or **IER**), setting out our opinion as to whether the proposed acquisition of all of the fully paid ordinary units in MAAT (**MAAT Units**) by Monash Investors Small Companies Fund (**MAIF**) via a trust scheme (**Proposed Merger**) is in the best interests of the unitholders of MAAT (**MAAT Unitholders**).

MAAT is a registered managed investment scheme, and its units are quoted under the AQUA Rules of the Australian Securities Exchange (**ASX**) as exchange traded products (ticker **ASX:MAAT**). MAAT predominantly invests in ASX listed securities that are trading outside the S&P/ASX 100 Index. MAAT also holds securities in listed real estate investment trusts (c.4.9% of the fund's portfolio as at 29 February 2024). Monash Investors Pty Ltd (**Monash** or the **Investment Manager**) is the investment manager of MAAT, and Perpetual is the responsible entity.

MAIF is an unlisted registered managed investment scheme. MAIF predominantly invests in ASX listed securities that are trading outside the S&P/ASX 100 Index. MAIF also holds unlisted international securities (c.2.7% of MAIF's portfolio as at 29 February 2024). Monash is the investment manager of MAIF, and Perpetual is the responsible entity. MAIF has two classes of units on issue, being fully paid class A units (**MAIF A Units**) and fully paid class B units (**MAIF B Units**).

1.1 Overview of the Proposed Merger

The Proposed Merger involves MAIF acquiring of all of the MAAT Units held by MAAT Unitholders by way of a trust transfer scheme, facilitated by amendments to the MAAT constitution. The amendments to the MAAT constitution are set out in Annexure D of the '*MAAT Notice of Meeting and Explanatory Memorandum*', dated 15 May 2024 (**Transaction Document**).

If the Proposed Merger is approved, MAAT Unitholders will receive MAIF A Units as consideration for their MAAT Units.

The number of MAIF A Units which MAAT Unitholders will receive as consideration (**Consideration Units**) will be determined with reference to an exchange ratio mechanism (**Exchange Ratio**). The Exchange Ratio is calculated as the net asset value (**NAV**) per MAAT Unit divided by the NAV per MAIF A Unit as at the commencement of the date (if any) on which the Proposed Merger is approved by MAAT Unitholders, anticipated to be 13 June 2024 (**Merger Approval Date**).

The NAV per MAIF A Unit is the NAV of MAIF, excluding any assets or liabilities attributable only to MAIF B Units.

The number of MAIF A Units MAAT Unitholders will receive will equal the Exchange Ratio multiplied by the number of MAAT Units they hold at 7:00 pm (Sydney time) on the merger record date, anticipated to be 18 June 2024 (**Merger Record Date**).

The number of MAIF A Class Units received by MAAT Unitholders on the implementation date of the Proposed Merger will be different to the number of MAAT Units they hold on the Merger Record Date as a result of the Exchange Ratio mechanism.

2 Purpose

We have been engaged by Perpetual as Responsible Entity for MAAT to prepare an IER setting out our opinion as to whether the Proposed Merger is in the best interests of MAAT Unitholders.

This IER is to accompany the Transaction Document to be provided to MAAT Unitholders. It has been prepared to assist and enable MAAT Unitholders to assess the Proposed Merger and to decide whether to approve the Proposed Merger.

There are no regulatory requirements for this IER.

3 Approach

In preparing our IER, we have considered the requirements of:

- ▶ ASIC Regulatory Guide 111 'Content of expert reports' (RG 111)
- ▶ ASIC Regulatory Guide 112 'Independence of experts' (RG 112)
- ▶ Accounting Professional & Ethical Standards Board (APESB) professional standard APES 225 'Valuation Services' (APES 225).

RG 111 establishes guidelines in respect of independent expert reports under the Corporations Act 2001 (Corporations Act). This regulatory guide provides guidance as to what matters an independent expert should consider to assist securityholders to make informed decisions about transactions.

RG 111 states that there should be a separate assessment of fairness and reasonableness.

This engagement is a Valuation Engagement as defined by APES 225.

3.1 Fairness

We have assessed the fairness of the Proposed Merger by comparing the fair market value (FMV) of:

- ▶ A MAAT Unit pre-Proposed Merger
- ▶ The Consideration Units.

The FMV of the Consideration Units is the FMV of a MAIF A Unit post-Proposed Merger, multiplied by the Exchange Ratio.

3.2 Reasonableness

In accordance with paragraph 12 of RG 111, an offer is 'reasonable' if it is 'fair'. It might also be 'reasonable' if, despite being 'not fair', the expert believes there are sufficient reasons to vote for the proposal.

When deciding whether a transaction is 'reasonable', factors an expert might consider include:

- ▶ The financial situation and solvency of the entity
- ▶ The alternative options available to the entity
- ▶ The entity's bargaining position
- ▶ Whether there is selective treatment of any securityholder
- ▶ Any special value of the transaction to the purchaser.

4 Summary of opinion

We have concluded the Proposed Merger is fair and reasonable, and therefore is in the best interests of MAAT Unitholders.

As the FMV of the Consideration Units is equal to the preferred FMV of a MAAT Unit pre-Proposed Merger, we consider the Proposed Merger to be fair.

As the Proposed Merger is fair, we also conclude the Proposed Merger is reasonable.

Therefore, we conclude the Proposed Merger is fair and reasonable, and is in the best interests of MAAT Unitholders.

A summary of our analysis in forming the above opinion is provided below. This summary should be read in conjunction with our full IER which sets out in full the purpose, scope, basis of evaluation, limitations, information relied upon, analysis and our findings.

In a draft report dated 24 April 2024, we concluded the Proposed Merger was not fair but reasonable, and in the best interests of MAAT Unitholders. The reason for the change in our conclusion is the basis of the fairness assessment. In our draft report dated 24 April 2024, we assessed the Proposed Merger on the basis that it was a control transaction. This required us to determine the FMV of a MAAT Unit pre-Proposed Merger on a control basis, and the FMV of the Consideration Units on a minority basis. We determined the difference between a control value and a minority value of the Consideration Units as being due to the buy/sell spread of 0.30%. Therefore, the FMV of the Consideration Units on a minority basis was 99.7% of the preferred FMV of a MAAT Unit on a control basis.

We have been advised MAAT is not subject to the restrictions under section 606 of the Corporations Act. Therefore, we have not assessed the Proposed Merger as a control transaction.

4.1 Fairness assessment

In undertaking our assessment of fairness, we have had regard to RG 111.

Our analysis has been performed by comparing the:

- ▶ FMV of a MAAT Unit pre-Proposed Merger
- ▶ FMV of the Consideration Units.

The FMV of the Consideration Units is the FMV of a MAIF A Unit post-Proposed Merger, multiplied by the Exchange Ratio.

The NAV of MAAT and MAIF as at the Merger Approval Date, and the units on issue as at Merger Record Date, are not known as at the date of this IER. The analysis in Sections 7 to 10 of this Report is based on data as at 29 February 2024. The NAV and units on issue for MAAT and MAIF as at the Merger Approval Date and Merger Record Date, respectively, may be different to the values as at 29 February 2024.

The results of our fairness analysis, based on data as at 29 February 2024, is set out below. We have presented our results in cents to show a greater level of detail.

Table 1: Fairness assessment

c	
Preferred FMV of a MAAT Unit pre-Proposed Merger	89.6
FMV of the Consideration Units	89.6

Source: BDOCF analysis

As the FMV of the Consideration Units is equal to the preferred FMV of a MAAT Unit pre-Proposed Merger, we consider the Proposed Merger to be fair.

Our opinion is based on economic, market and other conditions prevailing at the date of this IER. Such conditions can change significantly over relatively short periods of time. Changes in those conditions may result in any valuation or other opinion becoming quickly outdated and in need of revision. We reserve the right to revise any valuation or other opinion, in the light of material information existing at the valuation date that subsequently becomes known to us.

4.2 Reasonableness conclusion

In accordance with RG 111 an offer is 'reasonable' if it is 'fair'. It might also be 'reasonable' if, despite being 'not fair', the expert believes there are sufficient reasons for securityholders to accept the offer.

Below is a summary of other factors we consider relevant in assisting MAAT Unitholders in deciding whether or not to vote in favour of the Proposed Merger.

We have concluded the Proposed Merger is fair, and therefore we conclude the Proposed Merger is reasonable.

Table 2: Summary of factors considered in the reasonableness assessment

Advantages	
Reduction in operating costs and management fees	<p>If the Proposed Merger is rejected, MAAT will incur the following fees:</p> <ul style="list-style-type: none"> ▶ Management fee of c.1.28% of MAAT’s NAV p.a. ▶ Responsible Entity costs of c.0.39% of MAAT’s NAV p.a. ▶ Costs fee of c.2.25% of MAAT’s NAV p.a. <p>The combined annual operating costs and management fees are expected to be c.3.93% of MAAT’s NAV.</p> <p>In comparison, MAIF’s combined annual operating costs and management fees (post-Proposed Merger) will be c.1.28% of MAIF’s NAV.</p> <p>If the Proposed Merger is approved, the management fee (excluding performance fees) payable by MAAT Unitholders will reduce from c.3.93% of NAV p.a. to c.1.28% of NAV p.a. (i.e. a reduction of c.2.65%).</p> <p>We note that MAAT will incur one-off costs of approximately c.\$265k in relation to the Proposed Merger. These costs will be incurred irrespective of whether the Proposed Merger is approved or rejected. These costs are not included in the above analysis.</p> <p>The performance fees payable by MAAT and MAIF are determined on the same basis. See Sections 3.5.2 and 4.5.2 for details.</p>
Increased size and scale	<p>MAAT’s NAV as at 29 February 2024 was c.\$16.5 million. If the Proposed Merger proceeds, MAIF’s NAV (post-Proposed Merger with MAAT) is expected to be c.\$47.9 million.</p> <p>The enlarged MAIF (post-proposed Merger) will have a greater scale and should benefit from cost efficiencies and synergies, which will be effectively passed on to MAAT Unitholders through their investment in MAIF A Units.</p> <p>The increased size and scale of MAIF (post-proposed Merger) may be an advantage to MAAT Unitholders.</p>
Buy/sell spread	<p>All applications and redemptions in MAIF are subject to a buy/sell spread of 0.30% on entry and exit.</p> <p>If MAAT Unitholders transact directly with Perpetual, applications and redemptions are subject to a buy/sell spread of 0.30% on entry and exit.</p> <p>However, if MAAT Unitholders transact with the market-maker, the current buy/sell spread is approximately 0.53%.</p> <p>Monash advises that most MAAT Unitholders transact with the market-maker and incur a higher buy/sell spread.</p> <p>If the Proposed Merger proceeds, all applications and redemptions will occur at a buy/sell spread of 0.30%.</p>

Disadvantages	
Increase in transaction costs	<p>Transaction costs include brokerage, settlement, and clearing costs. All transaction costs are paid out of assets and are reflected in the unit price.</p> <p>MAAT's transaction costs are currently calculated as 0.42% p.a. of its NAV.</p> <p>MAIF's transaction costs are currently calculated as 0.59% p.a. of its NAV.</p> <p>If the Proposed Merger is approved, MAAT Unitholders may incur higher transaction costs. The increase in transaction costs may be a disadvantage to MAAT Unitholders.</p>
Slower settlement of unit applications and withdrawals	<p>Currently, MAAT Unitholders can trade units on the ASX or buy and sell MAAT Units directly with the Responsible Entity.</p> <p>If the Proposed Merger is approved, MAAT will be delisted. MAAT Unitholders will not be able to buy or sell the MAIF A Units they receive as Consideration Units on the ASX. MAIF A Units can only be bought and sold directly with the Responsible Entity.</p> <p>Direct off-market applications or withdrawals made to the Responsible Entity are settled in four business days. Transactions on the ASX are settled in two business days. The slower settlement period may be a disadvantage to MAAT Unitholders.</p>
Potential tax liability	<p>The Proposed Merger may give rise to capital gains tax (CGT) implications for MAAT Unitholders.</p> <p>The disposal of MAAT Units by an Australian resident MAAT Unitholder will constitute a CGT event. MAAT Unitholders who hold their MAAT Units on capital account may make a capital gain or a capital loss on the disposal of their MAAT Units.</p> <p>Any capital gain made by Australian resident MAAT Unitholders may be eligible for partial scrip for scrip rollover relief. MAAT Unitholders may also be eligible to claim the discount capital gains concession, provided the eligibility criteria are satisfied.</p> <p>A discussion of the Australian tax implications of the Proposed Merger for MAAT Unitholders is set out in the Taxation Report in Section 10 of the Transaction Document.</p> <p>As the Taxation Report is general in nature, MAAT Unitholders are encouraged to seek specific tax advice on what the tax implications of the Proposed Merger are for them given their own circumstances.</p>
Exposure to unlisted investments	<p>MAIF currently holds unlisted investments, as detailed in Section 4.6.2. If the Proposed Merger is approved, MAAT Unitholders will have an interest in these unlisted investments. Unlisted investments are less liquid than listed investments, and selling these investments may involve additional costs and time compared to listed investments. This may be a disadvantage of the Proposed Merger.</p>

Other considerations	
Change in ownership of Monash	<p>If the Proposed Merger is implemented, the current shareholders of Monash (Monash Shareholders) intend to sell all of their shares in Monash to DMX Asset Management Limited (DMX) (Proposed Sale of Monash). DMX is an Australian fund manager with expertise in investing in Australian small companies.</p> <p>No change in the investment strategy or the investment process used for MAAT is currently proposed following the potential acquisition of Monash by DMX.</p> <p>As at the date of the Transaction Document, DMX and the Monash Shareholders have not executed a written agreement in connection with the Proposed Sale of Monash. If the Proposed Merger is implemented, the Monash Shareholders and DMX intend to reach a formal agreement pursuant to which, amongst other things:</p> <ul style="list-style-type: none"> ▶ DMX acquires all of the shares on issue in Monash ▶ Shane Fitzgerald will continue as a portfolio co-manager of MAIF as an employee of DMX ▶ Simon Shields will continue as a portfolio co-manager of Monash for a six-month transition period ▶ Michael Haddad of DMX will become a portfolio co-manager of MAIF.
Transaction costs	<p>To implement the Proposed Merger, MAAT will incur one-off corporate advisory, legal, and other related costs. As outlined in the Transaction Document, transaction costs for the Proposed Merger are estimated to be c. \$265k and will be paid by MAAT. These costs will be paid irrespective of whether the Proposed Merger is approved or rejected by MAAT Unitholders.</p>
No change in investment strategy	<p>MAAT and MAIF are both managed by Monash (as investment manager) using the same investment strategy and process.</p> <p>MAAT and MAIF have the same responsible entity, being Perpetual.</p>

Source: BDOCF analysis

Based on the above analysis, we consider the Proposed Merger to be reasonable to MAAT Unitholders. The primary advantage of the Proposed Merger to MAAT Unitholders is the significant reduction in operating and management costs.

5 Other matters

5.1 Securityholders' individual circumstances

Our analysis has been undertaken, and our conclusions are expressed, at an aggregate level. Accordingly, BDOCF has not considered the effect of the Proposed Merger on the particular circumstances of individual MAAT Unitholders. Some individual MAAT Unitholders may place a different emphasis on various aspects of the Proposed Merger from that adopted in this IER. Accordingly, individual MAAT Unitholders may reach different conclusions as to whether or not the Proposed Merger is in the best interests in their individual circumstances.

The decision of an individual MAAT Unitholder in relation to the Proposed Merger may be influenced by their particular circumstances, and accordingly, MAAT Unitholders are advised to seek their own independent advice.

Approval or rejection of the Proposed Merger is a matter for individual MAAT Unitholders based on their expectations as to the expected value, future prospects, and market conditions together with their particular circumstances, including risk profile, liquidity preference, portfolio strategy, and tax position. MAAT Unitholders should carefully consider the Transaction Document. MAAT Unitholders who are in doubt as to the action they should take in relation to the Proposed Merger should consult their professional advisor.

5.2 General requirements in relation to the IER

In preparing this IER, ASIC requires the independent expert when deciding on the form of analysis for a report, to bear in mind that the main purpose of the report is to adequately deal with the concerns that could reasonably be anticipated

by those persons affected by the Proposed Merger. In preparing this IER, we considered ASIC regulatory guides and commercial practice.

This IER also includes the following information and disclosures:

- ▶ Particulars of any relationship, pecuniary or otherwise, whether existing presently or at any time within the last two years, between BDO Group Holdings Limited or BDOCF and any of the parties to the Proposed Merger
- ▶ The nature of any fee or pecuniary interest or benefit, whether direct or indirect, that we have received or will or may receive for or in connection with the preparation of the IER
- ▶ That we have been appointed as independent expert for the purposes of providing an IER in relation to the Proposed Merger to assist and enable MAAT Unitholders to assess the Proposed Merger and to decide whether to approve the Proposed Merger
- ▶ That we have relied on information provided by the management of Monash (**Management**), and we have not carried out any form of audit or independent verification of the information provided
- ▶ That we have received representations from Management in relation to the completeness and accuracy of the information provided to us for the purpose of our IER.

5.3 Current market conditions

Our opinion is based on economic, market, and other conditions prevailing at the date of this IER. Such conditions can change significantly over relatively short periods of time.

Changes in those conditions may result in any valuation or other opinion becoming quickly outdated and in need of revision. We reserve the right to revise any valuation or other opinion, in the light of material information existing at the valuation date which subsequently becomes known to us.

As there is uncertainty as to what the NAV of MAAT and MAIF will be as at the Merger Approval Date, we have performed our fairness analysis under multiple scenarios. These scenarios consider the impact of a 10.0% increase or decrease in the NAV of MAAT and MAIF as at 29 February 2024. Our scenario analysis is included in Section 10.1.

5.4 Glossary

Capitalised terms used in this IER have the meanings in the glossary set out in Appendix 1.

5.5 Sources of information

Appendix 2 to this IER sets out details of information referred to and relied on by us while preparing this IER and forming our opinion. The statements and opinions contained in this IER are given in good faith and are based on our consideration and assessment of information provided by Management.

Under the terms of our engagement, Perpetual as Responsible Entity for MAAT agreed to indemnify BDOCF and their partners, directors, employees, officers and agents (as applicable) against any claim, liability, loss or expense, costs or damage, arising out of reliance on any information or documentation provided, which is false or misleading or omits any material particulars, or arising from failure to supply relevant documentation or information.

5.6 Limitations

This IER has been prepared at the request of Perpetual as Responsible Entity for MAAT, for the sole benefit MAAT Unitholders, to assist and enable MAAT Unitholders to assess the Proposed Merger and to decide whether to approve the Proposed Merger. This IER is to accompany the Transaction Document to be sent to MAAT Unitholders to consider the Proposed Merger and was not prepared for any other purpose.

Accordingly, this IER and the information contained herein may not be relied upon by anyone other than MAAT Unitholders without our written consent. We accept no responsibility to any person other than MAAT Unitholders in relation to this IER.

This IER should not be used for any other purpose and we do not accept any responsibility for its use outside this purpose. Except in accordance with the stated purpose, no extract, quote or copy of our IER, in whole or in part, should be reproduced without our written consent as to the form and context in which it may appear.

We have consented to the inclusion of this IER with the Transaction Document. Apart from this IER, we are not responsible for the contents of the Transaction Document, or any other document associated with the Proposed Merger. We acknowledge this IER may be lodged with regulatory authorities.

5.7 Summary

This summary should be read in conjunction with our full Report, which sets out in detail the purpose, scope, basis of evaluation, limitations, information relied upon, analysis and findings of our work.

5.8 Financial service guide

BDOCF holds an Australian Financial Services Licence which authorises us to provide reports for the purposes of acting for and on behalf of clients in relation to proposed or actual mergers, acquisitions, takeovers, corporate restructures or share issues. A financial services guide is attached to this IER.

Yours faithfully

BDO CORPORATE FINANCE (EAST COAST) PTY LTD



David McCourt
Director



Adam Myers
Director



INDEPENDENT EXPERT REPORT

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1 Purpose and background

1.1 Purpose

We have been engaged by Perpetual as Responsible Entity for MAAT to prepare an IER setting out our opinion as to whether the Proposed Merger is in the best interests of MAAT Unitholders.

This IER is to accompany the Transaction Document to be provided to MAAT Unitholders. It has been prepared to assist and enable MAAT Unitholders to assess the Proposed Merger and to decide whether to approve the Proposed Merger.

There are no regulatory requirements for this IER.

A summary of the Proposed Merger is set out below.

1.2 Overview of the Proposed Merger

The Proposed Merger involves MAIF acquiring of all of the MAAT Units held by MAAT Unitholders by way of a trust transfer scheme, facilitated by amendments to the MAAT constitution. The amendments to the MAAT constitution are set out in Annexure D of the Transaction Document.

If the Proposed Merger is approved, MAAT Unitholders will receive MAIF A Units as consideration for their MAAT Units.

The number of MAIF A Units which MAAT Unitholders will receive as Consideration Units will be determined with reference to the Exchange Ratio. The Exchange Ratio is calculated as the NAV per MAAT Unit divided by the NAV per MAIF A Unit as at Merger Approval Date.

The NAV per MAIF A Unit is the NAV of MAIF, excluding any assets or liabilities attributable only to MAIF B Units.

The number of MAIF A Units MAAT Unitholders will receive will equal the Exchange Ratio multiplied by the number of MAAT Units they hold on the Merger Record Date.

The number of MAIF A Units received by MAAT Unitholders on the implementation date of the Proposed Merger will be different to the number of MAAT Units they hold on the Merger Record Date as a result of the Exchange Ratio mechanism.

2 Scope and limitations

2.1 Scope

The scope of the procedures we undertook in forming our opinion on whether the Proposed Merger is in the best interests of MAAT Unitholders has been limited to those procedures we believe are required to form our opinion. Our procedures did not include verification work nor constitute an audit or assurance engagement in accordance with Australian Auditing and Assurance Standards.

Our assessment involved determining the FMV of various securities, assets, and liabilities. For the purposes of our opinion, the term FMV is defined as the price that would be negotiated in an open and unrestricted market between a knowledgeable, willing, but not anxious purchaser and a knowledgeable, willing, but not anxious vendor, acting at arm's length.

2.2 Basis of assessment

In determining whether the Proposed Merger is in the best interests of MAAT Unitholders, we have had regard to:

- ▶ RG 111 '*Content of expert reports*'
- ▶ RG 112 '*Independence of experts*'.

RG 111 establishes two distinct criteria for an expert analysing a transaction. The tests are:

- ▶ Is the offer 'fair'?
- ▶ Is it 'reasonable'?

RG 111 indicates that an independent expert would be able to conclude that a transaction was in the best interests of securityholders if they consider a proposal to be 'fair and reasonable'. Further, RG 111 states that even if a proposal was 'not fair but reasonable', the expert may conclude that the proposal is in the best interests of securityholders, should there be sufficient reasons for securityholders to vote in favour of the proposal.

2.3 Fairness

We have assessed the fairness of the Proposed Merger by comparing the FMV of:

- ▶ A MAAT Unit pre-Proposed Merger
- ▶ The Consideration Units.

The FMV of the Consideration Units is the FMV of a MAIF A Unit post-Proposed Merger, multiplied by the Exchange Ratio.

2.4 Reasonableness

In accordance with paragraph 12 of RG 111, an offer is 'reasonable' if it is 'fair'. It might also be 'reasonable' if, despite being 'not fair', the expert believes there are sufficient reasons to vote for the proposal.

When deciding whether a transaction is 'reasonable', factors an expert might consider include:

- ▶ The financial situation and solvency of the entity
- ▶ The alternative options available to the entity
- ▶ The entity's bargaining position
- ▶ Whether there is selective treatment of any securityholder
- ▶ Any special value of the transaction to the purchaser.

2.5 General requirements in relation to the IER

In preparing this IER, ASIC requires the independent expert when deciding on the form of analysis for a report, to bear in mind that the main purpose of the report is to adequately deal with the concerns that could reasonably be anticipated by those persons affected by the Proposed Merger. In preparing this IER, we considered ASIC regulatory guides and commercial practice.

This IER also includes the following information and disclosures:

- ▶ Particulars of any relationship, pecuniary or otherwise, whether existing presently or at any time within the last two years, between BDO Group Holdings Limited or BDOCF and any of the parties to the Proposed Merger

- ▶ The nature of any fee or pecuniary interest or benefit, whether direct or indirect, that we have received or will or may receive for or in connection with the preparation of the IER
- ▶ That we have been appointed as independent expert for the purposes of providing an IER in relation to the Proposed Merger to assist and enable MAAT Unitholders to assess the Proposed Merger and to decide whether to approve the Proposed Merger
- ▶ That we have relied on information provided by Management, and we have not carried out any form of audit or independent verification of the information provided
- ▶ That we have received representations from Management in relation to the completeness and accuracy of the information provided to us for the purpose of our IER.

2.6 Reliance on information

This report is based upon financial and other information provided by Monash. BDOCF has considered and relied upon this information. BDOCF believes the information provided to be reliable, complete, and not misleading, and has no reason to believe that any material facts have been withheld. The information provided was evaluated through analysis, inquiry, and review for the purpose of forming an opinion as to whether the Proposed Merger is in the best interests of MAAT Unitholders.

Under the terms of our engagement, Perpetual as Responsible Entity for MAAT agreed to indemnify BDOCF and their partners, directors, employees, officers and agents (as applicable) against any claim, liability, loss or expense, costs or damage, arising out of reliance on any information or documentation provided, which is false or misleading or omits any material particulars, or arising from failure to supply relevant documentation or information.

BDOCF does not warrant that its inquiries have identified or verified all of the matters which an audit, extensive examination or “due diligence” investigation might disclose. In any event, an opinion as to whether a corporate transaction is in the best interests is in the nature of an overall opinion rather than an audit or detailed investigation. Preparation of this Report does not imply that BDOCF has audited in any way the financial accounts or other records of MAAT or MAIF.

It is understood that the accounting information provided to BDOCF was prepared in accordance with generally accepted accounting principles and except where noted, prepared in a manner consistent with the method of accounting used in previous accounting periods.

An important part of the information base used in forming an opinion of the kind expressed in this report are the opinions and judgement of Management. This type of information was also evaluated through analysis, inquiry, and review to the extent practical. However, such information is often not capable of external verification or validation.

2.7 Limitations

This IER has been prepared at the request of Perpetual as Responsible Entity for MAAT, for the sole benefit MAAT Unitholders, to assist and enable MAAT Unitholders to assess the Proposed Merger and to decide whether to approve the Proposed Merger. This IER is to accompany the Transaction Document to be sent to MAAT Unitholders to consider the Proposed Merger and was not prepared for any other purpose.

Accordingly, this IER and the information contained herein may not be relied upon by anyone other than MAAT Unitholders without our written consent. We accept no responsibility to any person other than MAAT Unitholders in relation to this IER.

This IER should not be used for any other purpose and we do not accept any responsibility for its use outside this purpose. Except in accordance with the stated purpose, no extract, quote or copy of our IER, in whole or in part, should be reproduced without our written consent as to the form and context in which it may appear.

We have consented to the inclusion of this IER with the Transaction Document. Apart from this IER, we are not responsible for the contents of the Transaction Document, or any other document associated with the Proposed Merger. We acknowledge this IER may be lodged with regulatory authorities.

2.8 Assumptions

In forming our opinion, we have made certain assumptions and outline these in our IER including:

- ▶ Assumptions outlined in the valuation sections
- ▶ That matters such as title to all relevant assets, compliance with laws and regulations and contracts in place are in good standing, and will remain so, and that there are no material legal proceedings, other than as publicly disclosed

- ▶ Information sent out in relation to the Proposed Merger to MAAT Unitholders or any regulatory or statutory body is complete, accurate and fairly presented in all material respects
- ▶ Publicly available information relied on by us is accurate, complete and not misleading
- ▶ If the Proposed Merger is implemented, that it will be implemented in accordance with the stated terms
- ▶ The legal mechanisms to implement the Proposed Merger are correct and effective
- ▶ There are no undue changes to the terms and conditions of the Proposed Merger or material issues unknown to us.

2.9 Current market conditions

Our opinion is based on economic, market, and other conditions prevailing at the date of this IER. Such conditions can change significantly over relatively short periods of time.

Changes in those conditions may result in any valuation or other opinion becoming quickly outdated and in need of revision. We reserve the right to revise any valuation or other opinion, in the light of material information existing at the valuation date which subsequently becomes known to us.

As there is uncertainty as to what the NAV of MAAT and MAIF will be as at the Merger Approval Date, we have performed our fairness analysis under multiple scenarios. These scenarios consider the impact of a 10.0% increase or decrease in the NAV of MAAT and MAIF as at 29 February 2024. Our scenario analysis is included in Section 10.1.

2.10 Sources of information

Appendix 2 to this IER sets out details of information referred to and relied on by us while preparing this IER and forming our opinion. The statements and opinions contained in this IER are given in good faith and are based on our consideration and assessment of information provided by Management.

3 Profile of MAAT

3.1 Overview

MAAT is a registered managed investment scheme, and its units are quoted under the ASX's AQUA Rules as exchange traded products (ticker ASX:MAAT).

MAAT predominantly invests in ASX listed securities that are trading outside the S&P/ASX 100 Index. MAAT also holds securities in listed real estate investment trusts (c.4.9% of the fund's portfolio as at 29 February 2024).

MAAT is limited to holding cash in the range of nil to 10.0% of its NAV and has a limited capacity for short selling.

On 17 July 2023, MAAT changed its name to Monash Investors Small Companies Trust (from Monash Absolute Active Trust (Hedge Fund)). At this time, MAAT's objective became to outperform the S&P/ASX Small Ordinaries (Total Return) Index (**Small Ords**) over a full market cycle. Prior to this, MAAT's objective was to deliver double digit returns while limiting the loss of capital over a full market cycle.

3.2 Responsible entity

Perpetual is the responsible entity of MAAT. Perpetual's current board of directors are listed below.

Table 3: Perpetual's current board of directors

Name	Position
Glenn Foster	Director
Vicki Riggio	Director
Phillip Blackmore	Alternate Director for Vicki Riggio
Alexis Dodwell	Director

Source: MAAT's 1H24 annual report

3.3 Investment manager

Monash is the investment manager of MAAT. Monash's key personnel are listed below.

Table 4: Monash's key personnel

Name	Biography
Shane Fitzgerald	Shane has over 29 years' financial services experience, including working at JP Morgan Securities (Australia) Limited and UBS Global Asset Management (Australia) Limited. He holds a Bachelor of Commerce with Honours in Economics. Shane commenced his career at JP Morgan as an analyst, before moving into a senior research analyst role, and eventually becoming the Head of Insurance and Diversified Financial Research, as well as an Executive Director. In 2008, he joined UBS as a director and investment analyst. Shane is a director and co-founder of Monash. His role includes research, analysis, dealing, and investment management of the Fund.
Simon Shields	Simon has over 34 years' experience as an analyst and portfolio manager. He has been Head of Australian Equities at Colonial First State and UBS Global Asset Management. He holds a Bachelor of Commerce (with honours), a Bachelor of Law, a Masters of Business Administration, and is a Certified Financial Analyst (CFA). Simon is a director and co-founder of Monash.

Source: Transaction Document

Both Shane Fitzgerald and Simon Shields currently own shares in Monash.

3.3.1 Proposed Sale of Monash

If the Proposed Merger is implemented, the Monash Shareholders intend to sell all of their shares in Monash to DMX.

No change in the investment strategy or the investment process used for MAAT is currently proposed following the potential acquisition of Monash by DMX.

Overview of DMX

The key personnel of DMX are Michael Haddad and Steven McCarthy, who are both directors and portfolio managers. Between them, Mr Haddad and Mr McCarthy own approximately 83% of DMX. The balance is owned by external shareholders. Michael and Steven are supported by Chris Steptoe who is a research analyst, and Roger Collison who is a non-executive director, and chairman of the firm's investment committee.

Terms of the Proposed Sale of Monash

As at the date of the Transaction Document, DMX and the Monash Shareholders have not executed a written agreement in connection with the Proposed Sale of Monash. If the Proposed Merger is implemented, the Monash Shareholders and DMX intend to reach a formal agreement pursuant to which, amongst other things:

- ▶ DMX acquires all of the shares on issue in Monash
- ▶ Shane Fitzgerald will continue as a portfolio co-manager of MAIF as an employee of DMX
- ▶ Simon Shields will continue as a portfolio co-manager of Monash for a six-month transition period
- ▶ Michael Haddad of DMX will become a portfolio co-manager of MAIF.

3.4 Liquidity facilities

MAAT Unitholders can trade units on the ASX or buy and sell MAAT Units directly with the Responsible Entity.

The Responsible Entity has appointed Macquarie Securities (Australia) Limited to act as the market-maker for MAAT Units traded on the ASX.

There are differences between trading MAAT Units on the ASX and buying or selling MAAT Units directly with the Responsible Entity.

MAAT Unitholders who sell their units on-market will receive a bid price, calculated by reference to the applicable NAV and adjusted for the market-maker's bid/ask spread. By contrast, MAAT Unitholders who sell their units directly with the Responsible Entity will receive a withdrawal price, calculated by reference to the applicable NAV and adjusted for the buy/sell spread of 0.30%.

MAAT Units traded on the ASX have slightly faster settlement (two business days) compared to direct off-market applications or withdrawals made with the Responsible Entity (four business days).

3.5 Fees

3.5.1 Management fees and costs

Management fees and costs are expressed as a percentage of MAAT's NAV. These fees are calculated and accrued daily, and generally paid to Monash monthly in arrears. They are deducted directly from MAAT's assets and reflected in MAAT's unit price.

MAAT's current management fees and costs are c.2.64% p.a. of MAAT's NAV. If the Proposed Merger is rejected, MAAT's management fees and costs are expected to increase to c.3.93% of MAAT's NAV, as set out below.

Table 5: MAAT's current and proposed management fees and costs

Fee component	Percentage of NAV (p.a.)	
	Current	Proposed
Management fee	1.28%	1.28%
Responsible Entity costs	0.10%	0.39%
Costs fee ¹	1.26%	2.25%
Total management fees and costs	2.64%	3.93%

Source: Transaction Document, Management information

¹ E.g. Market-maker fees, fund administrator fees, ASX fees, audit fees, and legal fees

3.5.2 Performance fees

The performance fee is calculated as 20.5% p.a. (excluding GST) of the amount by which the NAV per MAAT Unit (after fees) exceeds the high-water mark, subject to a hurdle. The hurdle is the RBA cash rate plus 5.0%.

The high-water mark is MAAT's NAV when a performance fee was last paid, less any distributions of income or capital since such time.

As of January 2024, MAAT is c.15.0% below its high-water mark.

The average performance fee over the last three years was c.0.94% p.a. of MAAT's NAV.

3.5.3 Transaction costs

Transaction costs include brokerage, settlement, and clearing costs incurred by MAAT. All transaction costs are paid out of MAAT's assets and are reflected in MAAT's unit price.

MAAT's transaction costs are currently calculated as 0.42% p.a. of its NAV.

3.5.4 Buy/sell spread

A buy/sell spread is charged by MAAT upon investors entering and exiting the fund. These costs are an additional cost to the investor, but are incorporated into the unit price, so are not separately charged to the investor.

The current buy/sell spread is 0.30% upon entry and 0.30% upon exit when buying and selling MAAT Units directly with the Responsible Entity.

The current bid/ask spread provided by the market-maker when buying or selling MAAT Units on the ASX is approximately 0.53%.

3.6 Investment portfolio

A summary of MAAT's investment portfolio as at 29 February 2024 is presented below.

Table 6: MAAT's investment portfolio as at 29 February 2024

Asset	Value (\$'000)	Proportion of total portfolio value (%)
Cash & cash equivalents	1,064	6.4%
Due from brokers - receivable for securities sold	310	1.9%
Listed investments	15,232	91.7%
MAAT's total portfolio value	16,606	100.0%

Source: Management information, BDOCF analysis

As at 29 February 2024, MAAT's portfolio included investments in 30 ASX listed equities. MAAT's top 10 listed investments (by value) as at 29 February 2024 are presented below.

Table 7: MAAT's top 10 listed investments (by value) as at 29 February 2024

Ticker	Name	Value (\$'000)	Proportion of total portfolio value (%)
ASX:LOV	Lovisa Holdings Ltd	1,425	8.6%
ASX:TLX	Telix Pharmaceutical Ltd	1,219	7.3%
ASX:JLG	Johns Lyng Group Limited	1,003	6.0%
ASX:CCP	Credit Corp Group	965	5.8%
ASX:ANG	Austin Engineering Ltd	884	5.3%
ASX:PLS	Pilbara Minerals Ltd	880	5.3%
ASX:TPW	Temple & Webster Pty Ltd	848	5.1%
ASX:TNE	Technology One Limited	824	5.0%
ASX:QBE	QBE Insurance Group Limited	818	4.9%
ASX:BOE	Boss Energy Ltd	504	3.0%
MAAT's top 10 listed investments		9,371	56.4%

Source: Management information, BDOCF analysis

3.7 Portfolio performance

A summary of MAAT's returns since inception (after fees) against the Small Ords as at 29 February 2024 is set out on the following page.

Table 8: MAAT's returns summary since inception (after fees) as at 29 February 2024

Period	MAAT	Small Ords
CYTD	5.49%	2.63%
FYTD	6.33%	9.22%
1 month	5.31%	1.72%
3 months	10.85%	10.05%
6 months	3.10%	6.88%
1 year	8.51%	7.84%
2 years (p.a.)	1.85%	(0.37%)
Since inception ¹ (p.a.)	0.63%	(0.66%)

Source: MAAT's February 2024 Fund Update report

¹ The inception date is 28 May 2021

3.8 Financial performance

MAAT's historical statement of profit or loss for the financial years ended 30 June 2022 (FY22) and 30 June 2023 (FY23), and the half-year ended 31 December 2023 (1H24), is presented below.

Table 9: MAAT's historical statement of profit or loss

\$'000	FY22	FY23	1H24
Dividend income	515	378	113
Interest income	-	76	13
Other income	-	-	15
Net gains/(losses) on financial instruments at fair value through profit or loss	(2,807)	1,717	205
Total investment income/(loss)	(2,292)	2,171	346
Responsible Entity's fees	(30)	(50)	(28)
Management fees	(299)	(205)	(81)
Market making fees	(123)	(123)	-
Performance fees	A (477)	-	-
Administration and custody fees	(182)	(97)	(49)
Transaction costs	(208)	(142)	(42)
Other operating costs	(109)	(114)	(90)
Total operating expenses	(1,428)	(731)	(290)
Net profit	(3,720)	1,440	56

Source: MAAT's 1H24 interim report, MAAT's FY23 annual report, BDOCF analysis

Notes:

Performance fees

A

A performance fee of c.\$477k was paid by MAAT in FY22. Terms of how the performance fee was calculated are included in Section 3.5.2. The terms for calculating the performance fees have not changed between FY22 and the current terms.

3.9 Financial position

MAAT's historical statement of financial position as at 30 June 2022, 30 June 2023, 31 December 2023, and 29 February 2024 is presented on the following page.

Table 10: MAAT's historical statement of financial position

\$'000	30-Jun-22	30-Jun-23	31-Dec-23	29-Feb-24
Cash & cash equivalents	14,681	1,335	751	1,064
Due from brokers - receivable for securities sold	325	97	-	310
Dividends receivable	-	-	22	-
Other receivables	15	10	10	-
Financial assets at fair value through profit or loss	A 13,610	17,745	16,446	15,232
Total assets	28,631	19,187	17,229	16,606
Responsible Entity's fees payable	(2)	(8)	(17)	(19)
Management fees payable	(25)	(20)	(58)	(57)
Expense recovery fees payable	(11)	(21)	(6)	(18)
Other payables	(30)	-	-	-
Due to brokers - payable for securities purchased	(545)	(146)	-	-
Distributions payable	(332)	(262)	-	-
Financial liabilities at fair value through profit or loss	(4,099)	-	(379)	-
Total liabilities	(5,044)	(457)	(460)	(94)
Net assets	23,587	18,730	16,769	16,512

Source: MAAT's 1H24 interim report, MAAT's FY23 annual report, Management information, BDOCF analysis

Notes:

A

Financial assets at fair value through profit or loss

As at 29 February 2024, financial assets at fair value through profit or loss of c.\$15.2 million comprised MAAT's investment in 30 ASX listed equities.

Set out below is a summary of MAAT's historical net assets and units on issue, based on MAAT's unit pricing reports.

Table 11: MAAT's historical net assets and units on issue

	30-Jun-22	30-Jun-23	29-Dec-23	29-Feb-24
Net assets (\$'000)	23,617	18,730	16,772	16,512
Units on issue (000)	27,647	21,861	19,421	18,124
NAV per MAAT Unit (\$)	0.85	0.86	0.86	0.91

Source: MAAT's unit pricing reports as at 30 June 2022, 30 June 2023, 29 December 2023, and 29 February 2024

3.10 Capital structure

3.10.1 Top 10 unitholders as at 1 March 2024

As at 1 March 2024, c.18,099,428 MAAT Units were on issue. The top 10 unitholders collectively held c.25.0% of the outstanding MAAT Units, as presented on the following page.

Table 12: MAAT’s top 10 unitholders as at 1 March 2024

Rank	Name	MAAT Units (#)	MAAT Units (%)
1	Mr Barry Martin Lambert + Mrs Joy Wilma Lillian Lambert <Lambert Super Fund A/C>	1,000,000	5.5%
2	HSBC Custody Nominees (Australia) Limited	755,266	4.2%
3	Mr Paul Hugh Clitheroe + Mrs Vicki Clitheroe	500,000	2.8%
4	Anisam Pty Ltd <Gupta 2002 A/C>	418,861	2.3%
5	Shields Nominees Pty Ltd <Shields Family A/C>	400,000	2.2%
6	Skildar Pty Ltd <B & A Casey Super Fund A/C>	362,722	2.0%
7	Netwealth Investments Limited <Wrap Services A/C>	327,612	1.8%
8	Netwealth Investments Limited <Super Services A/C>	265,499	1.5%
9	Giasam Pty Ltd <Singer Family A/C>	250,000	1.4%
10	Mrs Rosemary Frances Bolton + Mr Grahame Ian Bolton	250,000	1.4%
Top 10 MAAT Unitholders		4,529,960	25.0%
Other MAAT Unitholders		13,569,468	75.0%
Total MAAT Units outstanding		18,099,428	100.0%

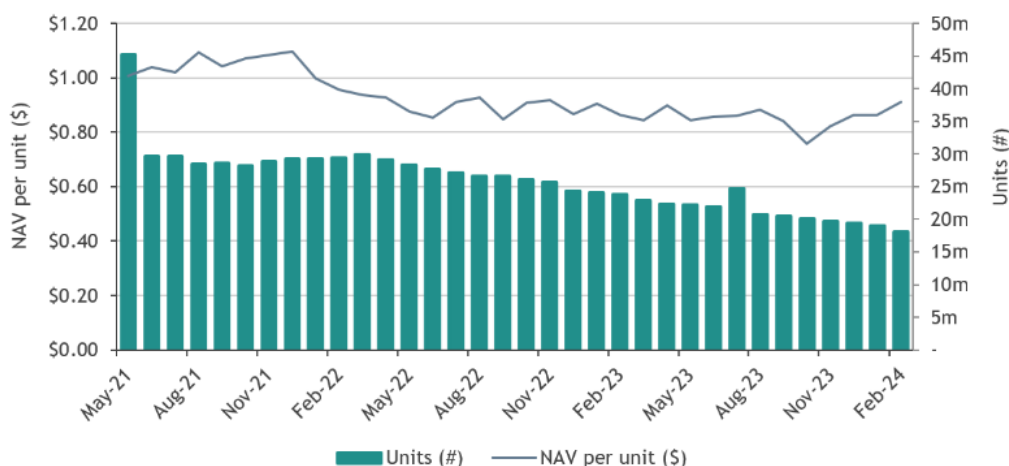
Source: Management information, BDOCF analysis

There is a variance in the total MAAT Units on issue as at 29 February 2024 (see Section 3.9) and 1 March 2024. Management advises there is no material change in the composition of MAAT’s top 10 unitholders between these dates.

3.10.2 Historical units on issue

The chart below displays the number of MAAT Units on issue, as well as the NAV per MAAT Unit, from 31 May 2021 to 29 February 2024.

Figure 1: MAAT’s historical units on issue and NAV per unit



Source: Management information, BDOCF analysis

The number of MAAT Units on issue decreased from c.45,198,099 as at 31 May 2021, to c.29,595,020 as at 30 June 2021. This decline was driven by a group of unitholders selling their MAAT Units on the ASX to the market-maker.

MAAT’s total units have gradually declined from c.29,595,020 as at 30 June 2021, to c.18,124,891 as at 29 February 2024, driven by investors selling their MAAT Units on the ASX to the market-maker.

3.11 Historical trading analysis

MAAT’s units are listed on the ASX under the ticker ASX:MAAT. MAAT’s unit price fluctuated between c.\$0.75 to c.\$0.91 over the 12-month period to 29 February 2024, with a corresponding volume weighted average price (VWAP) of c.\$0.85. The table on the following page summarises MAAT’s trading activity from 1 March 2023 to 29 February 2024.

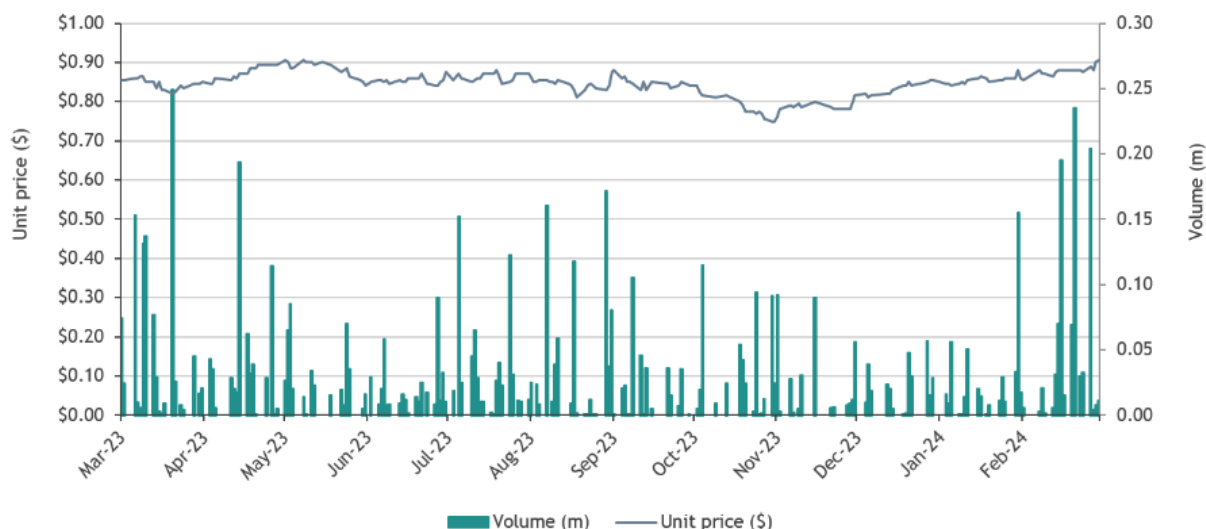
Table 13: MAAT’s trading activity from 1 March 2023 to 29 February 2024

Period	Price - low \$	Price - high \$	VWAP \$	Cumulative value \$m	Cumulative volume m
1 day	0.90	0.91	0.90	0.01	0.01
1 week	0.88	0.91	0.89	0.23	0.26
1 month	0.85	0.91	0.88	0.98	1.11
3 months	0.80	0.91	0.87	1.50	1.73
6 months	0.75	0.91	0.84	2.51	2.98
12 months	0.75	0.91	0.85	5.70	6.72

Source: S&P Capital IQ as at 29 February 2024, BDOCF analysis

The chart below displays the daily close price of a MAAT unit, as well as the cumulative daily volume traded, from 1 March 2023 to 29 February 2024.

Figure 2: MAAT’s unit price and trading volume from 1 March 2023 to 29 February 2024



Source: S&P Capital IQ as at 29 February 2024, BDOCF analysis

The chart below displays MAAT’s relative performance against the Small Ords, from 1 March 2023 to 29 February 2024. MAAT’s relative performance is closely aligned to the Small Ords over this period.

Figure 3: MAAT’s relative performance against the Small Ords

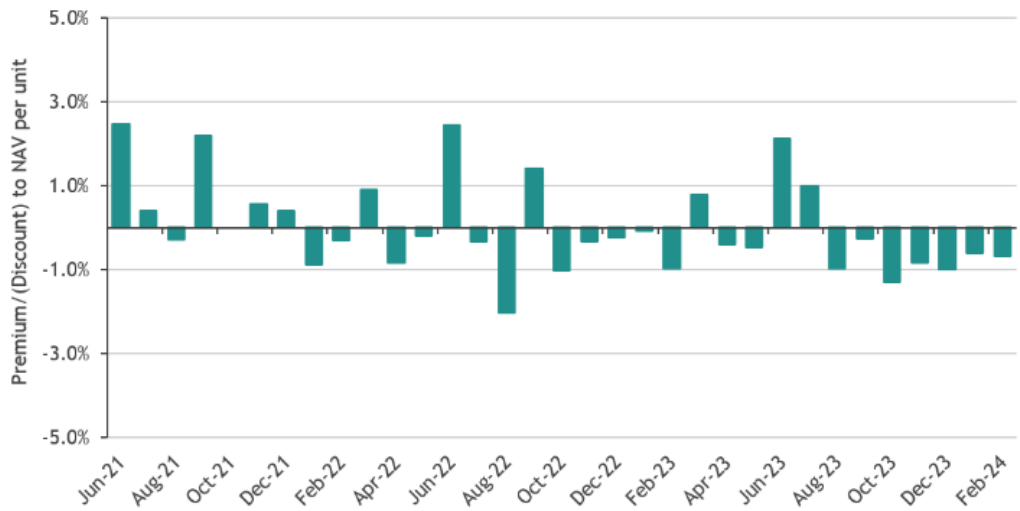


Source: S&P Capital IQ as at 29 February 2024, BDOCF analysis

3.12 Premium/(Discount) to NAV per MAAT Unit

The chart below displays the historical premium/(discount) of MAAT’s unit price compared to its NAV per unit, from 1 March 2023 to 29 February 2024.

Figure 4: MAAT’s historical premium/(discount) to NAV per unit



Source: Management information, S&P Capital IQ, BDOCF analysis

MAAT’s unit price has historically traded in line with its NAV per unit. This is primarily due to MAAT’s liquidity facility, and MAAT Unitholders being able to buy and sell MAAT Units directly with the Responsible Entity at the NAV unit price, less a 0.30% buy/sell spread.

4 Profile of MAIF

4.1 Overview

MAIF is an unlisted registered managed investment scheme. MAIF predominantly invests in ASX listed securities that are trading outside the S&P/ASX 100 Index. MAIF also holds unlisted international securities (c.2.7% of MAIF's portfolio as at 29 February 2024). Monash intends to dispose of MAIF's unlisted international securities within the next 18 months.

MAIF is limited to holding cash in the range of nil to 10.0% of its NAV and has a limited capacity for short selling.

On 17 July 2023, MAIF changed its name to Monash Investors Small Companies Fund (from Monash Absolute Investment Fund). At this time, MAIF's objective became to outperform the Small Ords over a full market cycle. Prior to this, MAIF's objective was to deliver a positive return of double digits per annum (after fees) over a full market cycle, while avoiding the loss of capital over the medium term.

4.2 Responsible entity

Perpetual is the responsible entity of MAIF. Perpetual's current board of directors are listed below.

Table 14: Perpetual's current board of directors

Name	Position
Glenn Foster	Director
Vicki Riggio	Director
Phillip Blackmore	Alternate Director for Vicki Riggio
Alexis Dodwell	Director

Source: MAAT's 1H24 annual report

4.3 Investment manager

Monash is the investment manager of MAIF. Monash's key personnel are listed below.

Table 15: Monash's key personnel

Name	Biography
Shane Fitzgerald	Shane has over 29 years' financial services experience, including working at JP Morgan Securities (Australia) Limited and UBS Global Asset Management (Australia) Limited. He holds a Bachelor of Commerce with Honours in Economics. Shane commenced his career at JP Morgan as an analyst, before moving into a senior research analyst role, and eventually becoming the Head of Insurance and Diversified Financial Research, as well as an Executive Director. In 2008, he joined UBS as a director and investment analyst. Shane is a director and co-founder of Monash. His role includes research, analysis, dealing, and investment management of the Fund.
Simon Shields	Simon has over 34 years' experience as an analyst and portfolio manager. He has been Head of Australian Equities at Colonial First State and UBS Global Asset Management. He holds a Bachelor of Commerce (with honours), a Bachelor of Law, a Masters of Business Administration, and is a Certified Financial Analyst (CFA). Simon is a director and co-founder of Monash.

Source: Transaction Document

Both Shane Fitzgerald and Simon Shields currently own shares in Monash.

4.3.1 Proposed Sale of Monash

If the Proposed Merger is implemented, the Monash Shareholders intend to sell all of their shares in Monash to DMX. DMX is an Australian fund manager with expertise in investing in Australian small companies.

See Section 3.3.1 for further details of the Proposed Sale of Monash.

4.4 Liquidity facility

MAIF Unitholders can buy and sell units directly with the Responsible Entity.

MAIF Unitholders who sell their units directly with the Responsible Entity will receive a withdrawal price, calculated by reference to the applicable NAV and adjusted for the buy/sell spread of 0.30%.

Direct off-market applications or withdrawals made to the Responsible Entity are usually settled in four business days.

4.5 Fees

4.5.1 Management fees and costs

The management fee is calculated daily and is payable to Monash monthly in arrears. MAIF Unitholders are not charged directly for the management fee. The fee is paid out of MAIF's assets and reflected in the unit price of MAIF A Units and MAIF B Units.

Unlike MAAT, any Responsible Entity costs or other fees incurred by MAIF are paid for by the Investment Manager. As such, these fees are captured within the calculation of the management fee paid to Monash.

The management fee varies for MAIF A Units and MAIF B Units and is calculated as a percentage of the NAV attributable to each respective unit class.

A summary of MAIF's current management fees and costs is set out below.

Table 16: MAIF's current management fees and costs

Fee component	MAIF A Units	MAIF B Units
Management fee	c.1.28% p.a. of MAIF A Units' NAV	1.10% p.a. of MAIF B Units' NAV
Responsible Entity costs	Nil	Nil
Costs fee	Nil	Nil

Source: Transaction Document, Management information

4.5.2 Performance fees

The performance fee is calculated at a unit class level and charged to MAIF A Units only. The performance fee is paid out of the assets attributable to MAIF A Units.

The performance fee is calculated as 20.5% p.a. (excluding GST) of the amount by which the NAV per MAIF A Unit (after fees) exceeds the high-water mark, subject to a hurdle. The hurdle is the RBA cash rate plus 5.0%.

The high-water mark is MAIF A Units' NAV when a performance fee was last paid, less any distributions of income or capital since such time (or if a performance fee has never been paid, zero).

As of January 2024, MAIF A Units' NAV is c.13.9% below its high-water mark.

The average performance fee over the last five years was c.3.06% p.a. of MAIF A Units' NAV.

4.5.3 Transaction costs

Transaction costs include brokerage, buy-sell spreads in respect of MAIF's underlying investments, settlement costs, and stamp duty costs incurred by MAIF.

All transaction costs are paid out of MAIF's assets and are reflected in the unit prices of MAIF A Units and MAIF B Units.

MAIF's transaction costs are currently calculated as 0.59% p.a. of the NAV.

4.5.4 Buy/sell spread

A buy/sell spread is charged by MAIF upon investors entering and exiting the fund. These costs are an additional cost to the investor, but are incorporated into the unit price, so are not separately charged to the investor.

The current buy/sell spread is 0.30% upon entry and 0.30% upon exit when buying and selling MAIF Units directly with the Responsible Entity.

4.6 Investment portfolio

A summary of MAIF's investment portfolio as at 29 February 2024 is presented below.

Table 17: MAIF's investment portfolio as at 29 February 2024

Asset	Value (\$'000)	Proportion of total portfolio value (%)
Cash & cash equivalents	2,659	8.4%
Due from brokers - receivable for securities sold	(218)	(0.7%)
Listed investments	28,208	88.9%
Unlisted investments	1,093	3.4%
MAIF's total portfolio value	31,741	100.0%

Source: Management information, BDOCF analysis

4.6.1 Listed investments

As at 29 February 2024, MAIF's portfolio included investments in 28 ASX listed equities. MAIF's top 10 equity holdings (by value) as at 29 February 2024 are presented below.

Table 18: MAIF's top 10 listed investments as at 29 February 2024

Ticker	Name	Value (\$'000)	Proportion of total portfolio value (%)
ASX:LOV	Lovisa Holdings Ltd	2,724	8.6%
ASX:TLX	Telix Pharmaceutical Ltd	2,331	7.3%
ASX:JLG	Johns Lyng Group Limited	1,917	6.0%
ASX:CCP	Credit Corp Group	1,844	5.8%
ASX:ANG	Austin Engineering Ltd	1,690	5.3%
ASX:PLS	Pilbara Minerals Ltd	1,682	5.3%
ASX:TPW	Temple & Webster Pty Ltd	1,622	5.1%
ASX:TNE	Technology One Limited	1,575	5.0%
ASX:QBE	QBE Insurance Group Limited	1,564	4.9%
ASX:BOE	Boss Energy Ltd	964	3.0%
MAIF's top 10 listed investments		17,912	56.4%

Source: Management information, BDOCF analysis

4.6.2 Unlisted investments

As at 29 February 2024, MAIF held unlisted investments with an aggregate value of c.\$1.1 million. MAIF holds five unlisted investments, as detailed below.

Table 19: MAIF's unlisted investments as at 29 February 2024

Company	Value (\$'000)	Proportion of total portfolio value (%)
Lumitron Holdings Inc	864	2.7%
Rapid Response Revival Research Pty Ltd	111	0.4%
Taxi App Pty Ltd	65	0.2%
Nimble Money Ltd	35	0.1%
Nexdius Pty Ltd	18	0.1%
MAIF's unlisted investments	1,093	3.4%

Source: Management information, BDOCF analysis

Lumitron Holdings Inc

Lumitron Holdings Inc (**Lumitron**) develops and commercialises unique x-ray systems that enable ultra high-fidelity imaging, ultra-low dose radiography, hyper-precision radiotherapy, as well as element-specific and isotope-specific material identification, assay, and imaging. Lumitron is based in California, USA.

Table 20: MAIF's investment in Lumitron

Lumitron	
Units held by MAIF as at 29-Feb-24	37,500
MAIF's ownership percentage	c.0.20% (prior to the last capital raise)
Latest valuation per share held	USD 15.00
Valuation basis	Monash received a letter from the Lumitron company Secretary dated 21 April 2023, confirming Lumitron shares recently traded at USD 15.00 per share.

Source: Management information

Rapid Response Revival Research Pty Ltd

Rapid Response Revival Research Pty Ltd (**Rapid Response**) is a medical technology company that manufactures and sells medical devices for sudden cardiac arrest. Rapid Response's products include CellaAED, an automated external defibrillation device. Rapid Response was founded in 2015 and is based in Riverwood, New South Wales.

Table 21: MAIF's investment in Rapid Response

Rapid Response	
Units held by MAIF	2,778
MAIF's ownership percentage	c.0.18%
Latest valuation per share held	\$40.00
Valuation basis	In June 2023, Rapid Response issued new fully paid ordinary shares at \$40.00 per share.

Source: Management information

Taxi App Pty Ltd

Taxi App Pty Ltd (trading as goCatch) (**goCatch**) provides a smartphone application which directly connects taxi drivers to passengers and facilitates customers booking cabs. The company was founded in 2011 and is based in Sydney, New South Wales.

Table 22: MAIF's investment in goCatch

goCatch	
Units held by MAIF	31,250
MAIF's ownership percentage	c.0.28%
Latest valuation per share held	\$2.08
Valuation basis	During FY21, goCatch completed a capital raise at \$2.08.

Source: Management information

Nimble Money Ltd

Nimble Money Ltd (**Nimble**) provides short-term credit to consumers through internet and mobile phone applications. Nimble was founded in 2005 and is based in Southport, Queensland.

Table 23: MAIF's investment in Nimble

Nimble	
Units held by MAIF	700,000
MAIF's ownership percentage	c.0.33%
Latest valuation per share held	\$0.05
Valuation basis	In October 2023, Nimble proceeded with a pro-rata renounceable entitlement offer to subscribe for one new share in Nimble, for every one existing share held by investors. The offer price was \$0.05 per new share.

Source: Management information

Nexdius Pty Ltd

Nexdius Pty Ltd (trading as Solar D) (**Solar D**) is a manufacturer and distributor of broad-spectrum sunscreen products. Solar D holds the exclusive global license of intellectual property rights for vitamin D promoting sunscreen technology. Solar D offers its products online to customers in the USA, United Kingdom, Australia, China, and internationally. Nimble was founded in 2013 and is headquartered in Paddington, New South Wales.

Table 24: MAIF's investment in Solar D

Solar D	
Units held by MAIF	225,000
MAIF's ownership percentage	c.0.33%
Latest valuation per share held	\$0.08
Valuation basis	Around August 2022, Solar D successfully completed a capital raise at \$0.08 per share.

Source: Management information

4.7 Portfolio performance

A summary of MAIF's returns since inception (after fees) against the Small Ords as at 29 February 2024 is set out on the following page.

Table 25: MAIF's return summary since inception (after fees) as at 29 February 2024

Period	MAIF	Small Ords
CYTD	5.52%	2.63%
FYTD	6.51%	9.22%
1 month	5.26%	1.72%
3 months	10.52%	10.05%
6 months	3.24%	6.88%
1 year	8.89%	7.84%
2 years (p.a.)	2.21%	(0.37%)
3 years (p.a.)	1.54%	1.39%
4 years (p.a.)	11.10%	5.13%
5 years (p.a.)	11.53%	4.42%
7 years (p.a.)	9.59%	6.48%
Since inception ¹ (p.a.)	9.70%	6.07%

Source: MAIF's February 2024 Fund Update report

¹ The inception date is 2 July 2012

4.8 Financial performance

MAIF's historical statement of profit or loss for FY22 and FY23 is presented below.

Table 26: MAIF's historical statement of profit or loss

\$'000	FY22	FY23
Dividend & distribution income	588	550
Interest income	-	129
Net gains/(losses) on financial instruments at fair value through P&L	(3,745)	1,944
Net foreign currency gains/(losses)	-	4
Other income	50	-
Total investment income/(loss)	(3,107)	2,627
Management fees	(310)	(383)
Performance fees	A (338)	-
Transaction costs	(214)	(218)
Short dividend expenses	(77)	-
Interest expense	(10)	-
Other operating costs	(39)	(80)
Total operating expenses	(988)	(681)
Operating profit/(loss)	(4,095)	1,946

Source: MAIF's FY23 annual report, BDOCF analysis

Notes:

Performance fees

A

A performance fee of c.\$338k was paid by MAIF in FY22. Terms of how the performance fee was calculated are included in Section 4.5.2. The terms for calculating the performance fees have not changed between FY22 and the current terms.

4.9 Financial position

MAIF's historical statement of financial position as at 30 June 2022, 30 June 2023, and 29 February 2024 is presented on the following page.

Table 27: MAIF's historical statement of financial position

\$'000	30-Jun-22	30-Jun-23	29-Feb-24
Cash & cash equivalents	17,478	1,913	2,659
Due from brokers - receivable for securities sold	55	119	(218)
GST receivable	5	9	-
Financial assets at fair value through profit or loss	A 19,318	25,859	29,301
Total assets	36,856	27,900	31,741
Management fees payable	(59)	(26)	(59)
Due to brokers - payable for securities purchased	(946)	(211)	-
Distributions payable	(441)	(400)	-
Financial liabilities at fair value through profit or loss	(5,253)	-	-
Total liabilities	(6,699)	(637)	(59)
Net assets	30,157	27,263	31,682

Source: MAIF's FY23 annual report, Management information, BDOCF analysis

Notes:

Financial assets at fair value through profit or loss

As at 29 February 2024, financial assets at fair value through profit or loss of c.\$29.3 million comprised:

- ▶ Listed investments in 28 ASX listed equities (c.\$28.2 million)
- ▶ Unlisted investments of c.\$1.1 million.

Set out below is a summary of MAIF's historical units on issue, and the net assets allocated to each unit class, based on MAIF's unit pricing reports.

Table 28: MAIF's historical units on issue and net asset allocations

	30-Jun-22	30-Jun-23	29-Feb-24
MAIF A Units			
Allocation of net assets (\$'000)	13,577	12,386	11,118
Units on issue ('000)	9,004	8,231	6,937
NAV per MAIF A Unit (\$)	1.51	1.50	1.60
MAIF B Units			
Allocation of net assets (\$'000)	15,707	14,878	20,564
Units on issue ('000)	17,766	16,821	21,801
NAV per MAIF B Unit (\$)	0.88	0.88	0.94
MAIF C Units			
Allocation of net assets (\$'000)	873	(0)	(0)
Units on issue ('000)	1,032	-	-
NAV per MAIF C Unit (\$)	0.85	-	-
Total MAIF Units on issue ('000)	27,802	25,052	28,738

Source: MAIF's unit pricing reports as at 30 June 2022, 30 June 2023, and 29 February 2024

4.10 Capital structure

As at 1 March 2024, MAIF had c.28,738,820 units on issue. A summary of MAIF's capital structure as at 1 March 2024 is set out on the following page.

Table 29: MAIF's capital structure as at 1 March 2024

Unit class	Units (#)
MAIF A Units	6,909,387
MAIF B Units	21,829,433
Total MAIF Units outstanding	28,738,820

Source: Management information

4.10.1 Unit classes

MAIF has two classes of units on issue:

- ▶ MAIF A Units are offered to retail investors and wholesale investors
- ▶ MAIF B Units are available to wholesale investors only.

The rights attached to MAIF A Units and MAIF B Units are identical, aside from a difference in fees. MAIF A Units are subject to a higher management fee and performance fee compared to MAIF B Units.

A summary of the differences in fees is set out below. See Section 4.5 for further details.

Table 30: MAIF A Units and MAIF B Units fee comparison

Fee	MAIF A Units	MAIF B Units
Management fee	c.1.28% p.a. of MAIF A Units' NAV	1.10% p.a. of MAIF B Units' NAV
Performance fee	20.5% p.a. (excluding GST) of the amount by which the NAV per MAIF A Unit (after fees) exceeds the high-water mark, subject to a hurdle. The hurdle is the RBA cash rate plus 5.0%.	Nil

Source: Transaction Document, Management information, MAIF's PDS

To determine the issue and withdrawal price of a MAIF A Unit and a MAIF B Unit, net assets are allocated between the respective unit classes. As at 29 February 2024, c.35.1% of MAIF's net assets are allocated to MAIF A Units, and c.64.9% of MAIF's net assets are allocated to MAIF B Units. The unequal allocation of MAIF's net assets between the two unit classes is due to differences in the entry price paid for the units, management fees, and performance fees.

4.10.2 MAIF A Units

As at 1 March 2024, c.6,909,387 MAIF A Units were on issue. The top 10 unitholders collectively held c.90.0% of the outstanding MAIF A Units, as presented below.

Table 31: Top 10 MAIF A Unitholders as at 1 March 2024

Rank	Name	MAIF A Units (#)	Proportion of total MAIF A Units (%)
1	The Trust Company (PTAL) Limited o/a Ausmaq CAL	1,918,956	27.8%
2	BT Portfolio Services Ltd - Panorama (Cash)	1,228,770	17.8%
3	Shields Nominees Pty Ltd ATF Shields Super Fund	936,069	13.5%
4	Bond Street Custodians Limited <Portfolio Manager A/C>	803,660	11.6%
5	Citadin Pty Ltd	393,962	5.7%
6	The Trust Company (PTAL) Limited o/a Ausmaq (AO - Units) CAL	278,132	4.0%
7	S & A Fitzgerald Nominees Pty Ltd ATF Fitzgerald Super Fund	244,806	3.5%
8	Elizabeth Alexandra Moras	214,512	3.1%
9	Netwealth Investments Limited <Wrap Services>	105,502	1.5%
10	Robert Karp & Gabrielle Karp <Fluffy Spider Technologies Superannuation Fund>	93,773	1.4%
Top 10 MAIF A Unitholders		6,218,142	90.0%
Other MAIF A Unitholders		691,245	10.0%
Total MAIF A Units outstanding		6,909,387	100.0%

Source: Management information

There is a variance in the total MAIF A Units on issue as at 29 February 2024 (see Section 4.9) and 1 March 2024. Management advises there is no material change in the composition of the top 10 holders of MAIF A Units between these dates.

4.10.3 MAIF B Units

As at 1 March 2024, c.21,829,433 MAIF B Units were on issue. The outstanding MAIF B Units were held by three wholesale investors, as set out below.

Table 32: MAIF B Unitholders as at 1 March 2024

Rank	Name	MAIF B Units (#)	Proportion of total MAIF B Units (%)
1	Netwealth Investments Limited <Wrap Services>	11,485,175	52.6%
2	Netwealth Investments Limited <Super Services>	5,629,454	25.8%
3	The Trust Company (PTAL) Limited o/a CAL	4,714,804	21.6%
Total MAIF B Units outstanding		21,829,433	100.0%

Source: Management information

There is a variance in the total MAIF B Units on issue as at 29 February 2024 (see Section 4.9) and 1 March 2024. Management advises there is no material change in the composition of the holders of MAIF B Units between these dates.

5 Fairness assessment and valuation methodologies

5.1 Fairness assessment overview

For the purposes of our opinion, the term FMV is defined as the price that would be negotiated in an open and unrestricted market between a knowledgeable, willing, but not anxious purchaser and a knowledgeable, willing, but not anxious vendor, acting at arm's length. This approach does not consider the particular circumstances of any specific transaction, and therefore, we have not considered whether there is any premium in value attached to the strategic benefits or gains from synergies that may be inherent in an acquisition by a specific party.

The Proposed Merger is fair if the FMV of a MAAT Unit pre-Proposed Merger is equal to or greater than the FMV the Consideration Units.

The FMV of the Consideration Units is the FMV of a MAIF A Unit post-Proposed Merger, multiplied by the Exchange Ratio.

The NAV of MAAT and MAIF as at the Merger Approval Date, and the units on issue as at Merger Record Date, are not known as at the date of this IER. The analysis in Sections 7 to 10 of this Report is based on data as at 29 February 2024. The NAV and units on issue for MAAT and MAIF as at the Merger Approval Date and Merger Record Date, respectively, may be different to the values as at 29 February 2024.

The valuation methodologies commonly used for the above analyses are considered below.

5.2 Valuation methodologies

Detailed descriptions of common methodologies for valuing businesses and assets are included at Appendix 3. The principal methodologies which can be considered are:

- ▶ Discounted cash flow (DCF)
- ▶ Capitalisation of earnings (COE)
- ▶ Net asset value (NAV)
- ▶ Net tangible assets on a realisation basis (NRV)
- ▶ Quoted market price (QMP)
- ▶ Recent capital raise.

Set out below is a discussion of the valuation methodologies we considered for the purposes of our fairness assessment.

5.3 Selected valuation methodologies for a MAAT Unit pre-Proposed Merger

We consider the NAV and QMP methodologies to be the most appropriate methodologies for valuing a MAAT Unit pre-Proposed Merger. A summary of our assessment of the applicability of each valuation methodology is set out on the following page.

Table 33: Selected valuation methodologies for a MAAT Unit pre-Proposed Merger

Methodology	Appropriate?	Explanation
DCF	X	We do not consider the DCF methodology to be appropriate for valuing a managed fund.
COE	X	We do not consider the COE methodology to be appropriate for valuing a managed fund.
NAV	✓	The NAV approach is an appropriate methodology for valuing a managed fund, as the fund's NAV information is available on a regular basis. Further, MAAT's portfolio of investments is marked-to-market based on the exchange traded price of each listed investment held.
QMP	✓	<p>The QMP basis is a relevant methodology to consider when a fund's units are listed in a regulated and observable market, as this reflects the value a unitholder will receive when selling to a willing but not anxious buyer.</p> <p>However, for the QMP methodology to be considered appropriate, a fund's units should be sufficiently liquid, and the market should be fully informed of the entity's activities.</p> <p>The QMP basis is a relevant methodology to consider in our fairness assessment because MAAT's units are listed on the ASX, and this reflects the value that a MAAT Unitholder will receive when selling to a willing but not anxious buyer.</p>

Source: BDOCF analysis

5.4 Selected valuation methodology for a MAIF A Unit post-Proposed Merger

We consider the NAV methodology to be the most appropriate methodology for valuing a MAIF A Unit post-Proposed Merger. A summary of our assessment of the applicability of each valuation methodology is set out below.

Table 34: Selected valuation methodology for a MAIF A Unit post-Proposed Merger

Methodology	Appropriate?	Explanation
DCF	X	We do not consider the DCF methodology to be appropriate for valuing a managed fund.
COE	X	We do not consider the COE methodology to be appropriate for valuing a managed fund.
NAV	✓	<p>The NAV approach is an appropriate methodology for valuing a managed fund, as the fund's NAV information is available on a regular basis. Further, MAIF's portfolio of investments is marked-to-market (with the expectation of unlisted investments) based on the exchange traded price of each listed investment held.</p> <p>We have reviewed the valuation approach adopted for MAIF's unlisted investments in our assessment of MAIF A Units' NAV.</p>
QMP	X	We do not consider the QMP methodology to be appropriate as MAIF A Units are not listed.

Source: BDOCF analysis

6 Other valuation considerations

6.1 Future events

The operations of MAAT and MAIF assumed in our valuations are those which existed as at the date of this Report.

Growth potential, which may result from new activities, business initiatives, acquisitions, and the like (which are not capable of estimation), is not within the scope of our valuations.

6.2 APES 225

This engagement has been conducted in accordance with professional standard APES 225, as issued by the Accounting Professional and Ethical Standards Board Limited.

7 Valuation of a MAAT Unit pre-Proposed Merger

Our valuation of a MAAT Unit pre-Proposed Merger using the NAV and QMP methodologies is set out below.

7.1 Valuation of a MAAT Unit pre-Proposed Merger - NAV methodology

We have assessed the FMV of a MAAT Unit pre-Proposed Merger using the NAV methodology. The NAV represents 100.0% of the equity value.

We have adjusted MAAT's NAV as at 29 February 2024 for the estimated transaction costs that will be incurred in relation to the Proposed Merger.

Below is a summary of our valuation of a MAAT Unit pre-Proposed Merger using the NAV methodology.

Table 35: FMV of a MAAT unit pre-Proposed Merger - NAV methodology

\$'000		29-Feb-24
MAAT's NAV (\$'000)	A	16,512
Adjustment for estimated transaction costs (\$'000)		(265)
MAAT's adjusted NAV (\$'000)		16,247
MAAT Units on issue as at 29-Feb-24 ('000)	B	18,124
FMV of a MAAT Unit pre-Proposed Merger - NAV methodology (\$)		0.90

Source: Management information, BDOCF analysis

Notes:

A	<p>MAAT's NAV</p> <p>As at 29 February 2024, MAAT held net assets of c.\$16.5 million (see Section 3.9). All of MAAT's listed investments were reported at market value as at this date. We have reviewed the market valuations. Therefore, MAAT's NAV of c.\$16.5 million materially reflects the market value of its assets and liabilities as at 29 February 2024.</p>
B	<p>Adjustment for estimated transaction costs</p> <p>To implement the Proposed Merger, MAAT will incur one-off corporate advisory, legal, and other related costs. As outlined in the Transaction Document, transaction costs for the Proposed Merger are estimated to be c.\$265k and will be paid by MAAT. These costs will be paid irrespective of whether the Proposed Merger is approved or rejected by MAAT Unitholders. As such, we have recognised a liability for the expected transaction costs to determine MAAT's adjusted NAV.</p>

As at 29 February 2024, we have determined the FMV a MAAT Unit pre-Proposed Merger to be c.\$0.90 using the NAV methodology.

7.2 Valuation of a MAAT Unit pre-Proposed Merger - QMP methodology

We have assessed the FMV of a MAAT Unit pre-Proposed Merger using the QMP methodology.

Our analysis of the historical trading performance of a MAAT Unit, and a comparison to MAAT's reported NAV, is set out below.

7.2.1 Historical trading analysis

MAAT's units are listed on the ASX under the ticker ASX:MAAT. MAAT's unit price fluctuated between c.\$0.75 to c.\$0.91 over the 12-month period to 29 February 2024, with a corresponding VWAP of c.\$0.85. A summary of MAAT's trading activity from 1 March 2023 to 29 February 2024 is presented on the following page.

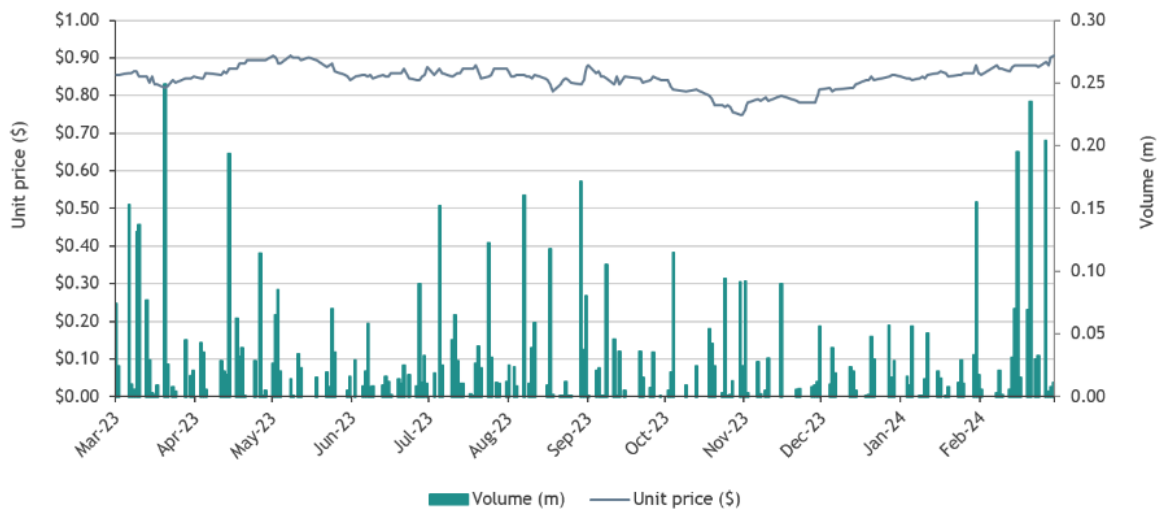
Table 36: MAAT’s trading activity from 1 March 2023 to 29 February 2024

Period	Price - low \$	Price - high \$	VWAP \$	Cumulative value \$m	Cumulative volume m
1 day	0.90	0.91	0.90	0.01	0.01
1 week	0.88	0.91	0.89	0.23	0.26
1 month	0.85	0.91	0.88	0.98	1.11
3 months	0.80	0.91	0.87	1.50	1.73
6 months	0.75	0.91	0.84	2.51	2.98
12 months	0.75	0.91	0.85	5.70	6.72

Source: S&P Capital IQ as at 29 February 2024, BDOCF analysis

The chart below displays the daily close price of a MAAT unit, as well as the cumulative daily volume traded, from 1 March 2023 to 29 February 2024.

Figure 5: MAAT’s unit price and trading volume from 1 March 2023 to 29 February 2024

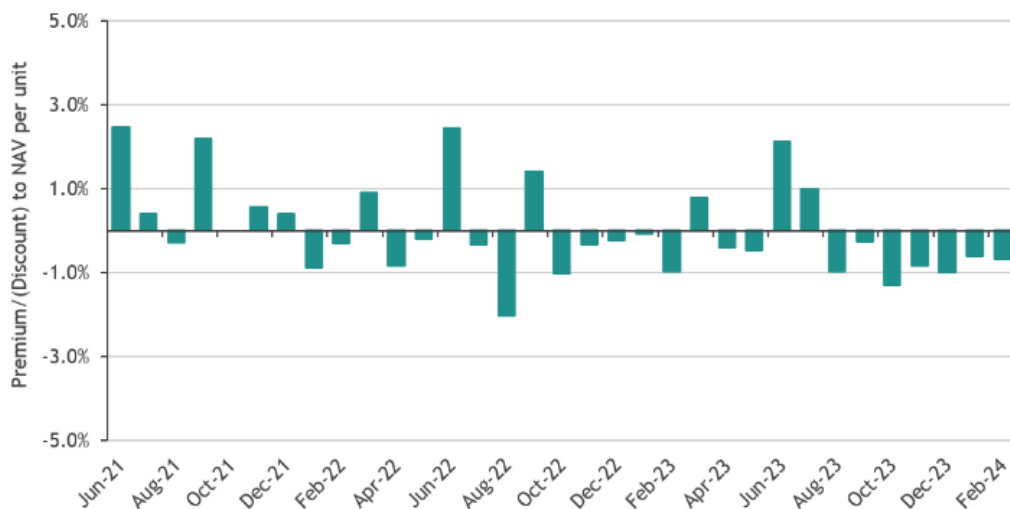


Source: S&P Capital IQ as at 29 February 2024, BDOCF analysis

7.2.2 Premium/(discount) to NAV

The chart below displays the historical premium/(discount) of MAAT’s unit price compared to its NAV per unit, from 1 March 2023 to 29 February 2024.

Figure 6: MAAT’s historical premium/(discount) to NAV per unit



Source: Management information, S&P Capital IQ, BDOCF analysis

MAAT's unit price has historically traded in line with its NAV per unit. This is primarily due to MAAT's liquidity facility, and MAAT Unitholders being able to buy and sell MAAT Units directly with the Responsible Entity at the NAV unit price, less a 0.30% buy/sell spread.

7.2.3 Valuation conclusion - QMP methodology

Based on the above, we consider the FMV of a MAAT Unit pre-Proposed Merger to range between c.\$0.88 and c.\$0.91, using the QMP methodology. Our valuation range is based on MAAT's 1-day and 1-week trading data.

7.3 Preferred valuation of a MAAT Unit pre-Proposed Merger

Our preferred valuation of a MAAT Unit pre-Proposed Merger is based on the NAV valuation as at 29 February 2024.

The NAV valuation of a MAAT Unit is very close to the QMP valuation. This is primarily due to MAAT Unitholders being able to trade units on the ASX or buy and sell units directly with the Responsible Entity. Where units are traded directly with the Responsible Entity, they are traded at the NAV less a 0.30% buy/sell spread.

Based on our NAV valuation as at 29 February 2024, our preferred FMV of a MAAT Unit pre-Proposed Merger is c.\$0.90.

Table 37: Preferred FMV of a MAAT unit pre-Proposed Merger

\$	Ref.	Low	High
FMV of a MAAT Unit pre-Proposed Merger - NAV methodology	7.1	0.90	0.90
FMV of a MAAT Unit pre-Proposed Merger - QMP methodology	7.2.3	0.88	0.91
Preferred FMV of a MAAT Unit pre-Proposed Merger		0.90	

Source: BDOCF analysis

8 Valuation of a MAIF A Unit post-Proposed Merger

We have assessed the value of a MAIF A Unit post-Proposed Merger using the NAV methodology.

We have performed our NAV valuation in three steps:

1. Determining the NAV attributable to MAIF A Units post-Proposed Merger
2. Determining the number of MAIF A Units on issue post-Proposed Merger
3. Determining the FMV of a MAIF A Unit post-Proposed Merger.

8.1 NAV attributable to MAIF A Units post-Proposed Merger

Below is our calculation of the NAV attributable to MAIF A Units post-Proposed Merger.

Table 38: NAV attributable to MAIF A Units post-Proposed Merger

\$'000	MAAT	MAIF	MAIF post-Proposed Merger
Cash & cash equivalents	1,064	2,659	3,723
Due from brokers - receivable for securities sold	310	(218)	92
GST receivable	-	-	-
Financial assets at fair value through profit or loss	15,232	29,301	44,532
Total assets	16,606	31,741	48,347
Responsible Entity's fees payable	(19)	-	(19)
Management fees payable	(57)	(59)	(116)
Expense recovery fees payable	(18)	-	(18)
Due to brokers - payable for securities purchased	-	-	-
Distributions payable	-	-	-
Financial liabilities at fair value through profit or loss	-	-	-
Total liabilities	(94)	(59)	(153)
NAV	16,512	31,682	48,194
Adjustment for estimated transaction costs	A (265)	-	(265)
Adjusted NAV	16,247	31,682	47,929
NAV attributable to MAIF B Units	B n/a	(20,564)	(20,564)
NAV attributable to MAIF A Units	n/a	11,118	27,365

Source: Management information, BDOCF analysis

Notes:

A Adjustment for estimated transaction costs

To implement the Proposed Merger, MAAT will incur one-off corporate advisory, legal, and other related costs. As outlined in the Transaction Document, transaction costs for the Proposed Merger are estimated to be c.\$265k and will be paid by MAAT. These costs will be paid irrespective of whether the Proposed Merger is approved or rejected by MAAT Unitholders. As such, we have recognised a liability for the expected transaction costs to determine MAAT's adjusted NAV.

B NAV attributable to MAIF B Units

As at 29 February 2024, MAIF B Units had an interest in c.\$20.6 million of MAIF's NAV. See Section 4.9 for details.

8.2 MAIF A Units on issue post-Proposed Merger

As at 29 February 2024, there were c.6,936,948 existing MAIF A Units on issue (see Section 4.9).

If the Proposed Merger is approved, MAAT Unitholders will receive MAIF A Units as consideration for their MAAT Units. The number of MAIF A Units which MAAT Unitholders will receive as Consideration Units will be equal to the Exchange Ratio multiplied by the number of MAAT Units they hold on the Merger Record Date.

The Exchange Ratio is calculated as the NAV per MAAT Unit divided by the NAV per MAIF A Unit on the Merger Approval Date. The NAV per MAIF A Unit is the NAV of MAIF, excluding any assets or liabilities attributable only to MAIF B Units.

The number of MAIF A Units received by MAAT Unitholders on the implementation date of the Proposed Merger will be different to the number of MAAT Units they hold on the Merger Record Date as a result of the Exchange Ratio mechanism.

The NAV of MAAT and MAIF as at the Approval Date, and the units on issue as at Merger Record Date, is not known as at the date of this IER. In the following analysis, we have used:

- ▶ MAAT's NAV per unit as at 29 February 2024
- ▶ MAIF A Units' NAV per unit as at 29 February 2024
- ▶ The exchange ratio mechanism to be used at the Merger Record Date

To calculate the Exchange Ratio as if the Proposed Merger had occurred on 29 February 2024 (**Example Exchange Ratio**).

Table 39: Example Exchange Ratio calculation

	Ref.	
MAAT's adjusted NAV as at 29-Feb-24 (\$'000)	8.1	16,247
MAAT Units on issue as at 29-Feb-24 ('000)	3.9	18,124
NAV per MAAT Unit (\$)	[A]	0.90
MAIF A Units' NAV as at 29-Feb-24 (\$'000)	8.1	11,118
MAIF A Units on issue as at 29-Feb-24 ('000)	4.9	6,937
NAV per MAIF A Unit (\$)	[B]	1.60
Example Exchange Ratio (#)	[A] / [B]	0.56

Source: BDOCF analysis

Using an Example Exchange Ratio of c.0.56, we have determined c.10,136,832 MAIF A Units will be issued to MAAT Unitholders under the Proposed Merger. A summary of our calculations is set out below.

Table 40: MAIF A Units on issue post-Proposed Merger

	Ref.	
Example Exchange Ratio (#)	8.2	[A] 0.56
MAAT Units on issue pre-Proposed Merger ('000)	3.9	[B] 18,124
MAIF A Units to be issued to MAAT Unitholders ('000)	[A] * [B]	10,137
Existing MAIF A Units on issue pre-Proposed Merger ('000)	4.9	6,937
MAIF A Units on issue post-Proposed Merger ('000)		17,074

Source: BDOCF analysis

Therefore, c.17,073,779 MAIF A Units will be on issue post-Proposed Merger.

8.3 FMV of a MAIF A Unit post-Proposed Merger

We have determined the FMV of a MAIF A Unit post-Proposed Merger to be c.\$1.60, as set out below.

Table 41: FMV of a MAIF A Unit post-Proposed Merger

	Ref.	
NAV attributable to MAIF A Units post-Proposed Merger (\$'000)	8.1	27,365
MAIF A Units on issue post-Proposed Merger ('000)	8.2	17,074
FMV of a MAIF A Unit post-Proposed Merger (\$)		1.60

Source: BDOCF analysis

9 Valuation of the Consideration Units

If the Proposed Merger is approved, MAAT Unitholders will receive MAIF A Units as Consideration Units.

The number of Consideration Units which MAAT Unitholders will receive will be equal to the Exchange Ratio multiplied by the number of MAAT Units they hold on the Merger Record Date.

The number of MAIF A Units received by MAAT Unitholders on the implementation date of the Proposed Merger will be different to the number of MAAT Units they hold on the Merger Record Date as a result of the Exchange Ratio mechanism.

The NAV of MAAT and MAIF as at the Merger Approval Date, and the units on issue as at Merger Record Date, are not known as at the date of this IER. We have determined the FMV of the Consideration Units as if the Proposed Merger had occurred on 29 February 2024.

Table 42: FMV of the Consideration Units

	Ref.	
Example Exchange Ratio (#)	8.2	0.56
FMV of a MAIF A Unit post-Proposed Merger (\$)	8.3	1.60
FMV of the Consideration Units (\$)		0.90

Source: BDOCF analysis

We have determined the value of the Consideration Units to be c.\$0.90.

10 Fairness assessment

Our analysis has been performed by comparing the FMV of:

- ▶ A MAAT Unit pre-Proposed Merger
- ▶ The Consideration Units.

The FMV of the Consideration Units is the FMV of a MAIF A Unit post-Proposed Merger, multiplied by the Exchange Ratio.

The NAV of MAAT and MAIF as at the Merger Approval Date, and the units on issue as at the Merger Record Date, are not known as at the date of this IER. The analysis in Sections 7 to 10 of this Report is based on data as at 29 February 2024. The NAV and units on issue for MAAT and MAIF as at the Merger Approval Date and Merger Record Date, respectively, may be different to the values as at 29 February 2024.

The results of our fairness analysis, based on data as at 29 February 2024, is set out below. We have presented our results in cents to show a greater level of detail.

Table 43: Fairness assessment

€	
Preferred FMV of a MAAT Unit pre-Proposed Merger	89.6
FMV of the Consideration Units	89.6

Source: BDOCF analysis

As the FMV of the Consideration Units is equal to the preferred FMV of a MAAT Unit pre-Proposed Merger, we consider the Proposed Merger to be fair.

10.1 Fairness scenario analysis

As there is uncertainty as to what the NAV of MAAT and MAIF will be as at the Merger Approval Date, we have performed the Exchange Ratio calculation under multiple scenarios. The below scenarios consider the impact of a 10.0% increase or decrease in the NAV of MAAT and MAIF as at 29 February 2024.

Table 44: Scenario analysis

	MAAT NAV +10%	MAAT NAV -10%	MAIF NAV +10%	MAIF NAV -10%
NAV per MAAT Unit (\$)	0.99	0.81	0.90	0.90
NAV per MAIF A Unit pre-Proposed Merger (\$)	1.60	1.60	2.06	1.15
Example Exchange Ratio (#)	0.62	0.50	0.44	0.78
Preferred FMV of a MAAT Unit pre-Proposed Merger (€)	98.6	80.7	89.6	89.6
FMV of the Consideration Units (€)	98.6	80.7	89.6	89.6

Source: BDOCF analysis

The Proposed Merger is fair for MAAT Unitholders under all of the above scenarios, as the FMV of the Consideration Units is equal to the preferred FMV of a MAAT Unit pre-Proposed Merger.

11 Reasonableness assessment

In accordance with RG 111, an offer is ‘reasonable’ if it is ‘fair’. It might also be ‘reasonable’ if, despite being ‘not fair’, the expert believes there are sufficient reasons for securityholders to accept the offer.

Below is a summary of other factors we consider relevant in assisting MAAT Unitholders in deciding whether or not to vote in favour of the Proposed Merger.

We have concluded the Proposed Merger is fair, and therefore we conclude the Proposed Merger is reasonable.

Table 45: Summary of factors considered in the reasonableness assessment

Advantages	
Reduction in operating costs and management fees	<p>If the Proposed Merger is rejected, MAAT will incur the following fees:</p> <ul style="list-style-type: none"> ▶ Management fee of c.1.28% of MAAT’s NAV p.a. ▶ Responsible Entity costs of c.0.39% of MAAT’s NAV p.a. ▶ Costs fee of c.2.25% of MAAT’s NAV p.a. <p>The combined annual operating costs and management fees are expected to be c.3.93% of MAAT’s NAV.</p> <p>In comparison, MAIF’s combined annual operating costs and management fees (post-Proposed Merger) will be c.1.28% of MAIF’s NAV.</p> <p>If the Proposed Merger is approved, the management fee (excluding performance fees) payable by MAAT Unitholders will reduce from c.3.93% of NAV p.a. to c.1.28% of NAV p.a. (i.e. a reduction of c.2.65%).</p> <p>We note that MAAT will incur one-off costs of approximately c.\$265k in relation to the Proposed Merger. These costs will be incurred irrespective of whether the Proposed Merger is approved or rejected. These costs are not included in the above analysis.</p> <p>The performance fees payable by MAAT and MAIF are determined on the same basis. See Sections 3.5.2 and 4.5.2 for details.</p>
Increased size and scale	<p>MAAT’s NAV as at 29 February 2024 was c.\$16.5 million. If the Proposed Merger proceeds, MAIF’s NAV (post-Proposed Merger with MAAT) is expected to be c.\$47.9 million.</p> <p>The enlarged MAIF (post-proposed Merger) will have a greater scale and should benefit from cost efficiencies and synergies, which will be effectively passed on to MAAT Unitholders through their investment in MAIF A Units.</p> <p>The increased size and scale of MAIF (post-proposed Merger) may be an advantage to MAAT Unitholders.</p>
Buy/sell spread	<p>All applications and redemptions in MAIF are subject to a buy/sell spread of 0.30% on entry and exit.</p> <p>If MAAT Unitholders transact directly with Perpetual, applications and redemptions are subject to a buy/sell spread of 0.30% on entry and exit.</p> <p>However, if MAAT Unitholders transact with the market-maker, the current buy/sell spread is approximately 0.53%.</p> <p>Monash advises that most MAAT Unitholders transact with the market-maker and incur a higher buy/sell spread.</p> <p>If the Proposed Merger proceeds, all applications and redemptions will occur at a buy/sell spread of 0.30%.</p>

Disadvantages	
Increase in transaction costs	<p>Transaction costs include brokerage, settlement, and clearing costs. All transaction costs are paid out of assets and are reflected in the unit price.</p> <p>MAAT's transaction costs are currently calculated as 0.42% p.a. of its NAV.</p> <p>MAIF's transaction costs are currently calculated as 0.59% p.a. of its NAV.</p> <p>If the Proposed Merger is approved, MAAT Unitholders may incur higher transaction costs. The increase in transaction costs may be a disadvantage to MAAT Unitholders.</p>
Slower settlement of unit applications and withdrawals	<p>Currently, MAAT Unitholders can trade units on the ASX or buy and sell MAAT Units directly with the Responsible Entity.</p> <p>If the Proposed Merger is approved, MAAT will be delisted. MAAT Unitholders will not be able to buy or sell the MAIF A Units they receive as Consideration Units on the ASX. MAIF A Units can only be bought and sold directly with the Responsible Entity.</p> <p>Direct off-market applications or withdrawals made to the Responsible Entity are settled in four business days. Transactions on the ASX are settled in two business days. The slower settlement period may be a disadvantage to MAAT Unitholders.</p>
Potential tax liability	<p>The Proposed Merger may give rise to CGT implications for MAAT Unitholders.</p> <p>The disposal of MAAT Units by an Australian resident MAAT Unitholder will constitute a CGT event. MAAT Unitholders who hold their MAAT Units on capital account may make a capital gain or a capital loss on the disposal of their MAAT Units.</p> <p>Any capital gain made by Australian resident MAAT Unitholders may be eligible for partial scrip for scrip rollover relief. MAAT Unitholders may also be eligible to claim the discount capital gains concession, provided the eligibility criteria are satisfied.</p> <p>A discussion of the Australian tax implications of the Proposed Merger for MAAT Unitholders is set out in the Taxation Report in Section 10 of the Transaction Document.</p> <p>As the Taxation Report is general in nature, MAAT Unitholders are encouraged to seek specific tax advice on what the tax implications of the Proposed Merger are for them given their own circumstances.</p>
Exposure to unlisted investments	<p>MAIF currently holds unlisted investments, as detailed in Section 4.6.2. If the Proposed Merger is approved, MAAT Unitholders will have an interest in these unlisted investments. Unlisted investments are less liquid than listed investments, and selling these investments may involve additional costs and time compared to listed investments. This may be a disadvantage of the Proposed Merger.</p>

Other considerations	
Change in ownership of Monash	<p>If the Proposed Merger is implemented, the Monash Shareholders intend to sell all of their shares in Monash to DMX. DMX is an Australian fund manager with expertise in investing in Australian small companies.</p> <p>No change in the investment strategy or the investment process used for MAAT is currently proposed following the potential acquisition of Monash by DMX.</p> <p>As at the date of the Transaction Document, DMX and the Monash Shareholders have not executed a written agreement in connection with the Proposed Sale of Monash. If the Proposed Merger is implemented, the Monash Shareholders and DMX intend to reach a formal agreement pursuant to which, amongst other things:</p> <ul style="list-style-type: none"> ▶ DMX acquires all of the shares on issue in Monash ▶ Shane Fitzgerald will continue as a portfolio co-manager of MAIF as an employee of DMX ▶ Simon Shields will continue as a portfolio co-manager of Monash for a six-month transition period ▶ Michael Haddad of DMX will become a portfolio co-manager of MAIF.
Transaction costs	<p>To implement the Proposed Merger, MAAT will incur one-off corporate advisory, legal, and other related costs. As outlined in the Transaction Document, transaction costs for the Proposed Merger are estimated to be c.\$265k and will be paid by MAAT. These costs will be paid irrespective of whether the Proposed Merger is approved or rejected by MAAT Unitholders.</p>
No change in investment strategy	<p>MAAT and MAIF are both managed by Monash (as investment manager) using the same investment strategy and process.</p> <p>MAAT and MAIF have the same responsible entity, being Perpetual.</p>

Source: BDOCF analysis

Based on the above analysis, we consider the Proposed Merger to be reasonable to MAAT Unitholders. The primary advantage of the Proposed Merger to MAAT Unitholders is the significant reduction in operating and management costs.

12 Overall opinion

We have considered the terms of the Proposed Merger, as outlined in this Report, and have concluded the Proposed Merger is fair and reasonable, and in the best interests of MAAT Unitholders.

As the FMV of the Consideration Units is equal to the preferred FMV of a MAAT Unit pre-Proposed Merger, we consider the Proposed Merger to be fair.

We consider the Proposed Merger to be reasonable as it is fair. The primary benefit of the Proposed Merger to MAAT Unitholders is reduced annual operating costs and management fees (a reduction of c.2.65% of NAV p.a.).

13 Qualifications, declarations and consents

13.1 Qualifications

BDOCF is the licensed corporate finance arm of BDO Group Holdings Limited, Chartered Accountants and Business Advisers. BDOCF provides advice in relation to all aspects of valuations and has extensive experience in the valuation of corporate entities and provision of expert's reports.

Mr David McCourt, B.Bus, CA, is a director of BDOCF. Mr McCourt is also a partner of BDO Group Holdings Limited. Mr McCourt has been responsible for the preparation of this IER.

Mr McCourt has over 20 years of experience in a number of specialist corporate advisory activities including company valuations, financial modelling, preparation and review of business feasibility studies, accounting, advising on mergers and acquisitions and advising on independent expert reports. Accordingly, Mr McCourt is considered to have the appropriate experience and professional qualifications to provide the advice offered.

Mr Adam Myers is a member of Chartered Accountants Australia & New Zealand and the Joint Ore Reserves Committee. Adam's career spans over 20 years in the Audit and Assurance and Corporate Finance areas. Adam is a CA BV Specialist and has considerable experience in the preparation of independent expert reports and valuations in general for companies in a wide number of industry sectors. Accordingly, Mr Myers is considered to have the appropriate experience and professional qualifications to provide the advice offered.

Mr Myers is a partner of BDO Group Holdings Limited and performed the concurring review of this IER.

13.2 Independence

BDOCF is not aware of any matter or circumstance that would preclude it from preparing this IER on the grounds of independence, either under regulatory or professional requirements. In particular, we have had regard to the provisions of applicable pronouncements and other guidance statements relating to professional independence issued by Australian professional accounting bodies and ASIC.

BDOCF considers itself to be independent in terms of RG 112 independence of experts, issued by ASIC.

BDOCF was not involved in advising on, negotiating, setting, or otherwise acting in any capacity for MAAT in relation to the Proposed Merger. Further, BDOCF has not held and, at the date of this IER, does not hold any unitholding in, or other relationship with MAAT that could be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the Proposed Merger.

BDOCF will receive a fee of up to \$65,000 plus GST for the preparation of this IER. BDOCF will not receive any fee contingent upon the outcome of the Proposed Merger, and accordingly, does not have any pecuniary or other interests that could reasonably be regarded as being capable of affecting its ability to give an unbiased opinion in relation to the Proposed Merger.

A draft of this IER was provided to Perpetual, Monash and their advisors for review of factual accuracy. Certain changes were made to the IER as a result of the circulation of the draft IER.

In a draft report dated 24 April 2024, we concluded the Proposed Merger was not fair but reasonable, and in the best interests of MAAT Unitholders. The reason for the change in our conclusion is the basis of the fairness assessment. In our draft report dated 24 April 2024, we assessed the Proposed Merger on the basis that it was a control transaction. This required us to determine the FMV of a MAAT Unit pre-Proposed Merger on a control basis, and the FMV of the Consideration Units on a minority basis. We determined the difference between a control value and a minority value of the Consideration Units as being due to the buy/sell spread of 0.30%. Therefore, the FMV of the Consideration Units on a minority basis was 99.7% of the preferred FMV of a MAAT Unit on a control basis.

We have been advised MAAT is not subject to the restrictions under section 606 of the Corporations Act. Therefore, we have not assessed the Proposed Merger as a control transaction.

13.3 Disclaimer

This IER has been prepared at the request of Perpetual as Responsible Entity for MAAT, for the sole benefit MAAT Unitholders, to assist and enable MAAT Unitholders to assess the Proposed Merger and to decide whether to approve the Proposed Merger. This IER is to accompany the Transaction Document to be sent to MAAT Unitholders to consider the Proposed Merger and was not prepared for any other purpose.

Accordingly, this IER and the information contained herein may not be relied upon by anyone other than MAAT Unitholders without our written consent. We accept no responsibility to any person other than MAAT Unitholders in relation to this IER.

This IER should not be used for any other purpose and we do not accept any responsibility for its use outside this purpose. Except in accordance with the stated purpose, no extract, quote or copy of our IER, in whole or in part, should be reproduced without our written consent as to the form and context in which it may appear.

We have consented to the inclusion of this IER with the Transaction Document. Apart from this IER, we are not responsible for the contents of the Transaction Document, or any other document associated with the Proposed Merger. We acknowledge this IER may be lodged with regulatory authorities.

The statements and opinions contained in this IER are given in good faith and are based on our consideration and assessment of information provided by Management.

Under the terms of our engagement, Perpetual as Responsible Entity for MAAT agreed to indemnify BDOCF and their partners, directors, employees, officers and agents (as applicable) against any claim, liability, loss or expense, costs or damage, arising out of reliance on any information or documentation provided, which is false or misleading or omits any material particulars, or arising from failure to supply relevant documentation or information.

Appendix 1: Glossary

Term	Definition
#	Number
\$ or AUD	Australian Dollar
¢	Cents
1H24	Half-year ended 31 December 2023
AFCA	Australian Financial Complaints Authority
AFSL	Australian financial services licence
APES 225	Accounting Professional & Ethical Standards Board Limited issued professional standard APES 225 on valuation services
APESB	Accounting Professional & Ethical Standards Board Limited
ASIC	Australian Securities & Investments Commission
ASX	Australian Securities Exchange
BDOCF, we, our or us	BDO Corporate Finance (East Coast) Pty Ltd (ABN 70 050 038 170)
c.	Circa
CGT	Capital gains tax
COE	Capitalisation of earnings
Consideration Units	MAIF A Units which MAAT Unitholders will receive as consideration for their MAAT Units
Corporations Act	Corporations Act 2001
CYTD	Calendar year to date
DCF	Discounted cash flow method
DMX	DMX Asset Management Limited
Example Exchange Ratio	The Exchange Ratio calculated as if the Proposed Merger had occurred on 29 February 2024
Exchange Ratio	The exchange ratio mechanism stipulation in the Transaction Document
FMV	Fair market value
FSG	Financial Services Guide
FYTD	Financial year to date
FYXX	Financial year ended 30 June 20XX
goCatch	Taxi App Pty Ltd (trading as goCatch)
GST	Goods and services tax
k	Thousands
Licence	Australian Financial Services Licence No: 247420
Lumitron	Lumitron Holdings Inc
m	Millions
MAAT	Monash Investors Small Companies Trust
MAAT Unitholders	Unitholders of MAAT
MAAT Units	Fully paid ordinary units in MAAT
MAIF	Monash Investors Small Companies Fund
MAIF A Unit	Fully paid class A units in MAIF
MAIF B Units	Fully paid class B units in MAIF
Management	Management of Monash
Market Value	The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion
Merger Approval Date	The date (if any) on which the Proposed Merger is approved by MAAT Unitholders, anticipated to be 13 June 2024
Merger Record Date	The date MAAT Unitholders qualify to participate in the Proposed Merger, anticipated to be 18 June 2024
Monash or the Investment Manager	Monash Investors Pty Ltd
Monash Shareholders	The current shareholders of Monash
NAV	Net asset value
Nimble	Nimble Money Ltd
NRV	Net tangible assets on a realisation basis
p.a.	Per annum
Perpetual or the Responsible Entity	The Trust Company (RE Services) Limited

Term	Definition
Proposed Merger	The proposed acquisition of all of fully paid ordinary units in MAAT by MAIF via a trust scheme
Proposed Sale of Monash	If the Proposed Merger is implemented, the sale of the shares in Monash by the Monash Shareholders to DMX
QMP	Quoted market price basis
Rapid Response	Rapid Response Revival Research Pty Ltd
Ref.	Section reference in this IER
Report or IER	This independent expert's report, dated 15 May 2024
RG 111	ASIC Regulatory Guide 111 ' <i>Content of expert reports</i> '
RG 112	ASIC Regulatory Guide 112 ' <i>Independence of experts</i> '
Small Ords	S&P/ASX Small Ordinaries (Total Return) Index
Solar D	Nexdius Pty Ltd (trading as Solar D)
Transaction Document	'MAAT Notice of Meeting and Explanatory Memorandum', dated 15 May 2024
USD	United States Dollar
VWAP	Volume weighted average price

Source: BDOCF analysis

Appendix 2: Sources of information

In preparing this IER, we had access to and relied upon the following principal sources of information:

- ▶ ‘MAAT Notice of Meeting and Explanatory Memorandum’ dated 15 May 2024
- ▶ MAAT’s annual reports for the years ended 30 June 2023 and 30 June 2022
- ▶ MAAT’s interim report for the half-year ended 31 December 2023
- ▶ MAAT’s unit pricing reports as at 30 June 2022, 30 June 2023, 29 December 2023, 29 February 2024 and 1 March 2024
- ▶ MAIF’s unit pricing report as at 30 June 2022, 30 June 2023, and 29 February 2024
- ▶ MAAT’s schedule of investments and unrealised gains as at 29 February 2024, in the file ‘6A. MAAT 29 February 2024 Investments and Unrealised Gains.xlsx’
- ▶ MAIF’s schedule of investments and unrealised gains as at 29 February 2024, in the file ‘6B. MAIF 29 February 2024 Investments and Unrealised Gains.xlsx’
- ▶ MAAT and MAIF’s historical net assets, units on issue, and NAV per unit in the file ‘8. 3 years of Monthly Net Assets, NAV, Units.xlsx’
- ▶ Description of MAIF’s unlisted investments and the respective bases for valuation in the file ‘Monash_Holdings of Unlisted Securities_FY2024.xlsx’
- ▶ Details of MAIF’s unlisted investments as at 30 June 2023, in the file ‘Monash_Holdings of Unlisted Securities_FY2024.xlsx’
- ▶ MAAT and MAIF’s top 20 unitholders as at 1 March 2024, in the file ‘3. Top20 29 Feb 2024 for Merger docs.xlsx’
- ▶ MAAT and MAIF’s February 2024 fund update reports
- ▶ MAAT’s Product Disclosure Statement, dated 17 July 2023
- ▶ MAIF’s Product Disclosure Statement, dated 17 July 2023
- ▶ Strategic review of MAAT prepared by Monash dated 12 April 2024
- ▶ Discussions with the Management of Monash
- ▶ Other Management information
- ▶ Information sourced from S&P Capital IQ
- ▶ ASIC guidance notes and regulatory guides as applicable
- ▶ Announcements sourced from the ASX
- ▶ Other generally available public information.

Appendix 3: Valuation methodologies for businesses and assets

We considered the following common valuation methodologies in preparing this Report.

Discounted cash flow (DCF) methodology

The DCF methodology is based on the premise that the value of a business or any asset is represented by the present value of its future cash flows. It requires two essential elements:

- ▶ The forecast of future cash flows of the business asset for a number of years (usually five to 10 years)
- ▶ The discount rate that reflects the riskiness of those cash flows used to discount the forecast cash flows back to net present value (NPV).

DCF is appropriate where either:

- ▶ The businesses' earnings are capable of being forecast for a reasonable period (preferably 5 to 10 years) with reasonable accuracy
- ▶ Earnings or cash flows are expected to fluctuate significantly from year to year
- ▶ The business or asset has a finite life
- ▶ The business is in a 'start up' or in early stages of development
- ▶ The business has irregular capital expenditure requirements
- ▶ The business involves infrastructure projects with major capital expenditure requirements
- ▶ The business is currently making losses but is expected to recover.

Capitalisation of earnings (COE) methodology

This method involves the capitalisation of normalised earnings by an appropriate multiple. Normalised earnings are the assessed sustainable profits that can be derived by the vendor's business and exclude any one-off profits or losses. An appropriate earnings multiple is assessed by reference to market evidence as to the earnings multiples of comparable companies.

This method is suitable for the valuation of businesses with indefinite trading lives and where earnings are relatively stable or a reliable trend in earnings is evident.

Net asset value methodologies

Asset based valuations involve the determination of the fair market value based on the net realisable value of the assets used.

Valuation of net realisable assets involves:

- ▶ Separating the business or entity into components which can be readily sold, such as individual business securities or collection of individual items of plant and equipment and other net assets
- ▶ Ascribing a value to each based on the net amount that could be obtained for this asset if sold.

The net realisable value of the assets can be determined on the basis of either:

- ▶ Orderly realisation (NRV): this method estimates fair market value by determining the net assets of the underlying business including an allowance for the reasonable costs of carrying out the sale of assets, taxation charges and the time value of money assuming the business is wound up in an orderly manner. This is not a valuation on the basis of a forced sale where the assets might be sold at values materially different from their fair market value.
- ▶ Liquidation: this is a valuation on the basis of a forced sale where the assets might be sold at values materially different from their fair market value.
- ▶ Continuing operations (NAV): this is a valuation of the net assets on the basis that the operations of the business will continue. It estimates the market value of the net assets but does not take into account any realisation costs. This method is often considered appropriate for the valuation of an investment or property holding entity. Adjustments may need to be made to the book value of assets and liabilities to reflect their value based on the continuation of operations.

The net realisable value of a trading entity's assets will generally provide the lowest possible value for the business. The difference between the value of the entity's identifiable net assets (including identifiable intangibles) and the value obtained by capitalising earnings is attributable to goodwill.

The net realisable value of assets is relevant where an entity is making sustained losses or profits but at a level less than the required rate of return, where it is close to liquidation, where it is a holding entity, or where all its assets are liquid. It is also relevant to businesses which are being segmented and divested and to value assets that are surplus to the core operating business. The net realisable assets methodology is also used as a check for the value derived using other methods.

These approaches ignore the possibility that the entity's value could exceed the realisable value of its assets.

Quoted market price (QMP) methodology

The price that an entity's security trades on an exchange can be an appropriate basis for valuation where:

- ▶ The security trades in an efficient marketplace where 'willing' buyers and sellers readily trade the entity's security
- ▶ The market for the entity's security is active and liquid.



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Monash Investors Small Companies Fund

Class A Units

ARSN 606 855 501
APIR MON0001AU

Product Disclosure Statement

17 July 2023

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This Product Disclosure Statement is issued by The Trust Company (RE Services) Limited ABN 45 003 278 831 AFSL 235150 as the Responsible Entity of the Monash Investors Small Companies Fund

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IMPORTANT NOTICES AND DISCLAIMER

This Product Disclosure Statement (**PDS**) is intended solely for the use of the person to whom it has been delivered for the purpose of evaluation of a possible investment by the recipient in the units described in it, and is not to be reproduced or distributed to any other person (other than professional advisers of the prospective investors so receiving it). This PDS can only be used by investors receiving it (electronically or otherwise) in Australia. Applications from outside Australia will not be accepted. This offer is open to retail and wholesale clients as those terms are defined in the *Corporations Act 2001 (Cth)* (**Corporations Act**).

The information in this PDS is general information only and is not a recommendation to invest. It does not take into account your individual objectives, tax and financial situation or particular needs or circumstances. Prospective investors should read and understand this PDS in its entirety, should consider whether investing in the Fund is appropriate having regard to their individual objectives, tax and financial situation or particular needs or circumstances, rely upon their own enquiries and take their own financial and taxation advice in deciding whether to invest. You should also carefully consider the Target Market Determination (**TMD**) for the Fund before making an investment decision. The TMD includes a description of who the Fund is appropriate for. A copy of the TMD is available at: www.monashinvestors.com

This PDS should be read in conjunction with the TMD and the Constitution of the Monash Investors Small Companies Fund ARSN 606 855 501 (**Fund**).

The investment manager for the Fund is Monash Investors Pty Ltd ABN 67 153 180 333 AFSL 417201 (**Monash Investors**). The Trust Company (RE Services) Limited (ABN 45 003 278 831, AFSL 235150) (**Perpetual or Responsible Entity**) is the Responsible Entity of the Fund. Except as, and to the extent, required by law, the Responsible Entity, Monash Investors and their respective employees, agents and officers do not guarantee the success or investment performance of the Fund, repayment of capital, payment of any income or return on investment. It is your obligation to seek any advice and observe any legal restrictions on investment in the Fund which may apply to you.

No person is authorised to give any information or to make any representations in connection with the Fund that are not contained in this PDS. Any information or representation not so contained may not be relied upon as having been authorised in connection with this investment.

An investment in the Fund is subject to investment risk, which may include possible delays in repayment and loss of capital. For more information on the risks associated with an investment in the Fund, please see section 8 (*Risks of investing in the Fund*).

Information in this PDS is subject to change from time to time. Information that is not materially adverse may be updated without issuing a new or supplementary PDS. Such updated information may be obtained from the Fund's website at www.monashinvestors.com. A paper copy of any updated information will be provided on request free of charge.

Capitalised terms have the meanings given to them in the section "Terms used in this PDS" (refer to section 14).

1. Key features of the Fund

This section summarises some of the key features of the Fund. This summary is not intended to be exhaustive. You should refer to the relevant cross-referenced sections below and read all of this PDS before making any investment decision.

Key Fund information		Section
Name of the Fund	Monash Investors Small Companies Fund	
ARSN	606 855 501	
Unit class	Class A Unit	
Responsible Entity	The Trust Company (RE Services) Limited ABN 45 003 278 831 AFSL 235150	3
Investment Manager	Monash Investors Pty Ltd ABN 67 153 180 333 AFSL 417201	4
About the Fund	<p>The Fund is an actively managed Australian Small Companies fund that predominantly invests in securities that are generally trading outside the S&P/ASX 100 Index.¹</p> <p>The Fund is limited to holding cash in the range of 0% to 10% of the Fund's net asset value (NAV). It also has a limited capacity for short selling. For more details on Fund exposure limits please refer to the investment ranges in section 6.</p>	6
Investment Objective	<p>The Fund aims to outperform the S&P/ASX Small Ordinaries (Total Return) Index over a full Market Cycle.</p> <p>There is no guarantee that this objective will be achieved and this objective is only an indication of the intended target return the Fund is seeking.</p>	6
Investment time horizon	The Fund is suitable for investors with an investment horizon of five years or more.	6
Minimum initial investment	\$20,000	
Minimum additional investment	\$5,000	
Minimum withdrawal	\$5,000	
Management fee	The Investment Manager is entitled to a management fee of 1.2813% p.a. of the Class A NAV (inclusive of GST and net of any input tax credits and reduced input tax credits) calculated daily and paid monthly, out of which the Responsible Entity's fee is also paid.	9
Performance fee	20.5% (exclusive of GST) of the amount (if any) by which the investment performance of Class A Units (after fees) exceeds the RBA Cash Rate + 5% and (if applicable) is paid quarterly to Monash Investors.	9
Transaction Costs	A buy spread of 0.30% is charged by the Fund when entering the Fund (buying units) and a sell spread of 0.30% is charged when exiting the Fund (selling units) to cover the transaction costs incurred by the Fund.	9
Distributions	The Responsible Entity will determine distributions annually at 30 June each year. Distributions will be paid as soon as reasonably practicable, which is generally within one (1) month after the distribution calculation date and in any event, within three (3) months after the distribution calculation date (provided the distribution does not comprise of redemption income entitlements). Distributions are automatically reinvested unless you instruct the Administrator otherwise in the application form.	10
Withdrawals	Withdrawals will generally be paid within 10 Business Days.	8 & 11
Risks	All investments are subject to risk. The significant risks associated with the Fund are described in this PDS.	8

¹ At the date of this PDS, the Fund holds Unlisted Equities that comprise approximately 6.0% of the Fund's portfolio. It is intended that the Fund will predominantly invest in ASX listed Small Companies and subject to market conditions, the Investment Manager intends to dispose of the Fund's Unlisted Equities within 2 years of the date of this PDS.

2. Summary of benchmarks and disclosure principles

This section addresses ASIC's benchmarks and disclosure principles for hedge funds and provides references to other sections of this PDS where you can find further information. This information addresses key issues that ASIC requires to be disclosed to enable prospective investors to make an informed investment decision.

Benchmarks

Benchmark	Summary	Further information
Valuation of assets	<p>This benchmark addresses whether valuations of the Fund's non-exchange traded assets are provided by an independent administrator or independent service provider.</p> <p>The Fund meets this benchmark.</p> <p>Apex is the appointed Administrator of the Fund. Apex is not related to Perpetual or Monash Investors. The valuation of all Fund assets is conducted by Apex on each Business Day for the preceding Business Day.</p> <p>For those exchange traded assets held in the Fund, Apex will obtain the closing market prices from the relevant exchange for use in the valuation.</p> <p>For those non-exchange traded assets where the market values are not available (or where Perpetual reasonably believes that the market values do not represent a fair value), then another valuation method may be used provided that it is consistent with ordinary commercial practices for valuing assets of the relevant kind and produces a value that is reasonably current at the time of valuation.</p>	Section 10
Periodic reporting	<p>This benchmark addresses whether the Responsible Entity will provide periodic disclosure of certain key information on an annual and monthly basis.</p> <p>The Fund meets this benchmark.</p> <p>Perpetual provides periodic reports on certain key information relating to the Fund on a monthly and annual basis, as set out below section 13.</p>	Section 13

Disclosure principles

The following table summarises the information required by ASIC's disclosure principles for hedge funds. Detailed explanation of this information is contained within the relevant section in this PDS and should be read and understood before making an investment decision.

Disclosure principle	Summary	Reference
Investment strategy	<p>The Fund is an actively managed Australian Small Companies fund. It predominantly invests in securities that are generally trading outside the S&P/ASX 100 Index.¹</p> <p>The Fund is limited to holding cash in the range of 0 to 10% of the Fund's NAV. It also has a limited capacity for short selling. For more details on Fund exposure limits please refer to the investment ranges in section 6.</p> <p>All assets of the Fund (with the exception of an unlisted international security held by the Fund that the Investment Manager intends to dispose of within 2 years of the date of this PDS) will be located in Australia and denominated in Australian dollars. The Fund's international assets will be</p>	<p>Further information regarding the 'Investment strategy' can be found in section 6.</p> <p>Further information regarding 'Short selling' and 'Leverage' can be found in section 6.</p>

¹ At the date of this PDS, the Fund holds Unlisted Equities that comprise approximately 6.0% of the Fund's portfolio. It is intended that the Fund will predominantly invest in ASX listed Small Companies and subject to market conditions, the Investment Manager intends to dispose of the Fund's Unlisted Equities within 2 years of the date of this PDS.

Disclosure principle	Summary	Reference
Investment Strategy (Continued)	<p>located in, and denominated in the currency of, their local jurisdiction.</p> <p>The Fund may invest within the asset class and net exposure ranges set out in 'Investment ranges' in section 6. As well as providing reasonable constraints, these investment guidelines also serve to manage a number of risks associated with the Fund including leverage, short selling as well as security/investment specific and market risks. These risks are further outlined in section 8.</p> <p>Monash Investors has implemented a risk management framework including risk management software and strict trading rules, and daily monitoring to manage the Fund's exposures within the asset class and market exposure limits of the Fund, as set out under the table of 'Investment range' in section 6.</p> <p>Perpetual may from time to time change the Fund's investment strategy, benchmark, and asset allocation ranges and limits, and in some cases may do this without prior notice to investors.</p>	<p>Further information regarding the Fund's 'Investment ranges' see section 6 and 'Risks of investing in the Fund' see section 8.</p> <p>Further information regarding 'Risk management' can be found in section 8.</p> <p>For further information regarding changes to the investment strategy see 'Fund structure' in section 6.</p>
Investment Manager	<p>The Investment Manager for the Fund is Monash Investors Pty Ltd ABN 67 153 180 333 AFSL 417201.</p>	<p>Further information regarding the Investment Manager can be found in 'About Monash Investors' in section 4 & 'Key service providers' in section 5.</p>
Fund structure	<p>The Fund is a managed investment scheme registered in Australia. The Fund has different classes of units. This PDS relates to Class A Units only.</p> <p>A diagram showing the flow of investment money through the structure is set out in section 6.</p> <p>Perpetual is the Responsible Entity of, and issuer of units in, the Fund. Perpetual is responsible for the day to day operations of the Fund and has appointed Australian based key service providers who are involved in the Fund's ongoing operation. The identities of these key service providers and the scope of their services are outlined in section 5.</p> <p>The Responsible Entity will use various methods to monitor the performance of the service providers including, the review of regular compliance and audit reports, regular observation of service provider performance, and engaging with service providers through regular meetings.</p> <p>The risks of the Fund structure are outlined in section 8 and include risk of termination of the Fund, manager risk, currency risk and counterparty risk.</p>	<p>Further information regarding the Fund can be found in section 6.</p> <p>Further information on the Responsible Entity and Investment Manager can be found in 'About Perpetual' in section 3 and in 'About Monash Investors' in section 4.</p> <p>Further information on the 'Key service providers' can be found in section 5.</p> <p>Further information on Fund risks can be found in section 8.</p>
Valuation, location and custody of assets	<p>The Fund's assets are valued each Business Day for the preceding Business Day using the closing market price for an exchange traded asset or another valuation method where the asset is non-exchange traded provided that the method is consistent with ordinary commercial practices for valuing assets of the relevant kind and produces a value that is reasonably current at the time of valuation.</p> <p>Apex is the Fund's Administrator and is responsible for providing valuation, investment administration, accounting and registry services.</p>	<p>Further information on the Fund's 'Unit Pricing / Valuation Process' can be found in section 10.</p>

Disclosure principle	Summary	Reference
	<p>The Fund will predominantly invest in ASX listed securities that are generally trading outside the S&P/ASX 100 Index.</p> <p>The allocation ranges for the investment in these assets can be found in the 'Investment range' table in section 6.</p> <p>The Responsible Entity has appointed Morgan Stanley & Co International plc as Prime Broker/Custodian. In addition to custodial services, as Prime Broker it may provide clearing, settlement, stock borrowing and foreign exchange facilities services to the Fund.</p> <p>The Responsible Entity has appointed Perpetual Corporate Trust Limited as the Unlisted Equities Custodian for the Fund.</p> <p>See section 5 for more information on the Prime Broker/Custodian and the Unlisted Equities Custodian.</p>	<p>Further information on the Fund's assets can be found in 'Investment strategy' in section 6.</p> <p>Further information on the Prime Broker/Custodian and Custodian can be found in section 5.</p>
Liquidity	<p>The Fund accepts applications and withdrawals on a daily basis.</p> <p>Investors will be able to withdraw their investment in the Fund from the Responsible Entity whilst the Fund is "liquid" for the purposes of the Corporations Act or pursuant to a withdrawal offer by the Responsible Entity (if it chooses to make one).</p> <p>The Fund invests predominantly in liquid assets. As at the date of this PDS, the Responsible Entity reasonably expects that under normal market conditions 80% of the Fund's assets will be capable of being realised within a reasonable time at the value ascribed to those assets in calculating the Fund's NAV, within 10 days.</p> <p>For information on withdrawing from the Fund, see section 11 and for information on the risks associated with liquidity, see section 8.</p>	<p>For further information on 'Liquidity risk' see section 8.</p>
Leverage	<p>The Fund may be leveraged through the use of short-selling, which increases the Fund's gross market exposure to the security sold short. Whilst the use of leverage may increase the potential return on an investment in the Fund, it also increases the level of risk and may result in losses. Please refer to sections 6 & 8 of this PDS for more information. Where leverage is employed, it will only be done within the investment ranges set out in section 6. A worked example showing the impact of leverage on investment returns and losses, assuming the maximum anticipated level of leverage is also set out in section 6.</p> <p>The obligations of the Fund to the Prime Broker/Custodian in respect of any transactions will be secured by transferring to the Prime Broker/Custodian by way of security title to certain investments, cash or other assets of the Fund (together referred to as Collateral).</p>	<p>Further information on leverage can be found in 'Leverage' in section 6.</p> <p>Further information on the Prime Broker/Custodian can be found in 'Key service providers' in section 5.</p>
Short Selling	<p>The Fund employs short selling techniques to hedge exposures or to enhance potential returns. This is achieved by borrowing securities from the Prime Broker/Custodian and selling those securities. If the securities fall in value, the Fund will purchase securities of the same type and return those securities to the Prime Broker/Custodian to generate a profit.</p>	<p>Further information on 'Short selling' can be found in section 6.</p>

Disclosure principle	Summary	Reference
	<p>However, if the securities increase in value, this will generate a loss for the Fund.</p> <p>For an example of short selling see section 'A short selling example' in section 6. There are specific risks associated with short-selling. Refer to section 8 of this PDS for more information on short selling risks and how the Investment Manager will seek to manage those risks.</p>	<p>Further information on the risks of short selling can be found in section 'Short selling risk' in section 8.</p>
<p>Withdrawals</p>	<p>Withdrawal requests are processed daily. A properly executed withdrawal request received by 12 noon on a Business Day by the Administrator will receive the unit price effective that Business Day. If the request is received after 12 noon, it will be treated as a request for withdrawal received on the next Business Day. Perpetual may in its discretion allow withdrawal at other times if it is considered to be in the best interests of remaining unitholders.</p> <p>The minimum withdrawal is \$5,000 (or such lesser amount as Perpetual may determine in its absolute discretion).</p> <p>Withdrawals will generally be paid within a reasonable time (and at any rate, no later than 21 days) after the Administrator receives a properly completed original withdrawal request and the request is accepted by the Administrator.</p> <p>Perpetual may, under the Constitution, suspend or delay withdrawals in certain circumstances if it believes that it is in the best interest of unitholders as a whole. For more information see 'Liquidity risk' in section 8 and 'Restrictions on withdrawals' in section 11.</p> <p>Investors will be notified of any material change to the withdrawal rights in writing. In addition, Monash Investors will post a notice on their website should a material change occur.</p>	<p>Further information on 'Withdrawals' can be found in section 11.</p> <p>Further information on 'Liquidity risk' can be found in section 8.</p>

3. About Perpetual

The Trust Company (RE Services) Limited (**Perpetual or Responsible Entity**) is the responsible entity of the Fund.

The Responsible Entity is a wholly owned subsidiary of Perpetual Limited (ABN 86 000 431 827) and a part of the Perpetual Group, which has been in operation for over 135 years. Perpetual Limited is an Australian public company that has been listed on the Australian Securities Exchange for over 55 years.

The Responsible Entity holds an Australian Financial Services Licence (number 235 150) issued by ASIC, which authorises it to operate the Fund.

The Responsible Entity is bound by the Constitution and the Corporations Act. The Responsible Entity has lodged a compliance plan with ASIC which sets out the key measures which the Responsible Entity will apply to comply with the Constitution and the Corporations Act. The Responsible Entity has established a Compliance Committee with a majority of external members. The compliance plan is overseen by the Compliance Committee and is audited annually with the audit report being lodged with ASIC.

The Responsible Entity has the power to delegate certain aspects of its duties.

The Responsible Entity has appointed Monash Investors as the Investment Manager of the Fund. The Investment Management Agreement commenced on 1 July 2015 and continues until terminated by the parties.

The Responsible Entity may terminate the Investment Management Agreement with immediate effect on written notice to the Investment Manager, if:

- the Fund terminates in accordance with the Fund Constitution or the Corporations Act; or
- a special resolution is passed by investors in the Fund at a meeting properly convened directing the Responsible Entity to terminate the appointment of the Investment Manager in respect of the Fund.

The Investment Manager is entitled to terminate the Investment Management Agreement on written notice to the Responsible Entity to take effect six months after the date of the notice (or a lesser period, if the Responsible Entity agrees).

In addition to the rights set out above, the Responsible Entity or the Investment Manager may terminate the

Investment Management Agreement, with immediate effect on written notice if:

- the Responsible Entity ceases to be the responsible entity of the Fund;
- a receiver, receiver and manager, administrative receiver or similar person is appointed with respect to the assets and undertaking of either the Investment Manager or the Responsible Entity, as applicable;
- either party goes into liquidation (other than for the purpose of a reconstruction or amalgamation on terms previously approved in writing by either the Investment Manager or the Responsible Entity, as applicable);
- either party is placed under official management or an administrator is appointed to its affairs;
- either party ceases to carry on business in relation to its activities as either an investment manager or responsible entity, as applicable;
- either party materially breaches or fails to observe or perform any duty, obligation, representation, warranty or undertaking required of it under the Investment Management Agreement that, in the opinion of either the Investment Manager or the Responsible Entity (as applicable), adversely affects the rights of Investors, and fails to rectify the breach or failure to rectify the breach to the reasonable satisfaction of either the Investment Manager or the Responsible Entity (as applicable) within a reasonable period specified by the relevant party in a notice to do so; or
- either the Responsible Entity or the Investment Manager (as applicable) considers it reasonably necessary to do so in order to ensure compliance with its duties and obligations under the relevant law and in any circumstances by the relevant law, trust law or any other law or by any court of competent jurisdiction.

Investment in the Fund is not a deposit with, or liability of, the Responsible Entity or any other company of the Perpetual group. It is subject to investment risk, including possible delays in repayment and loss of income and principal invested. None of the Responsible Entity, Apex, Monash Investors or their related entities, shareholders, directors or officers guarantees the performance of the Fund, the return of an investor's capital or any specific rate of return.

More information can be found at www.perpetual.com.au.

4. About Monash Investors

Monash Investors is an investment management company founded, and majority owned, by Simon Shields and Shane Fitzgerald.

Together, they have almost 60 years' collective experience in investing in financial markets and they are responsible for making investment decisions for Monash Investors. They also hold units in the Monash Investors Small Companies Fund, further aligning the manager/ interests with other investors.

Monash Investors holds an Australian Financial Services Licence (number 417201).

More information about Monash Investors can be found including any changes to key personnel at www.monashinvestors.com.

Simon Shields Portfolio manager

Simon is one of Australia's leading fund managers with over 34 years of industry experience including in roles as Head of Australian Equities at UBS Global Asset Management (Australia) Limited and Head of Australian Equities at Colonial First State Limited. Simon has been a member of and/or led multi-award winning equities teams across a range of investment styles.

Simon holds a Bachelor of Commerce with Honours, Bachelor of Law, Masters of Business Administration and is a Chartered Financial Analyst.

Simon commenced his career as an analyst with Westpac Investment Management Limited (now part of BT Investment Management Limited), before moving into a portfolio management role. In 1995, he moved to Rothschild Australia Asset Management Limited as a Portfolio Manager, responsible for value-style Australian equities. In March 1998, he joined CFS as a Senior Portfolio Manager, responsible for growth style Australian and New Zealand equities, before becoming the Head of Australian Equities in January 2004. In July 2007, he moved to UBS as Managing Director and Head of Australian Equities and in 2011 he also took responsibility for the ING Investment Management Limited Australian equities team following its acquisition by UBS.

Simon is a director and co-founder of Monash Investors. His role includes research, analysis, dealing and investment management of the Fund. Approximately 90% of Simon's time is spent on investment activities for the Fund.

Shane Fitzgerald Portfolio manager

Shane has over 31 years' financial services experience including working at JP Morgan Securities (Australia) Limited and UBS Global Asset Management (Australia) Limited. He holds a Bachelor of Commerce with Honours in Economics.

Shane commenced his career at JP Morgan as an analyst, before moving into a senior research analyst role and eventually becoming the Head of Insurance and Diversified Financial Research, as well as an Executive Director.

In 2008, he joined UBS as a director and investment analyst.

Shane is a director and co-founder of Monash Investors. His role includes research, analysis, dealing and investment management of the Fund. Approximately 90% of Shane's time is spent on investment activities for the Fund.

5. Key service providers

There are a number of parties, in addition to the Responsible Entity, involved in the operation and administration of the Fund or who otherwise provide services in connection with the Fund.

Key service providers are shown in the table below.

Key service provider (role)	Description	Jurisdiction
Monash Investors Pty Limited (Investment Manager)	The Investment Manager is responsible for making investment decisions for the Fund.	Australia
Apex Fund Services Pty Ltd (Administrator)	Apex provides administration services such as registry, valuation, and fund accounting for the Fund.	Australia
Morgan Stanley & Co. International plc (Prime Broker/Custodian)	<p>Morgan Stanley & Co. International plc. (the Prime Broker/Custodian), a member of the Morgan Stanley Group of companies (the Morgan Stanley Companies), based in London, will provide prime brokerage services to the Fund under the terms of the International Prime Brokerage Agreement (Prime Broker Agreement) entered into between the Fund and the Prime Broker for itself and as agent for certain other Morgan Stanley Companies. These services may include the provision to the Fund of clearing, settlement, stock borrowing and foreign exchange facilities. The Fund may also utilise the Prime Broker, other Morgan Stanley Companies and other brokers and dealers for the purposes of executing transactions for the Fund. The Prime Broker is authorised by the Prudential Regulatory Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and the PRA.</p> <p>The Prime Broker will also provide custody services for the Fund's investments, including by taking custody of title documentation and holding securities in its name as the Responsible Entity's custodian (as part of its prime brokerage function in accordance with the terms of the Prime Broker Agreement). The Prime Broker may appoint sub-custodians, including other Morgan Stanley Companies.</p>	England and Wales
Perpetual Corporate Trust Limited (Unlisted Equities Custodian)	The Unlisted Equities Custodian is responsible for holding the Fund's Unlisted Equities, and among other things, arranging for settlement of the sale and purchase of any Unlisted Equities.	Australia
Ernst & Young Sydney (Fund Auditor)	Ernst & Young has been appointed as the independent auditor of the Fund's financial statements.	Australia
PricewaterhouseCoopers (Compliance Plan Auditor)	PricewaterhouseCoopers has been appointed as the independent auditor of the Fund's Compliance Plan.	Australia

The Unlisted Equities Custodian

Perpetual Corporate Trust Limited has been appointed as the Unlisted Equities Custodian for the Fund.

The Unlisted Equities Custodian's role is limited to holding and maintaining any Unlisted Equities of the Fund on behalf, and as agent, of Perpetual as the Responsible Entity of the Fund. Any liability or responsibility which the Unlisted Equities Custodian has or may have under the custody arrangements are to Perpetual as the Responsible Entity only. Where there are any assets of the Fund which the Responsible Entity elects not to deposit with the Unlisted Equities Custodian, the Unlisted Equities Custodian shall have no liability whatsoever in respect of such assets. The Unlisted Equities Custodian does not have a supervisory role in relation to operation and/or management of the Fund and is not responsible for protecting the interests of unitholders.

The Administrator

Apex has been appointed as the Administrator of the Fund. The Administrator is responsible for the general administration that includes keeping the register of unitholders, arranging for the issue and redemption of units and calculation of asset valuations and fees.

In accordance with the relevant agreements between Apex and Perpetual, Apex has no supervisory role in relation to the operation of the Fund and has no liability or responsibility to unitholders for any acts or omissions. Apex, in its role as Administrator, was not involved in preparing this PDS, and neither Apex nor any of its associated entities takes any responsibility for the contents of this PDS. Furthermore, neither Apex nor any of its associated entities makes any guarantee related to the success or performance of the Fund, the repayment of capital from the Fund, any particular rate of capital or income return from the Fund or any increase in the value of the Fund.

Prime broker

The Prime Broker/Custodian facilitates securities borrowing and lending processes, while providing centralised securities clearing and custody services to the Fund.

The fees of the Prime Broker/Custodian for securities lending and associated services are payable by the Fund. The Prime Broker/Custodian has no decision making discretion relating to the investment of the assets of the Fund and makes no representation in respect of the Fund or the investment of the assets.

The Prime Broker/Custodian and its related entities are service providers to the Fund and are not responsible for the preparation of this PDS or the activities of the Fund and therefore accept no responsibility for any information contained in this document.

Monitoring of key service providers

The Responsible Entity has entered into service level agreements with the service providers and will, with the assistance of Monash Investors, regularly monitor the performance of the service providers against the service standards set out in the relevant agreements.

Changes to key service providers

Perpetual has processes and procedures for selecting, monitoring and reviewing the performance of the key service providers of the Fund. These key service providers are subject to change at any time, and in some cases without prior notice to investors. We will inform investors of any material change to key service providers in the next regular communication or as otherwise required by law.

6. About the Monash Investors Small Companies Fund

The Fund is an Australian registered managed investment scheme and unit trust, where each investor's money is pooled with other investors' funds. Each unit represents an equal share in the net assets of the Fund, however no investor is entitled to a specific asset or part of an asset of the Fund. The rights of investors are set out in the Constitution.

Investment return objective

The investment objective of the Fund is to outperform the S&P/ASX Small Ordinaries (Total Return) Index over a full Market Cycle.

Investing in the Fund exposes you to certain risks. You should weigh up the potential benefits against the risks of investing (see section 8 titled Risks of investing in the Fund for further information).

Performance benchmark

No market linked performance benchmark has been set, however the RBA Cash Rate + 5% has been set as a performance fee hurdle (**Hurdle**).

Minimum suggested time frame for holding investment

5 years or more.

Fund structure

The Fund is an Australian registered managed investment scheme, established under a constitution. The Fund's Constitution (in addition to the Corporations Act and general law) sets out Perpetual's powers, duties and obligations, as well as the rights of unitholders. Together with the Corporations Act, the Constitution also sets out the framework under which the Fund operates. The Constitution (including any amendments) has been lodged with ASIC.

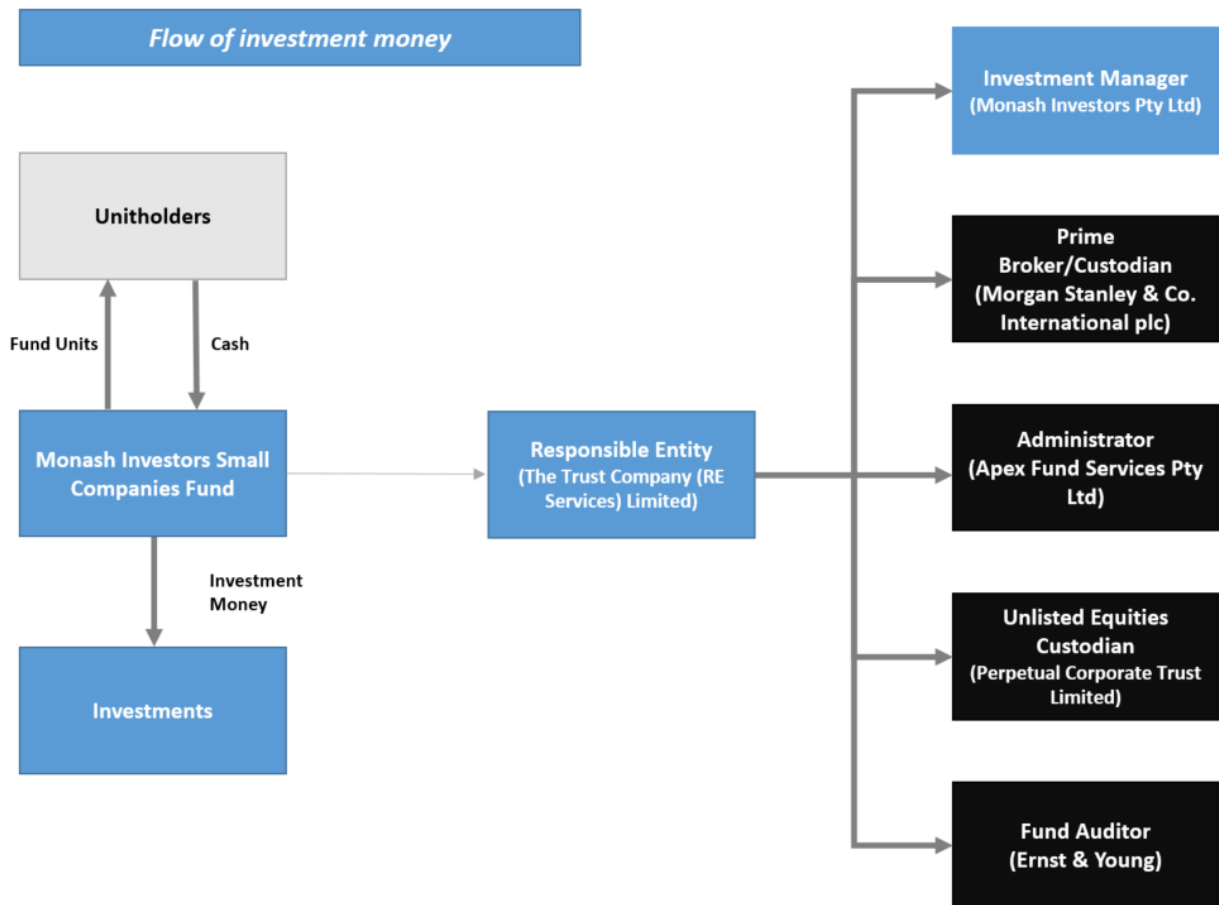
Perpetual has the right to close or terminate the Fund in accordance with the Corporations Act (for example with investor approval) and change the Fund's investment strategy, benchmark, and asset allocation ranges and limits, and in some cases we may do this without prior notice to investors.

We will inform investors of any material changes to the Fund in their next regular communication or as otherwise required by law, which in some circumstances, may require prior notice to investors. Material changes notices are also available on Monash Investors' website www.monashinvestors.com.

Your rights and obligations as a unitholder in the Fund are also governed by the Constitution for the Fund, the Corporations Act and the general law relating to trusts. This includes the right to attend unitholder meetings, to make withdrawal requests, receive and reinvest distributions, participate in termination proceeds and lodge complaints.

The Constitution contains provisions designed to limit your liability to the amount invested in the Fund. However, you should be aware that the effectiveness of such a limitation is yet to be conclusively determined by the courts.

A copy of the Fund's Constitution is available free of charge by contacting Perpetual or your IDPS scheme operator.



Investment strategy

The Investment Manager seeks to implement the Fund's investment strategy by predominantly investing in ASX listed securities that are outside the S&P/ASX 100 Index.³

The Fund is limited to holding cash in the range of 0% to 10% of the Fund's net asset value (**NAV**). It also has a limited capacity for short selling. For more details on Fund exposure limits please refer to the investment ranges in this section 6.

The Fund seeks to only invest in compelling opportunities. To identify these investment ideas, Monash Investors primarily employs fundamental, bottom-up company research and the judgement and skill of its experienced portfolio managers.

Monash Investors believes that a diversified portfolio of compelling investments is likely to provide a strong return over the Market Cycle.

All assets of the Fund will be located in Australia and denominated in Australian dollars (with the exception of an unlisted international security held by the Fund that the Investment Manager intends to dispose of within 2 years of the date of this PDS).

The Fund's ability to produce the targeted returns depends on Monash Investors identifying compelling opportunities.

Monash Investors are focused on identifying securities that have the following attributes:

- 1) an asymmetric payoff: where the projected profit is expected to exceed the anticipated risk; and
- 2) a combination of the following characteristics:
 - high level of earnings and cash flow per share growth;
 - are underestimated or misunderstood in some way by the market;
 - represent strong value; and
 - have a near term event or announcement which is expected to trigger a price movement.

Depending on the size of the expected payoff and whether there is a near term catalyst, Monash Investors classify securities as either outlook driven or event driven investments.

³ At the date of this PDS, the Fund holds Unlisted Equities that comprise approximately 6.0% of the Fund's portfolio. It is intended that the Fund will predominantly invest in ASX listed Small Companies and subject to

market conditions, the Investment Manager intends to dispose of the Fund's Unlisted Equities within 2 years of the date of this PDS.

Outlook driven investments

Outlook driven long investments are securities that exhibit a strong business outlook with large valuation upsides and moderate to low risks. Outlook driven shorts may also be identified. These are typically operationally or financially leveraged businesses that face challenging competitive forces.

Event driven investments

Event driven investments are opportunities where Monash Investors expect a moderate near term payoff due to a catalyst event. Event driven investments can be bought long, sold short or traded in pairs.

Key dependencies and assumptions underpinning the investment strategy

The Fund's ability to produce investment returns will depend on the availability of assets that meet the Fund's investment guidelines, the Australian equity market conditions and the effect of the risks identified in section 8.

Short selling

The Investment Manager employs short selling as part of the Fund's investment strategy to enhance potential investment returns and to hedge exposures.

Short selling is where a fund borrows securities with the promise to return equivalent securities at a specified time in the future. The borrowed securities will then be sold on the open market. If the security falls in value, the fund will purchase the security and return those securities to the lender, thus generating a profit. However, if the security increases in value, this will generate a loss.

What is long/short investing?

When short selling is used in combination with a traditional, long-only portfolio, this process is known as 'long/short investing'. It is a process designed to deliver enhanced relative and risk-adjusted returns through the combination of 'long' and 'short' exposures.

When compared to traditional 'long-only' funds, long/short exposures create additional opportunities by allowing the manager to express negative views on a particular security by selling borrowed securities that the manager believes will underperform the market. The manager will then use the proceeds of the short sale to increase their exposure to securities that they view favourably.

In essence, long only investments have one source of return: buying securities that are expected to rise in value. Long/short strategies have two sources of prospective return. A fund that employs a long/short investment strategy can generate returns by owning securities that the manager expects will rise in value (long). At the same time the fund can sell (short) securities that are expected to underperform.

Why use long/short investing?

- Expressing negative views through short-selling may reward investors

- High conviction positive views may be rewarded through increased exposure
- Has the potential to add value in both rising and falling markets

The Fund typically always has some short positions. Monash Investors expects that these will average between 0% and 20% of the total NAV of the Fund over a Market Cycle (see the table of investment ranges on next page).

Risks associated with short selling

Short selling may expose the Fund to certain risks. Monash Investors seeks to manage these risks by employing certain principals to preserve capital. See "Short selling risk" in the section titled 'Risks of investing in the Fund' for an explanation of the risks associated with short selling and how they are managed.

A short selling example

How does long/short investing work?

1. Buy a share portfolio with 100% of the capital (long positions).
2. Borrow shares worth 10% of the capital and sell those shares in market through short selling.

What is the final exposure?

1. The gross exposure (long plus short exposure) to shares is 110% of the original capital.
2. The net exposure (long minus short exposure) to shares is 90% of the original capital.

The above example is for illustrative purposes only. Actual exposures are managed in accordance to the ranges as described in "Investment limits" below.

What are the implications of short selling in this example?

The reduction in net exposure to 90% reduces the exposure of the portfolio to general market risk. But the increase in the gross exposure to 110% increases the exposure of the portfolio to security specific risks. This may have no effect, a positive effect or a negative effect. We show three scenarios.

Scenario 1 shows a positive market of 10% and the long securities and the short securities both rise by 10%. This illustrates that the reduction in net exposure reduces the portfolio return as compared to the market return.

In Scenario 2, the market return is unchanged at 10% but the long securities rise in price by 15% and the short securities rise in price by 8%. This shows that good security selection can add significantly to the performance of the Fund.

In Scenario 3, the market return is 10%, the long securities return only 0% and the short securities rise in price by 12%. This shows that poor security selection can detract significantly to the performance of the Fund.

Scenario 1 – Same Returns			
	Exposure	Return Contribution %	\$ Return
Market return		10.0%	\$10.00
Long Positions	\$100	10.0%	\$10.00
Short Positions	\$10	-1.0%	-\$1.00
Gross Exposure	\$110		
Net Exposure	\$90		
Total Performance		9.0%	\$9.00

Scenario 2 – Different Returns, Good Stock Selection			
	Exposure	Return Contribution %	\$ Return
Market return		10.0%	\$10.00
Long Positions	\$100	15.0%	\$15.00
Short Positions	\$10	-0.80%	-\$0.80
Gross Exposure	\$110		
Net Exposure	\$90		
Total Performance		14.20%	\$14.20

Scenario 3 – Different Returns, Poor Stock Selection			
	Exposure	Return Contribution %	\$ Return
Market return		10.0%	\$10.00
Long Positions	\$100	0.0%	\$0.00
Short Positions	\$10	-1.20%	-\$1.20
Gross Exposure	\$110		
Net Exposure	\$90		
Total Performance		-1.2%	-\$1.20

Note that these returns are theoretical only and do not imply the level of returns investors should expect. They also do not account for transaction costs, management fees, expenses and taxes.

Investment ranges

The Fund may invest within the asset class and net exposure ranges as set out below. As well as providing reasonable constraints, these investment ranges also serve to manage a number of risks including leverage, short selling as well as security/investment specific and market risks. You can obtain information on the actual asset allocation, updated as at the end of each month by visiting www.monashinvestors.com or by contacting Monash Investors.

Asset class exposures (Net)	Target Allocation As a % of NAV¹
Cash & Cash equivalent investments	0 to +10
Australian equities ²	+90 to +100

Market exposures	Target Allocation As a % of NAV
S&P/ASX 100	0 to +20
Net exposure range	+90 to +100
Gross exposure range ³	+90 to +140
Total long exposure	+90 to +120
Total short exposure	-20 to 0

Holdings	No. of Positions
Number of long positions	No minimum or maximum
Number of short positions	No minimum or maximum

¹ NAV or "Net Asset Value" is the value of the Fund's assets less the value of its liabilities.

² At the date of this PDS, the Fund holds Unlisted Equities that comprise approximately 6.0% of the Fund's portfolio. It is intended that the Fund will predominantly invest in ASX listed Small Companies and subject to market conditions, the Investment Manager intends to dispose of the Unlisted Equities within 2 years of the date of this PDS.

³ The maximum gross exposure of 140% means that for every \$1 of the Fund's NAV, it is leveraged \$0.40 for a gross exposure of \$1.40.

Leverage

The Fund may be leveraged through the use of short selling, which increases the Fund's gross market exposure to the equity security sold short.

Where leverage is employed, it will only be done within the investment ranges set out above.

Short Selling, which provides proceeds from the sale of borrowed securities that may be re-invested in the long portfolio, will increase the gross market exposure of the Fund. However, this reduces the net exposure of the Fund and so reduces the leverage of the Fund to general market movements. It is anticipated to average no more than 20% of the Fund's NAV over time but the maximum allowed level of short selling is 100% of the Fund's NAV (see the investment ranges set out above). Stocks used for short selling are borrowed from the Prime Broker/Custodian. The Fund may use its long holdings as collateral for short sales, which may expose the Fund to loss in the event of the insolvency of the Prime Broker/Custodian.

A worked example - leverage

If the Fund has \$100 under management, Monash Investors could implement a strategy that results in the Fund having up to \$120 (i.e. 120% gross long positions) and up to \$20 (i.e. 20% of gross short positions). Importantly however, the maximum net exposure of the Fund must not exceed \$100 (i.e. 100%). By way of illustration, if the Fund were at its maximum level of net leverage, with \$120 of gross long positions and \$20 of gross short positions:

- a 10% appreciation in the value of gross long positions (that is, 10% of \$120 or an appreciation of \$12) would increase the value of the portfolio by 10% (that is gross long positions would be \$132);
- a 10% appreciation in the value of gross short positions would decrease the value of the portfolio by 2%;

- a 10% depreciation in the value of gross long positions would decrease the value of the portfolio by 12%; and
- a 10% depreciation in the value of gross short positions would increase the value of the portfolio by 2%.

Risk management

The Responsible Entity has a risk management framework in accordance with its AFSL conditions.

The Responsible Entity also reviews the risk management framework of Monash Investors. The Monash Investors' framework includes monitoring of investments to manage the Fund's exposures within the asset class and market exposure limits of the Fund, as set out under the table of investment range.

For more details on risks see the section titled "Risks of investing in the Fund".

Labour standards, environmental, social and ethical considerations

Whilst the Responsible Entity and Monash Investors intend to conduct their affairs in an ethical and sound manner, neither take into account labour standards, environmental, social or ethical considerations for the purpose of selecting, retaining or realising any investment made by the Fund.

7. Benefits of investing in the Fund

Investing in the Fund gives investors access to:

- An exposure to the Australian Small Companies share market;
- An opportunity to make opportunistic returns from a limited exposure to short selling;
- An opportunity to partake in an investment strategy that would ordinarily be difficult for individual investors to employ;
- Enhanced potential for diversification from traditional market exposures; and
- A strategy with an investment team and a proven track record.

Fund Management Expertise:

- Monash Investors has been successfully using its trading strategies since its establishment (although past performance is not an indicator of future performance);
- Possess a robust risk management framework; and
- Employs investment management professionals with extensive experience in funds and investment portfolio management.

Aside from Monash Investors, the Fund is complemented by well-resourced service providers:

- Apex Fund Services Pty Limited (Administrator);
- Morgan Stanley & Co International plc (Prime Broker/Custodian); and
- Perpetual Corporate Trust Limited (Unlisted Equities Custodian of the Fund).

Annual reviews of service providers and continuous audit and compliance obligations are also implemented as standard procedures.

8. Risks of investing in the Fund

All investments carry some level of risk including possible delays in repayment and loss of income and principal invested. In investment terms, risk is the variability of returns over time and the potential loss of capital. Risk means it is not possible to predict the returns that an investment will achieve. Investment returns are not guaranteed and past performance is not an indicator of future performance.

Generally, the higher expected return of an investment, the higher the expected risk. Traditionally, listed shares have generally been considered to be more volatile (will experience greater fluctuations in value) than fixed income, while fixed income has generally been more volatile than cash.

However, higher risk asset sectors such as shares have historically produced higher long term returns than fixed income.

The value of your investment will rise and fall in line with the changing value of the underlying investments. The table does not purport to cover or explain all the risks of investing in the Fund. Each investor has their own particular investment objectives, financial situation and particular needs. You should consult with your financial adviser before investing and from time to time, to ensure your investment is, and remains, appropriate to your needs. The following table outlines the key risks of the Fund.

Type of risk	Risk explained
Market risk	<p>Certain events may have a negative effect on the price of all types of investments within a particular market. These events may include changes in economic, social, technological or political conditions, as well as market sentiment, the causes of which may include changes in governments or government policies, political unrest, wars, terrorism, pandemics and natural, nuclear and environmental disasters. The duration and potential impacts of such events can be highly unpredictable, which may give rise to increased and/or prolonged market volatility and changes in the value of investment markets can affect the value of the investments in the Fund.</p>
Investment specific risk	<p>The Fund's investments involve a high degree of financial risk. Markets in which the Fund is anticipated to invest are subject to a high degree of volatility. There can be no assurance that the Fund's investment objectives will be realised or that unit holders in the Fund will receive their capital back when exiting the Fund or any return on their investment.</p> <p>Certain investments by the Fund may be regarded as speculative in nature and involve increased levels of investment risk. An inherent part of a strategy is to identify securities which are undervalued (or, in the case of short positions, overvalued). Success in such a strategy necessarily depends upon the market eventually recognising the mispricing, which may not necessarily occur.</p>
Small Companies risk	<p>Small companies may be more vulnerable to adverse general market or economic developments, and may experience greater price volatility than larger, more established companies as a result of several factors, including limited trading volumes, products or financial resources, management inexperience and less publicly available information. Small company securities are often less liquid than securities of large companies and this could make it difficult to sell a small company security at a desired time or price. Accordingly, such companies are generally subject to greater market risk than larger, more established companies, and may underperform other segments of the market or the equity market as a whole. The Fund is actively managed and does not aim to track a performance benchmark. Accordingly, there is a risk that it may underperform the broader Australian share market.</p>
Liquidity risk	<p>This is the risk that a given asset cannot be traded quickly enough to prevent a loss (or make the required profit) due to the absence of an established market or a shortfall in trading volume. Due to this liquidity risk, the Fund's inability to dispose of its underlying investments may, at times, limit the Fund's ability to meet withdrawal requests or have an adverse impact on the price obtained for the asset.</p> <p>If significant withdrawals of units in the Fund are requested, it may also not be possible to liquidate the Fund's underlying investments at the time such withdrawals are requested or may be able to do so only at prices which Monash Investors and Perpetual believe do not reflect the true value of such investments, resulting in an adverse effect on the return to remaining investors.</p> <p>The Fund is generally invested in liquid, highly traded securities. To further mitigate this risk, Monash Investors regularly assesses the Fund's investments to ensure that it is invested in assets sufficiently liquid to realise 80% in 10 days.</p>

Type of risk	Risk explained
Short selling risk	<p>Short selling involves a higher level of risk than buying a security. This is because when a security is bought, the maximum loss is limited to the amount invested. With short selling, there is no limit on the maximum loss because there is no upper limit on a security's price (which is the price at which the Fund will need to repurchase a given security that has been sold). Unless action is taken, losses will continue to increase as the security's price rises. Borrowed securities may also be unexpectedly recalled at a time when they cannot be bought back without substantial losses being incurred.</p> <p>Where short-selling is employed, risks are managed by applying the following principles to preserve capital:</p> <ul style="list-style-type: none"> • setting price targets and soft stop loss levels, such that the position is reviewed if there is a price movement of a specific security more adverse than 10%; • limiting the weight of short exposures to the weight of the long holding they are paired against, or if it is not a pair trade, to half the weight of comparable long securities; • diversifying within the portfolio for securities, sectors and investment themes.
Leverage risk	<p>Leverage occurs when the investment exposure to investments exceeds the value of the NAV, and can magnify both the gains and losses. A leveraged fund has a higher investment risk than a comparable unleveraged fund and investors should expect larger variations in returns (both positive and negative). The Fund primarily employs short selling to increase its gross exposure to the market. Please also refer to risks pertaining to short selling above.</p>
Counterparty risk	<p>This is the risk that another party to a transaction (the counterparty) fails to meet its obligations. The Fund's trading counterparties, such as brokers, may become insolvent or otherwise not meet their obligations to the Fund which may affect the value of your investment.</p>
Investment Manager risk	<p>Although Perpetual has the ultimate authority for the management of the Fund, all the decisions relating to the investment of the Fund's assets have been outsourced to Monash Investors. The Fund's trading is dependent on the continuation of the services and skills of Monash Investors' officers and employees. The loss of Monash Investors' services (or that of one or more of its key personnel) could materially and negatively impact the value of the Fund as it may lead to the loss of the use of any proprietary investment methodology developed by Monash Investors. There is also a risk with any managed fund that the investment manager will not perform as expected.</p>
Currency risk	<p>When the Fund invests in international equities, there may be currency exposure and potential for adverse movements in exchange rates to reduce their Australian dollar value. A rise in the Australian dollar against the relevant currency will lead to a fall in the value of assets held by the Fund in that currency. Conversely, a fall in the Australian dollar against the relevant currency will lead to a rise in the value of the assets held by the Fund in that currency.</p>
Fund risk	<p>There is the risk that the Fund could terminate, or the fees and expenses could change.</p>
Cyber Risk	<p>There is a risk of fraud, data loss, business disruption or damage to the information of the Fund or to investors' personal information as a result of a threat or failure to protect the information or personal data stored within the IT systems and networks of Perpetual or other service providers.</p>

9. Fees and other costs

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the Fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneySMART.gov.au) has a managed funds fee calculator to help you check out different fee options.

Fees and other costs

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the Fund as a whole.

Please see section 12 for tax information.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

Monash Investors Small Companies Fund - Class A Units ¹		
TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
Ongoing annual fees and costs		
Management fees and costs The fees ² and costs ³ for managing your investment	1.2813% per annum of Class A NAV	Management fees, which are expressed as a percentage of the Class A NAV, are calculated and accrued daily and generally paid to Monash Investors monthly in arrears. They are deducted directly from the Fund's assets and reflected in its Unit price. You may be able to negotiate the management fee with us.
Performance fees Amounts deducted from your investment in relation to performance of the product	3.06% per annum of Class A NAV ⁴	The performance fee is calculated daily and accrued daily based on the Class A NAV (before performance fee) and is crystallised and paid to Monash Investors on a quarterly basis (if applicable).
Transaction costs⁵ The costs incurred by the Fund when buying or selling assets	0.52% per annum of Class A NAV	All transaction costs are paid out of the Fund's assets and reflected in its NAV per Class A Unit. This amount represents net transaction costs borne by all investors after any buy spread/sell spread recoveries charged on investor-initiated transactions (see 'Buy/Sell Spread' in the table below).

¹ Unless otherwise stated, the fees and costs shown are inclusive of Goods and Services Tax (GST) and net of any input tax credits and any reduced input tax credits.

² These fees may be individually negotiated if you are a wholesale client (as defined in the Corporations Act). Please refer to "Differential fees" in the "Additional Explanation of Fees and Costs" section below.

³ Management fees and costs comprise management fees, expense recoveries and indirect costs. For additional information, please refer to the "Additional Explanation of Fees and Costs" section below.

⁴ The performance fee is based on performance fees that accrued in relation to the Fund, averaged over the previous 5 financial years. Past performance is not an indicator of future performance, and estimates can change. For more information, please refer to the "Additional Explanation of Fees and Costs" section below.

⁵ Transaction costs are shown net of any amount recovered by the buy-sell spread charged by Responsible Entity. For additional information, please refer to the "Additional Explanation of Fees and Costs" section below.

Investor activity related fees and costs (fees for services or when your money moves in or out of the Fund)		
Establishment fee The fee to open your investment	Nil	Not applicable.
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable.
Buy spread/sell spread An amount deducted from your investment representing costs incurred in transactions by the Fund	0.30% upon entry and 0.30% upon exit when buying and selling units directly with the Responsible Entity.	These costs are an additional cost to the investor but are incorporated into the unit price and arise when investing application monies and funding withdrawals from the Fund and are not separately charged to the investor. The buy spread is paid into the Fund as part of an application and the sell spread is left in the Fund as part of a redemption.
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable.
Exit fee The fee to close your investment	Nil	Not applicable.
Switching fee The fee for changing investment options	Nil	Not applicable.

Example of annual fees and costs for the Fund

This table gives an example of how the ongoing annual fees and costs in the Fund can affect your investment over a 1-year period. You should use this table to compare this product with other products offered by managed investment schemes.

Example			BALANCE OF \$50,000 ¹ WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR
Contribution fees	Nil.		For every additional \$5,000 you put in, you will be charged nil.
PLUS Management fees and costs	1.2813% p.a. of Class A NAV ²		And , for every \$50,000 you have in the Fund you will be charged or have deducted from your investment \$640.65 in Management fees and costs each year.
PLUS Performance fees	3.06% p.a. of Class A NAV		And , you will be charged or have deducted from your investment \$1,530.00 in performance fees each year.
PLUS Transaction costs	0.52% p.a. of Class A NAV ³		And , you will be charged or have deducted from your investment \$260.00 in transaction costs.
EQUALS Cost of Class A Units in the Fund			If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of \$2,430.65 .
			What it costs you will depend on the fees you negotiate.

¹ The example assumes that the value of the investment is constant during the year and that the \$5,000 additional investment occurs on the last business day of the year. Therefore, this cost does not include the management fees and costs or transaction costs charged on the additional \$5,000 investment. Please note this is an example only. In practice your actual investment balance will vary daily and the actual management fees and costs charged, which are based on the value of the Fund, will therefore also vary daily.

² Please note that this example does not capture all the fees and costs that may apply to you such as the buy-sell spread. See 'Additional explanation of fees and costs' below.

³ All fees and costs in the table above include Goods and Services Tax (GST) net of any input tax credits and any reduced input tax credits (if available).

Additional explanation of fees and costs

Management fees and costs

Management fees

The Fund pays a management fee of 1.2813% per annum of the Class A NAV (before fees) (inclusive of GST and net of any input tax credits and reduced input tax credits) to Monash Investors. The management fee is calculated daily and is payable from the Fund monthly in arrears. You will not be charged directly for the management fee as this will be paid out of the Fund and reflected in the value of the Class A unit price. As at the date of this PDS, the management fee covers certain operating expenses such as Responsible Entity fees, investment management fees, custodian fees, and administration and audit fees.

Differential fees

We may from time to time enter into special arrangements regarding differential fees in relation to investments made by investors who are 'wholesale clients' (as defined by the Corporations Act). Such negotiations would be subject to compliance with legal requirements and any applicable ASIC relief. Please contact us or your adviser for details of any fee rebates or waivers that may be negotiated.

Management costs

Management costs for the Fund may include:

- any operating expenses; and
- other indirect costs.

Operating expenses

We are entitled to charge to the Fund or be reimbursed from the Fund for any expenses incurred in the proper performance of our duties and obligations relating to the management and administration of the Fund. Operating expenses are those expenses that are incurred in the day-to-day operations of the Fund. They include Prime Broker/Custodian fees, Unlisted Equities Custodian fees, Responsible Entity fees, accounting and audit fees, tax adviser fees and legal fees relevant to the Fund.

At the date of this PDS, we intend to continue with our current practice of paying these operating expenses out of the management fee as described above. However, in the future we may decide to deduct operating expenses in addition to the management fee, in which case we will give investors 30 days' written notice.

Abnormal operating expenses

Abnormal operating expenses are not generally incurred during the day-to-day operation of a Fund and are not necessarily incurred in any given year. They are due to abnormal events like the cost of running an Investor meeting, or legal costs incurred by changes in the Constitution. The Constitution allows the Responsible Entity to charge these abnormal operating expenses in addition to management fees for the relevant year. Any abnormal operating expenses that are incurred during the year may be charged to investors without notice.

Other indirect costs

Indirect costs include fees and expenses arising from any investment which qualifies as an interposed vehicle (e.g. any underlying fund that the Fund may invest in). At the date of this PDS, the Fund does not expect to incur indirect costs.

Performance fee

The Investment Manager is entitled in certain circumstances to charge a performance fee. The performance fee is calculated at a unit class level and is paid out of the assets relating to that class of units where the Investment Manager meets certain performance objectives.

A performance fee is payable to Monash Investors quarterly when the NAV per Class A unit, before performance fees, is above the High Water-Mark subject to a Hurdle. The Hurdle is the RBA Cash Rate + 5%.

The performance fee is equal to 20.5% p.a. (exclusive of GST) of the amount by which the NAV per Class A Unit exceeds the High Water-Mark and the Fund achieves the Hurdle.

This means that Monash Investors is only entitled to charge a performance fee if the investment performance before fees of the Class A Units has exceeded the return of the RBA Cash Rate + 5%. Generally, the greater the investment performance of the Class A Units, the greater the performance fee and therefore the greater the overall management costs for the Fund. The actual performance fee payable (if any) will depend on the performance of the Fund over the relevant period.

Where the daily calculated performance fee is negative, it is applied to reduce any accrued performance fee from the previous day, or, where there is no accrued performance fee from the previous day, carried forward as a 'Performance Deficit'. Any Performance Deficit will need to be offset by future positive performance fees and before any performance fee becomes payable. This means that the Fund must make up any under-performance (in dollar terms) from previous periods before a performance fee can be accrued and reflected in the Class A Unit price. This is often referred to as a High Water-Mark.

The performance fee is calculated each Business Day based on the daily performance and the value of the Fund on that day and, where positive, accrued and reflected in the Fund's Class A Unit price, which will affect the return on investment in the Class A Units of the Fund. The performance fee crystallises and is paid on a quarterly basis. The performance fee is paid out of the assets of the Fund relating to the Class A Units. If the performance fee accrued is positive, you will not be charged directly. If at the end of the period the performance fee is negative, this will be carried forward to the next period to offset any future positive performance fees paid.

Transaction costs

In managing the investments of the Fund, transaction costs include the costs associated with buying and selling

assets such as brokerage, buy-sell spreads in respect of the underlying investments of the Fund, settlement costs and stamp duty.

When the Fund incurs transaction costs from changing its investment portfolio, the transaction costs are paid out of the Fund's assets and reflected in the Fund's Class A Unit price.

Estimated transaction costs that are incurred because investors buy or sell Units are also paid from the Fund's assets, but they are intended to be recovered from those transacting investors by the Buy Spread/Sell Spread allowances that are included in the calculation of the Fund's Application Price or Withdrawal Price, where relevant, as described under 'Buy/Sell Spread' below.

Net transaction costs after any Buy Spread/Sell Spread recoveries charged on investor-initiated transactions, as shown in the 'Fees and costs summary' table in this section 9, are a cost to all investors in the Fund.

Transaction costs may vary from year to year without notice to investors.

The gross transaction costs for the Fund are estimated to be 0.82% p.a. of the NAV of the Fund, which is based on the transaction costs incurred during the financial year ended 30 June 2022.

Investor activity related fees and costs

Buy/Sell spread

A buy spread is charged by the Fund when entering the Fund (buying units) and a sell spread is charged when exiting the Fund (selling units) to cover the transaction costs that the Fund will incur when buying or selling assets of the Fund. These costs are an additional cost to the investor but are incorporated into the Class A Unit price, which means the buy/sell spread is not a cost that is separately charged to the investor.

The buy spread is paid into the Fund as part of an application and the sell spread is left in the Fund as part of a redemption and not paid to Perpetual or the Investment Manager. Currently, the Fund charges 0.30% for the buy spread and 0.30% for the sell spread. These amounts may change if, for example, transaction costs change. The dollar value of these costs based on an application or withdrawal of \$50,000 is \$150 for each individual transaction.

The spread of the Fund may be reviewed by Perpetual and altered or waived from time to time, without advance notice to investors, and www.monashinvestors.com will be updated as soon as practicable to reflect any change. Perpetual may also determine a reasonable estimate of the actual amount necessary to avoid an adverse impact on other unitholders due to the acquisition or disposal of assets carried out because of a particular application or withdrawal request and apply this as the buy/sell spread for that particular application or withdrawal.

A copy of our unit pricing discretionary policy, including details of any discretions that we may exercise in various circumstances (including in respect of transaction costs), is available without charge upon request.

GST is not applicable to any buy/sell spread when an investor buys or sells units.

Further information about fees and costs

Commissions and soft dollar payments

Perpetual and Monash Investors do not pay any fees or commissions to your financial adviser. However, your adviser may charge you certain fees for the services they provide to you.

GST and taxation

Please refer to section 12 of this PDS for information regarding GST and other taxation information. Additionally, the Constitution allows Perpetual to charge the abnormal expenses of the Fund to the Fund. Unless otherwise stated, all fees and other costs disclosed in this PDS are inclusive of the net effect of GST. Abnormal expenses include costs of unitholder meetings, changes to the Constitution, pursuing/defending legal proceedings, changing the Responsible Entity or termination of the Fund, and may occur without notice to investors.

Fee increases and other costs

The Constitution of the Fund permits higher fees to be charged as well as other fees which are not currently levied. The maximum management fee that may be charged by Perpetual under the Constitution is 4.00% p.a. (exclusive of GST). The current applicable fees are as set out in the 'Fees and other costs' table.

All estimates of fees in this section 9 are based on information available as at the date of this PDS. You should refer to the Fund's website at www.monashinvestors.com from time to time for any updates which are not materially adverse to investors.

Can we charge fees not currently levied?

The Fund's Constitution provides that we can charge the following fees:

Fee	Description	Maximum Allowable (excl. GST)
Application fee	The fee on each amount contributed to your investment	5%
Withdrawal fee	The fee on each amount you take out of your investment	5%
Administration fee	Fees on administration services provided to the Fund	4%

At the date of this PDS, we do not charge these fees. If we introduce them, we will give direct investors 30 days' written notice.

To find out more or to receive a copy of the Fund's Constitution, please contact Perpetual.

Fees for Indirect Investors

For Indirect Investors accessing the Fund through an IDPS such as a wrap platform, additional fees and costs may be charged by your IDPS operator for investing in

the Fund via their service. These fees and costs will be set out in the offer document provided by the relevant IDPS operator.

Alternative remuneration

Perpetual may enter into arrangements to pay administration fees to IDPS operators in connection with the listing of this Fund on their investment menus. This fee is paid by Monash Investors and not by the Fund. It is not charged out of the assets of the Fund and is not a separate additional charge to investors.

10. How the Fund operates

Multiple Classes

The Fund has different classes of units. This PDS relates to Class A Units only. Under the Fund's Constitution, each different unit class may have different fees, expenses, distributions, and as a result, performance. Investors in units other than Class A units will not be able to invest through this PDS. They will be required to invest through a separate offer document relevant to that unit class. Holders of different classes of units will be treated fairly.

Unit Pricing / Valuation Process

When you invest in the Fund you are allocated a number of Class A Units in the Fund. Each of these Class A Units represents an equal undivided part of the Fund's Class A NAV. As a result, each Class A Unit has a dollar value or unit price. Generally, Class A Unit prices are calculated each Business Day and are calculated by dividing the Fund's Class A NAV plus transaction costs by the total number of units held by investors on that day. All unit prices are calculated to four (4) decimal places. The number of units issued is calculated and rounded to the nearest whole number.

The NAV of the Fund includes the assets (including income accumulated since the previous distribution), less any liabilities (including accrued fees and expenses). The Class A NAV of the Fund is the NAV, excluding fees attributable to only Class B Units of the Fund.

The entry unit price is usually higher than the exit unit price as a result of the buy/sell spread. For more information, please refer to the section on 'Transactional and operational costs and buy/sell spread' above.

Entry and exit prices will usually be available in relation to the previous Business Day at www.monashinvestors.com.

Perpetual has adopted a unit pricing discretionary policy that sets out policies and procedures when exercising discretions under the Fund's Constitution. In calculating the NAV of the Fund, Perpetual, the Administrator or their affiliates may rely upon, and will not be responsible for the accuracy of, financial data furnished to it by third parties including automatic processing services, brokers, market makers or intermediaries, Monash Investors and any administrator or valuations agent of other collective investments into which the Fund invests. Perpetual and the Administrator may also use and rely on industry standard financial models in pricing any of the Fund's securities or other assets. If, and to the extent that, Monash Investors is responsible for or otherwise involved in the pricing of any of the Fund's assets (for example in the case of unlisted or suspended securities), Perpetual or the Administrator may accept, use and rely on such prices in determining the NAV of the

Fund, and shall not be liable to the Fund, any investor or any other person in doing so.

Distributions

The Responsible Entity will determine distributions annually at 30 June each year. Distributions will be paid as soon as reasonably practicable, which is generally within one (1) month after the distribution calculation date and in any event, within three (3) months after the distribution calculation date (provided the distribution does not comprise of redemption income entitlements).

Perpetual may also pay a special distribution at other times where we consider it appropriate; for example, where there is a large withdrawal we may distribute income and capital before processing the withdrawal so that remaining investors are treated fairly. Prior notice of special distributions will not ordinarily be provided.

Distributions are automatically reinvested unless you instruct the Administrator otherwise in the application form. If you do not nominate a bank account for payment of distributions, we will treat this as a request to reinvest your distributions. You may change your distribution option by notifying the Administrator in writing at least twenty (20) Business Days prior to the relevant distribution date. No fees or transaction costs will be payable in respect of distributions that are automatically reinvested.

Distributions are generally assessable income and can be made up of both income and realised capital gains, and will vary depending on the factors that influence the performance of the Fund (such as interest rates and market conditions) and may not be paid at all. Please refer to section 12 in this PDS for further information.

When the total Fund distribution for a period has been determined, the distribution amount per Unit is calculated by dividing the total distribution by the number of Units on issue at the distribution date. Undistributed gains accrue in the unit price of the Fund during the relevant distribution period.

This means that if an investment is made just before the end of a distribution period, you may receive some of the investment back immediately as distribution income.

Immediately following a distribution the Fund's unit price will usually fall because the income and realised gains accumulated during the distribution period have been distributed. Distributions may include a part return of capital. Details will be provided in the investor's annual tax statement, which we will send you after the end of each financial year detailing the amounts attributed to you to assist in the preparation of your tax return.

11. Investing in the Fund

Applications

Minimum initial investment

The minimum initial investment is \$20,000. Perpetual may in its absolute discretion raise or lower the minimum initial investment amount.

Minimum additional investment

The minimum amount for additional investments is \$5,000, subject to Perpetual's absolute discretion to accept a lower amount.

Application acceptances

Applications are accepted (in whole or in part) at the absolute discretion of Perpetual. Rejected, invalid or incomplete applications will be returned to applicants as soon as possible. Interest is not payable on rejected application monies.

Please note that application monies cannot be accepted from overseas bank accounts.

Application process and cut-off times

Applications can be made by sending the completed Application Form attached to this PDS, providing us with the required documents for the relevant investor type and remitting the application monies.

An application is taken to be received if we consider you have:

- Correctly completed the Application Form;
- Provided us with the relevant identification documents; and
- Remitted the application monies (in cleared funds) as stated in your Application Form. The time it takes for application money to clear varies depending on how you transfer the money and your bank. At times, this may take up to four Business Days.

Please send completed Application Form with relevant AML documentation to:

The Trust Company (RE Services) Limited
C/- Apex Fund Services Pty Limited
Monash Investors Small Companies Fund Unit Registry
GPO Box 4968 Sydney NSW 2001

A copy of the original executed and completed Application Form may be faxed to the Administrator on +61 2 9251 3525 or emailed to registry@apexgroup.com. However, no initial applications will be processed until the Administrator has received a properly completed original.

The cut-off time for receipt of an application is 12 noon on a Business Day. If the application is accepted, it will be processed with the unit price effective for that Business Day. Applications received after this cut-off time will be treated as being received on the following Business Day.

Application monies must be made in Australian Dollars by either funds transfer or direct credit into the Fund's application bank account. Please contact our Unit Registry to request the Fund's application bank account details.

Units will not be issued unless and until the relevant application monies have been received as cleared funds.

No interest is earned on application money which is held in a trust account prior to being processed. Subsequent additional investments may be effected by completing the application form and sending this to us as above.

Investing through an IDPS

Investors seeking access to the Fund via an Investor Directed Portfolio Service, or IDPS-like schemes including master trusts and wrap accounts (**IDPS**) do not themselves become investors in the Fund, and accordingly have no rights as a unitholder (**Indirect Investors**). If you are an Indirect Investor, generally, the relevant scheme operator acquires the rights of a unitholder. The rights and liabilities of Indirect Investors are set out in the IDPS Guide or other offer document for the relevant IDPS, which you should read carefully prior to directing the relevant operator to invest in the Fund.

Indirect Investors complete application forms for the IDPS, not the Fund, and receive reports from their operator. Inquiries should be directed to that operator or your financial adviser.

Perpetual authorises the use of this PDS as disclosure to Indirect Investors, who may rely on the information contained in this PDS when instructing IDPS operators to invest in the Fund on their behalf. Perpetual accepts no responsibility where the IDPS operator does not provide Indirect Investors with a current version of this PDS or any supplementary or replacement PDS.

Minimum investment and withdrawal requirements in this PDS may not always be relevant to Indirect Investors because the IDPS operator may invest on behalf of a number of Indirect Investors. Indirect Investors will also incur the fees and expenses applicable to the IDPS, as well as the Fund's fees and expenses. The tax information in this PDS does not specifically cater for Indirect Investors.

Cooling-off period

Investors can change their mind within a 14-day period of their initial investment. The 14-day period commences on the earlier of either the date you receive confirmation of your investment or the end of the 5th Business Day after the day on which Perpetual issues the units to you. The realised market value of the units will be refunded, less any taxes and reasonable administrative costs.

To exercise the cooling-off right we must receive your written instructions before the expiry of the 14-day cooling-off period. The proceeds refunded may be less or greater than the amount invested, since units in the Fund are subject to market movement from the time they are acquired.

The cooling-off right is terminated if you exercise certain investor rights such as the right to withdraw part of your investment. Cooling-off rights will also not apply to 'wholesale' clients as defined under the Corporations Act or in certain limited situations, such as if the issue is made under a distribution reinvestment plan, where the Fund is illiquid or where an issue represents additional contributions required under an existing agreement.

Also, cooling-off rights do not apply in respect of any investment acquired through an IDPS. However, Indirect Investors should contact their operator and read the operator's offer document for more information on any cooling off rights that may apply in relation to the relevant IDPS

Withdrawals

Minimum withdrawal

The minimum withdrawal is \$5,000 (or such lesser amount as Perpetual may determine in its absolute discretion). A requested partial withdrawal which would cause the investor's investment to fall below the minimum holding of \$20,000 (or such lesser amount as Perpetual may determine) will not be permitted.

Withdrawal processes and cut-off times

Investors may redeem all or part of their investments in the Fund by notifying Apex in writing. A withdrawal request must be signed by the unitholder or the authorised signatories. The signed original of the request for withdrawal should be sent to the Administrator.

Original instructions should be mailed to:

The Trust Company (RE Services) Limited
C/- Apex Fund Services Pty Limited
Monash Investors Small Companies Fund Unit Registry
GPO Box 4968 Sydney NSW 2001

Withdrawal requests are generally processed daily. A properly executed withdrawal request received by 12 noon on a Business Day by the Administrator will receive the unit price effective that Business Day. If the request is received after 12 noon, it will be treated as a request for withdrawal received on the next Business Day. Perpetual may in its discretion allow withdrawal at other times if it is considered to be in the best interests of remaining unitholders.

Withdrawals will generally be paid within 10 business days after the Administrator receives a properly completed original withdrawal request. Proceeds from withdrawals will be electronically credited to your bank account. Note that normal bank charges apply.

Please note that these times are a guide only.

Restrictions on withdrawals

Perpetual may, under the Constitution, suspend or delay withdrawals if it believes that it is in the best interest of unitholders as a whole for example when:

- the Fund is illiquid (as defined by the Corporations Act);
- where large withdrawal requests are received on a Business Day;
- Perpetual has taken all reasonable steps to realise sufficient Fund assets to satisfy a withdrawal request and is unable to do so;
- Perpetual is unable to calculate the withdrawal price or to fairly determine the NAV due to one or more circumstances outside its control; or
- Perpetual otherwise determines that it is in the best interests of unitholders to extend the period.

If the Fund is illiquid, withdrawals from the Fund will only be possible if we make a withdrawal offer in accordance with the Corporations Act. You will only be able to withdraw on the terms of any such current withdrawal offer which we are not required to make unless we have so determined.

Investors will be notified of any material change to the withdrawal rights in writing. In addition, Monash Investors will post a notice on their website should a material change occur.

Please refer to "Liquidity Risk" in the section "Risks of investing in the Fund" for more information on risks that may affect your ability to withdraw from the Fund.

For further details on the circumstance where Perpetual may delay or suspend withdrawals, please contact Perpetual or refer to the Fund's Constitution, a copy of which is available free of charge by contacting Perpetual.

12. Taxation

There are tax implications when investing in the Fund. Perpetual cannot give tax advice and we recommend that you consult your professional tax adviser as the tax implications for the Fund can impact investors differently. Below is a general outline of some key tax considerations for Australian resident individual Investors who hold their Units in the Fund on capital account and these considerations are provided on the basis that the Fund is an Attribution Managed Investment Trust (**AMIT**). This information is based on our current interpretation of the relevant taxation laws as at the date of this PDS and these laws may be subject to change. As such, investors should not place reliance on this as a basis for making their decision as to whether to invest.

Income earned by the Fund, whether distributed or reinvested, can form part of the assessable income for investors in the year the Fund earns the income or a different year.

After the end of the Fund's tax year we will send to you the details of assessable income (including capital gains), tax offsets, cost base adjustments in relation to your units and any other relevant tax information to include in your tax return.

The Fund will seek to pass on any benefits of franking credits in respect of franked dividends it receives. Investors will be required to include their share of dividend income and franking credits in their assessable income.

Tax position of the Fund

The Fund has elected into the AMIT regime.

Where the Fund is an AMIT, it should generally not be liable to pay income tax where the Responsible Entity properly attributes all of the Fund's taxable income and tax offsets on a fair and reasonable basis in accordance with the Fund's constituent documents. It is the intention of the Responsible Entity to ensure that this is the case.

Investors that are attributed a share of the Fund's taxable income will be required to include in their assessable income a proportionate share of the taxable income of the Fund.

If the Fund were to incur a tax loss for a year then the Fund could not attribute that loss to Investors. However, subject to the Fund meeting certain conditions, the Fund may be able to recoup such a loss against taxable income of the Fund in subsequent income years.

Capital gains

Your assessable income for each year may include net capital gains (i.e. capital gains after offsetting capital losses and after applying the CGT discount). These capital gains may include:

- Capital gains attributed by the Fund (this will include capital gains derived by the Fund and may include capital gains streamed to you in the event of a redemption); and
- Capital gains on withdrawing Units from the Fund or selling Units in the Fund.

Resident individuals, trusts (conditions apply) and complying superannuation entities may be eligible to discount capital gains relating to the disposal of Units where they have held the Units for at least twelve (12) months.

If you have a net capital gain, this should be included in your assessable income. A net capital loss may be carried forward to offset against future capital gains but may not be offset against ordinary income.

Goods and services tax (GST)

The application for, and withdrawal or disposal of, Units in the Fund and the receipt of distributions will not be subject to GST. However, GST is payable on our fees and certain reimbursement of expenses. The Fund may be entitled to claim reduced input tax credits (RITCs) for GST paid in respect to some of these expenses. The benefit to Investors of any RITCs will be reflected in the Unit price.

An Investor may not be entitled to full input tax credits for GST paid on the acquisition of goods and services (for example, financial advisory services) relating to the issue of the Units and acquisition and/or subsequent sale of Units. Investors should obtain their own advice as to whether an input tax credit or reduced input tax credit is available for any GST amounts, as this will depend on the Investor's personal circumstances.

All amounts in this PDS are in Australia dollars. All fees are inclusive of GST and take into account reduced input tax credits (**RITC**), if applicable.

Eligible Managed Investment Trusts (MITs)

Capital Account Election

Current tax legislation allows the Responsible Entity to make an irrevocable election to apply the CGT provisions as the primary regime for taxation of gains and losses from the realisation certain assets, where the Fund is an eligible MIT. The Fund intends to make this election if it is eligible to do so.

AMIT regime

The Fund has elected to be an AMIT. Accordingly, Investors will be subject to tax on the taxable income of the Fund that is attributed to them under the AMIT rules each year.

The Fund may also reinvest part or all of your distribution and/or accumulate part or all of the Fund's income, in which case the taxable income of the Fund that is attributed to you (and which must be included in your income tax return) may be more than the total distribution you receive.

Investors will be required to include in their assessable income the taxable income of the Fund (including net capital gains generated by the Fund), that is attributed to them under the AMIT rules. Investors will receive a tax statement after the end of each financial year (referred to as an AMIT Member Annual Statement) that will provide them with details of the amounts that have been

attributed to them by the Fund to assist them in the preparation of their tax return.

The AMIT Member Annual Statement (AMMA Statement) will also contain a reasonable estimate of any cost base adjustments required to the Investor's Units. Investors should be required to adjust their cost base in the Units that they hold in the Fund where they:

- a) become entitled to cash distributions or are attributed tax offset amounts and the sum of these amounts exceeds the attribution of assessable income (including grossed-up net capital gains) and non-assessable non exempt amounts to the relevant Investor - the Investor should be required to reduce their cost base in the Units to the extent of the excess or recognise a capital gain to the extent that the excess exceeds the Investor's cost base in the Units; or
- b) are attributed assessable income (including grossed-up net capital gains) and non-assessable non exempt amounts and the sum of these amounts exceeds the sum of the cash distributions to which the Investor becomes entitled and the amount of tax offsets which the Investor is attributed - the Investor should be required to increase their cost base in the Units to the extent of the excess.

Tax file number (TFN) and Australian business number (ABN)

It is not compulsory for investors to provide their TFN or ABN, and it is not an offence if they decline to provide them. However, unless exempted, if they are not provided, tax will be deducted from income distributions at the highest personal marginal rate plus the Medicare levy. The ABN, TFN or an appropriate exemption can be provided on the application form when making an initial investment.

US Tax Withholding and Reporting under the Foreign Account Tax Compliance Act (FATCA)

The United States of America (US) and Australia have entered into an intergovernmental agreement to implement the US Foreign Account Tax Compliance Act (FATCA) which is designed to detect US taxpayers who use accounts with offshore financial institutions to conceal income and assets from the Internal Revenue.

Broadly, the rules may require the Fund to report details of all US persons and suspected US persons in the Fund to the ATO, which may then be passed on to the US tax authorities (the US Internal Revenue Service, also known as the IRS), to prevent a 30% FATCA withholding tax on certain income and proceeds of the Fund.

In order to comply with the requirements, the Responsible Entity may therefore request that investors and prospective investors provide certain information and undertake certain due diligence procedures to verify the investor's FATCA status and provide certain information to the ATO in relation to their financial information as required by the ATO (if any) in respect of any investment in the Fund.

You should consult with your tax advisers on how our due diligence and reporting obligations under FATCA may affect you.

Common Reporting Standards

The Australian government has implemented the OECD Common Reporting Standards Automatic Exchange of Financial Account Information (CRS) from 1 July 2017. CRS, like the FATCA regime, requires banks and other financial institutions to collect and report certain information about account holders to the ATO.

CRS requires certain financial institutions to report information regarding certain accounts to their local tax authority and follow related due diligence procedures. The Fund is expected to be a 'Financial Institution' under the CRS and intends to comply with its CRS obligations by obtaining and reporting information on relevant accounts (which may include your personal information and your Units in the Fund) to the ATO. If you do not provide this information, we will not be able to process your application.

For the Fund to comply with their obligations, we will request that you provide certain information, documentation and certifications to us. We will determine whether the Fund is required to report your details to the ATO based on our assessment of the relevant information received. The ATO may provide this information to other jurisdictions that have signed the "CRS Competent Authority Agreement", the multilateral framework agreement that provides the mechanism to facilitate the automatic exchange of information in accordance with the CRS. The Australian Government has enacted legislation amending, among other things, the Taxation Administration Act 1953 of Australia to give effect to the CRS.

By applying to become an Investor in the Fund, you agree to provide us with the information which we reasonably require to comply with the FATCA and CRS regimes, including to notify us promptly of any change in circumstances of your tax residency information during the period in which you are an Investor in the Fund.

13. Additional information

Periodic reporting

Perpetual provides periodic reports on certain key information relating to the Fund, as set out below.

Monthly updates

The following information will be provided to investors on a monthly basis:

- Current total NAV of the Fund and the withdrawal value of a unit;
- Net return on the Fund's assets after fees, costs and taxes;
- Changes to key service providers since the last report, including any change in their related party status;
- Any material change to the Fund's risk profile or investment strategy; and
- Any changes in individuals playing a key role in investment decisions for the Fund.

Annual reporting

As soon as practicable after the end of the relevant period on an annual basis, we will provide the:

- Actual allocation to each asset type;
- Liquidity profile of the Fund's assets;
- the maturity profile of any liabilities;
- Fund's leverage ratio (including leverage embedded in the assets of the Fund, other than listed equities and bonds);
- Monthly or annual investment returns since inception;
- Changes to key service providers since the last report, including any change in their related party status;
- Account balance and transaction information as at the end of the reporting period;
- Distribution information; and
- Annual tax statement.

Additionally, audited financial statements of the Fund are issued annually for each year ending 30 June. They will be prepared in accordance with Accounting Standards applicable to general financial statements in Australia to the extent that the Fund is required to comply with those standards by the Corporations Act or under the Constitution. The audited financial statements are made available to investors online at www.monashinvestors.com.

Ongoing availability

The latest periodic report addressing the relevant matters as disclosed above is available on the Fund's website (www.monashinvestors.com). Investors may also obtain a hard copy by contacting Monash Investors.

Transaction reporting

Additionally, we will confirm all applications, withdrawals and distributions on your account where applicable.

Indirect investors

The IDPS operator will provide Indirect Investors with reports on the progress of the Fund.

Continuous disclosure

The Fund may become a 'disclosing entity' under the Corporations Act 2001.

When that occurs, the Fund will be subject to regular reporting and disclosure obligations. Copies of documents lodged with ASIC may be obtained from or inspected at, an ASIC office and are available on our website.

In addition, investors will have the right to obtain a copy of the following documents:

- the annual financial report most recently lodged with ASIC;
- any half yearly financial report lodged with ASIC after the lodgement of the annual financial report and before the date of this PDS; and
- any continuous disclosure notices given by the Fund after lodgement of the annual financial report and before the date of this PDS. If required, we intend to post continuous disclosure notices on a website. The website address is www.monashinvestors.com.

Transfer of units

Please contact the Administrator if you would like to transfer units. Transferring units may have tax implications (including the payment of stamp duty in New South Wales) and you should consult your taxation adviser before you arrange any transfer of units. Perpetual may in its discretion refuse to register any transfer of units and is not required to give any reasons. Where Perpetual refuses to register a transfer, it may redeem those units in accordance with the Fund's constitution.

Register of unit holders

The register of unit holders is maintained by the Administrator.

Complaints resolution

Perpetual has established procedures for dealing with complaints. If an investor has a complaint, they can contact Perpetual or Monash Investors during business hours, using the contact details provided in the PDS.

We will acknowledge the complaint within 24 hours (or one business day) of receiving it, or as soon as practicable. We will endeavour to resolve your complaint fairly and as quickly as we can. We will respond to your complaint within the maximum response timeframe of 30 days. If we are not able to respond to your complaint within the maximum response timeframe of 30 days, we will write to you to let you know of the reasons for the delay.

If an Investor is not satisfied with the final outcome of the complaint, any aspect of the complaints handling process or any delay in responding by the maximum response timeframe, the complaint can be referred to the Australian Financial Complaints Authority (AFCA). AFCA operates the external complaints resolution scheme of which the Responsible Entity is a member, and provides a fair and

independent financial services complaint resolution service that is free to consumers.

You can contact AFCA by the following means:

Website: www.afca.org.au

Email: info@afca.org.au

Telephone: 1800 931 678

In writing to: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

Time limits may apply to complain to AFCA, so you should act promptly or otherwise consult the AFCA website to find out if or when the time limit relevant to your circumstances expire.

Related Party Transactions and Conflicts of Interest

Perpetual does not engage in any related party transactions with any person. All dealings with other parties are at commercial, arms' length terms.

The Responsible Entity and the Investment Manager may be subject to conflicts of interest when performing their duties in relation to the Fund.

The Perpetual Group, including the Responsible Entity, have in place governance frameworks, group policies and divisional procedures to ensure conflicts are identified and managed appropriately. These conflict policies are aimed at ensuring that conflicts involving individuals or related entities in the Perpetual Group are identified, reported, assessed and managed in a timely and appropriate manner in order to uphold the best interests of clients, members and shareholders. As part of the management of conflicts, Perpetual maintains a register of generic corporate conflicts, including related party conflicts, acting in multiple capacities on the same transaction and service provider to multiple entities, and how these conflicts are to be managed. When such a conflict is identified, the register provides for certain controls to be utilised in order to manage this conflict. Examples of controls include engaging parties on 'arm's length' or third party terms, use of information barriers and compliance plans.

Compliance Committee and Compliance Plan

The Fund has a Compliance Plan which has been lodged with ASIC. It sets out measures that Perpetual is to apply in operating the Fund to ensure compliance with the constitution and the Corporations Act. A Compliance Committee has been appointed to monitor compliance by Perpetual with the constitution and Compliance Plan. A copy of the Compliance Plan is available free of charge on request by contacting Perpetual.

Adviser Enquiries

If you have an adviser, they may ask Perpetual to provide them with information about your investment. Perpetual's policy is to supply this information, unless you have issued instructions in writing not to do so. If you change your adviser, please provide your new adviser's details in writing so that your details are updated accordingly.

Consents

Monash Investors:

- has consented to statements about it being included in this PDS in the form and context in which they appear and has not withdrawn this consent before the date of this PDS; and
- has not authorised or caused the issue of any part of this PDS.

Each of the Prime Broker/Custodian, Unlisted Equities Custodian and the Administrator:

- has made no statement included in this PDS or on which a statement made in this PDS is based, other than the details about it, and the other sentences in this PDS that refer to it;
- has consented to those statements being included in this PDS in the form and context in which they appear and has not withdrawn this consent before the date of this PDS;
- specifically disclaims responsibility for, and liability to any person in the event of, any omission from, or any false or misleading statement included in, any other part of this PDS; and
- has not authorised or caused the issue of any part of this PDS.

Anti-Money Laundering (AML) / Counter Terrorism Financing (CTF)

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (**AML Act**) and other applicable anti-money laundering and counter terrorism laws, regulations, rules and policies which apply to Perpetual (**AML Requirements**), regulate financial services and transactions in a way that is designed to detect and prevent money laundering and terrorism financing. The AML Act is enforced by the Australian Transaction Reports and Analysis Centre (**AUSTRAC**). In order to comply with the AML Requirements, Perpetual is required to, amongst other things:

- verify your identity and the source of your application monies before providing services to you, and to re-identify you if they consider it necessary to do so; and
- where you supply documentation relating to the verification of your identity, keep a record of this documentation for 7 years.

Perpetual and the Administrator as its agent (collectively, the Entities) reserve the right to request such information as is necessary to verify your identity and the source of the payment. In the event of delay or failure by you to produce this information, the Entities, may refuse to accept an application and the application monies relating to such application or may suspend the payment of withdrawal proceeds if necessary to comply with AML Requirements applicable to them. Neither the Entities nor their delegates shall be liable to you for any loss suffered by you because as a result of the rejection or delay of any subscription or payment of withdrawal proceeds.

The Entities have implemented a number of measures and controls to ensure they comply with their obligations under the AML Requirements, including carefully identifying and monitoring investors. As a result of the implementation of these measures and controls:

- transactions may be delayed, blocked, frozen or refused where an Entity has reasonable grounds to believe that the transaction breaches the law or sanctions of Australia or any other country, including the AML Requirements;
- where transactions are delayed, blocked, frozen or refused the Entities are not liable for any loss you suffer (including consequential loss) caused by reason of any action taken or not taken by them as contemplated above, or as a result of their compliance with the AML Requirements as they apply to the Fund; and
- Perpetual or Apex may from time to time require additional information from you to assist it in this process.

The Entities have certain reporting obligations under the AML Requirements and are prevented from informing you that any such reporting has taken place. Where required by law, an entity may disclose the information gathered to regulatory or law enforcement agencies, including AUSTRAC. The Entities are not liable for any loss you may suffer as a result of our compliance with the AML Requirements.

Privacy Statement

Direct Investors

We collect personal information from you in the application and any other relevant forms to be able to process your application, administer your investment and comply with any relevant laws. If you do not provide us with your relevant personal information, we will not be able to do so. In some circumstances we may disclose your personal information to Perpetual's related entities or service providers that perform a range of services on our behalf and which may be located overseas.

Privacy laws apply to our handling of personal information and we will collect, use and disclose your personal information in accordance with our privacy policy, which includes details about the following matters:

- the kinds of personal information we collect and hold
- how we collect and hold personal information
- the purposes for which we collect, hold, use and disclose personal information
- how you may access personal information that we hold about you and seek correction of such information (note that exceptions apply in some circumstances)
- how you may complain about a breach of the Australian Privacy Principles (APP), or a registered APP code (if any) that binds us, and how we will deal with such a complaint
- whether we are likely to disclose personal information to overseas recipients and, if so, the countries in which such recipients are likely to be located if it is practicable for us to specify those countries.

Our privacy policy is publicly available at our website at www.perpetual.com.au or you can obtain a copy free of charge by contacting us. A copy of Monash Investors' privacy policy is publically available at www.monashinvestors.com.

Indirect Investors

If you are investing indirectly through an IDPS, we do not collect or hold your personal information in connection with your investment in the Fund. Please contact your operator for more information about their privacy policy.

Your Authority

By signing the Application Form, you authorise the collection, maintenance, use and disclosure of your personal information in the manner set out in this privacy statement.

By completing the Application Form attached to this PDS on behalf of another person, you undertake to provide a copy of this privacy statement to the principal, company officer or partner that you represent.

14. Terms used in this PDS

Term	Means
Administrator or Apex	Apex Fund Services Pty Limited ABN 81 118 902 891.
ASIC	The Australian Securities and Investments Commission.
Bank Account	An account with an Australian Authorised Deposit-taking Institution.
Business Day	A day (other than a Saturday or a Sunday) on which banks are open for general banking business in Sydney.
Class A NAV	The net asset value is the value of the assets of the Fund less the value of the liabilities of the Fund, excluding any liabilities attributable only to Class B Units of the Fund.
Class A Unit	A beneficial interest in the Fund issued as a Class A Unit and offered under this PDS.
Constitution	The constitution establishing the Fund dated 11 May 2012, as amended from time to time.
Custodian	Perpetual Corporate Trust Limited ABN 99 000 341 533.
Dollars or \$	Australian dollars, unless otherwise specified.
Fund	Monash Investors Small Companies Fund ARSN 606 855 501.
High Water-Mark	The Class A NAV of the Fund when a performance fee was last paid less any distributions of income or capital since such time or if a performance fee has never been paid, zero.
Hurdle	The Hurdle is the return of the RBA Cash Rate + 5%.
IDPS	Investor Directed Portfolio Service. References to IDPS includes IDPS-like facilities like master funds and wrap services.
Indirect Investors	Investors who access the Fund's strategy via investment in an IDPS.
Investment Manager or Monash Investors	Monash Investors Pty Ltd ABN 67 153 180 333 AFSL 417201.
Market Cycle	The time period over which the security market reflects the strong and weak phases of an economy. This typically occurs over 7 years.
NAV	The net asset value.
PDS	Product Disclosure Statement.
Prime Broker/Custodian	Morgan Stanley & Co. International plc (a public limited company duly organised under the laws of England and Wales and a foreign financial services provider relying on ASIC Class Order 03/1099: UK Regulated Financial Services Providers) registered as a foreign company in Australia with ARBN 613 032 705 - Liability is limited.
RBA Cash Rate	The cash rate set by The Reserve Bank of Australia.
Small Companies	Securities which are issued by companies that are generally trading outside the S&P/ASX 100 Index.
Unlisted Equities	Securities which are issued by entities that the Investment Manager expects to become listed in the foreseeable future (typically between 9 months and 2 years). As at the date of this PDS, these securities comprise of Australian and one U.S. security.
You, your	Investors (and, when the context requires, potential investors) in the Fund.
We, our, us, Perpetual, Responsible Entity	The Trust Company (RE Services) Limited ABN 45 003 278 831 AFSL 235150.

15. How to Invest

To invest in the Fund you will need to complete and sign the attached Application Form.

- Supply of Tax File Numbers (TFN) is discretionary. It is not an offence if you decide not to supply your TFN. If you do not supply your TFN, however, tax will be deducted from your income earned at the highest marginal tax rate (plus Medicare levy) and forwarded to the Australian Taxation Office. These deductions will appear on your statements. A form is attached for your convenience.
- Joint applications must be signed by all applicants. Joint investments will be deemed to be held as Joint Tenants.
- Applications under Power of Attorney must be accompanied by a certified copy or the original of the Power of Attorney with specimen signatures.

The minimum initial investment in the Fund is \$20,000 and additional investment \$5,000. Perpetual may vary these minimum investment amounts from time to time.

The cut-off time for receipt of an application is 12 noon on a Business Day. If the application is accepted, it will be processed with the unit price effective for that Business Day. Applications received after this cut-off time will be treated as being received on the following Business Day.

Application monies must be made in Australian Dollars by either funds transfer or direct credit into the Fund's application bank account. Please contact our Unit Registry to request the Fund's application bank account details

NB: Cash & cheques will not be accepted.

Please send completed Application Form with relevant AML documentation to:
Monash Unit Registry
C/- Apex Fund Services Pty Limited
GPO Box 4968, Sydney NSW 2001

Privacy

You acknowledge that any personal information you provide to us will be collected and handled in accordance with Apex's privacy policy, a copy of which can be found at <https://www.apexgroup.com/fund-solution/transfer-agency-services/registry-australia/>. By submitting this form or any other paperwork relating to your investment you consent to your personal information being collected and handled by the unit registry in accordance with that policy.

Regular Information

Following acceptance of your application, you will be sent an application advice. You should check the details on the advice carefully.

Additional Investment

Additional investments can be made using the Application Form attached.

If Unitholders choose to send Application and Redemption Request Forms by post, facsimile or email, they bear the risk of such requests not being received. Neither the Administrator nor Perpetual accept any responsibility or liability for any loss caused as a result of non-receipt or ineligibility of any facsimile notice or email or for any loss caused in respect of any action taken as a consequence of such facsimile or email instruction believed in good faith to have originated from properly authorised persons.

If You Have Any Questions...

If you have any questions about any matter relating to the Fund, please contact Monash Investors at contactus@monashinvestors.

Annexure D - MAAT Amending Deed

MAAT Amending Deed
Amending the Constitution for the
Monash Investors Small Companies Trust
ARSN 642 280 331

The Trust Company (RE Services) Limited
ACN 003 278 831
as responsible entity for the Monash Investors Small Companies Trust

K&L Gates
Level 31, 1 O'Connell St
Sydney NSW 2000
Ref: 7412996.00001

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This Supplemental Deed is made on 2024

Party

The Trust Company (RE Services) Limited (ACN 003 278 831) of Level 18, Angel Place, 123 Pitt Street, Sydney NSW 2000 as responsible entity for the Monash Investors Small Companies Trust (ARSN 642 280 331) (Responsible Entity)

Recitals

- A The Monash Investors Small Companies Trust (**Fund**) was established by a constitution dated 2 July 2020, as amended from time to time (**Constitution**).
- B The Fund is a managed investment scheme registered under Chapter 5C of the Corporations Act.
- C The Responsible Entity is the responsible entity for the Fund.
- D Pursuant to clause 24.1 of the Constitution and section 601GC(1)(a) of the Corporations Act, the Responsible Entity may modify the Constitution by deed if approved by a special resolution of the Members.
- E On June 2024, the Members approved by special resolution the modifications of the Constitution to facilitate the Merger set out in this deed (**Resolution**).
- F The Responsible Entity modifies the Constitution in the manner set out in this deed with effect from the Effective Date.

It is declared as follows.

1. Definitions and interpretation

1.1 Definitions

In this deed, the following definitions apply unless the context otherwise requires.

ASIC means the Australian Securities and Investments Commission.

Bidder RE means The Trust Company (RE Services) Limited (ACN 003 278 831) in its capacity as the responsible entity for MAIF.

Corporations Act means the *Corporations Act 2001* (Cth).

Effective Date means the date and time on which a copy of this deed is, or the modifications set out in it are, lodged with ASIC under section 601GC(2) of the Corporations Act.

MAIF means the Monash Investors Small Companies Fund (ARSN 606 855 501).

Member has the meaning given to that term in the Constitution.

Register has the meaning given to that term in the Constitution.

Merger means the arrangement under which Bidder RE acquires Units from Members, facilitated by the amendments to the Constitution set out in this deed.

Unit has the meaning given to that term in the Constitution.

1.2 Interpretation

- (a) Unless otherwise defined in this deed or a contrary intention is expressed, a word or phrase defined in the Constitution has the same meaning when used in this deed.
- (b) Unless otherwise specified in this deed or the Constitution or a contrary intention is expressed, a word or phrase defined in the Corporations Act has the same meaning when used in this deed.
- (c) Unless a contrary intention is expressed, clause 1.2 of the Constitution applies to this deed as if set out in full in this deed with any necessary adjustments.

2. Supplemental deed

This deed is supplemental to the Constitution.

3. Modification of Constitution

Pursuant to section 601GC(2) of the Corporations Act, the Constitution is modified in the manner set out in the Schedule with effect on and from the Effective Date.

4. Amendments not to affect validity, rights, obligations

- (a) An amendment to the Constitution does not affect the validity or enforceability of the Constitution.
- (b) Nothing in this deed:
 - (i) except as contemplated in the amendments to the Constitution described in clause 3, prejudices or adversely affects any right, power, authority, discretion or remedy arising under the Constitution before the Effective Date; or
 - (ii) discharges, releases or otherwise affects any liability or obligation arising under the Constitution before the Effective Date.

5. Conflict

If there is a conflict between the Constitution and this deed, the terms of this deed prevail.

6. No resettlement

For the avoidance of doubt, the Responsible Entity by this deed does not:

- (a) re-declare the Fund;
- (b) resettle the Fund; or
- (c) otherwise cause the transfer, vesting or accruing of the Fund's property and assets to, or in, any person or persons.

7. Binding conditions

This deed is binding on the Responsible Entity and each present and future Member and any person claiming through any of them as if each was a party to this deed.

8. General

8.1 Governing law

This deed is governed by the laws applicable in New South Wales.

8.2 Inconsistency

If there is an inconsistency between the terms of the Constitution and this deed, the terms of this deed prevail to the extent of the inconsistency.

8.3 Severability

If anything in this deed is unenforceable, illegal or void then it is severed and the rest of this deed remains in force.

Executed and delivered as a Deed Poll in New South Wales.

**Signed, Sealed and Delivered by The)
Trust Company (RE Services))
Limited (ACN 003 278 831) in its)
capacity as responsible entity for)
Monash Investors Small Companies)
Trust (ARSN 642 280 331) by its)
attorneys under the Power of Attorney)
dated 16 September 2014 who are)
personally known to me and each of)
whom declare that they have received)
no notice of revocation of the Power of)
Attorney:**

.....
Attorney

.....
Name of Attorney (print)

.....
Title of Attorney (print)

.....
Witness

.....
Attorney

.....
Name of Witness (print)

.....
Name of Attorney (print)

.....
Title of Attorney (print)

Schedule - Amendments to the Constitution

The Constitution is amended as follows:

1. Clause 1.1 - Definitions

In clause 1.1 of the Constitution, insert the following new definitions in alphabetical order:

"Bidder RE has the meaning given in clause 26.1."

"Merger means the arrangement by which all of the Merger Units will be transferred to Bidder RE for the Merger Consideration in accordance with the Merger Provisions."

"Merger Consideration has the meaning given in clause 26.1."

"Merger Provisions means the provisions of clause 26."

"Merger Units has the meaning given in clause 26.1."

2. Clause 17 - Powers of Responsible Entity

Insert new clause 17.9A after clause 17.9 and before clause 17.10 as follows:

"The Responsible Entity has power to give effect to the Merger including power to do all things that it considers necessary, desirable or reasonably incidental to give effect to the Merger."

3. Clause 26 - Merger

Insert new clause 26 as follows:

"26 Merger

26.1 Definitions

In addition to the definitions in clause 1.1, the following definitions apply in this clause:

Bidder means Monash Investors Small Companies Fund (ARSN 606 855 501).

Bidder RE means The Trust Company RE (Services) Limited (ACN 003 278 831) in its capacity as responsible entity for Bidder.

Bidder Unit means a fully paid Class A unit in Bidder to be issued to Merger Unitholders under the Merger.

Bidder Unitholder Register means the register of holders of units in Bidder from time to time, as administered by Bidder RE (or by Bidder RE's registrar on behalf of Bidder RE).

CHES means the Clearing House Electronic Subregister System for the electronic transfer of securities, operated by ASX Settlement Pty Ltd ACN 008 504 532.

Effective Date means the date on which the amendments to this Constitution to facilitate the Merger take effect pursuant to section 601GC(2) of the Corporations Act.

Exchange Ratio means the Net Asset Value of each Unit divided by the net asset value (as that term is defined in the constitution of the Bidder) of each Bidder Unit as at the commencement of the Merger Approval Date.

Implementation Date means the third Business Day after the Merger Record Date or such other date as Bidder RE and the Responsible Entity agree in writing.

Merger Approval Date means the date on which the Merger Resolution is passed.

Merger Consideration means the Bidder Units to be issued to each Merger Unitholder as consideration for transfer of their respective Merger Units, calculated as the number of Merger Units held by them multiplied by the Exchange Ratio.

Merger Meeting means the meeting of Unitholders to consider and, if thought fit, to pass the Merger Resolution.

Merger Record Date means 7.00 pm on the third Business Day after the Merger Approval Date or such other date as Bidder RE and the Responsible Entity agree in writing.

Merger Resolution means the special resolution of Unitholders for the purposes of section 601GC(1) of the Corporations Act to approve amendments to the Constitution for the purposes of, and to facilitate, the implementation of the Merger.

Merger Transfer means, in relation to each Merger Unitholder, a proper instrument of transfer of their Merger Units for the purpose of section 1071B of the Corporations Act (which may be a master transfer of all or part of all of the Merger Units).

Merger Unit means a Unit on issue as at the Merger Record Date together with all rights, obligations and restrictions attaching to that Unit (other than a Unit which Bidder RE or its custodian is the registered holder of on the Merger Record Date).

Merger Unitholder means a Unitholder holding one or more Merger Units as at the Merger Record Date.

Registry means the unit registry services provider to the Responsible Entity.

26.2 Implementation of Merger

- (a) Each Merger Unitholder and the Responsible Entity must do all things and execute all documents as the Responsible Entity considers necessary or desirable to give full effect to the Merger, the Merger Provisions and the transactions contemplated by them.
- (b) The Responsible Entity may do any act, matter or thing pursuant to this clause 26 notwithstanding that it has an interest in the act, matter or thing or any consequences of any of them.
- (c) On the Implementation Date, the Responsible Entity must transfer the Merger Units to Bidder RE (or its nominee) in accordance with clause 26.4

subject to Bidder RE having provided the Merger Consideration in the manner contemplated by clause 26.3.

- (d) Subject to clause 1.4, this clause 26 has effect despite any other provision of this Constitution and a provision of this Constitution that is inconsistent with this clause 26 does not have effect to the extent of the inconsistency.
- (e) The provisions of this clause 26 are subject to, and any right or discretion of the Responsible Entity set out in this clause 26 must be exercised in accordance with, the Corporations Act, any applicable ASIC instrument and the AQUA Rules.

26.3 Merger Consideration

- (a) Each Merger Unitholder is entitled to receive the Merger Consideration for each Merger Unit it holds.
- (b) The Responsible Entity must deliver to Bidder RE before 12:00pm on the Implementation Date a master application for the Bidder Units constituting the Merger Consideration duly completed and executed by the Responsible Entity as the attorney and agent of each Merger Unitholder as applicant, in a form reasonably acceptable to Bidder RE.
- (c) The Responsible Entity must procure Bidder RE to:
 - (i) before 12:00 pm on the Implementation Date, provide the Merger Consideration to each Merger Unitholder by issuing to each Merger Unitholder such number of Bidder Units as that Merger Unitholder is entitled pursuant to the Merger;
 - (ii) before 12.00 pm on the Implementation Date, update the Bidder Unitholder Register to reflect the issue of Bidder Units to each Merger Unitholder as Merger Consideration; and
 - (iii) within five Business Days after the Implementation Date, despatch to each Merger Unitholder, to their address recorded in the Register on the Merger Record Date, an uncertificated holding statement for the Bidder Units issued to that Unitholder in accordance with the Merger. In the case of Merger Units held in joint names, holding statements for Bidder Units must be issued in the names of the joint holders and sent to the holder whose name appears first in the Register on the Merger Record Date.
- (d) If the number of Merger Units held by a Merger Unitholder is such that the aggregate entitlement of that Unitholder to Merger Consideration is such that a fractional entitlement to Merger Consideration arises, then the entitlement of that Unitholder must be rounded down to the nearest whole number of Bidder Units.

26.4 Transfer of Merger Units

Subject to the Merger Consideration having been provided in accordance with clause 26.3, on the Implementation Date:

- (a) all of the Merger Units (with all rights, obligations and restrictions attaching to them) will be transferred to Bidder RE (or its nominee or custodian) by the Responsible Entity as attorney and agent for Merger Unitholders in accordance with clause 26.7;

- (b) the Responsible Entity will deliver to Bidder RE duly completed Merger Transfers to transfer all of the Merger Units to Bidder RE (or its nominee or custodian). The Merger Transfers must be duly executed by the Responsible Entity as transferor on behalf of each Merger Unitholder in accordance with clause 26.7;
- (c) Bidder RE (or its nominee or custodian) must execute the Merger Transfers as transferee, attend to stamping of the transfer forms (if required) and deliver them to the Responsible Entity for registration;
- (d) immediately after receipt of the Merger Transfers under clause 26.4(c), the Responsible Entity must update, or procure the Registry to update, the Register to reflect Bidder RE (or its nominee or custodian) as the holder of all of the Merger Units; and
- (e) Bidder RE will be beneficially entitled to the Merger Units transferred to it under this clause 26.4 pending registration by the Responsible Entity of the name and address of Bidder RE (or its nominee or custodian) in the Register as the holder of the Merger Units.

26.5 Dealings in Units

- (a) In determining the persons who are Merger Unitholders and the number of Units held by them, the Responsible Entity need only recognise the persons shown in the Register on the Merger Record Date.
- (b) For the purposes of clause 26.5(a):
 - (i) for dealings of the type effected using CHESSE, the Responsible Entity will only recognise transferees registered in the Register as the holder of the relevant Units by the Merger Record Date; or
 - (ii) for all other dealings, where the Registry receives registrable transfers or transmission applications in respect of those dealings by 7.00pm (Sydney time) on the Business Day before the Merger Record Date, the Responsible Entity must register those transfers or transmission applications before the Merger Record Date.
- (c) After the Merger Record Date, Merger Units may not be disposed of or dealt with in any way by a Merger Unitholder (or any person claiming through them) including any agreement to dispose of any Merger Units or any interest in them and the Responsible Entity will not accept for registration any attempt to do so.
- (d) By 9.00 am on the Implementation Date, the Responsible Entity must give, or cause to be given, to Bidder RE details of the names, addresses and holdings of every Merger Unitholder as shown in the Register as at the Merger Record Date in such form as Bidder RE may reasonably require.
- (e) Other than in respect of Bidder RE, after registration of all Merger Units transferred to it (or its nominee or custodian) under clause 26.4, from the Merger Record Date all certificates and holding statements for Merger Units will cease to have effect as documents of title in respect of those Merger Units (except as evidence of entitlement to the Merger Consideration).

26.6 Merger Unitholder covenants and undertakings

- (a) Without the need for any further act by a Merger Unitholder, each Merger Unitholder:
- (i) acknowledges that this clause 26 binds all of the Unitholders from time to time (including those who do not attend the Merger Meeting, those who do not vote or do not vote or abstain from voting at the Merger Meeting including those who vote against the Merger Resolution);
 - (ii) irrevocably agrees to transfer their Merger Units (with all rights and entitlements attaching to them) to Bidder RE in accordance with the terms of the Merger and the Merger Provisions;
 - (iii) irrevocably agrees to the variation, cancellation or modification of the rights attached to their Merger Units constituted by or resulting from the Merger, the Merger Provisions or the transactions contemplated by them;
 - (iv) irrevocably consents to the Responsible Entity and Bidder RE doing all things and executing all documents necessary or desirable to give full effect to the Merger, the Merger Provisions and the transactions contemplated by them; and
 - (v) is deemed to have warranted to the Responsible Entity in its own right and on behalf of Bidder RE, that all the Merger Units they transfer to Bidder RE under the Merger Provisions (including any rights and entitlements attaching to them) will, at the time of transfer, be fully paid and free from all mortgages, charges, liens, encumbrances and adverse interests of any nature and that they have full power and capacity to sell and transfer the legal and beneficial ownership in those Merger Units together with any rights attaching to those units to Bidder RE (or its nominee or custodian) pursuant to the Merger and the Merger Provisions.
- (b) Each Merger Unitholder irrevocably agrees, on or before the issue of Bidder Units to it, to become a member of Bidder and to be bound by the constitution of Bidder, without the need for any further act by that Merger Unitholder.
- (c) Each Merger Unitholder agrees to provide the Responsible Entity with any information reasonably required by the Responsible Entity to comply with any law in respect of the Merger and the transactions contemplated by the Merger Provisions.
- (d) From the Effective Date until the Responsible Entity registers the name and address of Bidder RE (or its nominee or custodian) as the holder of the Merger Units in the Register, each Merger Unitholder is deemed to have appointed the Responsible Entity as its attorney and agent (and directed the Responsible Entity in such capacity) to appoint the Chairperson of Bidder RE (or other nominee of Bidder RE) as its sole proxy and, where applicable, corporate representative to attend Unitholder meetings of the Fund, exercise votes attaching to the Merger Units of which they are the registered holder and sign any Unitholders' resolutions (whether in person, by proxy or by corporate representative) other than pursuant to this clause 26.6(d). The Responsible Entity undertakes in favour of each Merger Unitholder that it will appoint the Chairperson of

Bidder RE (or other nominee of Bidder RE) as the Merger Unitholder's proxy or, where applicable, corporate representative in accordance with this clause 26.6(d).

26.7 Appointment of Responsible Entity as attorney and agent

- (a) Each Merger Unitholder, without the need for any further act by that Merger Unitholder:
 - (i) irrevocably appoints the Responsible Entity (and each of its directors and officers) as that Merger Unitholder's attorney and agent for the purpose of; and
 - (ii) consents to the Responsible Entity (and each of its directors and officers),

doing all things and executing all documents the Responsible Entity considers necessary or desirable to give full effect to the Merger, the Merger Provisions and the transactions contemplated by them (including executing any application forms and consents required for Bidder Units to be issued to that Merger Unitholder and executing and delivering the Merger Transfers).

- (b) The Responsible Entity may sub-delegate its functions, authorities or powers under this clause 26.7 to all or any of its directors, officers and employees.
- (c) Each Merger Unitholder indemnifies the Responsible Entity and each of its directors, officers and employees for any loss, damage, expense or other liabilities incurred in properly performing or exercising any powers under this clause.

26.8 Suspension and removal from trading status on the ASX AQUA market

- (a) Unless trading of the Merger Units on the ASX AQUA market is already suspended, the Responsible Entity must apply to ASX for the suspension of trading of the Merger Units on the ASX AQUA market with effect from the close of business on the Effective Date.
- (b) Subject to implementation of the Merger in accordance with the Merger Provisions, the Responsible Entity must apply to ASX for removal of the Fund from trading status on the ASX AQUA market with effect from the Implementation Date or such later date determined by Bidder RE.

26.9 Stamp duty

Any stamp duty payable on the transfer of Merger Units to Bidder RE pursuant to the Merger will be payable by Bidder RE.

26.10 Limitation of liability

Without limiting clauses 18.5 to 18.7, and subject to the Corporations Act, the Responsible Entity will not be liable to Unitholders for any acts or omissions in connection with the implementation of the Merger to any greater extent than the extent to which the Responsible Entity is entitled to be, and is actually indemnified out of, the Fund.

26.11 Reimbursement of Responsible Entity's expenses

Without limiting clause 20.3, and subject to the Corporations Act, all expenses and liabilities incurred by the Responsible Entity in connection with the Merger or in performing its obligations or exercising its powers under the Merger Provisions are payable or reimbursable out of the Fund on a full indemnity basis."

Annexure E - Merger Deed Poll

K&L GATES

Merger Deed Poll

The Trust Company (RE Services) Limited

ACN 003 278 831

as responsible entity for

Monash Investors Small Companies Fund

ARSN 606 855 501

K&L Gates

Sydney office

Ref: 7412996.00001

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Merger Deed Poll

Date 2024

By **The Trust Company (RE Services) Limited** (ACN 003 278 831) in its capacity as responsible entity for **Monash Investors Small Companies Fund** (ARSN 606 855 501) (**MAIF RE**)

In favour of Each person recorded as the holder of one or more MAAT Units on the register of members for MAAT as at the Merger Record Date (**Merger Unitholder**)

Background

- A. MAIF RE, Trust Company (RE Services) Limited (ACN 003 278 831) in its capacity as responsible entity for Monash Investors Small Companies Trust (ARSN 642 280 331) (**MAAT RE**) and Monash Investors Pty Ltd (ACN 153 180 333) have entered into a Merger Implementation Deed dated 15 May 2024 (**MID**).
- B. MAAT RE has agreed in the MID to propose the Merger, pursuant to which, subject to the satisfaction or waiver of certain conditions, MAIF RE will acquire all the MAAT Units from the Merger Unitholders for the Merger Consideration.
- C. In accordance with the MID, MAIF RE is entering into this deed poll for the purposes of covenanting in favour of the Merger Unitholders that, subject to the satisfaction of all of the Merger Conditions, and to the transfer to it of all of the MAAT Units in existence as at the Merger Record Date, it will provide the Merger Consideration under and in accordance with the MID.

Agreed terms

1. Definitions and interpretation

1.1 Definitions

In this deed poll, terms defined in the MID have the same meaning this deed poll, unless the context requires otherwise.

1.2 Interpretation

Headings are for convenience only and do not affect interpretation. The following rules apply unless the context requires otherwise.

- (a) The singular includes the plural and conversely.
- (b) A gender includes all genders.
- (c) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (d) A reference to a person, corporation, trust, partnership, unincorporated body or other entity includes any of them.

- (e) A reference to a clause, schedule or annexure is a reference to a clause of, or schedule or annexure to, this deed poll.
- (f) A reference to an agreement or document (including a reference to this deed poll) is to the agreement or document as amended, varied, supplemented, novated or replaced, except to the extent prohibited by this deed poll or that other agreement or document.
- (g) A reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns.
- (h) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.
- (i) Words and phrases not specifically defined in this deed poll have the same meanings (if any) given to them in the Corporations Act.
- (j) A reference to time is a reference to time in Sydney, Australia.
- (k) If the day on which any act, matter or thing is to be done is a day other than a Business Day, such act, matter or thing must be done on the immediately succeeding Business Day.
- (l) The meaning of general words is not limited by specific examples introduced by including, or for example, or similar expressions.

2. Nature of deed poll

MAIF RE acknowledges and agrees that:

- (a) this deed poll may be relied on and enforced by any Merger Unitholder in accordance with its terms even though the Merger Unitholders are not party to this deed poll; and
- (b) under the Merger, in accordance with the proposed amendments to set out in the MAAT Amending Deed, each Merger Unitholder appoints MAAT RE as its agent and attorney to enforce this deed poll against MAIF RE on behalf of that Merger Unitholder.

3. Condition precedent and termination

3.1 Condition precedent

MAIF RE's obligations under this deed poll are subject to the MAAT Amending Deed becoming effective.

3.2 Termination

The obligations of MAIF RE under this deed poll will automatically terminate on termination of the MID.

3.3 Consequences of termination

If this deed poll is terminated under clause 3.2 then:

- (a) MAIF RE is released from its obligations under this deed poll, except those obligations under clause 9.6; and
- (b) each Merger Unitholder retains any rights, powers or remedies that that Merger Unitholder has against MAIF RE in respect of any breach by MAIF RE of its obligations under this deed poll that occurred before termination of this deed poll.

4. Compliance with Merger obligations

MAIF RE covenants in favour of each Merger Unitholder that it will provide the Merger Consideration to the Merger Unitholders in accordance with the terms of the MID and subject to the satisfaction of the Merger Conditions and the transfer to MAIF RE (or its custodian or nominee) of all of the MAAT Units in existence as at the Merger Record Date. For the avoidance of doubt, in respect of Merger Unitholders who are jointly registered as the holders of MAAT Units on the Merger Record Date, MAIF RE will issue the Consideration Units to the joint-holders of the relevant MAAT Units jointly and in doing so will be taken to have discharged its obligations to all of the joint-holders.

5. Representations and warranties

MAIF RE makes the following representations and warranties in favour of the Merger Unitholders:

- (a) **(company status)** it is validly incorporated as a company limited by shares under the Corporations Act;
- (b) **(MIS status)** MAIF is validly established and registered as a 'registered scheme' under Chapter 5C of the Corporations Act;
- (c) **(capacity)** it has full legal capacity and power to enter into and perform its obligations under this deed poll and to carry out the transactions that this deed poll contemplates;
- (d) **(corporate authority)** it has taken all corporate action that is necessary or desirable to authorise its entry into this deed poll and, subject to the satisfaction of the Merger Conditions, has taken or will take all necessary corporate action to authorise the performance of its obligations under this deed poll;
- (e) **(authorisations)** subject to the satisfaction of the Merger Conditions, it holds or will hold each authorisation that is necessary or desirable to:
 - (i) enable it to properly execute this deed poll and to carry out the transactions that this deed poll contemplates; and
 - (ii) ensure that this deed poll is legal, valid, binding and admissible in evidence, and will comply with any conditions to which any authorisation is subject,

(Authorisations);

- (f) **(document effective)** this deed poll constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms;
- (g) **(no contravention)** neither its execution of this deed poll nor the carrying out by it of the transactions that this deed poll contemplates does or will:
 - (i) contravene any law to which it or any of its property is subject or any order of any Government Agency that is binding on it or any of its property;
 - (ii) contravene any Authorisation;
 - (iii) contravene any undertaking or instrument binding on it or any of its property; or
 - (iv) contravene the constitution of MAIF; and
- (h) **(Consideration Units)** except as provided under the Merger, the Consideration Units issued as Merger Consideration will, on their issue:
 - (i) be fully paid and free from any mortgages, charges, liens, encumbrances and other security interests;
 - (ii) have the rights set out in the constitution of MAIF; and
 - (iii) rank equally in all respects with all existing Class A MAIF Units;
- (i) **(insolvency)** it is not insolvent; and
- (j) **(responsible entity status)** it is the responsible entity for MAIF and no action has been taken or proposed to remove it as responsible entity for MAIF.

6. Continuing obligations

This deed poll is irrevocable and remains in full force and effect until the earlier of:

- (a) MAIF RE having fully performed its obligations under this deed poll; and
- (b) termination of this deed poll under clause 3.2.

7. Liability of MAIF RE

- (a) MAIF RE enters into this deed poll only in its capacity as responsible entity of MAIF and in no other capacity. A liability arising under or in connection with this deed poll is limited to and can be enforced against MAIF RE in its capacity as responsible entity of MAIF only to the extent to which it can be and is in fact satisfied out of property of MAIF from which MAIF RE is actually indemnified for the liability. This limitation of MAIF RE's liability applies despite any other provision of this deed poll and extends to all liabilities and obligations of MAIF RE in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to this deed poll.
- (b) No party to this deed poll may sue MAIF RE in any capacity other than as the responsible entity of MAIF, including seeking the appointment of a receiver (except in relation to property of MAIF), a liquidator, an administrator or any

similar person to MAIF RE or proving in any liquidation, administration or arrangement of or affecting MAIF RE (except in relation to property of MAIF).

- (c) The provisions of this clause 7 will not apply to any obligation or liability of MAIF RE to the extent that it is not satisfied because, under the constitution of MAIF or by operation of law, there is a reduction in the extent of MAIF RE's indemnification out of the assets of MAIF as a result of MAIF RE's failure to properly perform its duties as responsible entity of MAIF.
- (d) Nothing in clause 7(c) will make MAIF RE liable to any claim for an amount greater than the amount which a person would have been able to claim and recover from the assets of MAIF in relation to the relevant liability if MAIF RE's right of indemnification out of the assets of MAIF had not been prejudiced by failure to properly perform its duties.
- (e) MAIF RE is not obliged to do or refrain from doing anything under this deed poll (including incur any liability) unless its liability is limited in the same manner as set out in this clause 7.

8. Further assurances

MAIF RE will, on its own behalf and, to the extent, if any, authorised under the MAAT Constitution as amended by the MAAT Amending Deed, on behalf of each Merger Unitholder, do all things and execute all deeds, instruments, transfers or other documents as may be necessary or desirable to give full effect to the provisions of this deed poll and the transactions contemplated by it.

9. General

9.1 Notices

Any notice, demand, consent or other communication (a **Notice**) given or made to MAIF RE under or in connection with this deed poll:

- (a) must be in writing and signed by a person duly authorised by the sender;
- (b) must be delivered to MAIF RE by pre-paid post (if posted to an address in another country, by registered airmail) or by hand or email to the address below or the address last requested by MAIF RE in writing to the sender:

Address: Level 18, 123 Pitt Street, Sydney NSW 2000

Email: chloe.nguyen@perpetual.com.au

Attention: Chloe Nguyen; and

- (c) will be taken to be duly given or made:
 - (i) in the case of delivery in person, when delivered;
 - (ii) in the case of delivery by post, two Business Days after the date of posting (if posted to an address in the same country) or seven Business Days after the date of posting (if posted to an address in another country); and

- (iii) in the case of email, at the time sent (as recorded on the device from which the sender sent the email), unless the sender receives an automated message that the email has not been delivered,

but if the result is that a Notice would be taken to be given or made on a day that is not a business day in the place to which the Notice is sent or is later than 5pm (local time) it will be taken to have been duly given or made at the commencement of business on the next business day in that place.

9.2 No waiver

No failure to exercise nor any delay in exercising any right, power or remedy by MAIF RE or by any Merger Unitholder operates as a waiver. A single or partial exercise of any right, power or remedy does not preclude any other or further exercise of that or any other right, power or remedy. A waiver of any right, power or remedy on one or more occasions does not operate as a waiver of that right, power or remedy on any other occasion, or of any other right, power or remedy. A waiver is not valid or binding on the person granting that waiver unless made in writing.

9.3 Remedies cumulative

The rights, powers and remedies of MAIF RE and of each Merger Unitholder under this deed poll are in addition to, and do not exclude or limit, any right, power or remedy provided by law or equity or by any agreement.

9.4 Amendment

No amendment or variation of this deed poll is valid or binding unless:

- (a) the amendment or variation is agreed to in writing by MAAT RE; and
- (b) MAIF RE enters into a further deed poll in favour of the Merger Unitholders giving effect to that amendment or variation.

9.5 Assignment

The rights and obligations of MAIF RE and of each Merger Unitholder under this deed poll are personal. They cannot be assigned, encumbered or otherwise dealt with and no person may attempt, or purport, to do so.

9.6 Costs and stamp duty

- (a) MAIF RE must bear its own costs arising out of the negotiation, preparation and execution of this deed poll.
- (b) All stamp duty (including any related fines, penalties and interest) payable on or in connection with this deed poll and any instrument executed under or any transaction evidenced by this deed poll must be borne by MAIF RE. MAIF RE must indemnify each Merger Unitholder on demand against any liability for that stamp duty (including any related fines, penalties and interest).

9.7 Governing law and jurisdiction

This deed poll is governed by the laws of New South Wales, Australia. MAIF RE submits to the non-exclusive jurisdiction of courts exercising jurisdiction there in connection with matters concerning this deed poll.

Executed and delivered as a deed poll.

Signed, sealed and delivered by The Trust Company (RE Services) Limited (ACN 003 278 831) in its capacity as responsible entity for **Monash Investors Small Companies Fund (ARSN 606 855 501)** by its attorneys under the Power of Attorney dated 16 September 2014 who are personally known to me and each of whom declare that they have received no notice of revocation of the Power of Attorney:

.....
Attorney

.....
Name of Attorney (print)

.....
Title of Attorney (print)

.....
Witness

.....
Attorney

.....
Name of Witness (print)

.....
Name of Attorney (print)

.....
Title of Attorney (print)

Annexure F - Merger Implementation Deed

Merger Implementation Deed

The Trust Company RE (Services) Limited

ACN 003 278 831

as responsible entity for

Monash Investors Small Companies Fund

ARSN 606 855 501

and

The Trust Company RE (Services) Limited

ACN 003 278 831

as responsible entity for

Monash Investors Small Companies Trust

ARSN 642 280 331

and

Monash Investors Pty Ltd

ACN 153 180 333

K&L Gates

Sydney office

Ref: 7412996.00001

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Merger Implementation Deed

Date 2024

Parties

1. **The Trust Company RE (Services) Limited** (ACN 003 278 831) in its capacity as responsible entity for **Monash Investors Small Companies Fund** (ARSN 606 855 501) (**MAIF RE**)
2. **The Trust Company RE (Services) Limited** (ACN 003 278 831) in its capacity as responsible entity for **Monash Investors Small Companies Trust** (ARSN 642 280 331) (**MAAT RE**)
3. **Monash Investors Pty Ltd** (ACN 153 180 333) (**Manager**)

Background

- A. Manager has been appointed by MAIF RE and MAAT RE separately as the investment manager for MAIF and MAAT respectively.
- B. Manager has undertaken a strategic review of the operation of MAAT and believes it is in the best interests of MAAT Unitholders to implement the Merger and has accordingly recommended and requested that MAAT RE propose the Merger to MAAT Unitholders pursuant to which, if all of the Merger Conditions are satisfied, MAIF RE would acquire all of the MAAT Units in return for the Merger Consideration and that MAIF RE and MAAT RE enter into this deed to facilitate the Merger.
- C. MAIF RE, MAAT RE and Manager have agreed to undertake certain steps to enable the Merger to be proposed and, if all the Merger Conditions are satisfied, implemented subject to, and in accordance with, this deed.

Agreed terms

1. Definitions and interpretation

1.1 Definitions

In this deed:

ASIC means the Australian Securities and Investment Commission.

ASX means ASX Limited (ACN 008 624 691) or, as the context requires, the financial market operated by it.

Business Day means a business day as defined in the ASX Listing Rules.

Consideration Units means Class A units in MAIF, to be provided as consideration under the Merger.

Corporations Act means the *Corporations Act 2001* (Cth).

End Date means 30 August 2024 or such later date as the parties agree in writing.

Exchange Ratio means the NAV of MAAT per MAAT Unit divided by the NAV of MAIF per MAIF Unit as at the commencement of the Merger Approval Date.

Explanatory Memorandum means the explanatory memorandum to be despatched to MAAT Unitholders, which will include the notice of meeting convening the Meeting and a proxy form.

Government Agency means any government or governmental, semi-governmental, administrative, monetary, fiscal or judicial body, department, commission, authority, tribunal, agency or entity and includes any minister (including for the avoidance of doubt, the Commonwealth Treasurer), ASIC, ASX and any regulatory organisation established under statute.

Implementation Date means the third Business Day after the Merger Record Date or such other date as the parties agree in writing.

Independent Expert means the independent expert, being BDO Corporate Finance (East Coast) Pty Limited ABN 70 050 038 170, as appointed by MAAT RE to provide an opinion on whether the Merger is fair and reasonable and in the best interests of MAAT Unitholders.

Insolvent means in relation to a party:

- (a) the party is or becomes unable to pay its debts as and when they fall due or is otherwise presumed to be insolvent under the insolvency laws applying to that party;
- (b) the party suspends or threatens to suspend payment of its debts generally;
- (c) the calling of a meeting to consider a resolution to wind up the party (other than where the resolution is frivolous or cannot reasonably be considered to be likely to lead to the actual winding up of the party) or the making of an application or the making of any order, or the passing of any resolution, for the winding up or liquidation of the party other than where the application or order (as the case may be) is set aside within 7 days;
- (d) the appointment of a provisional liquidator, liquidator, receiver or a receiver and manager or other insolvency official to the party or to the whole or a substantial part of the property or assets of the party;
- (e) the appointment of an administrator to the party;
- (f) the entry by a party into any compromise or arrangement with creditors;
- (g) as a result of the operation of section 459F(1) of the Corporations Act, the party is taken to have failed to comply with a statutory demand;
- (h) anything analogous to anything referred to in paragraphs (a) to (g) (inclusive) of this definition or which has a substantially similar effect, occurs with respect to a person under any law of any jurisdiction; or
- (i) in the case of a trust, the trustee's right of indemnity out of the assets of the trust is not sufficient to meet the liabilities of the trust when they fall due.

Listing Rules means the listing rules of ASX.

MAAT means Monash Investors Small Companies Trust (ARSN 642 280 331).

MAAT Amending Deed means a deed poll under which MAAT RE will amend the MAAT Constitution to implement the Merger in a form to be agreed between MAAT RE and MAIF RE.

MAAT Constitution means the constitution of MAAT, as amended from time to time.

MAAT Indemnified Parties means MAAT RE and the directors, officers, employees and advisers of MAAT RE.

MAAT Information means all information in the Explanatory Memorandum other than MAIF Information, Monash Investors Information, the Tax Opinion and the Independent Expert's report.

MAAT Unit means a unit in MAAT, including all units on issue as at the Implementation Date other than a unit in which MAIF RE holds a Relevant Interest at the Merger Record Date.

MAAT Unitholder means a registered holder of one or more MAAT Units.

MAIF means Monash Investors Small Companies Fund (ARSN 606 855 501).

MAIF Constitution means the constitution of MAIF as amended from time to time.

MAIF Indemnified Parties means MAIF RE and the directors, officers, employees and advisers of MAIF RE.

MAIF Information means the information provided by MAIF RE to MAAT RE for inclusion in the Explanatory Memorandum, and includes the MAIF PDS and information in relation to MAIF as a consequence of the issue of MAIF Units under the terms of the Merger. MAIF Information does not include any information about MAAT (except to the extent it relates to any statement of intention of MAIF RE relating to MAAT after the Implementation Date), MAAT Information, Monash Investors Information, the Tax Opinion or the Independent Expert's report.

MAIF PDS means the product disclosure statement dated 17 July 2023 issued by MAIF RE relating to MAIF Units which is to be included in the Explanatory Memorandum.

MAIF Unit means a fully paid Class A unit in MAIF.

Meeting means the meeting of the MAAT Unitholders to be convened to consider and if thought fit to pass the Merger Resolution, and includes any adjournment of that meeting.

Meeting Date means the date on which the Meeting is held (including any date to which the Meeting is adjourned).

Merger means the trust transfer scheme pursuant to which, and subject to the satisfaction of the Merger Conditions, MAIF RE will acquire all of the MAAT Units from the MAAT Unitholders in exchange for the issue of the Consideration Units.

Merger Approval Date means the date (if any) on which the Merger Resolution is approved by a special resolution of the MAAT Unitholders.

Merger Condition means each of the conditions precedent set out in clause 2.1.

Merger Consideration means the Consideration Units to be issued to each MAAT Unitholder on the Register on the Merger Record Date as consideration for the transfer of their respective MAAT Units, calculated as the number of MAAT Units held by them as at the Merger Record Date multiplied by the Exchange Ratio.

Merger Deed Poll means a deed poll to be executed by MAIF RE in favour of MAAT Unitholders, to be in a form agreed between the parties under which MAIF RE agrees to provide the Merger Consideration on implementation of the Merger.

Merger Record Date means 7.00 pm on the third Business Day after the Merger Approval Date or such other date as the parties agree in writing.

Merger Resolution means a special resolution of MAAT Unitholders for the purposes of section 601GC(1) of the Corporations Act to approve amendments to the MAAT Constitution for the purposes of, and to facilitate, the implementation of the Merger as contained in the MAAT Amending Deed.

Monash Investors Information means the information contained in the Explanatory Memorandum that refers to Monash Investors including any statements relating to the views, conclusions, opinions, beliefs or estimates of Monash Investors.

NAV means, as the context requires, the net asset value of MAAT or MAIF (so far as it relates to the MAIF Units), calculated in accordance with the MAAT Constitution or MAIF Constitution respectively.

Operating Rules means the ASX Operating Rules.

Register means the unit register of MAAT and **Registry** has a corresponding meaning.

Regulatory Modifications means:

- (a) ASIC has granted an exemption in favour of MAAT RE from the requirement under section 941A of the Corporation Act to provide a financial services guide in connection with the Explanatory Memorandum;
- (b) ASIC has granted MAIF RE a modification of or exemption from Division 5A of Part 7.9 of the Corporations Act in relation to the proposed offer to purchase MAAT Units under the Merger;
- (c) ASIC has granted MAIF RE a modification of or exemption from section 1016A of the Corporations Act so that an application form does not have to be included in or accompany the MAIF PDS included in the Explanatory Memorandum;
- (d) ASIC has granted MAIF RE a modification of or exemption from section 1015C of the Corporations Act so that the MAIF PDS included in the Explanatory Memorandum may be sent to MAAT Unitholders at the address shown in the Register; and
- (e) ASIC has granted MAIF RE a modification of or exemption from section 1019A of the Corporations Act so that no cooling-off period needs to be applied to the Consideration Units.

Representative means, in respect of a party, a director, officer, employee, advisor, agent or representative of that party.

Tax Opinion means a summary of the tax implications of the Merger for MAAT Unitholders to be included in the Explanatory Memorandum.

Timetable means the indicative timetable in relation to the Merger, as set out in Part A of Schedule 1, or such other indicative timetable as the parties agree in writing.

Trust has the meaning given in clause 9.1(g).

1.2 Interpretation

Headings are for convenience only and do not affect interpretation. The following rules apply unless the context requires otherwise.

- (a) The singular includes the plural and conversely.
- (b) A gender includes all genders.
- (c) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (d) A reference to a person, corporation, trust, partnership, unincorporated body or other entity includes any of them.
- (e) A reference to a clause, schedule or annexure is a reference to a clause of, or schedule or annexure to, this deed.
- (f) A reference to an agreement or document (including a reference to this deed) is to the agreement or document as amended, varied, supplemented, novated or replaced, except to the extent prohibited by this deed or that other agreement or document.
- (g) A reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns.
- (h) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.
- (i) A reference to \$ is to the lawful currency of Australia.
- (j) Words and phrases not specifically defined in this deed have the same meanings (if any) given to them in the Corporations Act.
- (k) A reference to time is a reference to time in Sydney, Australia.
- (l) If the day on which any act, matter or thing is to be done is a day other than a Business Day, such act, matter or thing must be done on the immediately succeeding Business Day.
- (m) The meaning of general words is not limited by specific examples introduced by the words including, or for example, or similar expressions.
- (n) A reference to a party using its best endeavours or reasonable endeavours does not include a reference to that party paying money or providing other valuable consideration to or for the benefit of any person (and an obligation on a party to use

its best or reasonable endeavours does not oblige that party to pay money or provide other valuable consideration to or for the benefit of any person) or agreeing to commercially onerous or unreasonable conditions.

- (o) A reference to a fact, matter, circumstance or thing being fairly disclosed to a person means disclosed in writing to any of that person or any of that person's advisers in good faith and in sufficient detail so as to reasonably apprise a person (or one of its advisers) as to the nature and scope of the relevant fact, matter, circumstance or thing.

2. Conditions Precedent

2.1 Conditions Precedent

The parties agree that the final implementation of the Merger (including the transfer of the MAAT Units to MAIF RE (or its custodian or nominee) and the issue of the Merger Consideration) is to occur on the Implementation Date subject to each of the following conditions precedent (**Conditions Precedent**) having been satisfied:

- (a) the Merger Resolution is passed as a special resolution of MAAT Unitholders and the MAAT Amending Deed is executed by MAAT RE and lodged with ASIC;
- (b) the Independent Expert concludes in the Independent's Expert's report that the Merger is in the best interests of MAAT Unitholders and does not change its conclusion or withdraw its report before 8.00 am on the Meeting Date;
- (c) ASIC has granted any required Regulatory Modifications and have not withdrawn them before 8.00 am on the Meeting Date;
- (d) ASX has agreed to the revocation of MAAT's AQUA trading status and any conditions of that revocation have been satisfied;
- (e) this deed has not been terminated before 8.00 am on the Implementation Date; and
- (f) as at 8.00 am on the Implementation Date, no temporary restraining order, preliminary or permanent injunction or other legal restraint or prohibition restraining or prohibiting the Merger, which has been enacted, enforced or issued by a Government Agency, is in effect.

2.2 Satisfaction of Conditions Precedent

- (a) **Parties' obligations:** Each party must use its best endeavours within its own capacity and control to:
 - (i) satisfy the Conditions Precedent, or procure the satisfaction of the Conditions Precedent, with due expedition, in good faith and in full co-operation with the other parties as soon as possible, and in any event, by the End Date; and
 - (ii) prevent any act or omission that would result in a Merger Condition not being satisfied.
- (b) **Notice:** Each party must keep the other parties informed of any circumstances which may result in any of the Conditions Precedent not being satisfied in accordance with its terms.

2.3 Failure to satisfy Conditions Precedent

If a Merger Condition is not satisfied, or at any time becomes incapable of satisfaction by 5.00pm on the End Date, this deed will terminate and no party will owe any further obligation or liability to the other parties other than in respect of any breach prior to the date of termination or pursuant to any provision of this deed which is expressed to survive termination.

3. Proposal of Merger

3.1 MAAT RE to propose the Merger

MAAT RE agrees to propose and implement the Merger on and subject to the terms and conditions of this deed.

3.2 Assistance

MAIF RE and Manager agree to assist MAAT RE in proposing and implementing the Merger on and subject to the terms and conditions of this deed.

3.3 Fractional entitlements

If the number of MAAT Units held by a MAAT Unitholder is such that the aggregate entitlement of the MAAT Unitholder to Consideration Units is such that a fractional entitlement to a Consideration Units arises, then the entitlement of that MAAT Unitholder must be rounded down to the nearest whole number of Consideration Units.

3.4 Ranking of Consideration Units

The Consideration Units issued as Merger Consideration must, on their issue, rank equally in all respects with all other MAIF Units then on issue.

3.5 Withdrawal facility

MAAT RE will provide existing MAAT Unitholders with the opportunity to elect to redeem all or part of their investment in the MAAT prior to the Merger Record Date, subject to the terms of the MAAT Constitution and applicable law.

4. Co-operation and timing

MAAT RE, MAIF RE and Manager will use all reasonable endeavours and commit necessary resources (including management and corporate relations resources and the resources of external advisers) to finalise the Explanatory Memorandum and implement the Merger as soon as reasonably practicable and in accordance with the Timetable, subject to compliance with their respective obligations, powers and duties under this deed and all applicable laws and the Operating Rules and the proper performance by the directors of MAIF RE and MAAT RE of their duties.

5. Outline of the Merger

5.1 The Merger

Subject to clause 2.1, on the Implementation Date:

- (a) all of the MAAT Units on issue on the Merger Record Date will be acquired by MAIF RE (or its custodian or nominee); and
- (b) each MAAT Unitholder on the Register on the Merger Record Date will be entitled to receive the Merger Consideration,

in accordance with the terms of the MAAT Constitution as amended by the MAAT Amending Deed.

5.2 Provision of Merger Consideration

MAIF RE undertakes to MAAT RE that, subject to the terms of this deed, if the Merger becomes effective, and in consideration for the transfer to MAIF RE (or its custodian or nominee) of each MAAT Unit held by a MAAT Unitholder on the Merger Record Date:

- (a) MAIF RE (or its custodian or nominee) will accept the transfer of MAAT Units; and
- (b) it will provide to each MAAT Unitholder the Merger Consideration,

in accordance with this deed and the Deed Poll.

6. Implementation obligations of the parties

6.1 MAAT RE's obligations

Subject to clause 6.3, MAAT RE must take all reasonable steps to implement the Merger as soon as is reasonably practicable and in any event prior to the End Date. In particular MAAT RE must use best endeavours to comply or procure its agents to comply with the obligations set out in Schedule 2.

6.2 MAIF RE's obligations

Subject to clause 6.3, MAIF RE must take all reasonable steps to assist MAAT RE and Manager to implement the Merger as soon as reasonably practicable and in any event before the End Date. In particular MAIF RE must use its best endeavours to comply or procure its agents to comply with the obligations set out in Schedule 3.

6.3 Manager's obligations

Manager must take all reasonable steps to assist MAAT RE and MAIF RE to implement the Merger as soon as reasonably practicable and in any event before the End Date.

Unless instructed otherwise, Manager must promptly undertake the steps to implement the Merger in accordance with the Timetable and comply with the obligations set out in Schedule 2 and Schedule 3 on behalf of MAAT RE or MAIF RE (as applicable).

7. Explanatory Memorandum

7.1 Preparation

- (a) MAAT RE and Manager must take all necessary steps to ensure that the MAAT Information:

- (i) complies with the requirements of the Corporations Act, Operating Rules, Regulatory Modifications and all other relevant regulatory guides, requirements and law; and
 - (ii) is not, having regard to applicable disclosure requirements, misleading or deceptive (including because of any omission).
- (b) MAIF RE and Manager must take all necessary steps to ensure that the MAIF Information:
- (i) complies with the requirements of the Corporations Act, Operating Rules, Regulatory Modifications and all other relevant regulatory guides, requirements and law; and
 - (ii) is not, having regard to applicable disclosure requirements, misleading or deceptive (including because of any omission).
- (c) Manager must take all necessary steps to ensure that the Monash Investors Information:
- (i) complies with the requirements of the Corporations Act, Operating Rules, Regulatory Modifications and all other relevant regulatory guides, requirements and law; and
 - (ii) is not, having regard to applicable disclosure requirements, misleading or deceptive (including because of any omission).
- (d) The Manager must take all necessary steps to ensure that all of the information (other than the Independent Expert's report and the Tax Opinion) in the Explanatory Memorandum is appropriately verified.

7.2 MAIF Information

MAIF RE:

- (a) must consult with MAAT RE as to the content of the MAIF Information;
- (b) must not unreasonably delay or withhold its consent to the inclusion of MAIF Information in the form, content and context provided by MAIF RE in the Explanatory Memorandum; and
- (c) acknowledges that it is responsible for ensuring that the MAIF Information is not misleading or deceptive in any material respect (whether by omission or otherwise) and that MAAT RE will not verify or edit that information in the Explanatory Memorandum.

7.3 Responsibility statement

Without limiting this clause 7, the Explanatory Memorandum must include a responsibility statement, in a form to be agreed by the parties, which will contain words to the effect that:

- (a) MAAT RE has provided, and is responsible for, the MAAT Information in the Explanatory Memorandum, and that MAIF RE and the MAIF Indemnified Parties do not accept any responsibility for the accuracy or completeness of the MAAT Information;

- (b) MAIF RE has provided, and is responsible for, the MAIF Information in the Explanatory Memorandum, and that MAAT RE and the MAAT Indemnified Parties do not accept any responsibility for the accuracy or completeness of MAIF Information;
- (c) Manager has provided, and is responsible for, the Monash Investors Information in the Explanatory Memorandum, and that MAAT RE, MAIF RE, the MAAT Indemnified Parties and the MAIF Indemnified Parties do not accept any responsibility for the accuracy or completeness of the Monash Investors Information; and
- (d) the Independent Expert has provided, and is responsible for, the Independent Expert's report and that MAAT RE, MAIF RE, the MAAT Indemnified Parties, the MAIF Indemnified Parties and Manager do not assume any responsibility for the accuracy or completeness of the Independent Expert's report.

7.4 Misleading or deceptive information

Until the Implementation Date, each party must promptly inform the other if it becomes aware that any information in the Explanatory Memorandum, in the form and context in which it appears in the Explanatory Memorandum, is or has become misleading or deceptive (whether by omission or otherwise) having regard to applicable disclosure requirements and provide to the other party any further or new information that is required to ensure that the information in the Explanatory Memorandum is no longer misleading or deceptive that the Explanatory Memorandum or the information contained in it is updated accordingly.

7.5 Verification

Manager must undertake and document appropriate verification processes for the information in the Explanatory Memorandum and provide those records to MAAT RE and MAIF RE.

8. Merger costs

Each of MAIF RE and MAAT RE will be responsible for all fees and costs (including fees of all legal, financial, technical and other professional advisors) incurred by it in connection with the Merger and, for the avoidance of doubt, MAAT RE will pay out of MAAT all of the Merger costs, fees and expenses referred to in the Explanatory Memorandum including the fees of K&L Gates, the MAAT Registry, the provider of the Tax Opinion and the Independent Expert.

9. Representation and warranties

9.1 Representation and warranties of MAIF RE and MAAT RE

Each of MAIF RE and MAAT RE warrants to the other parties that each of the following statements is true and correct as at the date of this deed and at all times until implementation of the Merger:

- (a) it is duly incorporated and validly exists under the laws of the place of its incorporation;
- (b) it has the corporate power and authority to sign this deed and, subject to the Regulatory Modifications being made, perform and observe all its terms;

- (c) it has taken all necessary corporate action to authorise its entry into the execution, delivery and performance of this deed and to carry out the transactions contemplated by this deed;
- (d) this deed has been duly executed and, subject to the Regulatory Modifications being made, is a legal, valid and binding deed, enforceable against it in accordance with its terms;
- (e) it is not bound by any contract which may restrict its right or ability to enter into or perform this deed;
- (f) at the date of this deed, it:
 - (i) is not Insolvent;
 - (ii) is not in liquidation and no proceedings have been brought or threatened for the purpose of winding up and, to the best of its knowledge and belief, there are no facts, matters or circumstances which give any person the right to apply for a liquidation or winding up;
 - (iii) has not entered into an arrangement, compromise or composition with or assignment for the benefit of its creditors or a class of them; and
 - (iv) is not (or is not taken to be under applicable legislation) unable to pay its debts, other than a debt or claim the subject of a good faith dispute, and has not stopped or suspended, or threatened to stop or suspend, the payment of all or a class of its debts;
- (g) the managed investment scheme of which it is the responsible entity (being MAAT in respect of MAAT RE and MAIF in respect of MAIF RE) (**Trust**) is a valid subsisting trust and is registered in accordance with Chapter 5C of the Corporations Act;
- (h) the Trust has not been terminated, nor is there any requirement to wind up, deregister, terminate or reconstitute the Trust;
- (i) it has the power under the Trust constitution and the Corporations Act to enter into and perform its obligations under this deed;
- (j) all necessary resolutions have been, or will be, duly passed and all consents, approvals and other procedural matters have been or will be, obtained or attended to, as required by the Trust constitution or otherwise, for the entry into and performance by it of its obligations under this deed; and
- (k) it has been or is entitled to be indemnified in respect of any liability arising under or in connection with the proper performance of its rights and obligations that relate to transactions contemplated by this deed, out of the assets of the Trust and that right has not been modified, released or diminished in any way.

9.2 Representation and warranties of Manager

Manager warrants to the other parties that each of the following statements is true and correct as at the date of this deed and at all times until implementation of the Merger:

- (a) it is duly incorporated and validly exists under the laws of the place of its incorporation;

- (b) it has the corporate power and authority to sign this deed and perform and observe all its terms;
- (c) it has taken all necessary corporate action to authorise its entry into the execution, delivery and performance of this deed and to carry out the transactions contemplated by this deed;
- (d) this deed has been duly executed and is a legal, valid and binding deed, enforceable against it in accordance with its terms;
- (e) it is not bound by any contract which may restrict its right or ability to enter into or perform this deed;
- (f) at the date of this deed, it:
 - (i) is not Insolvent;
 - (ii) is not in liquidation and no proceedings have been brought or threatened for the purpose of winding up and, to the best of its knowledge and belief, there are no facts, matters or circumstances which give any person the right to apply for a liquidation or winding up;
 - (iii) has not entered into an arrangement, compromise or composition with or assignment for the benefit of its creditors or a class of them; and
 - (iv) is not (or is not taken to be under applicable legislation) unable to pay its debts, other than a debt or claim the subject of a good faith dispute, and has not stopped or suspended, or threatened to stop or suspend, the payment of all or a class of its debts.

10. Liability of MAIF RE

- (a) MAIF RE enters into this deed only in its capacity as responsible entity of MAIF and in no other capacity. A liability arising under or in connection with this deed is limited to and can be enforced against MAIF RE in its capacity as responsible entity of MAIF only to the extent to which it can be and is in fact satisfied out of property of MAIF from which MAIF RE is actually indemnified for the liability. This limitation of MAIF RE's liability applies despite any other provision of this deed and extends to all liabilities and obligations of MAIF RE in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to this deed.
- (b) No party to this deed may sue MAIF RE in any capacity other than as the responsible entity of MAIF, including seeking the appointment of a receiver (except in relation to property of MAIF), a liquidator, an administrator or any similar person to MAIF RE or proving in any liquidation, administration or arrangement of or affecting MAIF RE (except in relation to property of MAIF).
- (c) The provisions of this clause 10 will not apply to any obligation or liability of MAIF RE to the extent that it is not satisfied because, under the constitution of MAIF or by operation of law, there is a reduction in the extent of MAIF RE's indemnification out of the assets of MAIF as a result of MAIF RE's failure to properly perform its duties as responsible entity of MAIF.

- (d) Nothing in clause 10(c) will make MAIF RE liable to any claim for an amount greater than the amount which a person would have been able to claim and recover from the assets of MAIF in relation to the relevant liability if MAIF RE's right of indemnification out of the assets of MAIF had not been prejudiced by failure to properly perform its duties.
- (e) MAIF RE is not obliged to do or refrain from doing anything under this deed (including incur any liability) unless its liability is limited in the same manner as set out in this clause 10.

11. Liability of MAAT RE

- (a) MAAT RE enters into this deed only in its capacity as responsible entity of MAAT and in no other capacity. A liability arising under or in connection with this deed is limited to and can be enforced against MAAT RE in its capacity as responsible entity of MAAT only to the extent to which it can be and is in fact satisfied out of property of MAAT from which the MAAT RE is actually indemnified for the liability. This limitation of MAAT RE's liability applies despite any other provision of this deed and extends to all liabilities and obligations of the MAAT RE in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to this deed.
- (b) No party to this deed may sue the MAAT RE in any capacity other than as the responsible entity of MAAT, including seeking the appointment of a receiver (except in relation to property of MAAT), a liquidator, an administrator or any similar person to the MAAT RE or proving in any liquidation, administration or arrangement of or affecting the MAAT RE (except in relation to property of MAAT).
- (c) The provisions of this clause 11 will not apply to any obligation or liability of MAAT RE to the extent that it is not satisfied because, under the constitution of MAAT or by operation of law, there is a reduction in the extent of MAAT RE's indemnification out of the assets of MAAT as a result of MAAT RE's failure to properly perform its duties as responsible entity of MAAT.
- (d) Nothing in clause 11(c) will make the MAAT RE liable to any claim for an amount greater than the amount which a person would have been able to claim and recover from the assets of MAAT in relation to the relevant liability if the MAAT RE's right of indemnification out of the assets of MAAT had not been prejudiced by failure to properly perform its duties.
- (e) MAAT RE is not obliged to do or refrain from doing anything under this deed (including incur any liability) unless its liability is limited in the same manner as set out in this clause 10.

12. Termination

12.1 Termination rights

- (a) This deed may be terminated at any time before the Meeting:
 - (i) by mutual deed of the parties in writing;
 - (ii) by any party if another party is in material breach of this deed (including a breach of warranty) and, to the extent that the breach is capable of remedy, that breach is not remedied by that other party within five Business Days of

it receiving notice from the first party of the details of the breach and the first party's intention to terminate; or

- (iii) by any party if a court or Government Agency has issued an order, decree or ruling, or taken other action, that permanently restrains or prohibits the Merger, and the action is final and cannot be appealed or reviewed or the party, acting reasonably, believes that there is no realistic prospect of a successful appeal or review.

- (b) If the Merger has not been implemented on or before the End Date this deed automatically terminates on the End Date.

12.2 Manner of termination

Where a party has a right to terminate this deed, that right will be validly exercised if the party delivers a notice in writing to the other parties stating that it terminates the deed and the basis on which it terminates this deed.

12.3 Effect of termination

If this deed is terminated under this clause 12:

- (a) each party will be released from its obligations under this deed except its obligations under this clause 12;
- (b) each party will retain the rights it has or may have against the other parties in respect of any past breach of this deed; and
- (c) in all other respects, all future obligations of the parties under this deed will immediately terminate and be of no further force or effect, including any further obligations in respect of the Merger.

13. Notices

13.1 Method of giving notices

A notice required or permitted to be given by one party to another under this deed must be in writing and is treated as being duly given if it is:

- (a) left at that other party's address;
- (b) sent by pre-paid mail to that other party's address; or
- (c) emailed to the party's current email address.

13.2 Time of receipt

A notice given to a party in accordance with clause 13.1 is treated as having been duly given and received:

- (a) when delivered (in the case of it being left at that party's address);
- (b) when posted, on the third business day after posting (in the case of it being sent by pre-paid mail); and

- (c) when sent via email:
- (i) when the sender receives an automated message confirming delivery; or
 - (ii) 4 hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,
- whichever happens first.

13.3 Address of parties

- (a) The addresses are initially as set out below.

Party: MAIF RE

Address: Level 18, 123 Pitt Street, Sydney NSW 2000

Attention: Chloe Nguyen

Email: chloe.nguyen@perpetual.com.au

Party: MAAT RE

Address: Level 18, 123 Pitt Street, Sydney NSW 2000

Attention: Chloe Nguyen

Email: chloe.nguyen@perpetual.com.au

Party: Manager

Address: Suite 104, Level 1, 165 Phillip Street, Sydney NSW 2000

Attention: Simon Shields

Email: simon@monashinvestors.com

- (b) A party may from time to time change its addresses for service by notice to the other party.

14. General

14.1 Amendment

No variation or waiver of, or any consent to any departure by a party from, a provision of this deed is of any force or effect unless it is confirmed in writing signed by the parties and then that variation, waiver or consent is effective only to the extent for which it is made or given.

14.2 Waiver

The failure, delay, relaxation or indulgence on the part of any party in exercising any power or right conferred upon that party by this deed does not operate as a waiver of that power

or right, nor does any single exercise of any power or right preclude any other or further exercise of or the exercise of any other power or right under this deed.

14.3 Severance

If any provision of this deed is invalid and not enforceable in accordance with its terms, all other provisions which are self-sustaining and capable of separate enforcement with regard to the invalid provision are and continue to be valid and enforceable in accordance with their terms.

14.4 Further assurance

Each party must do, sign, execute and deliver and must procure that each of its employees and agents does, signs, executes and delivers, all deeds, documents, instruments and acts reasonably required of it or them by notice from another party to effectively carry out and give full effect to this deed and the rights and obligations of the parties under it.

14.5 Assignment

Except where expressly stated otherwise, no party may assign or otherwise transfer any of its rights arising under this deed without the prior written consent of each other party.

14.6 Counterparts

This deed may be executed by any number of counterparts and all of those counterparts taken together constitute one and the same instrument.

14.7 Governing law and jurisdiction

This deed is governed by, and is to be construed in accordance with, the law of the state of New South Wales and the parties submit to the non-exclusive jurisdiction of the courts of the state of New South Wales and any court hearing appeals from those courts.

14.8 Prohibition and enforceability

- (a) Any provision of, or the application of any provision of, this deed or any power which is prohibited in any jurisdiction is, in that jurisdiction, ineffective only to the extent of that prohibition.
- (b) Any provision of, or the application of any provision of, this deed which is void, illegal or unenforceable in any jurisdiction does not affect the validity, legality or enforceability of that provision in any other jurisdiction or of the remaining provisions in that or any other jurisdiction.
- (c) Where a clause is void, illegal or unenforceable, it may be severed without affecting the enforceability of the other provisions in this deed.

Schedule 1– Indicative timetable and steps plan

Part A: Indicative Timetable

The following proposed dates are indicative only:

<p>Perpetual Board approves the Merger, Merger Implementation Deed, MAAT Amending Deed and Merger Deed Poll and the dispatch of the EM and Notice of Meeting.</p> <p>Merger Implementation Deed and Merger Deed Poll executed</p> <p>EM finalised and released to ASX alongside announcement regarding Merger</p>	15 May 2024
Notice of Meeting and EM sent to MAAT unitholders	No later than 17 May 2024
Date by which proxy forms must be received	10.00 am on 11 June 2024
Voting Record Date (for determining entitlements to vote)	7.00 pm on 11 June 2024
Meeting Date	10.00 am on 13 June 2024
ASX announcement as to whether the Merger Resolution has been approved	After 11.00 am on 13 June 2024
If the Merger Resolution is approved and all other Merger Conditions are satisfied then:	
<p>Merger Approval Date</p> <p>MAAT Amending Deed executed and lodged with ASIC</p> <p>MAAT Units suspended from trading on ASX and MAAT Unit applications and withdrawals suspended - the gap between this date and the Merger Record Date will allow the MAAT Registry to process all on-market sales Exchange Ratio calculated based on NAV as at commencement of the Merger Approval Date</p>	13 June 2024
<p>MAAT Register closed for transfers (all on-market transfers before 13 June 2024 will have been settled and any off-market transfers will be processed by this time will be processed by the Merger Record Date)</p>	7.00 pm on 17 June 2024
Merger Record Date	7.00pm on 18 June 2024
<p>Implementation Date</p> <p>(being the date on which MAAT Units will be acquired by MAIF RE (or its custodian or nominee) pursuant to a master transfer form executed by MAAT RE as attorney for the MAAT unitholders on the MAAT register on the Merger Record Date in return for the issue of MAIF Units)</p>	21 June 2024

Part B: Indicative Step Plan

The parties agree to this indicative steps plan to achieve the milestones of the Timetable

	Workstream	Documentation	Indicative Date	Responsibility
PRELIMINARY STEPS				
1.	Perpetual board (in its capacity as MAAT RE and MAIF RE) receives draft documentation and approves Merger and documentation	Draft: <ul style="list-style-type: none"> (a) Manager strategic report (b) Merger Implementation Deed, Merger Deed Poll and MAAT Amending Deed (Transaction Documents) (c) EM and Notice of Meeting (d) K&L Gates sign-off (e) Manager sign-off (f) Tax opinion (g) Independent Expert's report (h) Verification Certificate (i) Consents (j) ASX announcement 	15 May 2024	Perpetual Board Perpetual management Manager K&L Gates Ernst & Young BDO Apex DMX
2.	ASX Merger proposal announcement (including notice of application for MAAT trading status to be revoked)	ASX announcement Final EM (including final NOM, Proxy form, MAIF PDS and IER)	15 May 2024	K&L Gates MAAT RE (issue notice)

	Workstream	Documentation	Indicative Date	Responsibility
	Lodge final EM (including final NOM, MAIF PDS and IER) with ASIC in connection with MAAT and MAIF ASIC relief applications			
3.	Commence dispatch of Final EM to MAAT Unitholders	Final EM (including final NOM, Proxy form, MAIF PDS and IER)	15 May 2024	MAAT RE Apex Manager
4.	Finalise dispatch of Final EM to MAAT Unitholders	Final EM (including final NOM, Proxy form, MAIF PDS and IER)	17 May 2024	MAAT RE Apex Manager
5.	Final EM deemed received	N/A	21 May 2024 (2 business days after sent)	N/A
POST ISSUE OF EM AND PRE MEETING				
6.	Obtain ASIC relief instruments for MAAT and MAIF from ASIC	ASIC relief instruments	Before Meeting Date	ASIC K&L Gates
7.	Obtain written approval for revocation of admission of MAAT to trading status from ASX	ASX written approval	Before Meeting Date	ASX K&L Gates
8.	Announce ASX approval of revocation of admission of MAAT to trading status, subject to the Merger Resolution being approved	ASX announcement	After receiving ASX approval pursuant to item 7	K&L Gates (prepare announcement) Manager

	Workstream	Documentation	Indicative Date	Responsibility
				MAAT RE (lodge announcement)
9.	End of Meeting notice period	N/A	12 June 2024 (being the later of 21 days and 15 business days after EM deemed received)	N/A
10.	Prepare chair's script for Meeting Date	Chair's script MAAT RE appoint chair	Before Meeting Date	K&L Gates Manager
11.	Confirm proxy voting, authorised representatives and attorneys for Meeting	Proxy voting results List of proxies, authorised representatives and attorneys	Before Meeting Date	Manager
IMPLEMENTATION				
12.	Prepare and make ASX announcement notifying of results of Meeting	ASX announcement	As soon as reasonably practicable after Meeting Date	K&L Gates (prepare draft) MAAT RE (lodge announcement)
13.	Execute MAAT Amending Deed	MAAT Amending Deed	On Meeting Date after approval	MAAT RE
14.	(Merger Approval Date) Lodge MAAT Constitution Amending deed with ASIC and notify ASX of amendments	MAAT Amending Deed	13 June 2024	K&L Gates
15.	End of ASX "no revocation of admission" period	N/A	14 June 2024 (being one month after notice of	N/A

	Workstream	Documentation	Indicative Date	Responsibility
			proposed revocation of admission was issued)	
16.	Calculate Exchange Ratio and make ASX announcement notifying Exchange Ratio	ASX announcement	Before Merger Record Date	K&L Gates (prepare announcement) Manager (calculate Exchange Ratio) MAAT RE (lodge announcement)
17.	(Merger Record Date) Determine entitlements of MAAT Unitholders to MAIF Units by reference to unit registers of MAAT and MAIF as at the Calculation Date	MAAT unit register MAIF unit register	18 June 2024	Manager Apex
18.	Agree allocation of MAIF Units to MAAT Unitholders and complete master allocation schedules in Master subscription form	Unit allocation form	As soon as reasonably practicable after Merger Record Date	Manager K&L Gates
19.	Execute: <ul style="list-style-type: none"> • Master transfer form; and • Master unit subscription form 	Master transfer form Master application form	After unitholder allocations have been determined	MAAT RE MAIF RE K&L Gates
20.	(Implementation Date) Issue new MAIF Units to former MAAT Unitholders Update MAIF unit register	MAIF unit register	21 June 2024	Manager MAIF RE Unit registry
POST IMPLEMENTATION DATE				

	Workstream	Documentation	Indicative Date	Responsibility
21.	Confirmation of update in process by service providers	N/A	After Implementation Date	MAIF RE MAAT RE Manager
22.	Withdraw MAAT PDS and TMD	N/A	After Implementation Date	MAIF RE MAAT RE Manager
23.	Complete deregistration			

Schedule 2 – MAAT RE's obligations

1. As soon as practicable after the date of this deed, apply to ASIC for the Regulatory Modifications referred to in paragraph (a) of the definition of Regulatory Modifications.
2. Promptly appoint the Independent Expert and provide any assistance and information reasonably requested by the Independent Expert to enable it to prepare its report for the Explanatory Memorandum.
3. On receipt, provide MAIF RE with a copy of any draft or final report received from the Independent Expert.
4. Prepare and verify the Explanatory Memorandum in accordance with this deed, with verification by the MAAT RE to be in respect of information about the MAAT RE.
5. As soon as practicable after delivery, review drafts of MAIF Information and provide comments on those drafts acting reasonably and in good faith.
6. As soon as practicable after the preparation of the Explanatory Memorandum, provide a draft copy of the Explanatory Memorandum to ASIC for its review and approval and keep MAIF RE reasonably informed of any material matters raised by ASIC (and the resolution of those matters) and use reasonable endeavours to resolve those matters in cooperation with MAIF RE (which will include allowing MAIF RE to participate in any telephone calls and meetings with ASIC).
7. As soon as reasonably practicable after the conclusion of the ASIC review, procure that the directors of MAAT RE consider approving the Explanatory Memorandum for despatch to the MAAT Unitholders.
8. Print and send the Explanatory Memorandum and a proxy form to MAAT Unitholders in accordance with the MAAT Constitution and the Operating Rules.
9. Subject to the terms of the Merger, provide all necessary directions to the Registry to promptly provide any information that MAIF RE reasonably requests in relation to the Register, including any sub-register, and procure that the information to be provided to MAIF RE is in the electronic form that MAIF RE reasonably requests.
10. Convene the Meeting and seek the approval of MAAT Unitholders for the Merger Resolution.
11. Conditional on the passing of the Merger Resolution, execute the MAAT Amending Deed and lodge the executed MAAT Amending Deed with ASIC.
12. Take all reasonable steps to maintain MAAT's listing on ASX, notwithstanding any suspension of the quotation of MAAT Units, up to and including the Implementation Date, including making appropriate applications to ASX and ASIC.
13. If the Merger is implemented:
 - (a) procure that the Registry closes the Register as at the Merger Record Date and determines entitlements to the Merger Consideration in accordance with the terms of the Merger; and
 - (b) procure that the Registry registers all transfers of MAAT Units to MAIF RE on the Implementation Date.

14. Do all other things necessary to lawfully give effect to the Merger.

Schedule 3 – MAIF RE's obligations

1. As soon as practicable after the date of this deed, apply to ASIC for the Regulatory Modifications referred to in paragraphs (b), (c), (d) and (e) of the definition of Regulatory Modifications.
2. Provide to MAAT RE for inclusion in the Explanatory Memorandum all MAIF Information that MAAT RE reasonably requires to prepare and issue the Explanatory Memorandum (including any information required under the Corporations Act, Operating Rules, Regulatory Modifications and all other relevant regulatory guides, requirements and law).
3. As soon as practicable after delivery, review drafts of the Explanatory Memorandum prepared by MAAT RE and provide comments on those drafts in good faith.
4. Provide any assistance or information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's report to be included in the Explanatory Memorandum.
5. Provide reasonable assistance to MAAT RE to assist MAAT RE to resolve any matter raised by ASIC regarding the Explanatory Memorandum during its review of the Explanatory Memorandum.
6. As soon as practicable after the conclusion of the review by ASIC of the Explanatory Memorandum, procure the directors of MAIF RE consider approving those sections of the Explanatory Memorandum that relate to MAIF RE or MAIF as being appropriate for dispatch to MAAT Unitholders.
7. Before the Explanatory Memorandum is sent to MAAT Unitholders, execute the Deed Poll.
8. If the Merger is implemented, provide the Merger Consideration in accordance with this deed.
9. Do all other things necessary to lawfully give effect to the Merger.

Executed and delivered as a deed.

**Signed, Sealed and Delivered by The)
Trust Company (RE Services))
Limited (ACN 003 278 831) in its)
capacity as responsible entity for)
Monash Investors Small Companies)
Fund (ARSN 606 855 501) by its)
attorneys under the Power of Attorney)
dated 16 September 2014 who are)
personally known to me and each of)
whom declare that they have received)
no notice of revocation of the Power of)
Attorney:**

.....
Attorney
.....
Name of Attorney (print)
.....
Title of Attorney (print)

.....
Witness

.....
Attorney

.....
Name of Witness (print)

.....
Name of Attorney (print)

.....
Title of Attorney (print)

**Signed, Sealed and Delivered by The)
Trust Company (RE Services))
Limited (ACN 003 278 831) in its)
capacity as responsible entity for)
Monash Investors Small Companies)
Trust (ARSN 642 280 331) by its)
attorneys under the Power of Attorney)
dated 16 September 2014 who are)
personally known to me and each of)
whom declare that they have received)
no notice of revocation of the Power of)
Attorney:**

.....
Attorney
.....
Name of Attorney (print)
.....
Title of Attorney (print)

.....
Witness

.....
Attorney

.....
Name of Witness (print)

.....
Name of Attorney (print)

.....
Title of Attorney (print)

Executed by **Monash Investors Pty Ltd (ACN 153 180 333)** in accordance with section 127(1) of the *Corporations Act 2001* (Cth) by:

.....
Signature of director

.....
Signature of director/company secretary

.....
Full Name (print)

.....
Full Name (print)

CORPORATE DIRECTORY

RESPONSIBLE ENTITY OF MAAT (Perpetual)

The Trust Company (RE Services) Limited
Level 18, Angel Place
123 Pitt Street
Sydney NSW 2000

MONASH INVESTORS

Monash Investors Pty Ltd
Level 57, 25 Martin Place
Sydney NSW 2000
contactus@monashinvestors.com

LEGAL ADVISER

K&L Gates
Level 31
1 O'Connell Street
Sydney NSW 2000

INDEPENDENT EXPERT

BDO Corporate Finance (East Coast) Pty Limited
Level 11
1 Margaret Street
Sydney NSW 2000

REGISTRY (MAIF and MAAT)

Apex Fund Services Pty Ltd
Level 10
12 Shelley Street
Sydney NSW 2000