

Replacement Prospectus

Offer of fully paid shares in Whitefield Income Limited, at an Offer price of \$1.25 per Share, to raise a minimum of \$75,000,000 and a maximum of \$200,000,000 (with the ability to accept Applications for up to a further \$50,000,000 in Oversubscriptions)

Whitefield Income Limited (ACN 658 702 222)

WHITEFIELD
INCOME

Manager

WHITEFIELD
CAPITAL MANAGEMENT

Whitefield Capital Management
Pty Ltd (ACN 074 709 210,
AFSL 229 843)

Joint Lead Arrangers and Managers



Taylor Collison Limited
(ACN 008 172 450, AFSL 247 083)



Morgans Financial Limited
(ACN 010 669 726, AFSL 235 410)



Ord Minnett Limited
(ACN 002 733 048, AFSL 237 121)

Co-Manager



Shaw and Partners Limited
(ACN 003 221 583, AFSL 236 048)

Important information: This Prospectus contains important information for you as a prospective investor and requires your immediate attention. It should be read in its entirety. If you have any questions as to its contents or the course you should follow, please consult your stockbroker, accountant, solicitor or other professional adviser.

Important Information

The Offer

This replacement prospectus is dated 4 November 2024 (**Prospectus**) and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date. This document replaces the prospectus dated 28 October 2024 that was lodged with ASIC on that date (**Original Prospectus**). It is issued by Whitefield Income Limited (ACN 658 702 222) (**Company or Whitefield Income**) for the purposes of Chapter 6D of the *Corporations Act 2001 (Cth)* (**Corporations Act**) and is an invitation to apply for a minimum of 60,000,000 Shares, a maximum of 160,000,000 Shares (with the ability to accept Applications for up to a further 40,000,000 Shares in Oversubscriptions) at an Application Price of \$1.25 per Share to raise up to a maximum (assuming Oversubscriptions are fully subscribed) of \$250,000,000.

The differences between this Prospectus and the Original Prospectus are:

- amended Sections 1.2(a) and 3.4(f) to refer to a leverage limit of 2% of the last calendar month-end NAV of the Company.
- inserted wording at Section 3.4(c) in respect of income recognition and mispricing by including:
 - definitions for "income recognition period" and "dividend payment period".
 - expanded strategy sentence attached to each definition that explains how return is generated from each.
 - a reference to statistical measures of the income recognition and dividend payment mispricing anomalies from 2000 to 2024.
- inserted wording at Section 3.4(e) providing further information in respect of Benchmark selection.
- inserted wording at Section 3.3 to refer to the Board holding responsibility for capital management decisions.
- included wording in Sections 1.2(a), 3.4(d)(ii) and 3.4(f) to specify that 90% or more of equity security investments must come from the S&P/ASX 300 Universe and that this limit and the limit that individual security holdings shall not be more than 10% of the Value of the Portfolio are required by the Management Agreement.

This document is important and requires your immediate attention. It should be read in its entirety. You may wish to consult your professional adviser about its contents.

No Shares will be issued on the basis of this Prospectus later than the expiry date of this Prospectus, being the date 13 months after the date of the Original Prospectus.

ASX listing

The Company will apply within seven days after the date of the Original Prospectus for admission to the Official List of the ASX and for the Shares to be quoted on the ASX.

The fact that the ASX may admit the Company to the Official List and quote the Shares is not to be taken in any way as an indication of the merits of the Company. Neither the ASX, ASIC nor any of their respective officers take any responsibility for the contents of this Prospectus. If granted admission to the ASX, quotation of the Shares will commence as soon as practicable after holding statements are dispatched.

The Company does not intend to issue any Shares unless and until the Minimum Subscription has been received and the Shares have been granted permission to be quoted on the ASX on terms acceptable to the Company.

If permission is not granted for the Shares to be quoted before the end of three months after the date of the Original Prospectus or such longer period permitted by the Corporations Act or with the consent of ASIC, all Application Monies received under the Prospectus will be refunded without interest to Applicants in full within the time prescribed by the Corporations Act.

Exposure Period

Pursuant to the Corporations Act, this Prospectus is subject to an exposure period of seven days after the date of the Original Prospectus, which period may be extended by ASIC by a further period of seven days (**Exposure Period**) (i.e. up to a total of 14 days).

The Exposure Period enables this Prospectus to be examined by market participants prior to the raising of funds. The examination may result in the identification of deficiencies in this Prospectus, in which case any Application received may need to be dealt with in accordance with section 724 of the Corporations Act.

Application Forms received prior to the expiration of the Exposure Period will not be processed until after the Exposure Period. No preference will be conferred on Application Forms received during the Exposure Period and all Application Forms received during the Exposure Period will be treated as if they were simultaneously received on the Opening Date.

Intermediary Authorisation

The Company does not hold an Australian Financial Services Licence (**AFSL**) under the Corporations Act. Accordingly, offers under this Prospectus will be made under an

arrangement between the Company and Taylor Collison Limited (**Taylor Collison**), the holder of an AFSL (**Authorised Intermediary**) under section 911A(2)(b) of the Corporations Act. The Company will only authorise the Authorised Intermediary to make offers to people to arrange for the issue of Shares by the Company under the Prospectus and the Company will only issue Shares in accordance with such offers if they are accepted.

The Joint Lead Arrangers and Managers and the Co Manager will manage the Offer on behalf of the Company. The Joint Lead Arrangers and Managers are Taylor Collison, Morgans Financial Limited (**Morgans**) and Ord Minnett Limited (**Ord Minnett**). The Joint Lead Arrangers and Managers' and the Authorised Intermediary's functions should not be considered as an endorsement of the Offer, nor a recommendation of the suitability of the Offer for any investor. The Co Manager is Shaw and Partners Limited (**Shaw and Partners**).

Neither of the Joint Lead Arrangers and Managers, the Co Manager or the Authorised Intermediary guarantee the success or performance of the Company or the returns (if any) to be received by investors. Neither of the Joint Lead Arrangers and Managers, the Co Manager or the Authorised Intermediary are responsible for, or has caused the issue of, this Prospectus.

Investment decision

Applicants should read this Prospectus in its entirety before deciding to apply for Shares. This Prospectus does not take into account your individual investment objectives, financial situation or any of your particular needs. You should seek independent legal, financial and taxation advice before making a decision whether to invest in the Company.

An investment in the Company carries risks. An outline of some of the risks that apply to an investment in the Company is set out in Section 5. Applicants are urged to consider this Section of the Prospectus carefully before deciding to apply for Shares.

Except as required by law, and only to the extent required, no person named in this Prospectus, nor any other person, warrants or guarantees the performance of the Company, the repayment of capital by the Company or any return on investment in Shares made pursuant to this Prospectus.

Authorised information

No person is authorised to give any information or make any representation in connection with the Offer that is not contained in this Prospectus. Any information or representation not so contained or taken to be contained may not be relied on as having been authorised by the Company in connection with the Offer.

No cooling-off rights

Cooling-off rights do not apply to an investment in Shares pursuant to the Offer. This means that, in most circumstances, you cannot withdraw your Application once it has been accepted.

Forward looking statements

This Prospectus contains forward looking statements. Forward looking statements are not based on historical facts but are based on current expectations of future results or events. These forward-looking statements are based on current expectations, estimates and projections about the Company's business and the markets in which the Company will invest, and the beliefs and assumptions of the Company and the Manager. These forward looking statements are not guarantees of future performance and are subject to risks, uncertainties and assumptions that could cause actual results or events to differ materially from the expectations described in such forward-looking statements.

While the Company believes that the expectations reflected in the forward looking statements in this Prospectus are reasonable, no assurance can be given that such expectations will prove to be correct. The risk factors set out in Section 5, as well as other matters as yet not known to the Company or not currently considered material by the Company, may cause actual results or events to be materially different from those expressed, implied or projected in any forward-looking statements. Any forward looking statement contained in this Prospectus is qualified by this cautionary statement.

These forward-looking statements speak only as at the date of this Prospectus. Unless required by law, none of the Company or the Manager intends to publicly update or revise any forward-looking statements to reflect new information, future events or otherwise. They are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. You should, however, review the factors and risks the Company describes in the reports to be filed from time to time with the ASX after the date of this Prospectus.

Information about the Manager

This Prospectus contains certain information about Whitefield Capital Management Pty Ltd (ACN 074 709 210, AFSL 229 843) (**Manager** or **Whitefield Capital Management**) and its senior executives. It also contains details of Whitefield Capital Management's investment approach, strategy and philosophy.

To the extent that the Prospectus includes statements by, or based on any statement of, or information provided by, the Manager, the Manager consents to each such statement being included in the Prospectus in the form and context

in which it is included and has not withdrawn that consent at any time prior to the lodgement of this Prospectus.

No offer where Offer would be illegal

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Shares in any jurisdiction outside Australia or New Zealand. The distribution of this Prospectus outside Australia or New Zealand may be restricted by law and persons who come into possession of this Prospectus outside Australia or New Zealand should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities law.

United States residents

The Offer is not open to persons in the United States or U.S. Persons.

The Shares being offered pursuant to this Prospectus have not been registered under the U.S. Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration under the U.S. Securities Act and applicable state securities laws. This Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of these Shares in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful. In addition, any hedging transactions involving these Shares may not be conducted unless in compliance with the U.S. Securities Act.

Offer to New Zealand investor warning

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of a financial adviser.

The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

Prospectus

An electronic version of this Prospectus can be downloaded from www.whitefield.com.au/whitefield-income. The information on the website does not form part of this Prospectus. The Offer to which the Prospectus relates is only available to persons receiving the Prospectus in Australia or New Zealand.

The Company will also send a paper copy of the Prospectus and Application Form free of charge if requested before the Closing Date.

If you download the Prospectus, please ensure that you have received the entire Prospectus accompanied by copies of the Application Form. If unsure about the completeness of this Prospectus received electronically, or a print-out of it, you should contact the Company. The Shares to which the Prospectus relates will only be issued on receipt of a completed Application Form that has accompanied the Prospectus.

Target Market Determination

The target market determination in respect of the Company is publicly available and can be downloaded from www.whitefield.com.au/whitefield-income.

Application

Applications for Shares under this Prospectus may only be made on either a printed copy of the Application Form attached to or accompanying this Prospectus or via the electronic Application Form accompanying the electronic version of this Prospectus, that is accessible through the Company's website. The Corporations Act prohibits any person from passing the Application Form on to another person unless it is attached to a hard copy of the Prospectus or the complete and unaltered electronic version of the Prospectus. If this Prospectus is found to be deficient, any Applications may need to be dealt with in accordance with section 724 of the Corporations Act. Applications must be for a minimum of 2,000 Shares at \$1.25 per Share (i.e. for a minimum subscription amount of \$2,500). A larger number of Shares may be applied for in multiples of 1,000 Shares.

Completed paper Application Forms, together with Application Monies, should be forwarded to the following address:

By mail

Whitefield Income Limited
C/- Computershare Investor Services
Pty Limited
GPO Box 52
Melbourne Victoria 3001

Application Monies

Applications must be accompanied by payment in Australian currency.

Applicants who submit an online Application Form will be provided with instructions to make a BPAY payment. Cheques in respect of Applications should be made payable to "Whitefield Income Limited" and crossed "Not Negotiable".

No brokerage, commission or stamp duty is payable to the Company on Applications under the Offer. Applicants to the Offer may pay brokerage or other fees to their Broker or other adviser in relation to their Application. Any such fees will be on terms agreed between the Applicant and their Broker or other adviser.

When to apply

Completed Applications and Application Monies under the Offer must be received by 5:00pm (Sydney time) on the Closing Date. The Directors may close the Offer at any time without prior notice or extend the period of the Offer in accordance with the Corporations Act.

Updated information

In accordance with its obligations under the Corporations Act, the

Company may issue a supplementary prospectus to supplement any relevant information not disclosed in this Prospectus. You should read any supplementary disclosures issued in conjunction with this Prospectus prior to making any investment decision.

Defined terms

Defined terms, abbreviations and interpretations included in the text of this Prospectus are set out in Section 11.

Time

Unless otherwise stated or implied, references to time in this Prospectus are to Sydney time.

No underwriting

The Offer is not underwritten.

Consent not sought for certain statements

Unless specifically noted in Section 10.8, statements made by, attributed to or based on statements by third parties have not been consented to for the purpose of section 729 of the Corporations Act and are included in this Prospectus on the basis of *ASIC Corporations (Consents to Statements) Instrument 2016/72* relief from the Corporations Act for statements used from books, journals or comparable publications.

Company websites

Any references to documents included on the Company's websites are for convenience only, and none of the documents or other information available on the Company's websites are incorporated into this Prospectus by reference.

Miscellaneous

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this document are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this document.

Photographs and diagrams used in this Prospectus that do not have descriptions are for illustration only and should not be interpreted to mean that any person in them endorses this Prospectus or its contents or that the assets shown in them are owned by the Company.

References in this Prospectus to currency are to Australian dollars unless otherwise indicated.

All data contained in charts, graphs and tables within this Prospectus are based on information available as at the date of this Prospectus unless otherwise stated.

Privacy

The Company, the Share Registry on its behalf, and the Joint Lead Arrangers and Managers may collect, hold, use and disclose personal information

provided by investors to allow them to process your Application, service your needs as a Shareholder, provide facilities and services that you request and carry out appropriate administration of your investment. This means that the Company will need to collect your personal information (for example, your name, address and details of the securities that you hold). Under the Corporations Act some of this information must be included in the Company's securities register, which will be accessible by the public. This information must remain in the register even if you cease to be a Shareholder.

The Company will only use and/or disclose your personal information for the purposes for which it was collected, other related purposes and as permitted or required by law. If you do not provide the information requested in the Application Form, the Company and the Share Registry may not be able to process your Application.

The Company and the Share Registry may also share your personal information with agents and service providers of the Company or others who provide services on its behalf, some of which may be located outside of Australia where personal information may not receive the same level of protection as that afforded under Australian law.

For more details on how the Company collects, stores, uses and discloses your information, please read the Company's Privacy Policy which is located at www.whitefield.com.au. It is recommended that you obtain a copy of this Privacy Policy and read it carefully before making an investment decision.

By completing an Application Form, or by providing your personal information to the Company, you agree to this information being collected, held, used and disclosed as set out in this Prospectus and the Company's Privacy Policy. The Company aims to ensure that the personal information it retains about you is accurate, complete and up-to-date. To assist with this, please contact the Share Registry if any of the details you have provided change.

Questions

If you have any questions about how to apply for Shares, call the Share Registry on 1300 271 823 (within Australia) or +61 3 9415 4064 (outside Australia) from 8.30am to 5.00pm (Sydney time) Monday to Friday during the Offer period. Instructions on how to apply for Shares are set out in Section 2 and on the Application Form. If you have any questions about whether to invest in the Company, you should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding whether to invest in Shares.



An Australian
Equity Income
Strategy to be
listed on the ASX.

Key Offer Information

Important dates

Lodgement of the Original Prospectus with ASIC	28 October 2024
Lodgement of this Prospectus with ASIC	4 November 2024
Cornerstone Offer expected to open	5 November 2024
Priority Allocation offer expected to open	5 November 2024
General Offer expected to open	5 November 2024
Broker Firm Offer expected to close	26 November 2024
Cornerstone Offer expected to close	26 November 2024
Priority Allocation to existing Whitefield Industrials Ltd shareholders expected to close	26 November 2024
General Offer expected to close	26 November 2024
Expected date of settlement	3 December 2024
Expected date of allotment	4 December 2024
Date of dispatch of holding statements	5 December 2024
Shares expected to commence trading on the ASX	11 December 2024

The above dates are subject to change and are indicative only and times are references to Sydney, Australia time. The Company reserves the right to amend this indicative timetable subject to the Corporations Act and the ASX Listing Rules. In particular, the Company reserves the right to close the Offer early, extend the closing dates or accept late Applications or bids (either generally or in particular cases), or to cancel or withdraw the Offer before settlement, in each case without notifying any recipient of this Prospectus or any Applicants.

If the Offer is cancelled or withdrawn before the allocation of Shares, then all Application Monies will be refunded in full (without interest) as soon as practicable in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their Applications as early as possible after the offer opens.

Key Offer statistics

Company	Whitefield Income Limited ACN 658 708 222
Proposed ASX code	WHI
Shares offered	Fully paid Shares
Minimum number of Shares available under the Offer	60,000,000 Shares
Minimum proceeds from the Offer	\$75,000,000
Maximum number of Shares available under the Offer (before Oversubscriptions)	160,000,000 Shares
Maximum proceeds from the Offer (before Oversubscriptions)	\$200,000,000
Maximum number of Shares available under the Offer (assuming Oversubscriptions are fully subscribed)	200,000,000 Shares
Maximum proceeds from the Offer (assuming Oversubscriptions are fully subscribed)	\$250,000,000
Application Price per Share*	\$1.25
Pro forma Net Asset Value (NAV) backing per Share (based on the pro forma historical statement of financial position set out in Section 6.2)	\$1.25

* This value per Share is expected to change after the Shares are listed on ASX.

The percentage of Shares which will be available for Shareholders to freely trade in the public market after listing (i.e. the free float Shares which are not subject to a restriction on trading) is greater than 20%, based on either the minimum, the maximum (before Oversubscriptions) and maximum (assuming Oversubscriptions are fully subscribed) number of Shares available under the Offer.

Enquiries

For more information:

Whitefield Income Limited
T (02) 8215 7900
mail@whitefield.com.au

To obtain a digital copy of the Prospectus and to receive updates on Whitefield Income Limited following the Offer, visit:

www.whitefield.com.au/whitefield-income

For questions about the application process, please contact the Share Registry:

Computershare Investor Services
Pty Limited
T 1300 271 823 (Australia)
T +61 3 9415 4064 (outside Australia)

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Corporate directory

Directors

Angus Gluskie
William Seddon
Jenelle Webster
Lance Jenkins
Mark Beardow

Company Secretary

Stuart Madeley

Registered Office

Suite 1901, Level 19,
68 Pitt St,
Sydney NSW 2000
T (02) 8215 7900

Manager

Whitefield Capital Management Pty
Ltd (ACN 074 709 210, AFSL 229 843).
Suite 1901, Level 19,
68 Pitt St,
Sydney NSW 2000
T (02) 8215 7900

Share Registry

Computershare Investor Services
Pty Limited
6 Hope Street
Ermington NSW 2115 Australia

Investigating Accountant

Pitcher Partners Sydney
Corporate Finance Pty Limited
Level 16, Tower 2
201 Sussex Street
Sydney NSW 2000
T (02) 9221 2099

Legal and Tax Adviser to the Offer

DLA Piper
Level 22
No. 1 Martin Place
Sydney NSW 2000
T (02) 9286 8059
E martin.jamieson@dlapiper.com

Joint Lead Managers

Taylor Collison Limited
(ACN 008 172 450, AFSL 247 083)
Level 16, 211 Victoria Square
Adelaide SA 5000 Australia
T (08) 8217 3900

Morgans Financial Limited
(ACN 010 669 726, AFSL 235 410)
Level 29 Riverside Centre,
123 Eagle Street
Brisbane QLD 4000 Australia
T (07) 3334 4888

Ord Minnett Limited
(ACN 002 733 048, AFSL 237 121)
Level 18, 225 George St, Sydney NSW
2000 Australia
T (02) 8216 6300

Co Manager

Shaw and Partners Limited
(ACN 003 221 583, AFSL 236 048)
Level 7, Chifley Tower, 2 Chifley Square
Sydney NSW 2000
T (02) 9238 1238

Authorised Intermediary

Taylor Collison Limited
(ACN 008 172 450, AFSL 247 083)
Level 16, 211 Victoria Square
Adelaide SA 5000 Australia
T (08) 8217 3900

Letter from the Chairman



I am pleased to invite you to consider becoming a Shareholder of Whitefield Income Ltd (ASX: WHI).

Dear Investor,

I am pleased to invite you to consider becoming a Shareholder of Whitefield Income Limited (ASX: WHI).

Following its listing, Whitefield Income Limited (WHI) will be an ASX listed investment company with the objective of:

- Generating income inclusive of franking credits through investment in an actively managed strategy focused on investment in ASX 300 listed securities over their income recognition and dividend payment periods;¹
- Distributing some or all of its available net profit to shareholders as monthly franked dividends; and
- Generating total returns including franking credits (consisting of gross income and fluctuations in capital values net of expenses) that are similar to or exceeds the gross return of the S&P/ASX 300 Equal Weighted Franking Credit Adjusted Daily Tax-Exempt Total Return Index (**Benchmark**) over rolling 3 year periods.

These statements are not intended to be a forecast, rather they are merely objectives of the Company. The Company may not be successful in meeting these objectives.

The strategy seeks to benefit from:

- The systematic mispricing of ASX listed equity securities over their income recognition and dividend payment periods;
- An orientation of the portfolio towards profitable, cash flow generative and dividend paying companies;
- The potential for growth in the underlying earnings and value of Australian shares across each year.

The Company is likely to suit investors seeking either:

- Regularity of monthly income and franking credits from exposure to Australian shares; AND/OR
- A total investment return, inclusive of franking credits, that is generated from a dividend-focused, investment in Australian shares.

The investment process will be managed by the same investment team that manages Whitefield Industrials Limited (WHI), an ASX listed investment company that has completed its 101st year of continuous operation. Senior members of the investment team of the Manager, the Directors and I intend to participate in the Offer to become shareholders of Whitefield Income Limited.

I encourage all interested investors to thoroughly read the Prospectus in its entirety to ensure they understand the Company, its operations, its investment characteristics, potential benefits and consequent risks. The risks are described in detail in Section 5. Investors should consult a professional investment adviser if they require assistance in understanding this investment or its suitability to their situation.

On behalf of the Board and management team, I look forward to welcoming interested new Shareholders to Whitefield Income Limited.

Yours faithfully,

Angus Gluskie

Chairman and Managing Director
4 November 2024

¹ Refer to Sections 3.4(c)(v) and 3.4(c)(vi) for an explanation of our investment over the income recognition and dividend payment periods.

1 Offer Summary

1 Offer Summary

This is a summary only. This Prospectus should be read in full before making any decision to apply for Shares in the Company.

1.1 Overview of Whitefield Income Limited

Question	Answer	More information
What is Whitefield Income Limited?	Whitefield Income Limited is an Australian public company incorporated on 11 April 2022 for the purpose of conducting the Offer. The Company has no performance history as it is yet to commence trading. The Company will hold and manage an investment portfolio (Portfolio) in accordance with its stated Investment Strategy. Upon completion of this Offer the Company will be listed on ASX and investors and Shareholders will be able to buy and sell the Company's Shares on ASX as a listed investment company (LIC). The Company's Portfolio will be managed by the Manager pursuant to the Management Agreement.	See Section 3
What are the Company's objectives?	The Company's objectives are to: • Generate income inclusive of franking credits through investment in an actively managed strategy focused on investment in ASX 300 listed securities over their income recognition and dividend payment periods;² • Distribute monthly some or all of its available net profit to holders of the Company's Shares as franked dividends; and • Generate total returns including franking credits (consisting of gross income and fluctuations in capital values net of expenses) that are similar to or exceeds the gross return of the S&P/ASX 300 Equal Weighted Franking Credit Adjusted Daily Tax-Exempt Total Return Index (Benchmark) over rolling 3 year periods. See Section 3.2 for further information regarding the Company's dividend policy. These statements are not intended to be a forecast, rather they are merely objectives of the Company. The Company may not be successful in meeting these objectives. See Section 3.4 for testing performed by the Manager to determine the appropriateness of the total return objective. No assurance can be given that any investment will achieve its objectives or avoid losses. Past performance may not be a reliable indicator of future performance.	See Sections 3.1 and 3.4
Will the Company pay dividends?	The Company will seek to pay monthly franked dividends to Shareholders, commencing in the first month following the first full calendar quarter of the company's operation subsequent to the allotment of the Shares pursuant to the Offer. The payment of dividends is subject to the Company having sufficient profits, reserves and franking credits available, provided the Company considers it is commercially prudent to do so and subject to any retention of profits or reserves for corporate purposes or for the smoothing of distributions. Accordingly, investors should recognise that in some circumstances (particularly those when dividends from Australian shares fall rapidly, materially or for an extended period) the Company may reduce, temporarily cease or adjust the franking of dividend payments. The objective of paying regular dividends is not intended to be a forecast, it is merely an objective of the Company. The Company may not be successful in meeting this objective.	See Section 3.2

² Refer to Sections 3.4(c)(v) and 3.4(c)(vi) for an explanation of our investment over the income recognition and dividend payment periods.

1.2 Primary Risks

Question	Answer	More information
What are the primary risks faced by the Company?	The key risks identified by the Company that relate to its operations include: (a) Adverse fluctuations in the value of its Portfolio of ASX listed equity securities The Company's capital will be primarily invested in a Portfolio of ASX listed equity securities. History shows that the market value of listed equity securities, either individually or in aggregate, may fluctuate materially from time to time and in some cases for extended periods of time or permanently. Adverse fluctuations in the market value of the Company's investments would reduce the value of the Company in total and the value of each Share. Adverse fluctuations in market values may occur for many reasons including: - Australian and global economic conditions; - The level or rate of change in interest rates; - Australian and global credit conditions; - Inflation and inflationary expectations; - The political environment; - The taxation and regulatory environment that applies to ASX-listed equity securities; - Other material influences on global and Australian economies such as climate, environment, military actions or human health; - The availability and pricing of investment alternatives; and - Expectations of future opportunities, risks and earnings for specific companies within the Portfolio. (b) Decreases in the dividends and distributions being paid by ASX listed equity securities The Company generates its operating profit from the dividends and distributions it receives on its investments in Australian shares. In circumstances where dividends and distributions from Australian shares may be unexpectedly cut or lowered either for individual shares or for the Australian share market overall the Company's operating profit may also fall. The circumstances that may cause widespread decreases in dividends from Australian shares are similar to the causes of adverse fluctuations in market values of Australian shares that are described in the prior paragraph. (c) Investment Strategy and stock selection risk The level of income generated by the Portfolio and the fluctuation in the market value of the company's investments will depend, not only on the overarching factors noted at (a) above, but also on the decisions made by the Manager in selecting and transacting on specific investments. While the investment process seeks to do this in a manner that generates favourable outcomes for Shareholders, actual investment outcomes in future periods are uncertain and cannot be predicted. Accordingly, actual outcomes may be less than investor expectations, less than the Benchmark or in certain circumstances returns may be negative and losses may be incurred.	See Section 5

Question	Answer	More information
	(d) Manager performance risk The Company's success and profitability is reliant on the continued performance of the Manager. If the Manager cannot successfully identify, monitor and capitalise on investment opportunities within its guidelines, there is a risk that the Company and the Shares will be negatively impacted. The Company will have no right to terminate the Management Agreement for 10 years (except in limited circumstances including for material breach of contract), meaning that, even if the Manager fails to perform in accordance with the objectives as set out in this Prospectus, it may be difficult for the Company to remove and replace the Manager for 10 years (e) Licensing risk The Manager operates under an AFSL in order to manage the investments. The Manager's continued oversight of the investments and implementation of the investment strategy is contingent on it maintaining its AFSL. There is a risk that if the Manager's AFSL is restricted, suspended or terminated in the future, it would be prevented from overseeing the Company's investments and from carrying out the investment strategy. (f) Key Person Risk The investment team is responsible for the ongoing operation and development of the Investment Strategy and process. The loss of investment team members could adversely impact on the company's ability to continue to operate its investment process, unless adequate replacement personnel could be recruited. (g) Incentive risk The Management Fee and the Performance Fee may create an incentive for the Manager to overstate the value of the underlying investments to obtain greater compensation and also make investments that are more speculative than it otherwise would have invested in had there not been such a fee in place. These risks may add risk and volatility to the Portfolio's underlying investments. (h) Company risk The Company is a newly incorporated entity. It does not have any long-term operating history or proven track record which may be used by investors to assess the ability of the Company or the Manager to achieve the objectives as set out in this Prospectus. The Company does not provide any guarantee that it or the Manager will achieve the objectives set out in this Prospectus. (i) Concentration Risk Because the Portfolio will hold a smaller number of stocks than the Benchmark the returns of the Company will be dependent on the performance of the Company's specific holdings. (j) Administration Risk While the Company adopts a risk management framework to minimise risks, an error of administration, accounting or accounting judgment could lead to the temporary overstatement or understatement of financial outcomes.	

Question	Answer	More information
	(k) Taxation Risk While the Company adopts a risk management framework to minimise risks, an error of taxation calculation, interpretation or judgment, could lead to the temporary overstatement or understatement of financial outcomes. Changes to taxation legislation can influence pattern, level and tax status of Australian equity dividends and distributions. In some circumstances such a change could have an adverse effect on the Company's ability to generate profit. (l) Litigation Risk While the Company seeks to comply with all laws governing its operation, the Company can be drawn into litigation with the parties with which it transacts and interacts, including Shareholders. Litigation may result in legal cost or damage to the Company. (m) Counterparty and Financial Markets Infrastructure Risk In the normal processes of investing, transacting in and holding securities, the Company will be directly or indirectly exposed to the capability, solvency, integrity and security of the financial markets participants with which it transacts. It will also be exposed to the security and integrity of the systems through which financial markets participants transact and maintain records. In this regard, the Company relies on the capability, solvency, security and integrity of market participants including ASX, stockbrokers, clearing houses, custodians, banks and the Company's Administrator. (n) Cyber Risk While the Company's risk management framework and controls seek to minimise the risk, the Company and its service providers are exposed to cyber risks, including the risks of data hacking, ransomware and business disruption. (o) Conflict of interest Conflicts of interest may arise in relation to the Manager because it manages funds other than the Portfolio and because of the fee structure under the Management Agreement (which comprises a Management Fee and Performance Fee). The Company's Directors also hold a number of interests and positions which have the potential to give rise to conflicts of interest. Their interests and positions are described in detail in Section 8.11 and the Company's approach for managing directors' conflicts of interest is set out in Section 8.12. The Company may be adversely affected if these conflicts of interest are not managed effectively. (p) Liquidity Risk The Company will invest in entities listed on ASX. The ability to sell shares is a function of the turnover of the shares at the time of sale. As the Manager may hold large positions in a Portfolio company from time to time, a low level of liquidity in turnover may mean the Manager may not be able to sell its investments at the time, in the volumes or at a price it intends, resulting in a loss to the Company. (q) Regulatory Risk The Company, the Manager, and the listed companies in which the Company will invest in, will be exposed to the risks associated with new laws and regulations, or changes to applicable laws and regulations including changes to their interpretation). These risks (including the risk of non-compliance) may adversely impact the performance of the Company, and in turn, the price of the Shares. A more detailed list and explanation of risks associated with an investment in the Company is set out in Section 5. Investors should consider all risks before investing in the Company.	

Question	Answer	More information
What are the primary risks for a Shareholder?	An investment in the Company should be considered speculative and is subject to a variety of risks. A Shareholder will be exposed to the risks faced by the Company (as summarised in the prior paragraph). In addition a Shareholder will be exposed to the following further risks: (a) Dividend Risk The payment of dividends is not guaranteed. The declaration and payment of a dividend is at the complete discretion of the Company and is additionally subject to the requirements of Corporations Act and generally accepted accounting principles. In general terms, the Company may only declare and pay a dividend where the Company considers it financially prudent to do so, and where the Company has sufficient profits, reserves, franking credits and cash flow to do so. In certain circumstances the Company may form the view that it is unable or unwilling to pay dividends. In particular, falls in the dividends paid by Australian equities may result in a reduction of or less frequent dividends. (b) Fluctuations in value or dividends and an investor's time frame for investment As described in the prior paragraphs, the market value of the Portfolio, the Company's Net Tangible Asset backing per Share, its operating profit, dividends and the market price of the Company's Shares will fluctuate (rise or fall). In certain circumstances reductions in the value of the Company, its Shares, profit or dividends may continue for an extended period of time or be permanent. Investors should carefully consider and understand these characteristics prior to investing and should consider whether these characteristics are suitable for their personal circumstances and objectives and should consider how they can accommodate this within their own investment strategy and investment time horizon. (c) Discounts or Premiums to Net Tangible Asset Backing The Company's Shares trade on ASX at the price agreed by buyers and sellers in the open market. That price may be higher, lower or the same as the Net Tangible Asset Backing per Share. The price at which Shares may be bought or sold may depend on many factors including: - The underlying Net Tangible Asset Backing of the Company per Share; - The volume of Shares that vendors wish to sell relative to the volume of Shares that buyers wish to buy; - Other considerations that are perceived as relevant by buyers and sellers in valuing the company's shares such as operating costs or future performance expectations; - Other considerations that are perceived as relevant by buyers and sellers in deciding to buy or sell Shares such as the availability and attraction of alternate investments, or the rebalancing of their investment portfolio	See Section 5

(A) Overview of the Investment Strategy

Question	Answer	More information
What are the Company's investment Portfolio objectives?	The Portfolio objectives are to: (a) Generate income inclusive of franking credits through an actively managed strategy focused on investment in ASX 300 listed securities over their income recognition and dividend payment periods;³ and (b) Generate total returns including franking credits (consisting of gross income and fluctuations in capital values net of expenses) that are similar to or exceed the gross return of the Benchmark over rolling 3 year periods. These statements are not intended to be a forecast, rather they are merely objectives of the Company. The Company may not be successful in meeting these objectives.	See Section 3.4
What is the Company's investment Portfolio strategy?	The Company will focus on systematically investing in ASX listed entities over their income recognition and dividend / distribution payment periods and will actively change its investment holdings across a year to achieve a balance between Portfolio income, total return and the control of risk. The Manager expects to hold approximately 70-100 equity securities of which 90% or more must be selected from the S&P/ASX 300 Universe. The strategy seeks to benefit from: • The systematic mispricing of listed equity securities over their income recognition and dividend payment periods; • An orientation of the portfolio towards profitable, cash flow generative and dividend paying companies • The potential for growth in the underlying earnings and value of Australian shares across each year. Please note that the investment strategy may be impacted by various factors outside the control of the Company and is subject to the risks set out in Section 5.	See Section 3.4
How does the Company select its investments?	Investments are assessed through a predominantly quantitative process that assesses and compares each stock in the S&P/ASX 300 Universe in terms of its suitability to the company's strategy. Stocks rating highly in our assessments may be targeted for investment in the Portfolio. Stocks not rating highly in our assessment are unlikely to be targeted for investment at that time. Subject to the requirement that 90% or more of the equity security investments by value must come from the S&P/ASX 300 Universe, the Manager may also consider investment in ASX listed stocks (or expected to be listed soon) outside the S&P/ASX 300 Universe. The Manager will assess and consider such stocks on the basis of their suitability to the Company's strategy.	See Section 3.4
How will the Portfolio be constructed?	The Company will seek to hold a diversity of investments at all times.	See Section 3.4
How many investments will be held?	The Portfolio is expected to hold approximately 70-100 investments in the majority of circumstances.	See Section 3.4

3 Refer to Sections 3.4(c)(v) and 3.4(c)(vi) for an explanation of our investment over the income recognition and dividend payment periods.

Question	Answer	More information
Can the Company hold cash and other liquid assets?	The company will hold some cash and other liquid assets at all times for liquidity purposes. During abnormal circumstances (such as extreme market conditions or for the purposes of corporate actions) the company may also consider holding higher cash levels.	See Section 3.4
Will the Portfolio be leveraged?	The Company does not intend to use leverage to generate return, however may utilise leverage if required for the purposes of managing short term liquidity, subject to a specified limit.	See Section 3.4
Will the Company participate in Short Selling?	No. The Company will not engage in short selling.	See Section 3.4
What is the Company's Derivative policy?	The company does not utilise derivatives.	See Section 3.4
What is the Company's valuation policy?	The assets of the Company will be valued at least monthly using market accepted practices to accurately and independently price all securities and other assets within the Portfolio from time-to-time.	See Section 3.5

(B) Overview of the Company Structure

Question	Answer	More information
Who are the Company's Directors?	The Directors of the Company are: • Angus Gluskie (Non independent, Executive, Chairman and Managing Director); • Will Seddon (Non independent, Executive, Director); • Jenelle Webster (Independent, non executive Director); • Lance Jenkins (Independent, non executive Director); and • Mark Beardow (Independent, non executive Director).	See Section 8.1
What is the financial position of the Company?	The Company has net assets of \$1.25 as at the date of the Prospectus. The Company has no performance history as it is yet to commence trading. The unaudited pro forma historical statements of financial position in relation to the Offer are set out in Section 6.2.	See Section 6.2
Who will manage the Portfolio and conduct the day to day operations of the Company?	The day to day operations of the Company including the management of the Portfolio will be conducted by the Manager, Whitefield Capital Management Pty Ltd (ACN 074 709 210, AFSL 229 843). The Manager will provide management services in accordance with the Management Agreement (summarised in Section 9.1). The Board believes that its Directors and the Manager together bring together the required experience and expertise in funds management, listed securities and corporate governance to successfully achieve the investment obligations of the Company. The Company has also engaged Link Fund Solutions Pty Ltd ACN 114 914 215 as Administrator to provide Portfolio recording and accounting services, Citigroup Pty Ltd ACN 004 325 080 as Custodian to provide custodial services, and Computershare Investor Services Pty Limited ACN 078 279 277 as Share Registrar to provide registry services. The Company may engage other service providers as required from time to time.	See Section 4.2 and 9.1

Question	Answer	More information												
Does the Board approve investments?	The Manager may select and make investment decisions in accordance with the Management Agreement that has been approved by the Board. Any proposed investments outside the parameters of the Management Agreement must be approved by the Board.	See Section 9.1												
What experience does the Manager have?	Whitefield Capital Management, and/or its predecessor entities, have been responsible for the management of public investment companies since the founding of Whitefield Industrials Limited in 1923. The Manager currently has approximately \$1.0bn of funds under management, primarily in the Australian equities asset class.	See Section 4.2												
Will any related party have a significant interest in the Company or in connection with the Offer?	(a) Director & Officer Remuneration Non-Executive Directors will be remunerated for their services. The annual salary of each Director (inclusive of superannuation) is summarised in Section 8.8. In addition to their annual salary, Directors may be entitled to be reimbursed for certain costs and expenses. Executive Directors and the Company Secretary receive no direct remuneration from the Company. (b) Whitefield Capital Management Pty Ltd, the Manager Whitefield Capital Management will receive the fees paid by the Company under the Management Agreement out of which it must meet its own expenses of personnel, systems and operation. Executive Directors Angus Gluskie and Will Seddon are shareholders and employees of Whitefield Capital Management, and accordingly may indirectly benefit from the fees paid under the Management Agreement. The Company Secretary is an employee of Whitefield Capital Management and receives remuneration from Whitefield Capital Management. (c) Director Shareholdings Directors or entities related to them may apply for Shares under this Offer. At completion of the Offer, the Directors are expected to have a relevant interest in the following numbers of Shares respectively: <table><tr><th>Director</th><th>Shares</th></tr><tr><td>Angus Gluskie</td><td>24,000,000</td></tr><tr><td>Will Seddon</td><td>240,000</td></tr><tr><td>Jenelle Webster</td><td>40,000</td></tr><tr><td>Lance Jenkins</td><td>160,000</td></tr><tr><td>Mark Beardow</td><td>60,000</td></tr></table> (d) Other Arrangements Other than as set out above, in Section 8.11 and elsewhere in this Prospectus there are no other existing agreements or arrangements nor any currently proposed transactions in which the Company was, or is to be, a participant and in which any related party of the Company had or will have a direct or indirect interest in the Company or the Offer.	Director	Shares	Angus Gluskie	24,000,000	Will Seddon	240,000	Jenelle Webster	40,000	Lance Jenkins	160,000	Mark Beardow	60,000	See Sections 8.8 and 8.11
Director	Shares													
Angus Gluskie	24,000,000													
Will Seddon	240,000													
Jenelle Webster	40,000													
Lance Jenkins	160,000													
Mark Beardow	60,000													

Question	Answer	More information
What are the key terms of the Management Agreement?	(i) Term of the Agreement The Management Agreement has an initial term that commences as at and from the date the Company allots and issues Shares pursuant to this Prospectus and remains in force for a term of 10 years (unless terminated earlier by the Company). Upon expiry of the initial term, the Management Agreement will be automatically extended until terminated by the Company or the Manager in accordance with the Management Agreement. No Shareholder approval is required, or will be sought on the automatic extension of the Management Agreement. The Company has obtained from the ASX an in-principle waiver from ASX Listing Rule 15.16(b) and 15.16(c) to the extent necessary to permit the Manager to act as manager of the Company in accordance with the terms of the Management Agreement for an initial term of up to 10 years from the commencement date of the Management Agreement. (ii) Fees The Manager will receive the fees for service summarised in the section below. (iii) Expenses The Manager is responsible for meeting its own expenses of operation, including staff and the provision to the Company of a chief executive officer and company secretary and the cost of premises and other overheads. However, the Manager is not responsible for the Company's expenses which shall include costs, charges and expenses incurred in connection with the acquisition, disposal or maintenance of any asset of the Portfolio (including any custodian charges, clearing house fees or fees for brokerage) and the expenses of the Company's operation other than the Manager's own costs. The Manager shall allocate costs, charges, and expenses incurred in connection with an asset acquired or to be acquired on behalf of several clients based on the respective interest of each such client in that asset. The Manager and the Company are also parties to the Cost Subsidy Agreement under which the Manager has agreed to reduce its fee entitlements under the Management Agreement (net of the benefit of reduced input tax credits within the Company) for a financial year by an amount equivalent to the amount by which Other Operating Expenses of the Company for the relevant financial year exceed 0.25% p.a. (net of the benefit of reduced input tax credits within the Company) of the weighted average assets of the Company for the relevant financial year. Other Operating Expenses means operating expenses excluding fees payable to the Manager, company taxes, costs relating to abnormal corporate action such as adjustments to capital, addressing legal action, dealing with fraud or other abnormal items and costs of acquiring and disposing of investments. The Cost Subsidy Agreement will apply from the allotment date of Shares under this Offer until 30 June 2027.	See Section 9.1

Question	Answer	More information
	(iv) Investment Mandate The Manager must invest in the Portfolio in accordance with the investment objectives, strategy, guidelines and parameters set out in Section 3 of this Prospectus. (v) Services The Manager is required to invest and manage the Portfolio and the business of the Company for and on behalf of the Company in accordance with the terms of the Management Agreement. (vi) Termination The Company may terminate the Management Agreement in certain circumstances set out in Section 9.1(d). The Manager may terminate the Management Agreement at any time after the initial term by giving the Company at least 6 months' written notice. (vii) Exclusivity The Manager is entitled to perform similar investment and management services to the services performed under the Management Agreement for other persons.	
What fees will the Manager receive?	(a) Management Fee In return for the performance of its duties in managing the Portfolio, the Manager is entitled to a fee from the date of listing, amounting to 0.0625% (plus GST) of the average Value of the Portfolio over the month, calculated from the opening and closing monthly Value of the Portfolio (which equates to approximately 0.75% pa (plus GST)). The Management Fee is payable monthly in arrears. (b) Performance Fee In addition to the Management Fee, the Manager is entitled to be paid a Performance Fee equal to 10% (plus GST) of the Portfolio return after expenses, including net franking credits (through receipt of income, payment of tax or otherwise), in excess of the Benchmark return, subject to recoupment of any prior underperformance. The Performance Fee is calculated and accrued monthly and paid semi-annually. The maximum Performance Fee payable semi-annually is capped at 1/30th of the return of the Portfolio after expenses for the semi-annual period. If the Performance Fee would have otherwise exceeded this semi-annual cap, the unpaid excess performance fee will be carried forward and applied to offset any future negative Accumulated Performance Fee balance (representing underperformance that must be recouped). (c) Buy-Back Fee The Manager is entitled to be paid a transaction fee equal to 1.5% (plus GST) on capital bought back by the Company in the first 5 years subsequent to the allotment of the Shares pursuant to the Offer. The Company shall seek to offset the cost of this fee through the price at which it buys back capital relative to the Net Tangible Asset Backing per Share. Refer to Section 9.1(e) for worked examples and further details in relation to the amount and calculation of the Management Fee and Performance Fee.	See Section 9.1(e)

(C) Overview of the Offer

Question	Answer	More information
Who is the issuer of the Shares under this Prospectus?	The issuer is Whitefield Income Limited (ACN 658 702 222).	See Section 2
What is the Offer?	The Company is offering for subscription fully paid Shares at an Application Price of \$1.25 to raise a minimum of \$75,000,000 (Minimum Subscription) and up to \$200,000,000 (Maximum Subscription before Oversubscriptions) (with the ability to accept Applications for up to a further \$50,000,000 in Oversubscriptions (Oversubscriptions)). The Offer is made up of the Cornerstone Offer, the Priority Allocation to Whitefield Industrials Limited shareholders, the Broker Firm Offer and the General Offer.	See Section 2.1
What is the purpose of the Offer?	The money raised under the Offer will be used by the Company to invest in a Portfolio of investments consistent with the Investment Strategy and objectives (refer to Section 3 for further details).	See Section 3
Is there a Minimum Subscription?	Yes. For the Offer to proceed, valid Applications for no less than 60,000,000 Shares must be received by the Company.	See Section 2.6
Is the Offer underwritten?	No. The Offer is not underwritten.	See Section 2.7
Is there a cooling off period?	There is no cooling off period.	
Who can participate in the Cornerstone Offer?	The Cornerstone Offer is open to persons that have been invited by the Company. Up to \$30,000,000 from the Offer has been set aside for the Cornerstone Offer.	See Section 2.2
Who can participate in the Priority Allocation to Whitefield Industrials Limited shareholders?	The Priority Allocation to Whitefield Industrials Limited shareholders consists of a \$50,000,000 priority allocation to Applicants who were investors of Whitefield Industrials Limited (WHF) as at 7.00pm (Sydney time) on 25 October 2024 (Priority Determination Date) with registered addresses in Australia or New Zealand. Investors who have invested in Whitefield Industrials Limited indirectly are also eligible to participate in the Priority Allocation.	See Section 2.3
Who can participate in the Broker Firm Offer?	The Broker Firm Offer is open to persons who have received a firm allocation from their Broker and who have a registered address in Australia or New Zealand.	See Section 2.4
Who can participate in the General Offer?	The General Offer is open to all persons with a registered address in Australia or New Zealand.	See Section 2.5
How do I apply for Shares?	The procedures for making an investment in the Company are described in Section 2.	See Section 2

Question	Answer	More information
Is there a minimum number of Shares Applicants must apply for?	Yes. Each Applicant must subscribe for a minimum of 2,000 Shares for a total of \$2,500. A larger number of Shares may be subscribed for in multiples of 1,000 Shares.	See Section 2.9
What is the Application Price under the Offer?	Under the Offer, Applicants will pay an Application Price of \$1.25 per Share. The procedures for making an investment in the Company are described in Section 2.	See Section 2
What are the fees and costs of the Offer?	The Manager, not the Company, is responsible for the payment of the Offer Costs. In consideration for management services provided to the Company in relation to the Offer, the Manager will pay the Joint Lead Arrangers and Managers up to 2.35% (excluding GST) of the amount raised under the Offer. The Offer Costs to be paid by the Manager, also include legal, accounting, marketing and other costs associated with the preparation of the Prospectus and the issue of Shares.	See Sections 2.15, 6.6 and 9.2
Will the Shares be quoted on ASX?	Yes, the Company will apply to ASX for admission to the Official List of ASX and for quotation of Shares on ASX under the code WHI. Completion of the Offer is conditional on ASX approving this application. If approval is not given within three months after such application is made (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies received will be refunded (without interest) as soon as practicable in accordance with the requirements of the Corporations Act.	See "Important Information" Section
What are the tax implications of investing in the Shares?	A summary of certain Australian tax consequences of participating in the Offer and investing in Shares are set out in Section 10.6. The tax consequences for an investor of any investment in the Shares will depend upon the investor's particular circumstances. Applicants should obtain their own tax advice before deciding whether to invest in the Shares.	See Section 10.6
When will I receive confirmation that my Application has been successful?	It is expected that initial holding statements will be dispatched on or around 5 December 2024. Where the number of Shares issued is less than the number applied for, or where no issue is made, the surplus Application Monies will be returned to Applicants (without interest) as soon as practicable after completion of the Offer.	See "Key Offer Information" Section
Can the Offer be withdrawn?	The Company reserves the right not to proceed with the Offer at any time before the issue of Shares to successful Applicants. If the Offer does not proceed, Application Monies will be refunded. No interest will be paid on any refunded Application Monies.	See "Key Offer Information" Section
Who are the Joint Lead Arrangers and Managers?	Taylor Collison, Morgans Financial and Ord Minnett are Joint Lead Arrangers and Managers to the Offer.	See Section 9.2
Who is the Co-Manager?	Shaw and Partners is the Co-Manager to the Offer.	See Section 9.2

Question	Answer	More information
Who is the Authorised Intermediary?	Taylor Collison is the Authorised Intermediary	See Section 9.2
How can I obtain further information?	For further information about the Company or the Offer: Whitefield Income Limited T: (02) 8215 7900 E: mail@whitefield.com.au W: www.whitefield.com.au/whitefield-income For questions about the application process, please contact the Share Registry: Computershare Investor Services Pty Limited 1300 271 823 (Australia) +61 3 9415 4064 (outside Australia) If you are uncertain as to whether an investment in the Company is suitable for you, please contact your stockbroker, financial adviser, accountant, lawyer or other professional adviser.	

The above table is a summary only. This Prospectus should be read in full before making any decisions to apply for Shares in the Company.

2 Details of the Offer

2 Details of the Offer

This Prospectus should be read in full before making any decision to apply for Shares.

2.1 The Offer

The Company is offering for subscription a minimum of 60,000,000 Shares, a maximum (before Oversubscriptions) of 160,000,000 Shares and a maximum (assuming Oversubscriptions are fully subscribed) of 200,000,000 fully paid Shares to raise a minimum of \$75,000,000 (**Minimum Subscription**), a maximum (before Oversubscriptions) of \$200,000,000 (**Maximum Subscription before Oversubscriptions**) and a maximum (assuming Oversubscriptions are fully subscribed) of \$250,000,000 (**Maximum Subscription assuming Oversubscriptions are fully subscribed**). The Application Price is \$1.25 per Share. The rights attaching to the Shares are set out in Section 10.3.

The Offer is made up of the Cornerstone Offer (detailed in section 2.2), the Priority Allocation to shareholders of Whitefield Industrials Limited (detailed in Section 2.3), the Broker Firm Offer (detailed in Section 2.4) and the General Offer (detailed in Section 2.5).

The basis of allocation of Shares within the Priority Allocation to shareholders of Whitefield Industrials Limited, the Broker Firm Offer and the General Offer will be determined by the Company and the Joint Lead Arrangers and Managers.

The Offer will be made to investors who have a registered address in Australia or New Zealand only.

Early lodgement of your Application is recommended as the Directors may close the Offer at any time after the expiry of the Exposure Period. The Directors may extend the Offer in accordance with the Corporations Act.

The Directors reserve the right to withdraw the Offer at any time.

By making an Application, you declare that you were given access to this Prospectus, together with an Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is attached to, or accompanied by, a copy of this Prospectus.

2.2 Cornerstone Offer

The Cornerstone Offer is open to persons that have been invited by the Company. Up to \$30,000,000 from the Offer has been set aside for the Cornerstone Offer. Shares will be allocated under the Cornerstone Offer at the Directors' discretion.

2.3 Priority Allocation to Shareholders of Whitefield Industrials Limited

Up to \$50,000,000 from the Offer has been set aside for the Priority Allocation to Applicants who were investors of Whitefield Industrials Limited as at 7.00pm (Sydney time) on 25 October 2024 (**Priority Determination Date**) with registered addresses in Australia or New Zealand. Investors who qualify under the Priority Allocation include both registered shareholders of Whitefield Industrials Limited (**Direct Qualifying Applicants**) and investors who have invested in Whitefield Industrials Limited indirectly through an Investor Directed Portfolio Service (IDPS), IDPS-like scheme or a nominee or custody service (**Indirect Qualifying Applicants**).

Shares will be allocated under the Priority Allocation to shareholders of Whitefield Industrials Limited at the Directors' discretion. To participate in the Priority Allocation, a Direct Qualifying Applicant should confirm they are applying under the Priority Allocation by selecting the Priority Allocation option on the online or paper application and provide their Whitefield Industrials Limited HIN or SRN.

To participate in the Priority Allocation to shareholders of Whitefield Industrials Limited, your Application Form and Application Monies must be received by the Registry by 5:00pm (AEDT) on the Closing Date (expected to be 26 November 2024).

Early lodgement of your application is recommended as the Offer may be closed early at the Directors' discretion. If the Company receives Applications under the Priority Allocation to Whitefield Industrials Limited shareholders for more than \$50,000,000, it intends to treat such additional Applications as being made under the General Offer on a General Offer Application Form. The Directors reserve the right to allocate such applications at their discretion. Shares offered under the Priority Allocation to Whitefield Industrials Limited shareholders that are not taken up will be allocated by the Company under the Broker Firm Offer or the General Offer (at the Directors' discretion).

Indirect Qualifying Applicants to Priority Allocation

Indirect Qualifying Applicants may participate in the Priority Allocation via either their Intermediary (namely their IDPS, IDPS-like scheme or a nominee or custody service) or directly through the Registry under certain circumstances.

The Intermediary through which an Indirect Qualifying Applicant has invested in Whitefield Industrials Limited is the registered legal owner of that investment in Whitefield Industrials Limited and, as a result, will be the applicant on behalf of the Indirect Qualifying Applicant (the underlying beneficial holders) for the purposes of the Priority Allocation. The Intermediary through which an Indirect Qualifying Applicant has invested in Whitefield Industrials Limited should be in contact with each Indirect Qualifying Applicant to inform them of how they can participate in the Priority Allocation. However, there may be certain limitations (for example, logistical, legal, or a requirement for the provision of financial advice) which preclude an Intermediary from contacting an Indirect Qualifying Applicant about the Priority Allocation. If you are an Indirect Qualifying Applicant and you have not been contacted by your Intermediary, you should contact your financial adviser or your Intermediary in the first instance to determine the status of your ability to participate in the Priority Allocation via your Intermediary.

If you are not able to determine the status of your participation in the Priority Allocation, or if you wish to invest directly in the Priority Allocation, you should contact the Share Registry. All Indirect Qualifying Applicants who can provide evidence of their beneficial holding to Whitefield Industrials Limited will be eligible to apply directly under the Priority Allocation.

2.4 Broker Firm Offer

The Broker Firm Offer is open to persons who have received a firm allocation from their Broker and who have a registered address in Australia or New Zealand. Applicants should contact their Broker to determine whether they may be allocated Shares under the Broker Firm Offer.

Applicants who have been offered a firm allocation by a Broker will be treated as Applicants under the Broker Firm Offer in respect of that allocation.

To participate in the Broker Firm Offer, Applicants must complete the Application Form marked "Broker Firm Application Form" as instructed by their Broker. Your Application Form must be received by your Broker by 5:00pm (Sydney time) on the Broker Firm Offer closing date, expected to be 26 November 2024 (or such other date as instructed by your Broker). Applicants under the Broker Firm Offer must not send their Application Forms to the Share Registry.

The allocation of Shares to Brokers will be determined by the Company in consultation with the Joint Lead Arrangers and Managers. Shares that are allocated to Brokers for allocation to their clients with an Australian or New Zealand registered address will be issued or transferred to the Applicants who have received a valid allocation of Shares from those Brokers.

Delivery versus payment (DvP) settlement is available for Applicants under the Broker Firm Offer. Please contact your broker of the Joint Lead Arrangers and Managers for further details.

2.5 General Offer

The General Offer is open to all persons with a registered address in Australia or New Zealand. Applicants to the General Offer (being those that are not eligible for the Priority Allocation to Whitefield Industrials Limited shareholders and who are not participating in the Broker Firm Offer) should complete the online or paper Application Form and select the General Offer option to indicate they are applying under the General Offer.

To participate in the General Offer, your Application Form and Application Monies must be received by the Registry by 5:00pm (AEDT) on the Closing Date (expected to be 26 November 2024).

Applications will be processed, and Shares allocated under the General Offer will be determined by the Company in consultation with the Joint Lead Arrangers and Managers.

2.6 Minimum Total Subscription

The Minimum Subscription required for the Offer to proceed is \$75,000,000, being receipt of valid Applications for not less than 60,000,000 Shares.

If Applications for the minimum subscription are not received by the Company before the end of 3 months after the date of the Original Prospectus (or such longer period permitted by the Corporations Act with the consent of ASIC), all Application Monies received pursuant to the Prospectus will be refunded in full to Applicants, without interest, within the time prescribed by the Corporations Act.

2.7 Offer not underwritten

The Offer is not underwritten.

2.8 Applications under the Cornerstone Offer

If you are applying for Shares under the Cornerstone Offer, you should have received a personalised invitation to apply for Shares in the Cornerstone Offer. You should follow the instructions in your personalised invitation to apply and to make payment of Application Monies.

2.9 Applications under the Priority Allocation and General Offer

Minimum Application Size: Applications under the Offer must be for a minimum of 2,000 Shares for a total of \$2,500. Applications may be made for additional Shares in multiples of 1,000 Shares for \$1,250 in Application Monies

Time for Submission: Application Forms and Application Monies will be accepted at any time after the Opening Date and until 5:00pm (AEDT) on the relevant Closing Date.

Applications and Application Monies for Shares under the Offer received after 5:00pm (AEDT) on the Closing Date will not be accepted and will be returned to potential investors.

Your bank, credit union or building society may impose a limit on the amount that you can transact on BPAY, and policies with respect to processing BPAY transactions may vary between banks, credit unions or building societies.

The Company accepts no responsibility for any failure to receive Application Monies or payments by BPAY before the relevant Closing Date.

The Directors may extend the Closing Date or close the Offer early. Accordingly, early lodgement of your Application is recommended.

Applications Applicants should do one (only) of the following:

- (a) **Complete the online Application Form** accompanying the electronic version of this Prospectus which is available at www.whitefield.com.au/whitefield-income and follow the instructions on the online process AND make a payment by BPAY; OR
- (b) **Complete the paper Application Form** accompanying the Prospectus AND **attach a cheque or bank draft;** AND submit the Form and payment to:

By mail
[Whitefield Income Limited](#)
 c/ Computershare Investor Services Pty Ltd
 GPO Box 52
 Melbourne VIC 3001

If paying by BPAY If you have completed the online Application Form, **please make a payment by BPAY through your own bank or financial institution** using the specific Biller Code and your unique CRN provided on the online Application Form.

You should be aware that you will only be able to make a payment via BPAY if you are the holder of an account with an Australian financial institution that supports BPAY transactions.

If paying by cheque or bank draft

Cheque(s) or bank draft(s) must be drawn on an Australian branch of a financial institution and made payable to "Whitefield Income Limited" and crossed "Not Negotiable".

Payments by cheque will be deemed to have been made when the cheque is honoured by the bank on which it is drawn. Accordingly, Applicants should ensure that sufficient funds are held in the relevant account(s) to cover your cheque(s).

If the amount of your cheque(s) or bank draft(s) for Application Monies (or the amount for which those cheque(s) have cleared as at 5:00pm (AEDT) on the Closing Date) is insufficient to pay for the amount you have applied for in your Application Form, you may be taken to have applied for such lower amount as your cleared Application Monies will pay for (and to have specified that amount in your Application Form) or your Application may be rejected.

2.10 Applications under the Broker Firm Offer

Time for Submission:

Applicants under the Broker Firm Offer must arrange for completion of their Application Form and pay their Application Monies **to their Broker in accordance with their** Broker's directions.

Applicants under the Broker Firm Offer must NOT send their Broker Firm Application Forms to the Company or Registry.

The Broker Firm Offer is expected to close at 5:00pm (AEDT) on 26 November 2024.

The Company takes no responsibility for a Broker failing to submit Broker Firm Application Forms to the Company by the close of the Broker Firm Offer.

Those seeking to apply under the Broker Firm Offer should **contact your Broker for instructions**.

Applications:

Complete an application form, acceptance letter or other commitment in the form required by the Joint Lead Managers.

Paying Application Monies

Payment should be made to your broker/adviser in accordance with their instructions.

Where required, delivery versus payment (**DvP**) settlement is available for Applicants under the Broker Firm Offer. Please contact your Broker or the Joint Lead Arrangers and Managers for further details.

Allocation of shares under the Broker Firm Offer

The allocation of Shares to Brokers will be determined by the Company in consultation with the Joint Lead Arrangers and Managers.

The allocation of Shares to clients will be determined by the Brokers, and they (and not the Company) will be responsible for ensuring that clients who have received an allocation from them, receive the relevant Shares.

2.11 Exposure period

The Corporations Act prohibits the Company from processing Applications in the seven day period after the date of lodgement of the Original Prospectus with ASIC (**Exposure Period**). This period may be extended by ASIC by up to a further seven days (i.e. up to a total of 14 days). Applications received during the Exposure Period will not be processed until after the expiry of that period. No preference will be conferred on Applications received during the Exposure Period.

2.12 Allotment

The Company will not allot Shares until the Minimum Subscription has been received and the ASX has granted permission for quotation of the Shares unconditionally or on terms acceptable to the Company.

The fact that ASX may admit the Company to the Official List of ASX and grant official quotation of the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares offered for issue under the Offer. ASX takes no responsibility for the contents of this Prospectus.

Normal settlement trading in the Shares, if quotation is granted, is expected to occur on 11 December 2024. It is the responsibility of Applicants to determine their allocation prior to trading in the Shares. Applicants who sell Shares before they receive confirmation of their allotment will do so at their own risk.

It is expected that the issue of Shares under the Offer will take place by 4 December 2024. Application Monies will be held on trust until allotment. The Registry may retain any interest earned on the Application Monies held on trust pending the issue of Shares to successful Applicants.

If permission is not granted for the Shares to be quoted before the end of three months after the date of the Prospectus or such longer period permitted by the Corporations Act or with the consent of ASIC, all Application Monies received under the Prospectus will be refunded without interest to Applicants in full within the time prescribed by the Corporations Act.

An Application constitutes an offer by each Applicant to subscribe for Shares on the terms and subject to the conditions set out in this Prospectus.

A binding contract to issue Shares will only be formed at the time Shares are allotted to Applicants.

The Board reserves the right to accept, reject or scale back any Application, in its absolute discretion.

Where the number of Shares allotted is less than the number applied for or where no allotment is made, the surplus Application Monies will be returned to Applicants (without interest) as soon as reasonably practicable.

It is the responsibility of each Applicant to confirm their holding before trading in the Company's Shares. Applicants who sell Shares before they receive an initial statement of holding do so at their own risk. The Company, the Share Registry and each Joint Lead Arrangers and Manager disclaim all liability, whether in negligence or otherwise, to persons who sell Shares before receiving their initial statement of holding, whether on the basis of a confirmation of allocation provided by any of them, by a Broker or otherwise.

2.13 ASX and CHESS

The Company will apply within seven days of the date of the Original Prospectus for admission to the official list of the ASX and for the Shares to be quoted on the ASX.

The Company will apply to participate in the ASX's CHESS and will comply with the ASX Listing Rules and the ASX Settlement Operating Rules. CHESS is an electronic transfer and settlement system for transactions in securities quoted on the ASX under which transfers are effected in an electronic form.

When the Shares become approved financial products (as defined in the ASX Settlement Operating Rules), holdings will be registered in 1 of 2 sub registers, an electronic CHESS sub register or an issuer sponsored sub register.

Following completion of the Offer, Shareholders will be sent a statement of holding that sets out the number of Shares that have been allocated to them. This statement will also provide details of a Shareholder's Holder Identification Number (**HIN**) for CHESS holders or, where applicable, the Securityholder Reference Number (**SRN**) of issuer sponsored holders. Shareholders will subsequently receive statements showing any changes to their holding. Share certificates will not be issued.

Shareholders will receive subsequent statements during the first week of the following month if there has been a change to their holding on the register and as otherwise required under the ASX Listing Rules and the Corporations Act. Additional statements may be requested at any other time either directly through the Shareholder's sponsoring broker in the case of a holding on the CHESS sub register or through the Registry in the case of a holding on the issuer sponsored sub register. The Company and the Registry may charge a fee for these additional issuer-sponsored statements.

2.14 Brokerage, commission and stamp duty

No brokerage, commission or stamp duty is payable to the Company on Applications under the Offer. Applicants to the Offer may pay brokerage or other fees to their Broker in relation to their Application. Any such fees will be on terms agreed between each Applicant and their Broker.

See Sections 2.15 and 9.2 for details of fees that the Manager will pay to the Joint Lead Arrangers and Managers.

2.15 Licensed dealers

The Offer under this Prospectus will be made under an arrangement between the Company and Taylor Collison, the holder of an AFSL (**Authorised Intermediary**), under section 911A(2)(b) of the Corporations Act. The Company will authorise the Authorised Intermediary to make offers to people to arrange for the issue of Shares by the Company under the Prospectus and the Company will issue Shares in accordance with Applications made under such offers if they are accepted.

In consideration for management and Authorised Intermediary services provided to the Company in relation to the Offer, the Company will pay the Joint Lead Arrangers and Managers up to 2.35% (excluding GST) of the amount raised under the Offer.

The Joint Lead Arrangers and Managers and Authorised Intermediary's functions should not be considered as an endorsement of the Offer or a recommendation of the suitability of the Offer for any investor. Neither the Authorised Intermediary nor any Joint Lead Arrangers and Manager guarantee the success or performance of the Company or the returns (if any) to be received by the Shareholders.

Neither the Joint Lead Arrangers and Managers nor the Authorised Intermediary is responsible for or caused the issue of this Prospectus.

2.16 Overseas investors

The Offer is an offer to investors with a registered address in Australia or New Zealand. The Offer does not constitute an offer in any place in which, or to any person to whom, it would be unlawful to make such an offer.

United States residents

The Offer is not open to persons in the United States or U.S. Persons.

The Shares being offered pursuant to this Prospectus have not been registered under the U.S. Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration under the U.S. Securities Act and applicable state securities laws. This Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of these Shares in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful. In addition, any hedging transactions involving these Shares may not be conducted unless in compliance with the U.S. Securities Act.

Overseas ownership and resale representation

It is your responsibility to ensure compliance with all laws of any country relevant to your Application. The return of a duly completed Application Form will be taken by the Company to constitute a representation and warranty made by you to the Company that there has been no breach of such laws and that all necessary consents and approvals have been obtained.

2.17 Privacy

When you apply to invest in the Company, you acknowledge and agree that:

- (a) you are required to provide the Company with certain personal information to:
 - (i) facilitate the assessment of an Application;
 - (ii) enable the Company to assess the needs of Applicants and provide appropriate facilities and services for Applicants; and
 - (iii) carry out appropriate administration;
- (b) the Company may be required to disclose this information to:
 - (i) third parties who carry out functions on behalf of the Company, including marketing and administration functions, on a confidential basis;
 - (ii) third parties if that disclosure is required by law; and
 - (iii) related bodies corporate (as that term is defined in the Corporations Act) which carry out functions on behalf of the Company.

Under the Privacy Act 1988 (Cth), Applicants may request access to their personal information held by (or on behalf of) the Company. Applicants may request access to personal information by telephoning or writing to the Manager.

2.18 Tax implications of investing in the Company

The taxation consequences of any investment in the Company will depend on your particular circumstances. It is your responsibility to make your own enquiries concerning the taxation consequences of an investment in the Company. Applicants are urged to consider the possible tax consequences of participating in the Offer by consulting a professional tax adviser.

A general overview of the Australian taxation implications of investing in the Company are set out in Section 10.6 and are based on current tax law and Australian Tax Office tax rulings. The information in Section 10.6 is not intended as a substitute for investors obtaining independent tax advice in relation to their personal circumstances. We recommend you seek independent tax advice.

2.19 Anti Money Laundering and Counter Terrorism Financing Act 2006

The Company, Manager or any Joint Lead Arrangers and Manager may be required under the Anti Money Laundering and Counter Terrorism Financing Act 2006 (Cth) or any other law to obtain identification information from Applicants. The Company reserves the right to reject any Application from an Applicant who fails to provide identification information upon request.

3 About the Company

3 About the Company

3.1 Overview of Whitefield Income Limited

(a) Whitefield Income Limited (WHI) is an investment company that will be listed on ASX

Whitefield Income Limited is an Australian public company incorporated on 11 April 2022 for the purpose of conducting the Offer. Following completion of the Offer, it is proposed that the Company be listed on ASX as a listed investment company (LIC).

The Company's capital will be invested in a diversified Portfolio of ASX listed equity securities that is actively managed with the aim of generating regular distributable income inclusive of franking credits.

The Net Asset Value of the Company will fluctuate based on the market value of the Portfolio, the net profit after provision for tax and payments of dividends to shareholders.

The Company will seek to distribute some or all of its net profit after tax to Shareholders as franked dividends.

The Company has engaged Whitefield Capital Management Pty Ltd to manage the Portfolio. See Section 4 for details.

(b) The Company's objectives

The Company's objectives are to:

- (i) Generate income inclusive of franking credits through investment in an actively managed strategy focused on investment in ASX 300 listed securities over their income recognition and dividend payment periods;
- (ii) Distribute monthly some or all of its available net profit to holders of the Company's Shares as franked dividends; and
- (iii) Generate total returns including franking credits (consisting of gross income and fluctuations in capital values net of expenses) that are similar to or exceeds the gross return of the Benchmark over rolling 3 year periods.

See Section 3.4 for further explanation of the income recognition and dividend payment periods over which the Company seeks to invest.

See Section 3.2 for further information regarding the Company's dividend policy. These statements are not intended to be a forecast, they are objectives of the Company. The Company may or may not be successful in meeting these objectives.

See Section 3.4 for testing performed by the Manager to determine the appropriateness of the total return objective. No assurance can be given that any investment will achieve its objectives or avoid losses. Past performance may not be a reliable indicator of future performance.

(c) Strategy

In managing its investments the Company will use an active equity income strategy (a strategy that seeks to generate total returns similar to or exceeding the return of the Benchmark, where a high proportion of that total return will consist of income and associated franking credits).

The strategy seeks to benefit from:

- (i) The systematic mispricing evident in listed equity securities over their income recognition and dividend / distribution payment periods;
- (ii) An orientation of the portfolio towards profitable, cash flow generative and dividend paying companies;
- (iii) The potential for growth in the underlying earnings and value of Australian shares across each year.

Please note that the investment strategy may be impacted by various factors outside the control of the Company and is subject to the risks set out in Section 5.

(d) As the Company invests in Australian shares its capital value and operating income will fluctuate

The Company's Net Asset Value will depend on the market value of its diversified investment Portfolio of ASX listed equity securities. History shows that the market values of ASX listed equity securities will fluctuate, in some cases materially and in some circumstances for extended periods of time.

The Company's operating profit and its ability to pay a dividend depend on the dividends and distributions received on its portfolio of Australian equity investments. In some circumstances (particularly when dividends and distributions fall rapidly, materially or for an extended period) this can result in a low profit, the generation of losses, or the reduction or non-payment of dividends.

(e) Scope of the Company's business

The Company's business consists of the management of the investment Portfolio and the management of the Company (which includes the actions of prudential control and oversight, managing Shareholder interests and management of the Company as an investment vehicle/structure).

3.2 Dividend policy

(a) The Company will seek to pay monthly dividends

The Company will seek to pay its first dividend to investors in the first month after the completion of its first full calendar quarter of operation subsequent to the allotment of the Shares pursuant to the Offer.

Thereafter the Company will seek to pay:

- (i) a regular monthly dividend ("the base dividend") that is 80-95% of the approximate dividend and distribution income expected to be generated by the Company's strategy based on the factors detailed below (net of expenses and tax); plus
- (ii) periodic top-up dividends (where available and which will vary over time based on actual outcomes).

Periodic top up dividends will be determined based on retained profits (after payment of the base dividend), distributable capital profits reserves, available franking credits and the retention of profits or reserves for corporate purposes, to maintain its capital base or to provide a buffer for the smoothing of distributions.

This is not intended to be a forecast, it is merely an objective of the Company. The Company may or may not be successful in meeting this objective at all times.

(b) Dividends are at the discretion of the Company and cannot be guaranteed

The determination of both the regular base dividend and top up dividends is at the discretion of the Company and subject to the corporations law and tax law requirements for the payment of dividends. The payment of dividends cannot be guaranteed and in some circumstances the Company may decrease or cut dividends including the base dividend.

(c) The initial regular monthly dividend

The Board expects to set the initial base dividend at 0.583 cents per Share per month fully franked (which equates to 7 cents per Share per annum exclusive of franking credits). The Board has come to this determination of expected initial base dividend after considering factors including the past net income of the Unlisted Fund (refer to section 3.4(e) for further details in respect of the Unlisted Fund), the factors influencing the Company's net income and its responses to those influences including those described below. This expected base dividend would equate to 5.6% p.a. of the Application Price per Share of \$1.25 and 8% p.a. inclusive of franking credits of the Application Price per Share. Past performance may not be a reliable indicator of future performance. A more detailed list and explanation of risks associated with an investment in the Company is set out in Section 5. Investors should consider all risks before investing in the Company.

The income generated by the Whitefield Income strategy run over 3.7 years in the Unlisted Fund after deducting the operating costs and tax expenses that would have been incurred based on the cost structure of Whitefield Income Limited.

	1 Year to 30 Sep 2024	3.7 Years to 30 Sep 2024
Average monthly net income of the Unlisted Fund reduced by the expenses and tax applicable to Whitefield Income Limited (expressed as a percentage of initial capital invested)	0.51%	0.66%
Expected initial monthly base dividends of the Company as a percentage of the Application Price per Share	0.47%	0.47%

The primary situations that would result in the Company generating a lower net profit after tax (NPAT) in outright terms or as a percentage of initial capital invested and the Company's ability to control or respond to those situations.

Scenario	Impact on Company
The dividend yield on the Portfolio shares falls (because share prices rise)	- NPAT in dollar terms would be unaffected. - NPAT as a percentage of the higher capital values would fall. - The rise in share prices could result in the Company generating a higher level of realised gains on capital. These would also be available for distribution as dividends as a supplement to dividend paid from NPAT.
The value of the Company's Portfolio falls	A reduction in the value of the Company's Portfolio (without a change in the dividends paid by those companies) will have no effect on Whitefield Income's NPAT (which is determined by the income received net of expenses and tax).
A reduction in dividends being paid by Portfolio shares	- Where the reduction in dividends is expected by the market before Whitefield Income invests, the share price at which the Company purchases the share would typically be lower. In this situation the reduction in dividends may have little or no effect on Whitefield Income's NPAT or return on capital. - Where the reduction in dividends occurs after Whitefield Income invests, this may result in a decrease in the Company's NPAT. The Company will hold a high diversity of stocks to assist in controlling this risk.

Other relevant considerations

- (A) The Company has the ability to retain and accumulate profits from months where NPAT is higher than its regular payment of dividends. This provides a buffer that increases the Company's ability to manage the payment of base dividends in future.
- (B) Where the Company generates realised gains on shares these are accumulated in a realised capital profits reserve. The Company has the ability to pay dividends where it has a positive balance in these reserves.
- (C) Where the Company generates realised losses on shares these are transferred to a realised profits reserve. This does not otherwise affect the Company's NPAT at that time. However, this situation may result in the Company having a lower capital on which it generates income in future periods. The Company will hold a high diversity of stocks to assist in controlling this risk and also expects to retain and accumulate positive realised capital profits reserves as a buffer to absorb or offset realised capital losses.

3.3 Capital Management

The Company may undertake capital management initiatives from time to time, where these are considered appropriate or necessary for the good management of the Company. Under the Company's Board Charter, the Board is responsible for forming decisions on capital management actions such as share issues or buy-backs. Capital management initiatives may involve:

- (a) the issue of Shares or other securities (for example, through bonus options issues, placement, pro rata issues); and/or
- (b) the buy-back of its Shares through on-market or off-market buy-backs.

3.4 Investment Management Objectives, Strategy and Process

(a) Investment Objectives

The Company's investment Portfolio objectives are:

- (i) To generate income inclusive of franking credits through an actively managed strategy focused on investment in ASX 300 listed securities over their income recognition and dividend payment periods.
- (ii) To generate total returns including franking credits (consisting of gross income and fluctuations in capital values net of expenses) that are similar to or exceeds the gross return of the Benchmark over rolling 3 year periods.

These statements are not intended to be a forecast, they are objectives of the Company. The Company may or may not be successful in meeting these objectives.

(b) Investment Strategy

The Company's investment strategy is to systematically invest in shares and units in ASX listed entities predominantly over their income recognition and dividend / distribution payment periods and will actively change its investment holdings across a year to achieve a balance between Portfolio income, total return and control of risk.

The Manager expects to hold a diversified Portfolio of approximately 70-100 equity securities of which 90% or more must be selected from the S&P/ASX 300 Universe.

We have defined the S&P/ASX 300 Universe as including any ASX-listed equity security that is currently a constituent of the S&P/ASX 300 Index, had recently been a constituent in the previous 6 months or is expected to become a constituent within 6 months.

(c) Explanation of the Investment Strategy

The Strategy is designed with the objective to:

- (i) Generate an investment return, where a high proportion of that return will be generated in the form of dividend and distribution income and associated franking credits, by systematically investing in shares and equity securities predominantly over their income recognition and dividend payment periods;
- (ii) Strategically benefit from the frequent divergences between the price of the securities and their intrinsic values that occur at those times;
- (iii) Benefit from the orientation of the portfolio towards profitable, cash flow positive, dividend paying entities;
- (iv) Benefit from the potential for growth in the underlying earnings and value of Australian shares across each year.

The **three primary market pricing anomalies** that regularly occur around the generation and distribution of income and our strategy to generate return from these are:

- (v) **Income Recognition:** We define the income recognition period as the period of time over which a company or trust's share price adjusts to take account of the earning and accumulation of income by the business. The prices of equity securities of listed companies and trusts typically do not adjust evenly as income is earned and net income is accumulated prior to the distribution of that income as a dividend or distribution. Our analysis of S&P/ASX 300 companies and trusts over the period 2000-2024 indicates that on average income has been recognised in share prices at faster rates as income generation becomes more certain (i.e. later in the income recognition period) and as distribution ex dates approach.
Our strategy is to invest in a widely diversified portfolio of S&P/ASX 300 shares and units over the times within their income recognition periods which most favourably capture their generation and accumulation of income. This strategy seeks to benefit from both the generation of earnings from each investment holding but also from the faster pace at which income is recognised in share prices.
- (vi) **Dividend Payment and Drop-Off:** The dividend payment period refers to the "ex-date" for a dividend or distribution. This is the first day on which a company or trust's shares or units trade without the entitlement to the upcoming dividend or distribution. Our analysis of S&P/ASX 300 companies and trusts over the period 2000-2024 indicates that share prices of listed companies and trusts have not necessarily fallen consistently by the full value (inclusive of tax credits) of a dividend or distribution on the ex-date.
Our strategy is to remain invested in a share or trust over the period necessary to obtain the full value of its dividend or distribution and associated franking credits.
- (vii) **Franking:** Listed entities that pay franked dividends / distributions, are generally profitable and as a result there is a statistical tendency for them to outperform entities not paying franked dividends / distributions. Our strategy is that by investing in a preponderance of entities capable of paying franked dividends / distributions, the Portfolio will be better able to deliver investment return.

The pricing anomalies relating to the recognition of income that are described above have been evident across different industry sectors, across large, small and mid capitalisation stocks and across companies paying franked dividends as well as those paying unfranked dividends.

To implement this strategy successfully the Company focuses on three core areas:

- (i) Dividend Forecasts: The successful anticipation of the scale and timing of dividends and distributions;
- (ii) Capital Allocation: The breadth of our possible investment universe (the S&P/ASX300) and a structured rotation program (a program that schedules the time at which we switch from one investment to another) assist in maximising the effectiveness of our investment capital across a year and in addressing the seasonality of dividends from month to month;
- (iii) Position Sizing: The size of each investment position we take can influence both risk and return. Accordingly we seek to select the size of positions with a view to achieving satisfactory levels of portfolio diversification while being able to transact with the advantages of sufficient marketplace liquidity.

(d) Investment process

The Investment Process consists of the following steps:

(i) Data Collection

The Manager accesses a wide range of data influencing listed entities in its core investment universe (S&P/ASX300). The data includes detailed financial information on those listed entities related to past as well as forecast future years, includes both data from the listed entities themselves as well as consensus and individual analyst forecasts and includes data on external factors that may influence stock outcomes.

(ii) Data Processing and Assessment

The Manager has developed a proprietary quantitative processing and assessment framework. This framework initially vets and enhances the data to improve its usefulness for our purposes. The framework calculates relevant metrics, rankings and ratings across multiple dimensions in accordance with the Investment Strategy objectives above. Over 2 billion individual calculations are performed each week.

Subject to the requirement that 90% or more of the equity security investments by value must come from the S&P/ASX 300 Universe, the Manager may also assess and consider ASX listed equities (or expected to be listed soon) outside the S&P/ASX 300 Universe on the basis of their suitability to the Company's Investment Strategy.

(iii) Portfolio Construction

The outputs of the assessment process are taken through a quantitative and qualitative portfolio construction and risk management process. This process determines the individual stocks to be held and their weightings within the Portfolio and does this within targeted risk management parameters.

(iv) Investment Committee Review

The Investment Committee, consisting of senior executive investment personnel, provide input at each level in the process. The Committee monitor, consider and review the quantitative infrastructure, assess and quantify material non-standard factors influencing stocks and consider, review and approve transactions.

(v) Outcome Monitoring

Investment personnel monitor investment outcomes over a wide range of dimensions. This ongoing monitoring seeks to provide feedback on key components of the investment process.

This process, which involves systematic routines of data collection, assessment, transactional activity and administration can be difficult to replicate except where undertaken at an institutional scale.

(e) Explanation of the investment benchmark and portfolio objectives

Benchmark

Explanation of the benchmark utilised:

The Company's investment benchmark index is the S&P/ASX 300 Equal Weighted Franking Credit Adjusted Daily Tax-Exempt Total Return Index

In determining an appropriate benchmark the Company has considered the Guidance Statement on Benchmarks for Firms (CFA Institute, Global Investment Performance Standards July 2023) that recommends that a benchmark should reflect an entity's investment objectives, strategy and mandate (which specifies the entity's investment universe).

The S&P/ASX 300 Equal Weighted Franking Credit Adjusted Daily Tax Exempt Total Return Index has been selected as the benchmark for the following reasons:

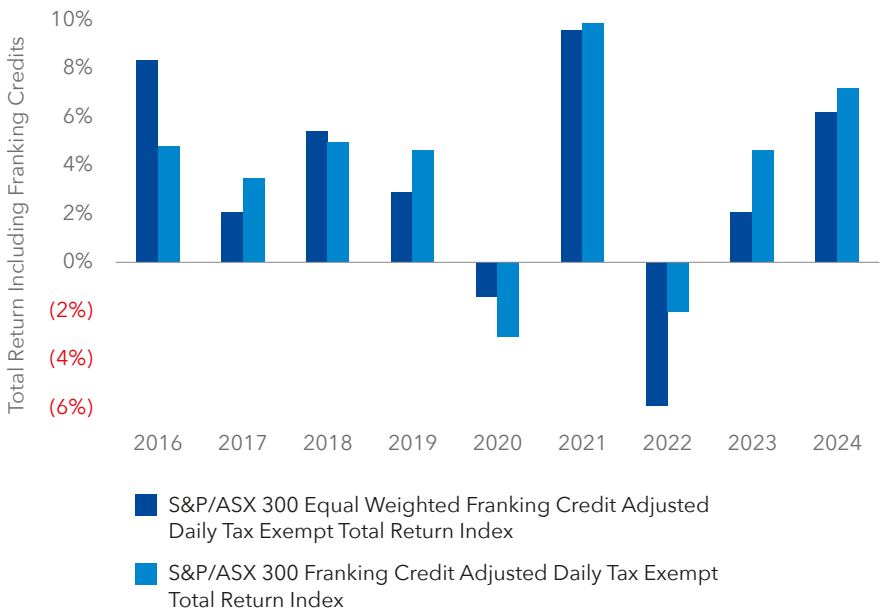
- (a) The Equal Weight version of the S&P/ASX 300 index measures the average performance of all 300 stocks in the index and is most consistent with the Company's investment objective, strategy and the risk and return profile of its expected investment portfolio because:
 - The Company's objective and strategy seek to benefit from patterns of income recognition that occur "on average" across a high number of stocks. Portfolio holdings will be primarily selected on the basis of their income generation and recognition metrics and on the need to hold a sufficiently high diversity of holdings to achieve outcomes reflective of the "average" pattern of income recognition. This involves the Company investing freely across the whole S&P/ASX 300 universe without a material market capitalisation weighting bias influencing its selection of investments.
 - The Manager expects the Company to hold 70-100 stocks within its portfolio at all times with an average holding size of approximately 1.5%.
- (b) The Franking Credit Adjusted version of the index is most consistent with the Company's objective to generate returns inclusive of franking credits and to pay franked dividends to investors,

The Company has not used a market capitalisation weighted benchmark (such as the S&P/ASX 300 Index) because:

- Market capitalisation weighted indexes represent a portfolio of investments where the size of each constituent holding is proportionate to its market capitalisation. This means that large companies make up a large proportion of the index and smaller companies make up a lesser proportion. This is not consistent with the risk and return profile of the Company's investment portfolio (which is not market capitalisation weighted) nor is it consistent with the Company's objective and strategy of selecting stocks based on their income generation and recognition metrics (rather than their size).
- The returns of a market capitalisation weighted index are heavily influenced by the performance of the large capitalisation stocks that make up a proportionately large part of the index. This means that comparisons of performance of a market capitalisation weighted index against a non-market capitalisation weighted portfolio (such as Whitefield Income intends to hold) would be heavily influenced by the incidental performance of large capitalisation stocks. The performance of large capitalisation stocks is neither an objective nor a strategy of the Company.

A comparison of the performance of the S&P/ASX 300 Equal Weighted Franking Credit Adjusted Daily Tax-Exempt Total Return Index and the S&P/ASX 300 [Market Capitalisation Weighted] Franking Credit Adjusted Daily Tax-Exempt Total Return Index is shown below.

Return of the S&P/ASX 300 Equal-Weighted and Market Capitalisation-Weighted Indexes (Year ending 30th September)



No assurance can be given that any investment will achieve its objectives or avoid losses. Past performance may not be a reliable indicator of future performance.

The index performance is based on trading data prepared by S&P. S&P have not provided consent to the inclusion of statements utilising their data.

Portfolio Objective

Explanation of Portfolio Objective

The portfolio’s measurable objective is to generate total returns including franking credits (consisting of gross income and fluctuations in capital values net of all expenses) that are similar to or exceeds the gross return of the Benchmark over rolling 3 year periods.

The rolling 3 year period has been selected as a suitable time frame to assess performance as it allows for the averaging out of variations in shorter term returns.

The future outcomes from the specific implementation of the Company’s investment strategy over future years and the future returns of the benchmark index however are unknown and cannot be predicted. In addition past performance may not be an accurate predictor of future performance.

Accordingly, while the Company’s objective is to produce total returns that are similar to or exceeding than the Benchmark over rolling 3 year periods, this is a statement of the Company’s “objective” or “aim” and should not be considered a forecast or guarantee of future performance.

As with any equity investment, substantial fluctuations in the value of their investment may occur over the investment period.

Testing of Portfolio Objective

The Company's manager undertook the following testing and performed the following calculations to determine the appropriateness of the total return objective.

Operation of the Investment Strategy in an Unlisted Fund (Unlisted Fund) for 3.7 years

This provided an indication of the general similarity of strategy returns to those of the Benchmark in the years tested, as well as an indication of the potential for strategy performance to diverge from the return of the Benchmark.

Return Per Annum Expressed as a % of invested assets	1 Yr (p.a.)	2 Yr (p.a.)	3 Yr (p.a.)	Since Inception 20 Jan 21 to 30 Sep 24 inclusive (p.a.)
Unlisted Fund return inclusive of franking credits after costs of investment and after the expected operating expenses of Whitefield Income Limited	22.1%	15.8%	8.6%	8.8%
Return of Benchmark S&P/ASX 300 Equal Weighted Franking Credit Adjusted Daily Tax-Exempt Total Return Index	19.7%	12.8%	1.9%	4.6%
Amount by which Unlisted Fund return (after costs) is higher or (lower) than the benchmark Index	2.4%	3.1%	6.7%	4.2%

No assurance can be given that any investment will achieve its objectives or avoid losses. Past performance may not be a reliable indicator of future performance.

The S&P/ASX 300 Equal Weighted Franking Credit Adjusted Daily Tax-Exempt Total Return Index performance is based on trading data prepared by S&P. S&P have not provided consent to the inclusion of statements utilising their data.

Notes

Unlisted Fund Details:

The investment strategy was operated by the Manager in an Unlisted Fund over a 3.7 year period (20 January 2021 to 30 September 2024).

- The Unlisted Fund adopted an investment strategy that was materially similar to the strategy to be used by Whitefield Income.
- The listed past returns inclusive of franking credits have been calculated after the actual costs of investment and after all expected costs of operation of Whitefield Income Limited, including the Management Fee, Performance Fee and other direct costs of operation. The listed past returns are based on unaudited figures.
- The investment returns are displayed on a before tax and inclusive of franking credit basis, just like the Benchmark. The Benchmark returns assumes all dividends are reinvested and the Unlisted Fund returns are also listed on the basis that the Unlisted Fund returns are reinvested.

The Company's income will generally be subject to income tax at the prevailing company tax rate, with franking credits for tax paid by the Company distributed to investors through franked dividends. See Section 10.6 for further details of the Australian taxation implications of investing under the Offer.

The Manager was both the trustee and manager of the Unlisted Fund. The Unlisted Fund's initial net asset value was \$10 million. Apart from this, differences between the structure and terms of the Unlisted Fund and the Company have no influence on the returns displayed above.

(f) **Investment Parameters**

The following table details the Company's current investment parameters and Portfolio characteristic expectations.

Exposure	Guidelines
Permitted investments	As required by the Management Agreement, the Manager may only invest in: (a) listed or soon to be listed ASX-listed securities, of which 90% or more must come from the S&P/ASX 300 Universe; and (b) bank bills, short term debt issue by companies, short term deposit accounts or any other facility or security commonly used for the purpose of short term liquid investment that is rated, or its issuer rated, investment grade by S&P Global. There is no limitation on the level of cash which can be held in the Portfolio.
Number of securities	There is no limit on the number of securities held in the Portfolio. The Manager expects to hold approximately 70-100 securities in the majority of circumstances.
Size of Positions	As required by the Management Agreement, individual security holdings shall not be more than 10% of the Value of the Portfolio. The Manager expects the average size of security holdings to be approximately 1.5% of the Value of the Portfolio.
Industry/ sector limits	The Company does not adopt fixed industry or sector limits, however the Board and/ or Manager may determine industry and sector definitions and limits suited to meeting the objectives of the Company as part of the regular processes of management and monitoring.
Leverage	The Company may utilise debt for short term liquidity purposes in the management of the investment portfolio, subject to the limit that debt must remain less than 2% of the last calendar month-end Net Asset Value of the Company. The Company will not otherwise use debt or leverage.
Derivatives	The Company does not utilise derivatives.
Short Selling	The Company will not undertake short selling.
Investment term	Investments are expected to normally be held for between 2 and 20 weeks with an average holding period of approximately 11 weeks.
Cash and other liquid assets	The company will hold some cash and other liquid assets at all times for liquidity purposes. These liquid assets could include bank bills, short term debt issue by companies, short term deposit accounts or any other facility or security commonly used for the purpose of short term liquid investment that is rated, or its issuer rated, investment grade by S&P Global. During abnormal circumstances (such as extreme market conditions or for the purposes of corporate actions) the company may also consider holding higher levels of such liquid assets.

(g) Changes to the Investment Strategy

The Investment Strategy outlined in the Prospectus will be implemented by the Manager upon allotment of Shares to Shareholders.

The Investment Strategy will be subject to normal processes of review, development and enhancement over time.

No material changes to the Investment Strategy are presently contemplated, however, the Company reserves the right to do so. Should material abnormal changes ever be considered advantageous these would be considered and reviewed by the Board, and where approved would be notified to Shareholders via ASX.

See Section 9.1(q) for details in respect of amending the Management Agreement.

(h) Allocation policy

The Manager manages other portfolios in addition to the Company.

In some circumstances the Manager may be required to transact on the same security on the same day across more than one portfolio. The Manager's allocation strategy and policy is:

- (i) The Manager shall consider the liquidity of the stock, the time sensitiveness of the transaction and the potential market impact of the total targeted transaction volume, and shall determine the number of days over which the total volume should be transacted and the targeted volume per day;
- (ii) The Manager will place orders for each portfolio on the day up to the lower of that portfolio's total targeted order or a pro-rata share (by number of portfolios) of the total targeted transaction volume for the day that remains after deducting any portfolio's order that may be completed in full on the day;
- (iii) Brokers shall be instructed to undertake the transaction (for all clients) to achieve a price that is consistent with the total market volume weighted average price in the security for the day, or to transact at a price that is set and identical for all portfolios, or to allocate the average price achieved for the day across all portfolios; and
- (iv) If less than the required volume of securities are bought or sold, the trades actually implemented shall be allocated to each client for whom that broker had an order in proportion to their initial order for the day.

3.5 Valuation, location and custody of assets

The assets of the Company will be valued at least monthly using market accepted practices to accurately and independently price all securities and other assets within the Portfolio from time-to-time.

The current value of the Portfolio will be determined by the independent Administrator.

The value of the Portfolio shall be determined by aggregating the value of each investment forming part of or comprised in the Portfolio and other assets of the Company and each asset shall be valued in accordance with the following methodology

- (a) ASX listed securities - the last sale price of the securities of that class on the date of the valuation, or if the securities of that class were not traded on that date, the last sale price of that class of securities on the last day on which trading of those securities occurred;
- (b) other investments - the value of that investment determined in accordance with Australian accounting standards (including in particular Australian Accounting Standard AASB 13 Fair Value Measurement) or other standards agreed by ASX.

The Company's investments will be held by an external custodian in accordance with the terms of a custodial services arrangement.

The Company may hold non-investment assets or cash in its own name outside of custody.

3.6 Reporting to Shareholders

Within 14 days of each month end, the Company will release to the ASX a statement of the Net Tangible Asset Backing per Share as at the end of the month. The calculation of the Net Tangible Asset Backing will be made in accordance with ASX Listing Rules.

The Company will also release reports to ASX and directly to Shareholders via the share registry (subject to each Shareholder's designated Communication Preferences). These reports will contain information on the performance and results of the Company and information on the Company's investment portfolio. Regular reports include:

- (a) Quarterly Reports
- (b) Annual Report

The Company may also release additional reports, updates or material information on the operations of the Company to ASX from time to time, either as considered appropriate or as required under ASX listing rules.

These reports and ASX releases will also be available either directly on the website or as Announcements on the ASX website.

3.7 The Company's Risk-Management Approach

The Board has a formal risk management policy which sets out the Company's risk management framework for the identification, control and review of risk.

The Board delegates responsibility for reviewing the risk management framework and its effectiveness to its Audit & Risk Committee. The risk management framework is reviewed annually.

The risk management framework identifies and assesses the risks to which the Company is exposed and establishes the control structure and responsibilities to appropriately constrain and monitor those risks.

The Company's risk management framework includes controls over each of its primary areas of operation including:

- (a) The management, oversight and monitoring of the Portfolio; and
- (b) The administration, accounting and reporting on the Company and its operations.

The risk management framework requires a regular process of checking and review to test and confirm that control processes are appropriate and properly implemented.

The Company's operations and results are subject to an annual audit and six monthly review by the Company's independent external auditor.

While the Company's risk management framework seeks to minimise the possibility of risk, it should be appreciated that no cost-effective internal control system can preclude all errors and irregularities.

4 About the Manager

4 About the Manager

4.1 Role and Purpose of the Manager

Whitefield Income Limited has appointed the Manager to manage the investments and business of the Company in accordance with the Management Agreement.

The Manager will:

- (a) Manage the Company's investments in accordance with the agreed Investment Strategy;
- (b) Manage the associated business of the Company;
- (c) Regularly report to the Company regarding the Company's investments and operations

See Section 9.1 for details of the Management Agreement.

Whitefield Income Limited has appointed the Manager in order to efficiently access the depth of systems, processes, experience, skill and personnel necessary to professionally manage the investments and business of the Company and in order to retain and develop process and personnel over the long term.

4.2 The Manager

The Manager is Whitefield Capital Management Pty Ltd (ACN 074 709 210). The Manager holds an Australian Financial Services Licence (AFSL 229 843).

Whitefield Capital Management engages, develops and operates the investment management systems and team responsible for the management of a range of wholesale and institutional investment portfolios and funds, including listed investment company Whitefield Industrials Limited (ASX: WHF) (which was founded in 1923).

Whitefield Capital Management has developed the proprietary quantitative and qualitative investment systems and infrastructure used in the investment management process. The Manager employs 7 staff directly and engages the services it requires for office infrastructure, overheads and administration from associated or independent service provider entities. The average tenure of the investment team working for Whitefield Capital Management is in excess of 20 years.

Whitefield Capital Management, and/or its predecessor entities, have been responsible for the management of public investment companies since the founding of Whitefield Industrials Limited in 1923.

The Manager currently has approximately \$1.0bn of funds under management, primarily in the Australian equities asset class.

Whitefield Capital Management is owned by entities associated with three principals of the executive investment team Angus Gluskie, Will Seddon and Peter Borkovec.

There have been no adverse regulatory findings against the Manager or any member of the investment team.

4.3 Primary investment personnel

Angus Gluskie, Managing Director Whitefield Capital Management Pty Ltd

BEC, Graduate Diploma in Applied Finance & Investment, CA, FFin

Angus has over 30 years experience in the investment management and financial services fields.

He is also the Chief Investment Officer of the Employers Mutual Group, Chairman and Managing Director of Australia's oldest ASX listed investment company Whitefield Industrials Limited and a director of the Listed Investment Companies & Trusts Association Ltd.

Angus holds qualifications in investment management, economics and chartered accountancy. He specialised in the investment and insurance industries as a chartered accountant until 1995, and since that time has worked as a wholesale fund manager with Whitefield Capital Management and associated entities.

Will Seddon, Executive Director Whitefield Capital Management Pty Ltd

BEC, CFA, CAIA, SAFin

Will has over 19 years experience as a wholesale investment manager and analyst and has worked with Whitefield Capital Management Pty Ltd since 2006. He has significant experience in fundamental analysis, investment strategy and quantitative techniques.

Peter Borkovec, Executive Director Whitefield Capital Management Pty Ltd

MCom (Funds Management), BBus

Peter has over 20 years experience in wholesale funds management. He has worked with Whitefield Capital Management Pty Ltd since 2007. He has significant experience in fundamental analysis, investment strategy, statistics and quantitative techniques.

Stuart Madeley, Executive Whitefield Capital Management Pty Ltd

BA (hons), Pure Maths, MBA

Stuart has over 30 years experience in financial services/funds management. He has worked with Provident Mutual and Manor Financial Management in the UK and has worked with Whitefield Capital Management since 2005.

5 Risk Factors

5 Risk Factors

5.1 Introduction

Subscribers should be aware that an investment in the Company's Shares involves various risks. You should carefully consider the risks involved in acquiring the Shares, including those risks described below and all of the other information set out in this Prospectus before deciding to invest in the Shares.

The risks can be broken into two categories:

- (a) Risks relating to the financial position and outcomes of the Company itself (which may then influence the value of, or dividends paid on, the Company's Shares)
- (b) Additional Risks relating to the trading of the Company's Shares on ASX

If any of these risks were to occur, they may have a negative effect on the Company and its operating performance, financial performance, financial liquidity and the value of its Shares.

While the Company has a risk management framework in place that assists in the control of risk, investors should be aware:

- (c) that no cost-effective system of control can prevent all risk;
- (d) investment outcomes are inherently uncertain and unpredictable; and
- (e) remote and unlikely events still have a probability of occurrence and do occasionally transpire.

This Section 5 describes certain, but not all, risks associated with investing in the Company that the Directors believe are significant when considering whether to participate in the Offer. You should carefully consider the risks associated with acquiring the Shares, including the risks set out in this Section 5 below, as well as the information contained in this Prospectus in its entirety.

An investment in the Company should be considered speculative. The Company cannot guarantee that the issue price will be consistent with the market price on quotation on the ASX or that the Shares will trade at a price that is consistent with the net asset value or net tangible value of the Portfolio on a per share basis. The Directors believe that it is not unusual for LICs to trade at a share price which is at a discount to the net asset value or net tangible value of the relevant investment portfolio on a per share basis.

While prudent management and investment techniques may be effective in reducing some of the risks to Shareholders, no assurances can be given by the Company as to the future success of the Company's investment strategies, any particular investment decisions or, importantly, the investment returns or the market price at which the Shares may trade on ASX. To that extent, investment in the Company should be regarded as speculative and, as with any equity investment, substantial fluctuations in the value of that investment may and often do occur.

Investors are encouraged to consider and understand the risks of an investment in the Company prior to investing, and are encouraged to contact their stockbroker, financial adviser, accountant, lawyer or other professional adviser to assist with this process.

5.2 Risks relating directly to the Company and its operations and outcomes

The primary risks that relate to the Company and its operations and outcomes include:

(a) Adverse fluctuations in the value of its Portfolio of ASX listed equity securities

The Company's capital will be primarily invested in a Portfolio of ASX listed equity securities. History shows that the market value of listed equity securities, either individually or in aggregate, may fluctuate materially from time to time and in some cases for extended periods of time or permanently.

Adverse fluctuations in the market value of the Company's investments would reduce the value of the Company in total and the value of each Share.

Adverse fluctuations in market values may occur for many reasons including:

- (i) Australian and global economic conditions;
- (ii) The level or rate of change in interest rates;
- (iii) Australian and global credit conditions;
- (iv) Inflation and inflationary expectations;
- (v) The political environment;
- (vi) The taxation and regulatory environment that applies to Australian shares;
- (vii) Other material influences on global and Australian economies such as climate, environment, military or human health;
- (viii) The availability and pricing of investment alternatives; and
- (ix) Expectations of future opportunities, risks and earnings for specific companies within the portfolio.

(b) Decreases in the dividends and distributions being paid by ASX listed equity securities

The Company generates its operating profit from the dividends and distributions it receives on its investments in Australian shares. In circumstances where dividends and distributions from Australian shares may be unexpectedly cut or lowered either for individual shares or for the Australian share market overall the Company's operating profit may also fall.

The circumstances that may cause widespread decreases in dividends from Australian shares are similar to the causes of adverse fluctuations in market values of Australian shares that are described at 5.2(a) above.

(c) Investment Strategy and stock selection risk

The level of income generated by the Company's investment Portfolio and the fluctuation in the market value of the Company's investments will depend, not only on the overarching factors noted at 5.2(a) above, but also on the decisions made by the Manager in selecting and transacting on specific investments.

While the investment process seeks to do this in a manner that generates favourable outcomes for Shareholders, actual investment outcomes in future periods are uncertain and cannot be predicted. Accordingly, actual outcomes may be less than investor expectations, less than the Company's benchmark or in certain circumstances returns may be negative and losses may be incurred.

(d) Manager performance risk

The success and profitability of the Company relies on the continued performance of the Manager. If the Manager cannot successfully identify, monitor and capitalise on investment opportunities within the investment guidelines, there is a risk that the Company and the Shares will be negatively impacted.

The Company will have no right to terminate the Management Agreement for 10 years (except in limited circumstances including for material breach of contract). This means that, even if the Manager fails to perform in accordance with the objectives as set out in this Prospectus, it may be difficult for the Company to remove and replace the Manager for 10 years.

While the Manager will put processes and procedures in place to mitigate the risks associated with failing to adequately meet its performance objectives, there can be no guarantee that the Manager will obtain any particular investment return as set out in this Prospectus, nor should anything said in this Prospectus be taken as a guarantee that this will be the case.

(e) Licensing risk

The Manager operates under an AFSL in order to manage the investments. The Manager's continued oversight of the investments and implementation of the investment strategy is contingent on it maintaining its AFSL.

There is a risk that if the Manager's AFSL is restricted, suspended or terminated in the future, it would be prevented from overseeing the Company's investments and from carrying out the investment strategy. In such circumstances, for the Company to continue to operate in line with its objectives, it would be required to engage a new authorised financial services licensee to carry out the investment strategy in accordance with the Company's policies and guidelines, permitted investments and elements of investment as set out in this Prospectus.

Even if the Company were to be able to authorise another financial services licensee, there can be no guarantee that the new manager would meet or exceed the standards set out in the Management Agreement, this Prospectus, or those standards maintained by the Manager.

(f) Key Person Risk

The investment team is responsible for the ongoing operation and development of the Investment Strategy and process. The loss of investment team members could adversely impact on the Company's ability to continue to operate its investment process, unless adequate replacement personnel could be recruited. The Company has no rights to terminate the Management Agreement in the event of a material change to the membership of the Investment Team.

(g) Incentives risk

The Management Fee and the Performance Fee may create an incentive for the Manager to overstate the value of the underlying investments to obtain greater compensation and also make investments that are more speculative than it otherwise would have invested in had there not been such a fee in place. These risks may add risk and volatility to the Portfolio's underlying investments.

For more information on the Management Fee and Performance Fee, please refer to Section 9.1.

(h) Company risk

The Company is a newly incorporated entity established on 11 April 2022. It does not have any long-term operating history or proven track record which may be used by investors to assess the ability of the Company or the Manager to achieve the objectives as set out in this Prospectus. The Company does not provide any guarantee that it or the Manager will achieve the objectives set out in this Prospectus.

(i) Concentration Risk

Because the Portfolio will hold a smaller number of stocks than the Benchmark, the returns of the Company will be dependent on the performance of the Company's specific holdings. The Manager will seek to construct the Portfolio to minimise any concentration risk in accordance with the Company's policies, guidelines and permitted investments.

(j) Administration Risk

While the Company adopts a risk management framework to minimise risks, an error of administration, accounting or accounting judgment could lead to the temporary overstatement or understatement of financial outcomes.

(k) Taxation Risk

While the Company adopts a risk management framework to minimise risks, an error of taxation calculation, interpretation or judgment, could lead to the temporary overstatement or understatement of financial outcomes.

Changes to taxation legislation can influence pattern, level and tax status of Australian equity dividends and distributions. In some circumstances such a change could have an adverse effect on the Company's ability to generate profit.

(l) Litigation Risk

While the Company seeks to comply with all laws governing its operation, the Company can be drawn into litigation with the parties with which it transacts and interacts, including Shareholders. Litigation may result in legal cost or damage to the Company.

(m) Counterparty and Financial Markets Infrastructure Risk

In the normal processes of investing, transacting in and holding securities, the Company will be directly or indirectly exposed to the capability, solvency, integrity and security of the financial markets participants with which it transacts. It will also be exposed to the security and integrity of the systems through which financial markets participants transact and maintain records.

In this regard, the Company relies on the capability, solvency, security and integrity of market participants including ASX, stockbrokers, clearing houses, custodians, banks and the Company's Administrator.

(n) Cyber Risk

While the Company's risk management framework and controls seek to minimise the risk, the Company and its service providers are exposed to cyber risks, including the risks of data hacking, ransomware and business disruption.

The Company will be listed on ASX. As a publicly listed entity, the Company may become a greater target for cybersecurity attacks. If this risk were to materialise, there is a chance that, amongst other things, the Company's operations would be suspended for an indefinite amount of time until such attack is addressed. This may in turn negatively affect the Manager's ability to implement the investment strategy during this period of time, and accordingly, the Company's performance.

To mitigate this risk, the Company will employ systems and software which enhance its cyber resilience. However, the Company does not guarantee that these systems and software will eliminate all risks associated with cybersecurity attacks.

(o) Conflicts of interest

Conflicts of interest may arise in relation to the Manager because it manages funds other than the Portfolio and because of the fee structure under the Management Agreement (which comprises a Management Fee and Performance Fee).

The Company's Directors also hold a number of interests and positions which have the potential to give rise to conflicts of interest. Their interests and positions are described in detail in Section 8.11 and the Company's approach for managing directors' conflicts of interest is set out in Section 8.12.

The Company may be adversely affected if these conflicts of interest are not managed effectively.

(p) Liquidity risk

The Company will invest in entities listed on ASX. The ability to sell shares is a function of the turnover of the shares at the time of sale. Turnover is a function of a variety of factors, namely the size of the relevant company and the cumulative investment intention of all current and possible shareholders in the relevant company at any one point in time.

As the Manager may hold large positions in a Portfolio company from time to time, a low level of liquidity in turnover may mean the Manager may not be able to sell its investments at the time, in the volumes or at a price it intends, resulting in a loss to the Company.

(q) Regulatory risk

The Company, the Manager, and the listed companies in which the Company will invest in, are subject to a number of regulatory controls imposed by government and regulatory authorities.

The Company, the Manager, and the listed companies in which the Company will invest in, will be exposed to the risks associated with new laws and regulations, or changes to applicable laws and regulations including changes to their interpretation). These risks (including the risk of non-compliance) may adversely impact the performance of the Company, and in turn, the price of the Shares.

5.3 Additional Risks Relating to an Investment in the Company's Shares

(a) Dividend Risk

The payment of dividends is not guaranteed.

The declaration and payment of a dividend is at the complete discretion of the Company and is additionally subject to the requirements of Corporations Act and generally accepted accounting principles.

In general terms, the Company may only declare and pay a dividend where the Company considers it financially prudent to do so, and where the Company has sufficient profits, reserves, franking credits and cash flow to do so.

In certain circumstances the Company may form the view that it is unable or unwilling to pay dividends.

In particular, falls in the earnings and distributions of the Australian equities market may result in a reduction of or less frequent dividends.

(b) Fluctuations in value or dividends and an investor's time frame for investment

As detailed in the prior paragraphs the market value of the Company's investment Portfolio, its Net Tangible Asset Backing per Share, its operating profit, dividends and the market price of the Company's Shares will fluctuate (rise or fall).

In certain circumstances reductions in the value of the Company, its Shares, profit or dividends may continue for an extended period of time or be permanent.

Investors should carefully consider and understand these characteristics prior to investing and should consider whether these characteristics are suitable for their personal circumstances and objectives, and should consider how they can accommodate this within their own investment strategy and investment time horizon.

(c) Discounts or Premiums to Net Tangible Asset Backing

The Company's Shares trade on ASX at the price agreed by buyers and sellers in the open market. That price may be higher, lower or the same as the Net Tangible Asset Backing per Share.

The price at which Shares may be bought or sold may depend on many factors including:

- (i) The underlying Net Tangible Asset Backing of the Company per Share;
- (ii) The volume of Shares that vendors wish to sell relative to the volume of Shares that buyers wish to buy;
- (iii) Other considerations that are perceived as relevant by buyers and sellers in valuing the Company's Shares such as operating costs or future performance expectations;
- (iv) Other considerations that are perceived as relevant by buyers and sellers in deciding to buy or sell Shares such as the availability and attraction of alternate investments, or the rebalancing of their investment portfolio.

6 Financial Information

6 Financial Information

6.1 Proceeds of the Offer

The Company has net assets of \$1.25 as at the date of the Prospectus.

The Board intends to use the funds raised from the Offer to make investments consistent with the investment objectives and Investment Strategy set out in Section 3.

6.2 Unaudited pro forma historical statements of financial position

The unaudited pro forma historical statements of financial position set out below have been prepared to illustrate the effects of the pro forma adjustments described below for the different subscription amounts as if they had occurred on 11 April 2022, being the incorporation date of the Company.

It is intended to be illustrative only and it neither reflects the actual position of the Company as at the date of this Prospectus nor at the conclusion of the Offer.

The unaudited pro forma historical statements of financial position have been prepared on the basis of the assumptions set out in Section 6.5.

Whitefield Income Limited

Unaudited pro forma historical statements of financial position

Assumes completion of the Offer

The unaudited pro forma historical statements of financial position are presented in summary form only and do not comply with the presentation and disclosure requirements of Australian Accounting Standards.

The information in this Section should also be read in conjunction with the Risk Factors set out in Section 5 and other information contained in this Prospectus.

Pro forma historical statement of financial position (unaudited) As at Offer close	Minimum Subscription \$75,000,000	Subscription \$150,000,000	Maximum Subscription before Oversubscriptions \$200,000,000	Maximum Subscription assuming Oversubscriptions fully subscribed \$250,000,000
	\$	\$	\$	\$
Assets				
Cash	75,000,001	150,000,001	200,000,001	250,000,001
Total assets	75,000,001	150,000,001	200,000,001	250,000,001
Total liabilities	-	-	-	-
Net assets	75,000,001	150,000,001	200,000,001	250,000,001
Equity				
Contributed equity	75,000,001	150,000,001	200,000,001	250,000,001
Total equity	75,000,001	150,000,001	200,000,001	250,000,001
NTA backing per Share (\$)	\$1.25	\$1.25	\$1.25	\$1.25

The money raised under the Offer will be used by the Company for investments consistent with the Investment Strategy and objectives (refer to Section 3 for details).

6.3 Capital structure

The anticipated capital structure of the Company on completion of the Offer is set out below:

	Minimum Subscription \$75,000,000	Subscription \$150,000,000	Maximum Subscription before Oversubscriptions \$200,000,000	Maximum Subscription assuming Oversubscriptions fully subscribed \$250,000,000
Shares on issue	60,000,001 Shares	120,000,001 Shares	160,000,001 Shares	200,000,001 Shares

As at the date of this Prospectus, Angus Gluskie (Chairman and Managing Director) holds the sole Share on issue in the Company.

6.4 Cash

A reconciliation of the pro forma historical statements of financial position for cash is as below:

	Minimum Subscription \$75,000,000	Subscription \$150,000,000	Maximum Subscription before Oversubscriptions \$200,000,000	Maximum Subscription assuming Oversubscriptions fully subscribed \$250,000,000
	\$	\$	\$	\$
Initial subscriber Share	1	1	1	1
Proceeds of Prospectus Offer – at the Application Price of \$1.25 per Share	75,000,000	150,000,000	200,000,000	250,000,000
Estimated net cash position	75,000,001	150,000,001	200,000,001	250,000,001

6.5 Assumptions

These unaudited pro forma historical statements of financial position and the information in Sections 6.2, 6.3, 6.4, 6.6 and 6.7 have been prepared on the basis of the following assumptions:

- Application of the proposed accounting policies and notes to the accounts set out in Section 6.7.
- In the unaudited pro forma historical statement of financial position entitled “Minimum Subscription \$75,000,000”, the reference is to issuing 60,000,000 Shares to Applicants under this Prospectus.
- In the unaudited pro forma historical statement of financial position entitled “Subscription \$150,000,000”, the reference is to issuing 120,000,000 Shares to Applicants under this Prospectus.
- In the unaudited pro forma historical statement of financial position entitled “Maximum Subscription before Oversubscriptions \$200,000,000”, the reference is to issuing 160,000,000 Shares to Applicants under this Prospectus.
- In the unaudited pro forma historical statement of financial position entitled “Maximum Subscription assuming Oversubscriptions fully subscribed \$250,000,000”, the reference is to issuing 200,000,000 Shares to Applicants under this Prospectus.

6.6 Offer costs

The Manager has agreed to pay the Offer Costs of the Company.

6.7 Proposed material accounting policies and notes to accounts

A summary of material accounting policies that have been adopted in the preparation of the unaudited pro forma historical statements of financial position set out in Section 6.2 or that will be adopted and applied in preparation of the financial statements of the Company for the period ended 30 June 2025 and subsequent periods is set out as follows:

(a) Basis of preparation

The pro forma historical statement of financial position has been prepared in accordance with Australian Accounting Standards and Interpretations, issued by the Australian Accounting Standards Board (AASB), and the Corporations Act, as appropriate for for-profit oriented entities (as modified for inclusion in the Prospectus).

Australian Accounting Standards and Interpretations, set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

The financial information presented in the Prospectus is presented in an abbreviated form and does not contain all of the disclosures that are usually provided in an annual report prepared in accordance with the Corporations Act.

The unaudited pro forma historical statements of financial position have been prepared on the basis of assumptions outlined in Section 6.5.

The unaudited pro forma historical statements of financial position have been prepared on an accrual basis and are based on historical costs.

(b) Investments and other financial assets

Financial assets at fair value through other comprehensive income

Investments in equity securities are initially recognised at fair value plus transaction costs. These equity securities are intended to be held over income recognition and dividend payment periods. These investments may be sold however are not principally held for the purpose of trading.

(i) Recognition

Purchases are recognised on trade date, the date on which the Company commits to purchase the asset.

(ii) Classification

The Company has made an irrevocable election to classify these investments as financial assets at fair value through other comprehensive income. All realised and unrealised gains or losses on these investments and tax thereon, are presented in other comprehensive income as part of the Statement of Comprehensive income.

(iii) Determination of fair value

AASB 13 *Fair Value Measurement* defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or in its absence, the most advantageous market that the Company has access at that date.

The Company uses the last sale price as the most representative basis of measuring fair value under AASB 13.

(iv) Subsequent Measurement

At each reporting date, investments are remeasured to fair value. Changes in fair value are recognised in equity through the revaluation reserve after deducting a provision for potential deferred tax.

(v) Derecognition

Sales of financial assets are recognised on trade-date, the date on which the Company commits to sell the asset. Financial assets are derecognised when the rights to receive the cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

When an investment is disposed of, the cumulative gains or loss, net of tax thereon, is transferred from the revaluation reserve to the realised gains/loss reserve.

(c) Income and expenditure

Dividend income from equity securities is recognised in the statement of profit or loss on the ex-dividend date.

Trust distributions are recognised on a present entitlements basis and recognised in the statement of comprehensive income on the day the distributions are announced.

All expenses, including Management Fees are recognised in the statement of profit or loss on an accrual basis.

(d) Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

The Company may incur withholding tax imposed by certain countries on investment income. Such income will be recorded net of withholding tax in the statement of comprehensive income.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted for each jurisdiction.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date.

Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered.

Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Current and deferred tax is recognised in profit or loss in the Statement of Comprehensive Income, except to the extent that it relates to an item recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(e) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(f) Share capital

Shares will be classified as equity. Costs directly attributable to the issue of Shares will be recognised as a deduction from equity, net of any tax effects.

7 Investigating Accountant's Report

4 November 2024

The Directors
Whitefield Income Limited
Suite 19.01 Level 19
68 Pitt Street
Sydney NSW 2000**Private and confidential**

Dear Directors

**Part 1: Independent limited assurance report on Whitefield Income
Limited pro forma historical financial information****7.1 Introduction**

The Directors of Whitefield Income Limited (the "*Company*") have engaged Pitcher Partners Sydney Corporate Finance Pty Ltd ("*Pitcher Partners*") to report on the pro forma historical financial information of the Company as at 11 April 2022.

We have prepared this Independent Limited Assurance Report ("*Report*") to be included in a Prospectus dated on or about 4 November 2024 and relating to the Offer of up to 160,000,000 (with the ability to accept Applications for a further 40,000,000) fully paid ordinary Shares at an offer price of \$1.25 per share to raise up to \$200,000,000 (with the ability to accept Applications for a further \$50,000,000) should the Maximum Subscription be raised.

The Minimum Subscription is 60,000,000 fully paid ordinary Shares to raise a minimum of \$75,000,000. The Offer is not underwritten.

Unless stated otherwise, expressions defined in the Prospectus have the same meaning in this Report and section references are to sections of the Prospectus.

The nature of this report is such that it can only be issued by an entity which holds an Australian Financial Services Licence ("*AFSL*") under the Corporations Act. Pitcher Partners holds the appropriate AFSL authority under the Corporations Act. Refer to our Financial Services Guide included as Part 2 of this Report.

7.2 Background

The Company was incorporated on 11 April 2022 and has not traded. As at the date of this Report, the Company has 1 Share on issue and has net assets of \$1.25.

7.3 Scope

This Report deals with the pro forma historical financial information included in Section 6 of the Prospectus ("*Financial Information*"). The Financial Information consists of the pro forma historical statements of financial positions as at 11 April 2022 and related notes as set out in Sections 6.2 to 6.7 of the Prospectus.

The unaudited pro forma historical statements of financial position in Section 6.2 have been prepared to illustrate the financial position of the Company on completion of the Offer and have been prepared on the basis of the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the events to which the pro forma assumptions relate, as described in Section 6.5 of the Prospectus, as if those events had occurred as at 11 April 2022. Due to its nature, the pro forma historical financial information does not represent the Company's actual or prospective financial position.

The pro forma statements of financial position are presented in an abbreviated form insofar as it does not include all the presentation and disclosures required by Australian Accounting Standards applicable to general purpose financial reports.

Pitcher Partners disclaims any responsibility for any reliance on this Report or the financial information to which it relates for any purpose other than that for which it was prepared. This Report should be read in conjunction with the full Prospectus and has been prepared for inclusion in the Prospectus.

7.4 Director's responsibilities

The Directors of the Company are responsible for the preparation and presentation of the pro forma historical statements of financial position including the selection and determination of pro forma assumptions, accounting policies and the notes included in the pro forma historical financial information.

This includes responsibility for such internal controls as the Directors determine are necessary to enable the preparation of the pro forma historical financial information that are free from material misstatement, whether due to fraud or error.

7.5 Our responsibilities

Our responsibility is to express a limited assurance conclusion on the Financial Information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 Assurance Engagements involving Corporate Fundraising and/or Prospective Financial Information.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit.

Accordingly, we do not express an audit opinion on the pro forma historical financial information of the Company.

Our engagement did not involve updating or re issuing any previously issued audit or review report on any financial information used as a source of the financial information.

7.6 Conclusion

Based on our review, which is not an audit, nothing has come to our attention which causes us to believe that the pro forma historical financial information (being the pro forma historical statements of financial position of the Company) are not presented fairly, in all material respects, in accordance with the assumptions described in Section 6.5 of the Prospectus and the stated basis of preparation as described in Section 6.2 of the Prospectus.

7.7 Restrictions on use

Without modifying our conclusions, we draw attention to Section 6 of the Prospectus, which describes the purpose of the Financial Information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose. Investors should consider the statement of investment risks set out in Section 6 of the Prospectus.

7.8 Legal proceedings

The Company is a newly incorporated company which has not conducted any business to date. The Company is not and has not been, since its incorporation to the date of this Prospectus, involved in any legal or arbitration proceedings that have had a significant effect on the financial position of the Company.

As far as the Directors are aware, no such proceedings are threatened against the Company.

7.9 Subsequent events

Apart from the matters dealt with in this Report, and having regard to the scope of our Report, to the best of our knowledge and belief no other material transactions or events outside of the ordinary business of the Company have come to our attention, that would require comment on, or adjustment to the information referred to in our Report, or that would cause such information to be misleading or deceptive.

7.10 Source of information

Pitcher Partners has made enquiries of the Directors, the Manager and other parties as considered necessary during the course of our analysis of the pro forma historical financial information of the Company. We have also referred to the Prospectus and material documents which relate to the proposed operations of the Company.

We have no reason to believe the information supplied is not reliable.

7.11 Independence or disclosure of interest

Pitcher Partners has no financial or other interest that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion on the matters that are subject of this Report for which normal professional fees will be received.

Neither Pitcher Partners Sydney Corporate Finance Pty Ltd, any Director thereof, nor any individual involved in the preparation of the Report have any financial interest in the outcome of this Offer, other than a fee payable to Pitcher Partners in connection with the preparation of our Report for which normal professional fees will be received.

7.12 Liability

Pitcher Partners has given and, before lodgement of the Prospectus with ASIC, has not withdrawn its written consent to be named as the Investigating Accountant for the Company in the form and context in which it is so named. Pitcher Partners has also consented to, in the form and context in which it is included, being named in the Corporate Directory and elsewhere in this Prospectus as the Investigating Accountant for the Company and to the inclusion of this Report in the Prospectus in the form and context in which it is included. At the date of this Report, this consent has not been withdrawn.

The liability of Pitcher Partners is limited to the inclusion of this Report in the Prospectus. Pitcher Partners has not authorised the issue of the Prospectus. Accordingly, Pitcher Partners makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from, the Prospectus.



Financial services guide

We have included our Financial Services Guide as Part 2 of this Report. The Financial Services Guide is designed to assist retail clients in their use of any general financial product advice in our Report.

Yours sincerely,

Pitcher Partners Sydney Corporate Finance Pty Ltd

A handwritten signature in black ink that reads 'R. King'.

Richard King
Director

PART 2: FINANCIAL SERVICES GUIDE

This Financial Services Guide was prepared on 4 November 2024.

What is a Financial Services Guide?

This Financial Services Guide ('FSG') helps you understand and decide if you wish to use the financial services we are able to offer you.

Pitcher Partners Sydney Corporate Finance Pty Ltd (the "Licensee") and its employees (including any employees of a related body corporate) are collectively referred to as "us, we, our" throughout this FSG.

This FSG sets out the services we provide. It tells you:

- who we are and how we can be contacted;
- what services and products we are authorised to provide to you;
- how we (and any other relevant parties) are paid; and
- how we deal with complaints.

This FSG forms a separate and clearly identifiable part of an Investigating Accountant's Report ("*Report*") which has been prepared by the Licensee for inclusion in this Prospectus.

We have arrangements in place to maintain professional indemnity insurance as required by section 912B of the Corporations Act 2001.

Please retain this FSG for your reference.

1. Who will be providing the financial services to you?

The Licensee is the authorising licensee for the financial services provided to you, and is responsible for those services and is the providing company.

The Licensee authorises, and is also responsible for, the content and distribution of this FSG.

The Licensee's contact details are as follows:

Licensee name:	Pitcher Partners Sydney Corporate Finance Pty Ltd
AFSL number:	516413
Address:	Level 16, Tower 2 Darling Park, 201 Sussex Street, Sydney NSW 2000
Website:	https://www.pitcher.com.au/
Phone:	+61 2 9221 2099
Email:	sydneypartners@pitcher.com.au

2. What services and products are we authorised to provide?

Pitcher Partners is authorised to provide the following financial services to both wholesale and retail clients:

- Provide financial product advice for the following classes of financial products:
 - (i) deposit and payment products including:
 - (a) basic deposit products;

- (b) deposit products other than basic deposit products; and
 - (c) non-cash payment products;
- (ii) debentures, stocks or bonds issued or proposed to be issued by a government;
- (iii) interests in managed investment schemes excluding investor directed portfolio services; and
- (iv) securities; and
- Deal in a financial product by:
 - (i) arranging for another person to issue, acquire, vary or dispose of a financial product in respect of the following classes of financial products:
 - (a) interests in managed investment schemes excluding investor directed portfolio services; and
 - (b) securities; and
 - (ii) applying for, acquiring, varying or disposing of a financial product on behalf of another person in respect of the following classes of products:
 - (a) deposit and payment products including:
 - (1) basic deposit products;
 - (2) deposit products other than basic deposit products; and
 - (3) non-cash payment products;
 - (b) debentures, stocks or bonds issued or proposed to be issued by a government;
 - (c) interests in managed investment schemes excluding investor directed portfolio services; and
 - (d) securities.

3. General Financial Product Advice

The Licensee has been engaged to prepare the Report, which includes general financial product advice and which is to be included in the Prospectus issued in relation to the proposed initial public offering ("*Offer*") of new fully paid ordinary shares in a new listed investment company, Whitefield Income Limited ("*the Company*") and the associated listing of the Company on the Australian Securities Exchange ("*ASX*").

Accordingly, the Licensee acts for the Company when we provide financial services to you.

Our Report includes general advice. General advice is where we may express an opinion or recommendation influencing you in making a decision in relation to a financial product, but where we have not considered your personal objectives, financial situation or needs. Accordingly, such general advice may not be appropriate to your needs, financial situation or objectives, and you should consider your circumstances before making a decision about whether the financial products are right for you. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services Licence to assist you in making this assessment.

4. Remuneration

The Licensee charges fees for preparing reports. The fees we charge for preparing reports are usually determined on an hourly basis, however they may be a fixed amount or derived using another basis. We may also seek reimbursement of any out-of-pocket expenses incurred in preparing the report. The fee for this Report is \$35,000 (excluding GST).

Fee arrangements are agreed and confirmed in a letter of engagement with the party or parties who engage us.

Neither the Licensee, nor its directors, officers or representatives, nor any related bodies corporate and their directors, officers and representatives, receives any other fees, commissions or other benefits in connection with preparing and providing the Report.

The Licensee's directors and employees receive a salary and, while eligible for annual salary increases and bonuses based on overall performance, they do not receive any commissions or other benefits arising directly in connection with preparing and providing this Report. We do not pay commissions or provide any other benefits to any parties or person for referring clients to us in connection with the reports that we are authorised to provide.

The Licensee's' shareholders (including any shareholders of a related body corporate) will also receive a benefit based on the Licensee's ongoing company performance.

You may request more details about the way these people or entities are remunerated within a reasonable time after receiving this document .

5. Associations and Relationships

The Licensee and its related body corporates may at any time provide professional services, including audit, accounting and taxation services to companies including financial product issuers in the ordinary course of their businesses.

Neither the Licensee, any related entities, any Director thereof, nor any individual involved in the preparation of the Report hold substantial interests in, or are substantial creditors of, the Company, or have any material financial interest in the Offer, other than a fee in connection with the preparation of the Report for which professional fees in the amount referred to above will be received.

6. Complaints Resolution

The Licensee is only responsible for the Report and this FSG. Complaints or questions about the Prospectus should not be directed to the Licensee which is not responsible for that document.

If you have a complaint about the Report or this FSG you can contact the Licensee's Complaints Officer on (02) 9221 2099 or send a written complaint to GPO Box 1615, Sydney NSW 2001 or sydneypartners@pitcher.com.au. We will try to resolve your complaint quickly, fairly and within prescribed timeframes.

If the complaint cannot be resolved to your satisfaction within 30 days, you have the right to refer the matter to the Australian Financial Complaints Authority (AFCA) at GPO Box 3 Melbourne VIC 3001, email at info@afca.org.au or call on 1800 931 678 (free call). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

7. Compensation arrangements

We have arrangements in place to maintain adequate professional indemnity insurance as required by s912B of the Act. The insurance provides cover for claims made against

us and our representatives, including claims in relation to the conduct of representatives who no longer work for us but who did so at the time of the relevant conduct.

8 Directors of Whitefield Income Limited

8 Directors of Whitefield Income Limited

8.1 Introduction

The Company believes that the Manager has the skill, depth of knowledge and history of achieving results through the Investment Strategy to manage this Portfolio.

The Manager will be overseen by the Board of Directors who have a broad range of experience in investment management, combined with financial and commercial expertise.

The following table provides information regarding the Directors, including their positions:

Director	Position
Angus Gluskie	Non-independent, Chairman and Managing Director
Will Seddon	Non-independent, executive Director
Jenelle Webster	Independent, non-executive Director
Lance Jenkins	Independent, non-executive Director
Mark Beardow	Independent, non-executive Director

8.2 Background of the Directors

Angus Gluskie (Non-independent Chairman and Managing Director)

BEC, Graduate Diploma in Applied Finance & Investment, CA, FFin

Angus has over 30 years experience in the investment management and financial services fields.

He is also the Chief Investment Officer of the Employers Mutual Group, Chairman and Managing Director of Australia's oldest ASX listed investment company Whitefield Industrials Limited and a director of the Listed Investment Companies & Trusts Association Ltd.

Angus holds qualifications in investment management, economics and chartered accountancy. He specialised in the investment and insurance industries as a chartered accountant until 1995, and since that time has worked as a wholesale fund manager with Whitefield Capital Management and associated entities.

Will Seddon (Non-independent Director)

BEC, CFA, CAIA, SAFin

Will has over 19 years experience as a wholesale investment manager and analyst and has worked with Whitefield Capital Management Pty Ltd since 2006. He is also an Executive Director of Whitefield Industrials Limited. He has significant experience in fundamental analysis, investment strategy and quantitative techniques.

Jenelle Webster (Independent Director)

B.Com, CA, Registered Company Auditor, IIAA, GIAA

Jenelle has over 20 years' experience in audit, accounting and financial services. She has worked with Price Waterhouse Coopers, Moore Stephens Australia and Ernst & Young and was previously the Chief Financial Officer of St. Vincent's Private Hospital Sydney. She is currently the Acting Director of Finance and Director of Advancement at The Scots College. She is currently a Non-Executive Director of Whitefield Industrials Limited, Cadence Capital Ltd and EVT Ltd.

Jenelle is the Chair of the Company's Audit and Risk Committee

Lance Jenkins (Independent Director)

LLB, BCA (Vic), MBA (New York)

Lance has over 25 years of financial markets experience. He has held senior roles with Goldman Sachs JBWere in New York, was CEO and Managing Director of Goldman Sachs JBWere New Zealand, Head of Cash Equities at the Commonwealth Bank of Australia and was an Executive Director of Waterman Capital. He is a past director of Partners Life, Spicers Financial (an AMP subsidiary) and the MFB Group. He is currently an Executive Director of CCA Capital, and a Non-Executive Director of BePure Health Limited and Stuart Drummond Transport Ltd. Lance is a Non-Executive Director of Whitefield Industrials Limited.

Mark Beardow (Independent Director)

BEC, CFA, Graduate Diploma Applied Finance and Investment, Cert Management MGSM, GAICD

Mark has over 25 years' experience in investment management and financial markets. He has worked with JP Morgan and UBS, served as Chief Investment Officer Global Equities and Fixed Income for AMP Capital and as Principal of Darling Macro Fund. He is currently CIO, Insurance and Care NSW. Mark is a Non-Executive Director of Whitefield Industrials Limited.

8.3 Independent Directors

Jenelle Webster, Lance Jenkins and Mark Beardow, being the Independent Directors of the Company, are free from any business or other relationship that could materially interfere with, or reasonably be perceived to materially interfere with, the independent exercise of their judgement.

8.4 Director disclosures

No Director has been the subject of any legal or disciplinary action, criminal conviction, declaration of contravention of a civil penalty provision, personal bankruptcy, disqualification, civil penalty proceedings or other enforcement proceedings by any government agency or refusal, suspension or cancellation of membership of a professional organisation in Australia or elsewhere in the last 10 years which is relevant or material to the performance of their duties as a Director.

No Director has been an officer of a company that has entered into any form of external administration as a result of insolvency during the time that they were an officer or within a 12-month period after they ceased to be an officer.

8.5 The role of the Directors

The Directors will ensure the Company has corporate governance procedures and that those procedures are followed. In addition, the Board will be responsible for reviewing the Manager's performance and ensuring compliance with the Management Agreement terms.

Together the members of the Board may implement capital management strategies (in line with the policy set out in Section 3.3) from time-to-time.

It is expected that Board meetings will be held at least quarterly and more frequently as required. The Directors' commitment of time to these activities will depend on a number of factors including the size of the Portfolio and the spread and status of investments in the Portfolio.

The Company has outsourced its investment management function to the Manager in accordance with the Management Agreement. The accounting, custody, valuation and share registry functions will be outsourced to various service providers. The Board will oversee the performance of the Manager and other service providers.

Each Director has confirmed that, notwithstanding other commitments, they will be available to spend the required amount of time on the Company's affairs including attending Board meetings of the Company.

8.6 Participation by the Directors

Directors or entities related to them may apply for Shares under this Offer. Angus Gluskie currently holds one Share in the Company, which was issued on incorporation.

At completion of the Offer the Directors are expected to have a relevant interest in the following Shares:

Director	Shares
Angus Gluskie	24,000,000
Will Seddon	240,000
Jenelle Webster	40,000
Lance Jenkins	160,000
Mark Beardow	60,000

8.7 No other interests

Except as set out in this Prospectus, there are no interests that exist at the date of this Prospectus and there were no interests that existed within two years before the date of this Prospectus that are, or were respectively, interests of a Director, a proposed Director of the Company or a promoter of the Company or in any property proposed to be acquired by the Company in connection with its formation or promotion or the Offer.

Further, there have been no amounts paid or agreed to be paid to a Director in cash or securities or otherwise by any persons either to induce him or her to become or to qualify him or her as a Director or otherwise, for services rendered by him or her in connection with the promotion or formation of the Company.

8.8 Directors' remuneration

The Company's non-executive Directors are entitled to receive in aggregate Directors' fees of up to \$100,000 per annum.

Additional remuneration may be paid in accordance with the Company's Constitution. As at the date of the Prospectus, the Company has agreed to pay the Directors the following annual director fees.

Director	Director's fees
Angus Gluskie	Nil
Will Seddon	Nil
Jenelle Webster	\$22,000
Lance Jenkins	\$22,000
Mark Beardow	\$22,000

For the period ended 31 December 2024, non-executive Directors shall be paid the standard quarterly fee.

The remuneration for Directors will be reviewed by the Board on a periodic basis and, subject to the Listing Rules, may be increased.

8.9 Indemnity for Directors

The Company has agreed to provide an indemnity to the Directors in limited circumstances, see Section 9.3 for details.

8.10 Corporate governance policies

The Board has the responsibility of ensuring the Company is properly managed so as to protect and enhance Shareholders' interests in a manner that is consistent with the Company's responsibility to meet its obligations to all parties with which it interacts. To this end, the Board has adopted what it believes to be appropriate corporate governance policies and practices having regard to its size and the nature of activities.

The Board endorses the Corporate Governance Principles and Recommendations (4th Edition) (**ASX Recommendations**) published by the ASX Corporate Governance Council and has adopted corporate governance charters and policies reflecting those ASX Recommendations (to the extent that such principles and recommendations are applicable to an entity of the size and structure of the Company). These will be available on the Company's website at www.whitefield.com.au/whitefield-income from the date of admission to the Official List.

The Board will review the corporate governance policies and structures that the Company has in place on an ongoing basis to ensure that these are appropriate for the size of the Company and nature of its activities, and that these policies and structures continue to meet the corporate governance standards to which the Board is committed.

(a) Board Charter

The Board has adopted a Charter to provide a framework for its operation. The Charter sets out, among other things, the responsibilities of the Board, including:

- (i) Prudential control of the Company's operations, including;
 - (A) Ensuring the Company operates in accordance with its Constitution, the Corporations Act, ASX Listing Rules and other applicable laws;
 - (B) The development and approval of policies;
 - (C) The development and monitoring of the Company's risk management framework; and
 - (D) Monitoring the effectiveness of the Company's governance practices;
- (ii) Resourcing, reviewing and monitoring of executive management;
- (iii) Timeliness and accuracy of external reporting to shareholders and other disclosure requirements;
- (iv) Considering and approving material company expenditure;
- (v) Satisfying itself that the Company's remuneration policies align with its objectives, values and risk appetite;
- (vi) Developing, validating and approving the Company's corporate objectives and strategy; and
- (vii) Appointment of a Chairperson, Deputy Chairperson and Company Secretary.

The Board Charter is available on the Company's website.

(b) Board Committees

To assist in carrying out its responsibilities the Board has established an Audit & Risk Committee, a Nomination Committee and a Remuneration Committee. The primary responsibilities of each committee are as follows:

(i) Audit & Risk Committee

The Audit & Risk Committee oversees the Company's risk control framework and the integrity of the financial reporting process. The Committee addresses its responsibilities and provides recommendations to the Board on the outcomes and conclusions of its work.

The Audit & Risk Committee currently comprises Jenelle Webster (committee chairperson), Mark Beardow and Lance Jenkins.

(ii) Nomination Committee

The Nomination Committee is responsible for the determination of the appropriate size and composition of the Board, criteria for Board membership, the assessment of Board independence, identification and review of potential candidates, terms and conditions of appointment to and retirement from the Board, and the assessment of Board performance.

The Nomination Committee currently comprises Mark Beardow (committee chairperson), Jenelle Webster, Lance Jenkins, Angus Gluskie and Will Seddon.

(iii) Remuneration Committee

The Remuneration Committee is responsible for overseeing the remuneration of non-executive directors and considering and determining the contractual arrangements with the Administrator and Manager.

The Remuneration Committee currently comprises Lance Jenkins (committee chairperson), Mark Beardow and Jenelle Webster.

The Committee Charters are available on the Company's website.

(c) Board policies

The Board has established a range of policies which govern its operation and the actions of executives. These policies include:

(i) Code of Conduct and Ethics

The Company seeks to act with the utmost integrity, and to be professional, fair, equitable, honest and transparent in its operation as a listed investment entity. The Board expects all persons covered by the Code of Conduct and Ethics to:

- (A) Behave with appropriate professionalism in their work, dealings with one another, service providers, shareholders and regulators;
- (B) Act with high standards of honesty, integrity, fairness and equity and promote such ethical behaviour amongst all personnel and across all aspects of the Company's operations including through the actions of service providers;
- (C) Seek to avoid actual or potential conflicts of interest, or where unavoidable ensure that appropriate and timely disclosure is provided;
- (D) Act in a manner that upholds the Company's reputation;
- (E) Act lawfully and comply with the Company's Constitution, ASX Listing Rules, the Corporations Act 2001, applicable Accounting Standards and all other Company policies;
- (F) Ensure that reporting to executives, Board, shareholders and regulators is balanced, fair, timely and accurate;
- (G) Ensure that confidential information is held, used and disclosed consistently with the Company's Privacy Policy;
- (H) Ensure that all actions of the Company and its personnel are applied to the satisfaction of legitimate Company objectives.

(ii) Risk management policy

The Board holds ultimate responsibility for the Company's risk management and has adopted a risk management policy, which sets out the key responsibilities for risk management and the key elements of the Company's risk management framework.

The Audit and Risk Committee is responsible for addressing and making recommendations to the Board on risk management. This includes the assessment of the Company's risks and the development of an appropriate control framework.

The Company's risk management framework is documented and reviewed at least annually. The risk management framework sets out the Company's risk appetite, the material risks to which it exposed and the controls that enable the risks to be adequately controlled.

(iii) Diversity policy

The Company recognises the importance and benefits of being able to attract, retain and motivate Board members from the widest possible pool of available talent. The Company seeks to have no barriers to the selection or retention of Board members and has adopted a Diversity policy setting out the elements through which the policy is implemented.

(iv) Disclosure policy

The objectives of the Company's Disclosure policy are:

- (A) to ensure compliance with the ASX Listing Rules and the Corporations Act 2001 by all personnel engaged by or acting for Whitefield; and
- (B) to encourage a fully informed market for the company's stakeholders
- (C) The policy describes the Company's obligations with respect to disclosure, the reporting and assessment of price sensitive information, the review of periodic submissions and monitoring of compliance with the policy.

(v) Securities Trading policy

The Company has adopted a Securities Trading policy that governs the private dealing in the Company's securities by Key Management Personnel (KMP). KMP comprises directors, Officers and senior executives of the Company.

The policy describes the circumstances in which KMP must not deal in the Company's securities.

(vi) Privacy policy

The Privacy policy outlines how and why the Company collects, stores, uses, discloses and manages personal information.

The Board policies are available on the Company's website

8.11 Related-party disclosures

Non-independent Director, Angus Gluskie, is the Managing Director and indirect owner of 33.3% of the ordinary (voting) shares on issue in the Manager and holds the sole Share on issue in the Company.

Non-independent Director, Will Seddon, is a director and indirect owner of 33.3% of the ordinary (voting) shares on issue in the Manager.

The Company has entered into the Management Agreement with the Manager (summarised in Section 9.1) The terms of these arrangements were approved by the Company's Directors on the basis that they would be reasonable in the circumstances if the parties were dealing on arm's length terms. Material risks associated with these arrangements are disclosed in Section 5.

As the indirect owners of ordinary shares in the Manager, Angus Gluskie and Will Seddon will benefit from any management and service fees paid to the Manager in accordance with this agreement.

Details of the financial benefit payable under the Management Agreement are included in Section 9.1.

Other than as set out above or elsewhere in this Prospectus, there are no existing agreements or arrangements and there are no currently proposed transactions in which the Company was, or is to be, a participant, and in which any related party had or will have a direct or indirect material interest.

8.12 Conflict risk management

The Company's corporate governance policies, including the Board Charter, Code of Conduct & Ethics, Risk Management Framework and Securities Trading Policy, contain provisions for conflict risk management. The Board has oversight of the implementation of these policies.

In addition, if an actual or real risk of conflict arises, the Company will also adopt and implement specific conflict risk management protocols. For example, if a Director is also a director of a Portfolio company (or another ASX listed company), the protocols would include establishing information barriers to restrict the flow of confidential information by prohibiting the conflicted person from sharing with the Portfolio company information regarding the Company which is not generally available (and vice versa), excluding the conflicted person from participating in decisions of the Manager or the Company involving the Portfolio company (including attendance at Board meetings) and, if these measures are inadequate, requiring the conflicted person to avoid their conflict entirely (e.g. by resigning as a director of the Portfolio Company or the Company).

For discussion of conflict of interest risks, see Section 5.

9 Material Contracts

9 Material Contracts

The Directors consider that the material contracts described below and elsewhere in this Prospectus are those which an investor would reasonably regard as material and which investors and their professional advisers would reasonably expect to find described in this Prospectus for the purpose of making an informed assessment of the Offer.

This Section contains a summary of the material contracts and their substantive terms.

9.1 Management Agreement

The Company has entered into a Management Agreement with the Manager. A summary of the agreement follows:

(a) Investment Mandate

The Manager must invest in the Portfolio in accordance with the investment objective, strategy, guidelines and parameters detailed in Section 3 of this Prospectus.

(b) Services

The Manager is required to invest and manage the Portfolio and the business of the Company for and on behalf of the Company (which is all the assets of the Company and its subsidiaries and all income and accretions with respect to the assets of the Company and its subsidiaries from time to time) in accordance with the terms of the Management Agreement.

(c) Term

The Management Agreement has an initial term that commences as at and from the date the Company allots and issues Shares pursuant to this Prospectus and remains in force for a term of 10 years (unless terminated earlier by the Company).

Upon expiry of the initial term, the Management Agreement will be automatically extended until terminated by the Company or the Manager in accordance with the Management Agreement. No Shareholder approval is required, or will be sought on the automatic extension of the Management Agreement.

The Company has obtained from the ASX an in-principle waiver from ASX Listing Rule 15.16(b) and 15.16(c) to the extent necessary to permit the Manager to act as manager of the Company in accordance with the terms of the Management Agreement for an initial term of up to 10 years from the commencement date of the Management Agreement.

(d) Termination

The Company may terminate the Management Agreement at any time by written notice to the Manager if immediate termination is required by the relevant law or:

- (i) a receiver, administrative receiver or similar person is appointed with respect to the assets and undertakings of the Manager;
- (ii) the Manager;
 - (A) goes into liquidation (other than for the purposes of a reconstruction or amalgamation on terms previously approved in writing by the Company);
 - (B) ceases to carry on business in relation to its activities as a manager;
 - (C) fails to rectify any breach of any provision of the Management Agreement within the requisite time frame specified in the relevant clause of the Management Agreement or if no such period is specified, within twenty (20) Business Days of receiving notice in writing specifying such breach;
 - (D) has its Australian financial services licence cancelled or suspended for an indefinite period or materially and adversely varied; or
- (iii) there is a significant change in the key personnel of the Manager (unless the change in key personnel is approved by the Company).

If the Management Agreement is extended beyond the initial term, the Company has the ability to terminate the Management Agreement on three months' notice following the passing of an ordinary resolution of Shareholders.

If the Management Agreement is terminated other than on the first or last day of a month respectively, the Manager will be entitled to receive pro-rata fees from the commencement date to the end of the month or from the end of the preceding month to the effective date of termination of the Management Agreement.

The Manager may terminate the Management Agreement at any time after the initial term by giving the Company at least 6 months' written notice.

The Company does not have an AFSL and so requires a manager to manage the Portfolio and implement its Investment Strategy and objectives. If the Management Agreement is terminated whilst the Company remains a LIC, the Portfolio would need to be assigned to a replacement manager and a new management agreement would need to be put in place. Under the Management Agreement, the Manager may deal with the Portfolio for up to 30 business days following termination in order to vest control of it in the Company or another party as directed by the Company. The Company would seek all necessary Shareholder approvals if this were to occur.

(e) Fees

The Manager is entitled to:

- (i) **A Management Fee** from the date of listing of 0.0625% plus GST of the average Value of the Portfolio over the month, calculated from the opening and closing monthly Value of the Portfolio (equating to 0.75% pa plus GST).

Worked example: Assuming an initial value of the Portfolio of \$250m as at 1 January 2025, and nil performance return on the Portfolio each month, the aggregate Management Fee payable on the Portfolio value for the period 1 January 2025 to 31 December 2025 would be approximately \$1.875m or 0.75% of the initial value of the Portfolio for the period.

The Management Fee will increase if the Value of the Portfolio increases, and decrease if the Value of the Portfolio decreases, over a period.

The Management Agreement does not provide for the Management Fee rate to be reviewed or varied over the term of the Management Agreement.

- (ii) **A Performance Fee** equal to 10% (plus GST) of the Portfolio return after costs of investment and operating expenses in excess of the Benchmark return, subject to recoupment of any prior underperformance.

The Performance Fee for a Calculation Period is calculated in accordance with the following formula:

$$\text{Performance Fee} = 10\% \times ((\text{Portfolio Closing Value} + \text{Franking Credits \& Add Backs}) - (\text{Portfolio Opening Value} \times \text{Benchmark Return}))$$

Where:

- (A) The Calculation Period is a calendar month.
- (B) Portfolio Value is the current market value of the Portfolio as reasonably determined by the Administrator.
- (C) Portfolio Closing Value is the Portfolio Value for the last Business Day of the Calculation Period.
- (D) Portfolio Opening Value is the Portfolio Value on the last Business Day of the previous Calculation Period.
- (E) Franking Credits & Add Backs equal the sum of:
 - (1) Net of franking credits generated by the Company (through receipt of income, payment of tax or otherwise) within the month; and
 - (2) The amount by which Performance Fees have reduced the Portfolio Value within the month.
- (F) In calculating the Performance Fee for a Calculation Period, changes in the Portfolio Value as a result of an issue of securities, capital reductions, share buy-backs and dividend distributions made by the Company will be adjusted for in a manner agreed between the Company and the Manager to appropriately reflect the financial performance of the Manager.
- (G) The Benchmark Return is calculated in accordance with the following formula:

$$\text{Benchmark Return} = (\text{Closing Benchmark Index Value} - \text{Opening Benchmark Index Value}) / (\text{Opening Benchmark Index Value})$$

Where:

- (1) The Benchmark Index is the S&P/ASX 300 Equal Weighted Franking Credit Adjusted Daily Tax-Exempt Total Return Index;
- (2) The Closing Benchmark Index Value is the index level for the last business day of the Calculation Period; and
- (3) The Opening Benchmark Index Value is the index level for the last business day of the previous Calculation Period.

The Performance Fee is calculated and accrued monthly and paid semi-annually.

The accumulated Performance Fee (**Accumulated Performance Fee**) shall be calculated at the end of each semi-annual period ending 30 June and 31 December and consists of the sum of the monthly Performance Fees for the semi-annual period plus any negative accumulated Performance Fee at the start of the semi-annual period.

A Performance Fee is only payable if the Accumulated Performance Fee at the end of a semi-annual period is positive.

If the Accumulated Performance Fee for a semi-annual period is negative, no Performance Fee is payable, and the balance shall be carried forward for recoupment as a negative Accumulated Performance Fee in accordance with the prior paragraphs. The Manager may, if the Shares on issue decrease during a semi-annual period, extinguish that part of any negative Accumulated Performance Fee balance to adjust for such reduction in Shares.

The maximum Performance Fee in any semi-annual period is to be capped at 1/30th of the Portfolio return after expenses. To the extent the Performance Fee determined prior to the cap exceeds the cap, the excess Performance Fee shall be carried forward to future semi-annual periods and applied to offset any negative Accumulated Performance Fee for those future periods.

Example 1: Portfolio Performance exceeds Benchmark

Assuming:

- The Value of the Portfolio as at 31 December 2024 is \$250m and the total of the Value of the Portfolio as at 30 June 2025 and the dividends during the semi-annual period is \$262.5m (representing a Portfolio return of 5%); and
- The Benchmark Return is 2% for the 6 month period.

In this example:

- (i) The Portfolio has outperformed the Benchmark by 3%;
- (ii) A Performance Fee of \$750,000 (plus GST) is determined prior to the application of the Performance Fee cap detailed above. The Performance Fee cap in this example is \$416,667. Accordingly, the Performance Fee payable to the Manager is \$416,667; and
- (iii) For the purposes of this calculation and in order to aid in explaining how the performance fee works, we have assumed performance fees are calculated as at the end of the semi-annual period however they are actually calculated monthly.

Example 2: Portfolio Performance is below Benchmark

Assuming:

- The Value of the Portfolio as at 31 December 2024 is \$250m and the total of the Value of the Portfolio as at 30 June 2025 and the dividends during the semi-annual period is \$252.5m (representing a Portfolio Return of 1%); and
- The Benchmark Return is 2%.

In this example:

- (i) The Portfolio has underperformed the Benchmark by 1%;
- (ii) No Performance Fee is payable to the Manager;
- (iii) The negative Accumulated Performance Fee of (\$250,000) is carried forward to the following Performance Calculation Period(s) until it has been recouped in full; and
- (iv) For the purposes of this calculation and in order to aid in explaining how the performance fee works, we have assumed performance fees are calculated as at the end of the semi-annual period however they are actually calculated monthly.

Example 3: Recoupment of past underperformance

Following on from example 2 above, assuming:

- The Value of the Portfolio as at 30 June 2025 is \$252.5m and the total of the Value of the Portfolio as at 31 December 2025 and the dividends during the semi-annual period is \$265.125m (representing a Portfolio return of 5%);
- The Benchmark Return is 2%; and
- The carried forward negative Accumulated Performance Fee is (\$250,000).

In this example:

- The Portfolio has outperformed the Benchmark by 3%;
- A Performance Fee of \$757,500 (plus GST) is determined prior to the application of the carried forward negative Accumulated Performance Fee of (\$250,000) and prior to the application of the Performance Fee cap detailed above;
- After taking into account the negative Accumulated Performance Fee, a Performance Fee of \$507,500 (plus GST) is determined; and
- The Performance Fee cap in this example is \$420,833. After further taking into account the application of the Performance Fee cap detailed above, a net Performance Fee of \$420,833 (plus GST) is payable to the Manager.

- A Buy-Back Fee** equal to 1.5% (plus GST) on capital bought back by the Company in the first 5 years subsequent to the allotment of the Shares pursuant to the Offer. The Company shall seek to offset the cost of this fee through the price at which it buys back capital relative to the Net Tangible Asset Backing per Share.

If the Management Agreement commences or is terminated other than on the first or last day of a month respectively, the Manager will be entitled to receive pro-rata fees from the commencement date to the end of the month or from the end of the preceding month to the effective date of termination of the Management Agreement.

The Management Agreement does not provide for the Performance Fee arrangements to be reviewed or varied over the term of the Management Agreement.

(f) Expenses

The Manager is responsible for meeting its own expenses of operation, including staff and the provision to the Company of a chief executive officer and company secretary and the cost of premises and other overheads.

However, the Manager is not responsible for the Company's expenses which shall include costs, charges and expenses incurred in connection with the acquisition, disposal or maintenance of any asset of the Portfolio (including any custodian charges, clearing house fees or fees for brokerage) and the expenses of the Company's operation other than the Manager's own costs.

The Manager shall allocate costs, charges, and expenses incurred in connection with an asset acquired or to be acquired on behalf of several clients based on the respective interest of each such client in that asset.

- The Manager and the Company are also parties to the Cost Subsidy Agreement under which the Manager has agreed to reduce its fee entitlements under the Management Agreement (net of the benefit of reduced input tax credits within the Company) for a financial year by an amount equivalent to the amount by which Other Operating Expenses of the Company for the relevant financial year exceed 0.25% p.a. (net of the benefit of reduced input tax credits within the Company) of the weighted average assets of the Company for the relevant financial year. Other Operating Expenses means operating expenses excluding fees payable to the Manager, company taxes, costs relating to abnormal corporate action such as adjustments to capital, addressing legal action, dealing with fraud or other abnormal items and costs of acquiring and disposing of investments. The Cost Subsidy Agreement will apply from the allotment date of Shares under this Offer until 30 June 2027.

(h) No issue of securities

The Manager has no right to be issued securities to the Company under the Management Agreement (whether in satisfaction of amounts due under the Management Agreement or otherwise).

(i) Exclusivity

The Manager may from time to time perform similar investment and management services to the services performed for the Portfolio under the Management Agreement for other persons. The Company acknowledges that the Manager:

- (i) has no obligation to purchase or sell, or recommend for purchase or sale, for the account of the Company, any investment which the Manager purchases or sells for its or their own account or for the account of any other client of the Manager; and
- (ii) may give advice and take action in the performance of its duties for other clients which differs from advice given and action taken in relation to the Portfolio.

The Company is precluded from appointing any other entity as a manager to provide services of the kind that is provided by the Manager.

(j) Conflicts of Interest

In selecting brokers and/or dealers to execute transactions for the Portfolio, the Manager may cause the Portfolio to pay a broker or dealer an amount of commission for effecting a transaction for the Portfolio in excess of the amount of commission another broker or dealer would have charged for execution by other brokers or dealers if the Manager determines in good faith that the amount of commission is reasonable in relation to the value of the brokerage and research services provided by such broker or dealer, viewed in terms of either the particular transaction or Manager's overall responsibilities with respect to the accounts as to which the Manager exercises investment discretion.

The Company authorises the Manager, in the Manager's sole discretion, to aggregate purchases or sales, as the case may be, of the same security or instrument effected on the same day for the accounts of one or more of the Manager's other clients. When transactions are so aggregated:

- (i) the actual prices applicable to the aggregated transaction will be averaged, and the Portfolio and each other account participating in the aggregated transaction shall be deemed to have purchased or sold its share of the security or instrument involved at such average price; and
- (ii) all transaction costs incurred in effecting such an aggregated transaction shall be shared on a pro rata basis among all accounts participating in such aggregated transaction.

(k) Discretions

For the purpose of carrying out its functions and duties under the Management Agreement, the Manager has the powers of a natural person to deal with the Portfolio and to do all things and execute all documents necessary for the purpose of investing and managing the Portfolio, including, without limiting the foregoing, to:

- (i) sign and execute all documents and other instruments as may be required to be signed and executed by it in the performance of its duties and in the exercise of its powers under the Management Agreement; and
- (ii) do all things as are necessary to acquire, dispose of, invest, re-invest, exchange, transfer, transmit or otherwise deal with the Portfolio in the performance of its duties and in the exercise of its powers under the Management Agreement,
- (iii) subject to the restrictions set out in the Management Agreement which apply to the Manager in respect of the management of the Portfolio.

The Management Agreement does not specify the powers and discretions which are retained by the Board of the Company in relation to the oversight of the performance of the Manager in respect of the management of the Portfolio and in respect of acquiring additional assets or disposing of any assets in the Portfolio.

(l) Confidentiality

To protect the confidentiality of information related to the Company and its assets under management, the Manager has provided various confidentiality undertakings in the Management Agreement. These undertakings are consistent with market practice. The Management Agreement prohibits the Manager from disclosing the Company's information to third parties, except to the extent necessary to perform its duties or as required by law, and must keep all such information confidential.

(m) Related Party Protocols

The Company acknowledges that the Manager may invest with or engage the services of the Manager's related bodies corporate which are entitled to charge fees, brokerage and commissions provided that they are in the ordinary course of business and on arm's length terms. No adjustment to the management fee paid under the Management Agreement is to be made for any fee, brokerage or commission paid to a related body corporate of the Manager in compliance with the Management Agreement.

The Manager is not prohibited under the Management Agreement from acquiring assets from, or disposing of assets to, a related party. However, if the Manager does ever propose that the Company acquire assets from or dispose of assets to a related party of the Manager, the Company must approve that acquisition or disposal to the extent required by the Corporations Act or the Listing Rules.

See also Section 8.12 (Conflict risk management).

(n) Change of Control Provisions

The Management Agreement does not provide for either the Manager or the Company to terminate the Management Agreement upon a change of control of the other party.

The Management Agreement does not provide any pre-emptive rights over the Portfolio exercisable by either the Company or the Manager (or a related party of the Manager) upon a change of control of the other entity.

(o) Related Party Interests in the Manager

Mr A.J. Gluskie, a director of the Company, is a 33.3% shareholder and officer of the Manager.

Mr W.R. Seddon, a director of the Company, is a 33.3% shareholder and officer of the Manager.

(p) Other Considerations

While such an eventuality is not expected at this time, in the event of expiry of the Agreement or early termination, the Company would consider relevant matters including Shareholder opinions and the merits and risk of alternative arrangements prior to forming a decision as to the ongoing management of the Company.

(q) Amendment

The Management Agreement may only be altered by the agreement of the Company and the Manager. The investment instructions may be amended by written instructions from the Company to the Manager (See Section 3.4(g) Change to Investment Strategy). The parties will only make material changes to the Management Agreement if the Company has first obtained Shareholder approval for these material changes.

(r) Assignment

Neither party may assign the Management Agreement to a third party without the prior consent in writing of the other party.

(s) Company Indemnity

The Company must indemnify the Manager against any losses or liabilities reasonably incurred by the Manager arising out of, or in connection with the Manager acting under the Management Agreement except to the extent that as any loss or liability is caused by the negligence, bad faith or wilful misconduct of the Manager or its officers or employees. This obligation will continue after the termination of the Management Agreement.

(t) Manager Indemnity

The Manager must indemnify the Company against any losses or liabilities reasonably incurred by the Company arising out of, or in connection with, any negligence, bad faith or wilful misconduct of the Manager or its officers or employees. This obligation will continue after the termination of the Management Agreement.

(u) Manager's Liability

Subject to the Corporations Act, the ASX Listing Rules and the Management Agreement, the Manager will, in relation to all the powers, authorities and discretions vested in it, have absolute and uncontrolled discretion as to whether or not to exercise them, and the manner or mode of, and time for, their exercise. In the absence of negligence, bad faith or wilful misconduct, the Manager will not be in any way whatsoever responsible for any loss, costs, damages or inconvenience that may result from the exercise or failure to exercise those powers, authorities and discretions.

9.2 Offer Management Agreement

(a) General

The Company and the Manager have entered into an offer management agreement (**Offer Management Agreement**) with the Joint Lead Arrangers and Managers under which the Joint Lead Arrangers and Managers have been appointed to manage the Offer and act as bookrunners. The Joint Lead Arrangers and Managers have entered into the Offer Management Agreement with the Company and Manager on an arms' length basis and do not accept any fiduciary obligations to, or any fiduciary relationship with the Company or the Manager, in connection with the Offer, the Shares or otherwise. Under the Offer Management Agreement, the Company also appoints the Authorised Intermediary as its authorised intermediary to make offers to arrange for the issue of the Shares under the Offer and distribute the Prospectus.

The Manager will pay the upfront costs of the Offer. The upfront costs are not paid out of the proceeds of the Offer. The Offer has been structured to eliminate immediate decline to the Company's Net Tangible Asset Backing as a result of the expenses incurred as part of the Offer. The Manager will pay to the Joint Lead Arrangers and Managers up to 2.35% (excluding GST) of the amount raised under the Offer. In addition, the Manager will pay the costs associated with the Offer such as legal, advisory, accounting, taxation, and quotation fees. The Joint Lead Arrangers and Managers are also entitled to be reimbursed by the Manager for all reasonable expenses incurred in connection with the Offer Management Agreement, this Prospectus and the Offer.

(b) Indemnity

The Company and the Manager jointly and severally indemnify each of the Authorised Intermediary, the Joint Lead Arrangers and Managers, their respective affiliates and related bodies corporate, their directors, officers, employees, agents and advisers of each of the Joint Lead Arrangers and Managers, their respective affiliates and their related bodies corporate (Indemnified Parties) against all liabilities that any of the Indemnified Parties may sustain or incur in relation to the Offer, this Prospectus or the Offer Management Agreement, except to the extent such liability has resulted from an Indemnified Party's fraud, wilful misconduct or gross negligence (except to the extent caused, induced or contributed to by the acts or omissions of another party or their officers or employees, agents, professional advisers, or caused by an Indemnified Party's reliance on information contained in disclosure documents (including this Prospectus), any promotional materials made or published by the Company or the Manager in relation to the Offer, or other information provided by or on behalf of another party or their officers, or employees, agents or professional advisers).

(c) Warranties and Representations

The Offer Management Agreement contains customary warranties and representations to be provided by the Company, the Manager and the Joint Lead Arrangers and Managers, such as having the necessary corporate power and authority to enter into the agreement. The Company and the Manager provide additional representations and warranties, including that this Prospectus complies with the requirements of the Corporations Act and the ASX Listing Rules.

(d) Termination

The Offer Management Agreement contains a number of customary and usual events under which the agreement may be terminated, including any non-compliance of any aspect of the Offer in respect of the Corporations Act or the ASX Listing Rules, or a member of the Investment Committee is removed or replaced.

9.3 Indemnity for Directors

Each Director has entered into a deed of indemnity, insurance and access with the Company pursuant to which the Company has agreed to, among other things, indemnify (to the extent permitted by the Corporations Act) each director in respect of certain liabilities incurred in their capacity as Directors. These deeds contain standard commercial terms and are consistent with market practice.

The Company also arranges Directors and Officers Liability insurance to cover each Director for the term of their engagement and for seven years after they cease to act as Directors.

10 Additional Information

10 Additional Information

10.1 Incorporation

The Company was incorporated in New South Wales on 11 April 2022.

10.2 Balance date and tax status

The accounts for the Company will be prepared up to 30 June annually, with six-monthly accounts for the half-year ended 31 December.

The Company will be taxed as an Australian public limited company operating as a LIC.

10.3 Rights attaching to the Shares

The rights and liabilities attaching to the ownership of the Shares arise from a combination of the Constitution, statute, the ASX Listing Rules and general law.

The following information is a summary of the Company Constitution. Investors have the right to acquire a copy of the Company Constitution, free of charge, from the Company until the expiry of this Prospectus. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of the Shareholders. The summary assumes that the Company is admitted to the Official List of ASX.

Each Share confers on its holder:

- (a) the right to receive notice of and to attend general meetings of the Company and to receive all financial statements, notices and documents required to be sent to them under the Company's Constitution and the Corporations Act;
- (b) the right to vote at a general meeting of Shareholders (whether present in person or by any representative, proxy or attorney) on a show of hands (1 vote per Shareholder) and on a poll (1 vote per Share on which there is no money due and payable) subject to the rights and restrictions on voting which may attach to or be imposed on Shares (at present there are none);
- (c) the right to receive dividends, according to the amount paid up on the Share;
- (d) the right to receive, in kind, the whole or any part of the Company's property in a wind up, subject to priority given to holders of Shares that have not been classified by the ASX as "restricted securities" and the rights of a liquidator to distribute surplus assets of the Company with the consent of members by a special resolution; and
- (e) subject to the Corporations Act and the Listing Rules, Shares are fully transferable.

The rights attaching to Shares may be varied with the approval of Shareholders in a general meeting by a special resolution.

10.4 ASX waiver

Listing Rule 15.16 sets a maximum initial term of five years for a management agreement. The Company has obtained from the ASX an in-principle waiver of Listing Rule 15.16(b) and 15.16(c) to the extent necessary to permit the Manager to act as manager of the Company in accordance with the terms of the Management Agreement for an initial term of 10 years from its commencement date.

10.5 Investor considerations

Before deciding to participate in this Offer, you should consider whether the Shares to be issued are a suitable investment for you. There are general risks associated with any investment in the share market. The value of Shares listed on the ASX may rise or fall depending on a range of factors beyond the control of the Company.

This is in addition to the risks described in detail in Section 5.

If you are in doubt as to the course you should follow, you should seek advice on the matters contained in this Prospectus from a stockbroker, solicitor, accountant or other professional adviser immediately.

The potential tax effects relating to the Offer will vary between individuals. Investors are urged to consider the possible tax consequences of participating in the Offer by consulting a professional tax adviser.

10.6 Australian taxation implications of investing under the Offer

(a) Introduction

The tax implications provided below only relate to Australian Shareholders who hold their Shares on capital account. Different tax implications apply to non-resident Shareholders or Shareholders whose Shares are held on revenue account.

The comments in this Section 10.6 are general in nature on the basis that the tax implications for each Shareholder may vary depending on their particular circumstances.

Accordingly, it is recommended that each Shareholder seek their own professional advice regarding the taxation implications associated with the Offer.

The comments in this Section 10.6 are based on the Income Tax Assessment Act 1936, and the Income Tax Assessment Act 1997, A New Tax System (Goods and Services Tax) Act 1999 and the relevant stamp duties legislation as at the date of this Prospectus. If you are in doubt as to the course you should follow, you should seek independent tax advice.

(b) Income tax position of the Company

The Company will be taxed as a company at the prevailing company tax rate (currently 30% for businesses with an aggregate turnover of more than \$50,000,000).

The Company will be required to maintain a franking account and may declare franked dividends to Shareholders. The Directors intend to frank dividends at 100%, or to the maximum extent possible.

(c) Income tax position of Australian resident Shareholders

A general outline of the tax implications associated with the Offer for Australian resident Shareholders who hold their Shares on capital account are set out below.

(d) Issue of Shares

The Offer comprises the issue of Shares.

The issue of Shares involves the acquisition of a Capital Gains Tax (CGT) asset but should not give rise to a taxing event at the time of issue for Shareholders.

Fees incurred for broker service, and other incidental acquisition costs borne by investors, will be included in the tax cost base of the relevant Shares issued. Accordingly, these expenses will be included in the tax cost base of those Shares and will decrease (or increase) any subsequent gain (or loss) realised for capital gains tax purposes upon the event of any disposal of those Shares at a later date.

(e) Disposal of Shares

The disposal of Shares will be a taxing event for Shareholders. Shareholders should derive a taxable capital gain where the capital proceeds that are received as a result of the disposal exceed the cost base of the Shares.

Likewise, Shareholders should generally incur a capital loss where the reduced cost base of the Shares exceeds the capital proceeds.

Generally, the capital proceeds that are received as a result of the disposal of the Shares will be equal to the consideration received on disposal. The cost base of the Shares will generally be equal to the amount paid in respect of the acquisition of the Shares plus any incidental costs of acquisition or disposal.

Provided Shareholders (other than corporate Shareholders) have held their Shares for 12 months prior to the disposal, the CGT discount concession may be available in relation to any capital gain arising as a result of the disposal.

Where this concession applies, any such capital gain will be reduced (after applying capital losses) by the following percentages:

- (i) 50% for an individual or trust; or
- (ii) 33.33% for a complying superannuation fund.

(f) Dividends

Dividends received by Shareholders should be included in the assessable income of Shareholders. Generally, Shareholders will be taxed on the dividends at their relevant marginal rate.

If the Shareholder is a company, the Shareholder will be taxed at the prevailing company tax rate (currently 30% for companies with an annual turnover of \$50,000,000 or more and 25% for companies with an annual turnover of less than \$50,000,000).

Generally, to the extent that the dividends are franked, an amount equal to the franking credits attaching to the dividends will be included in the assessable income of the Shareholder. Further, Shareholders will generally be entitled to a tax offset equal to the amount of the franking credits on the dividend (i.e. Shareholders will effectively get a tax credit for the corporate tax paid in respect of the dividends).

Certain Shareholders (including individuals and complying superannuation funds) may be entitled to a cash refund of 'excess franking credits' where their tax offset in respect of the franked dividends exceeds their tax liability. The income tax rate for complying superannuation funds is 15%. Complying superannuation funds generally obtain a tax offset from franked dividends against the fund's income tax liability, and any excess franking credits may be fully refunded in cash.

A complying superannuation fund in pension phase would be entitled to a full cash refund of franking credits, as all income of the fund would be attributable to the fund's liability to pay current pensions, and are therefore exempt from income tax.

(g) Status as a Listed Investment Company (LIC)

It is intended that the Company will qualify as a LIC under Australian taxation laws.

The major requirements the Company must meet to be a LIC are:

- (i) the Company must be listed; and
- (ii) 90% or more of the Portfolio value must comprise certain permitted investments as defined in section 115-290(4) of the Income Tax Assessment Act 1997 (Cth).

Permitted investments include shares, options, units (provided the Company does not own more than 10% of the entity in which it holds the permitted investment), financial instruments, derivatives and assets that generate passive income such as interest, rent and royalties.

It is expected that the Company will generally be considered to hold its investments on revenue account. Consequently, it is likely that the Company will generally not make capital gains and therefore, Shareholders may not be able to obtain a deduction in relation to dividends attributable to LIC capital gains under the LIC regime.

(h) Goods and Services Tax (GST)

Shareholders should not be liable to GST in Australia in respect of the acquisition of Shares under the Offer. Shareholders may not be entitled to input tax credits (GST credits) for GST incurred on costs associated with the acquisition of Shares under the Offer.

(i) Stamp duty

Shareholders should not be liable to stamp duty in Australia in respect of the acquisition of Shares under the Offer.

10.7 Legal proceedings

The Company is not and has not been, since its incorporation, involved in any legal or arbitration proceedings that have had a significant effect on the financial position of the Company. As far as the Directors are aware, no such proceedings are threatened against the Company.

10.8 Consents and responsibility statements

Each of the following parties has given and, before lodgement of the Prospectus with ASIC has not withdrawn its written consent to be named as performing the below role in the form and context in which it is so named. Each of the following parties has also consented to the inclusion, in the form and context in which it is included, of any information described below.

Name	Role / responsible
Whitefield Capital Management Pty Ltd	Manager. Company Secretarial services. All information about Whitefield Capital Management including information in Sections 3 and 4 and elsewhere in this Prospectus.
DLA Piper Australia	Australian Legal and Tax Adviser to the Offer.
DLA Piper New Zealand	New Zealand solicitor to the Company in respect of the Offer.
Pitcher Partners Sydney Corporate Finance Pty Limited	Investigating Accountant for the Company. The Investigating Accountant's Report on Pro Forma Historical Financial Information in Section 7.
Computershare Investor Services Pty Limited	Share Registrar for the Company.
Each of Taylor Collison Limited, Morgans Financial Limited and Ord Minnett Limited	Joint Lead Arrangers and Managers to the Offer.
Taylor Collison Limited	Authorised Intermediary to the Offer.
Shaw and Partners Limited	Co-Manager to the Offer.

Each of the above parties has only been involved in the preparation of that part of the Prospectus where they are named. Except to the extent indicated, none of the above parties has authorised or caused the issue of the Prospectus and takes no responsibility for its content.

10.9 Offer Costs

The Manager has agreed to be responsible for the payment of the Offer Costs.

10.10 Interest of experts

Other than as set out below, no expert nor any firm in which such expert is a partner or employee has any interest in the promotion of or any property proposed to be acquired by the Company.

DLA Piper Australia has acted as Australian legal and tax adviser to the Company and have performed work in relation to preparing the due diligence program and performing due diligence enquiries on legal matters. In respect of this Prospectus, the Company estimates that the Manager will pay amounts totalling approximately \$250,000 (plus GST and disbursements) to DLA Piper Australia up to the date of this Prospectus. Further amounts may be paid to DLA Piper Australia in accordance with time-based charges.

DLA Piper New Zealand has provided New Zealand legal advice to the Company in relation to the Offer and provided the Company with an address for service in New Zealand. In respect of this Offer, the Company estimates that the Manager will pay amounts totalling approximately NZ\$12,000 (plus GST and disbursements) to DLA Piper New Zealand up to the date of this Prospectus. Further amounts may be paid to DLA Piper New Zealand in accordance with time-based charges.

Pitcher Partners Sydney Corporate Finance Pty Limited has prepared the investigating accountant's report included in this Prospectus and have also performed work in relation to the due diligence enquiries on financial matters. In respect of this work, the Company estimates that the Manager will pay amounts totalling approximately \$35,000 (plus GST and disbursements) to Pitcher Partners Sydney Corporate Finance Pty Limited.

The Joint Lead Arrangers and Managers will be paid up to 2.35% (excluding GST) of the amount raised under the Offer. In addition, the Manager will pay the costs associated with the Offer such as legal, advisory, accounting, taxation, and quotation fees. The Joint Lead Arrangers and Managers and Brokers may charge additional fees, such as brokerage fees, in relation to the Offer on terms agreed, and consented to, by their clients.

Certain partners and employees of the above firms may subscribe for Shares in the context of the Offer.

11 Definitions and Interpretation

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11.1 Definitions and Interpretations

In this Prospectus, unless the context otherwise requires, the following terms have the meanings set out below:

Administrator means Linked Fund Solutions Pty Limited (ACN 114 914 215).

AFSL means Australian Financial Services License.

Applicants means applicants for Shares under this Prospectus.

Applications means applications for Shares under this Prospectus.

Application Amount means the amount of funds received under an Application under a Broker Firm Offer which results in an allotment of Shares.

Application Form means the Priority Application Form or General Offer Application Form (as applicable) each in the form accompanying or attached to this Prospectus.

Application Monies means the Application Price of \$1.25 multiplied by the number of Shares applied for.

Application Price means \$1.25 per Share.

ASIC means the Australian Securities and Investments Commission.

ASX or **Australian Securities Exchange** means the ASX Limited or the securities exchange operated by ASX Limited.

Authorised Intermediary means Taylor Collison.

Benchmark means the S&P/ASX 300 Equal Weighted Franking Credit Adjusted Daily Tax-Exempt Total Return Index.

Broker means any AFSL holder participating as a broker to the Broker Firm Offer.

Broker Firm Offer means the broker firm offer referred to in Section 2.4.

Business Day means a day in which the Manager is open for regular business in Sydney, but excluding Saturday and Sunday.

Co-Manager means Shaw and Partners.

Buy-Back Fee means the buy-back fee payable to the Manager in accordance with the Management Agreement.

Closing Date means the date by which valid Application Forms must be received under each Offer. The Priority Allocation closes on 26 November 2024, the Broker Firm Offer closes on 26 November 2024, the Cornerstone Offer closes on 26 November 2024 and the General Offer closes on 26 November 2024.

Company means Whitefield Income Limited (ACN 658 702 222).

Cornerstone Offer means the cornerstone offer referred to in Section 2.2.

Corporations Act means Corporations Act 2001 (Cth).

Cost Subsidy Agreement means the agreement referred to in Section 9.1(g).

Derivatives means a security, such as an option or futures contract whose value depends on the performance of an underlying asset and includes Exchange-traded and over-the-counter Derivatives.

Direct Qualifying Applicants has the meaning as provided for in Section 2.3.

Directors or **Board** means the Board of Directors of the Company.

Exposure Period means the period of seven days after the date of lodgement of the Original Prospectus with ASIC, which period may be extended by ASIC by not more than seven days pursuant to section 727(3) of the Corporations Act.

General Offer means the offer referred to in Section 2.5.

GST means Goods and Services Tax and has the same meaning as contained in A New Tax System (Goods and Services Tax) Act 1999 (Cth).

Holding Identification Number or **HIN** means the unique identifier of holders of shares on the CHESS subregister issued by ASX Settlement.

Indirect Qualifying Applicants has the meaning as provided for in Section 2.3.

Investment Strategy means the strategy to be used by the Manager in relation to the Portfolio, involving actively managing the Portfolio in accordance with the guidelines set out in Section 3 (as amended from time-to-time).

Joint Lead Arrangers and Managers means the joint lead arrangers and managers to the Offer, being Taylor Collison, Morgans and Ord Minnett.

LIC means listed investment company.

Listing Rules means the listing rules of the ASX.

Management Agreement means the management agreement between the Manager and the Company, the terms of which are summarised in Section 9.1.

Management Fee means the monthly management fee payable to the Manager in accordance with the Management Agreement.

Manager means the manager of the Portfolio appointed under the terms of the Management Agreement, being Whitefield Capital Management Pty Ltd (ACN 074 709 210, AFSL 229 843).

Maximum Subscription before Oversubscriptions means the maximum subscription being sought by the Company under the Offer, being \$200,000,000.

Maximum Subscription assuming Oversubscriptions are fully subscribed means the maximum subscription assuming Oversubscriptions are fully subscribed being sought by the Company under the Offer, being \$250,000,000.

Minimum Subscription means the minimum subscription being sought by the Company under the Offer, being \$75,000,000.

Morgans means Morgans Financial Limited (ACN 010 669 726, AFSL 235 410).

NAV or Net Asset Value means the value of the Company's total assets less the value of any liabilities.

NTA or Net Tangible Asset Backing per Share means the value of an entity's total assets less the value of the intangible assets and less the value of the liabilities, in respect of ASX listed entities, calculated and published in accordance with the Listing Rules.

Offer means the offer of up to 200,000,000 Shares (at an Application Price of \$1.25 per Share) to raise up to \$250,000,000.

Offer Costs means costs and expenses paid by the Manager in relation to the Offer.

Offer Management Agreement means the offer management agreement between the Company, Manager and Joint Lead Arrangers and Managers, the terms of which are summarised in Section 9.2.

Official List means the official list of the ASX.

Opening Date means the date the Offer opens, expected to be 5 November 2024.

Ord Minnett means Ord Minnett Limited (ACN 002 733 048, AFSL 237 121).

Original Prospectus means the prospectus issued by the Company and dated 28 October 2024, which is replaced in full by this replacement Prospectus.

Oversubscriptions means Applications for up to 40,000,000 Shares over and above the maximum subscription amount of \$200,000,000.

Performance Fee means the performance fee payable to the Manager in accordance with the Management Agreement.

Portfolio means the portfolio of investments and other assets of the Company.

Priority Application Form means the Application Form to be used to participate in the Priority Allocation to the existing shareholders of Whitefield Industrials Limited.

Priority Allocation to the Whitefield Industrials Limited shareholders means the allocation of up to \$50,000,000 of the proceeds from the Offer to participants on the terms set out in Section 2.3.

Prospectus means the replacement prospectus issued by the Company and dated 4 November 2024 (which replaced in full the Original Prospectus) as modified or varied by any supplementary document issued by the Company and lodged with ASIC from time-to-time.

Retail Client has the meaning given to that term under section 761G of the Corporations Act.

Securities has the meaning given in section 92 of the Corporations Act.

S&P/ASX 300 Index means the index published by S&P Dow Jones Indices, which measures up to 300 of the largest ASX listed securities by float-adjusted market capitalisation.

S&P/ASX 300 Universe means the list of all ASX-listed securities that are currently constituents of the S&P/ASX 300 Index, had recently been constituents in the previous 6 months, or are expected to become constituents within 6 months.

Share means a fully paid ordinary Share in the Company.

Shareholder means a registered holder of a Share.

Shareholder Reference Number or SRN is the unique identifier of holders of shares on the issuer sponsored sub-register.

Share Registrar or Registry means Computershare Investor Services Pty Limited (ACN 078 279 277).

Shaw and Partners means Shaw and Partners Limited (ACN 003 221 583, AFSL 236 048).

Short Position means holding, either physically or via a Derivative, a negative amount of an asset in the expectation that the value of that asset will decrease.

Short Selling means borrowing an asset (security) and then immediately selling it in the expectation that the value of the relevant security will depreciate. The Short Position is covered by buying back the asset, theoretically at a lower price thereby locking in a profit. The borrowed relevant security is then returned.

Taylor Collison means Taylor Collison Limited (ACN 008 172 450, AFSL 247 083).

Value of the Portfolio means the current value of the Portfolio as reasonably determined by the Administrator in accordance with Australian accounting standards (including in particular Australian Accounting Standard AASB 13 Fair Value Measurement) or other standards agreed by ASX.

Whitefield Capital Management means Whitefield Capital Management Pty Ltd (ACN 074 709 210, AFSL 229 843).

Whitefield Industrials Limited means Whitefield Industrials Limited (ACN 000 012 895).

Wholesale Client has the meaning given to that term under section 761G of the Corporations Act.

11.2 Interpretation

In this Prospectus the following rules of interpretation apply unless the context otherwise requires:

- (a) Words and phrases not specifically defined in this Prospectus have the same meaning that is given to them in the Corporations Act and a reference to a statutory provision is to the Corporations Act unless otherwise specified;
- (b) The singular includes the plural and vice versa;
- (c) A reference to an individual or person includes a corporation, partnership, joint venture, association, authority, company, state or government and vice versa;
- (d) A reference to any gender includes both genders;
- (e) A reference to clause, section, annexure or paragraph is to a clause, section, annexure or paragraph of or to this Prospectus, unless the context otherwise requires;
- (f) A reference to "dollars" or "\$" is to Australian currency;
- (g) In this document, headings are for ease of reference only and do not affect its interpretation; and
- (h) Except where specifically defined in the Prospectus, terms defined in the Corporations Act have the same meaning in this Prospectus.

11.3 Governing law

This Prospectus, the Offer and the contracts formed on acceptance of Applications under the Offer are governed by the laws of New South Wales and each Applicant submits to the non-exclusive jurisdiction of the courts of New South Wales.

11.4 Approval

This Prospectus has been approved by a resolution of the Directors of the Company. Each Director has consented (and has not withdrawn their consent) to the lodgement of this Prospectus with ASIC.



Angus Gluskie

Chairman and Managing Director
4 November 2024

