Charter Hall
Education Trust

26 March 2019

Charter Hall Education Trust
Acquisitions and Equity Raising Presentation

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Elwood, VIC

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Certain terms used in this Presentation are defined in the Glossary.

Nick Anagnostou
Head of Social Infrastructure

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Transaction overview

Equity raising to acquire a portfolio of high quality, purpose built and long WALE early learning centres

On Strategy Acquisition

- **Charter Hall Education Trust ("CQE" or "Trust"), is today announcing the acquisition of 13 early learning centres for a total consideration of $75.5 million[1] ("Acquisition Portfolio" or "Acquisitions")**
  - New, high quality early learning centres located in prime, mostly inner-ring locations across Melbourne, Sydney and Brisbane
  - Largely triple net, 17.9 year WALE[2] leases to established early learning operators with 3.1% p.a. WARR profile[3]
  - Weighted average Initial Yield of 6.5%[1,4]

Acquisition Portfolio	Consideration	Expected Completion
Completed centres (2)	$11.8m	Completed
Centres to be acquired on completion (5)	$33.8m	Between April 2019 and July 2019
Fund-through development centres (6)[5]	$29.9m	Between November 2019 and March 2020

- Beyond the Acquisition Portfolio, CQE is in due diligence on a further ~$14 million of acquisitions of centres with a similar profile[6]

Equity raising

- The Trust is undertaking a fully underwritten $100 million institutional placement ("Placement") of units in the Trust ("Units") at an issue price of $3.35 per Unit ("Issue Price") to fund the Acquisitions and associated transaction costs as well as providing balance sheet headroom to finance CQE's current pipeline
- The Trust also intends to offer a non-underwritten Unit Purchase Plan ("UPP") to eligible unitholders in Australia and New Zealand to raise up to $5 million[7]

Financial update

- Acquisitions and Placement expected to be accretive to FY20 earnings and NTA
- Alongside the Acquisitions and Placement, CQE has undertaken a number of capital management initiatives to position the Trust for the future including increasing its debt facilities by $50 million and increasing and extending its interest rate hedging positions
- Pro-forma 31 December 2018 Gearing will reduce from 29.9% to 27.0%[8]
- The Trust has independently valued 24 properties resulting in an increase of $4.5 million or 8.1% over 31 December 2018 book values
- CQE is reiterating its previously announced FY19 distribution guidance of 16.0 cents per Unit and is pleased to provide indicative FY20 distribution guidance of 16.5 – 16.6 cents per Unit implying a distribution growth of 3.5 – 4.0%[9]

1. Before transaction costs.
2. WALE calculated based on the initial lease term of centres to be acquired on completion and centres being developed on a fund-through basis.
3. 10 of the 13 centres being acquired have a fixed annual rental review. CPI of 2.0% assumed for the four centres which have a CPI based rental review.
4. Initial Yield calculated based on the initial rent at commencement of the leases divided by the property purchase price.
5. Centres developed by the CCLP Consulting (the developer) and funded by the Trust on a fund-through development basis. The developer will pay CQE a site rent based on cumulative development costs at a rate of 7.25% p.a.
6. There is no certainty that these assets will be purchased following due diligence.
7. The CQE Board may (in its absolute discretion), where the total applications under the UPP exceeds $5 million, determine to increase the amount raised under the UPP up to $10 million to reduce or eliminate the need for scale back.
8. Pro forma calculation that assumes the total consideration for the Acquisitions was paid on 31 December 2018. Does not include the impact of proceeds from the UPP.
9. Including the impact of the Acquisitions and Placement and barring any unforeseen events and no material change in market conditions.

Strategic rationale

High quality assets leased to established early learning operators with an average lease term of 17.9 years

1 Quality assets in strong metro locations

- ✓ 13 high quality purpose built early learning centres which are either new or under development[1]
- ✓ Located in prime, mostly inner-ring, metropolitan suburbs with robust fundamental early learning demand drivers and ageing competition
- ✓ Purchase price underpinned by strong embedded land value
- ✓ Acquisitions complement and accelerate CQE's development pipeline by adding quality centres

2 Long-term leases to quality tenants

- ✓ Acquisition Portfolio fully leased to four established early learning operators that add to CQE's tenant diversification[2]
- ✓ 17.9 year Acquisition Portfolio WALE[3], extending CQE's WALE to 10.1 years (+6.3%)
- ✓ Limited capex exposure through primarily triple net leases

G8 Education littleseeds harmony niño Early Learning Adventures

3 Appealing financial impact and growth profile

- ✓ 6.5%[4,5] Acquisition Portfolio yield compared to average market yield of 5.9%[6] for CY18 eastern seaboard sales
- ✓ 3.1% p.a. Acquisition Portfolio WARR[7]
- ✓ Acquisitions and Placement is accretive to FY20 earnings and NTA
- ✓ Indicative FY20 distribution growth guidance of 3.5 – 4.0% post Acquisitions and Placement[8]

4 Prudent capital management

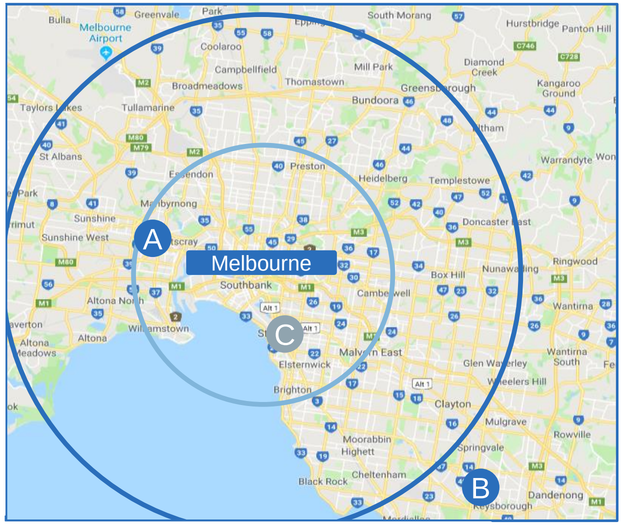
- ✓ Transaction reduces pro-forma 31 December 2018 Gearing from 29.9% to 27.0%[9]
- ✓ Trust positioned for ongoing growth via $50 million debt facility limit increase and extension of hedging positions
- ✓ Added liquidity to fund current pipeline while remaining below target gearing range of 30% to 40%

1. Including the 5 centres to be acquired on completion and the 6 fund through development centres.
2. Centres to be acquired on completion and the centres to be developed on a fund-through basis have been pre-leased.
3. WALE calculated based on the initial lease term of centres to be acquired on completion and centres being developed on a fund-through basis.
4. Before transaction costs.
5. Initial Yield calculated based on the initial rent at commencement of the leases divided by the property purchase price.
6. Based on CQE management estimates.
7. 10 of the 13 centres being acquired have a fixed annual rental reviews. CPI of 2.0% assumed for centres which have a CPI based rental review.
8. Including the impact of the Acquisitions and Placement and barring any unforeseen events and no material change in market conditions.
9. Pro forma calculation that assumes the total consideration for the Acquisitions was paid on 31 December 2018. Does not include the impact of proceeds from the UPP.

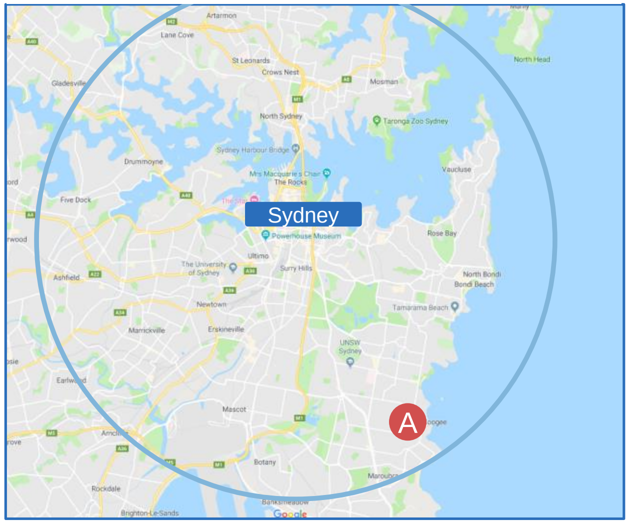
Acquisition Portfolio overview

Centres consistent with CQE strategy, located in prime, mostly inner-ring locations

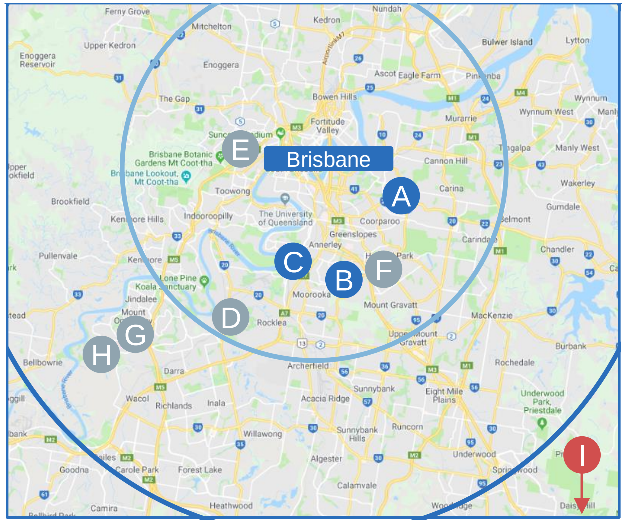
MELBOURNE



SYDNEY



BRISBANE



VIC Centres	
A	West Footscray
B	Keysborough
C	Elwood

NSW Centres	
A	South Coogee

QLD Centres	
A	Camp Hill
B	Taringindi
C	Yeronga
D	Corinda
E	Bardon
F	Holland Park West
G	Middle Park
H	Riverhills
I	Yarrabilba[1]

Completed centre

Centre acquired on completion

Fund through development centre[2]

10 km radius from CBD

20 km radius from CBD

1. Yarrabiliba has exchanged and settled and is located in the south east Queensland Gold Coast growth corridor.
2. Centres developed by the developer and funded by the Trust on a fund-through development basis. The developer will pay CQE a site rent based on cumulative development costs at a rate of 7.25% p.a.

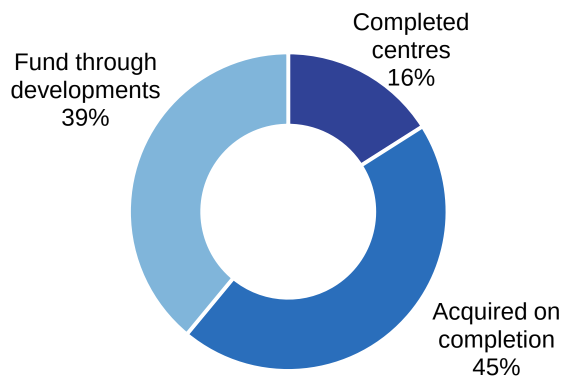
Acquisition Portfolio overview (continued)

Majority of Acquisition Portfolio forecast to be completed by September 2019

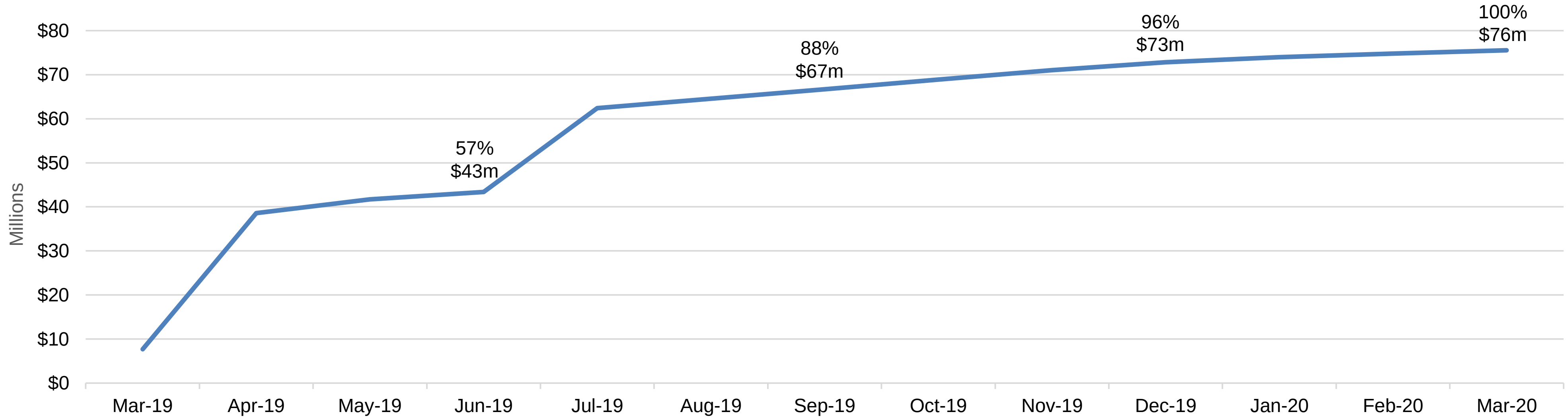
OVERVIEW

- 88% of Acquisition Portfolio consideration expected to be spent by Q1 FY20 (Sep-19)
- Fixed purchase price for all centres being acquired
- For the six fund-through developments the developer will:
  - Pay CQE site rent based on cumulative development costs at a rate of 7.25% p.a.
  - Fund any cost over-runs, ensuring a fixed acquisition price for CQE
- Centres being acquired on completion and fund-through developments are being developed by CCLP Consulting[1]
  - A specialist developer of early learning centres with management having over 20 years of early learning experience

ASSET TYPE BY VALUE



FORECAST ACQUISITION PAYMENT PROFILE[2]



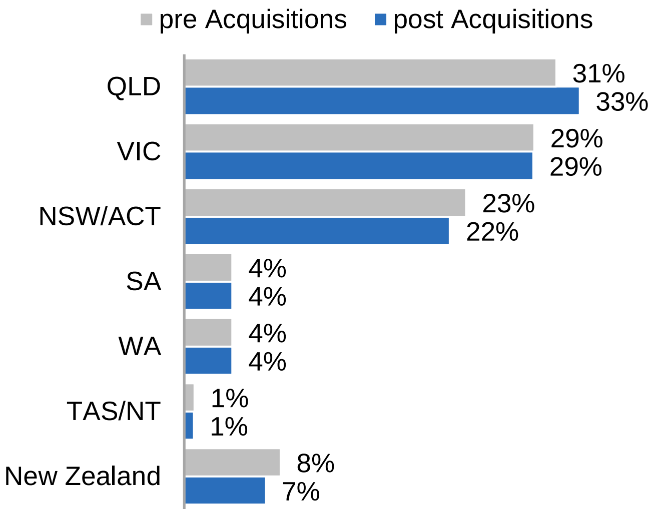
1. CCLP Consulting is an affiliate of the initial tenant for centres being developed on a fund-through basis.
2. Excluding transaction costs. Does not include consideration relating to $14 million of further completed centres currently in due diligence.

CQE portfolio impact

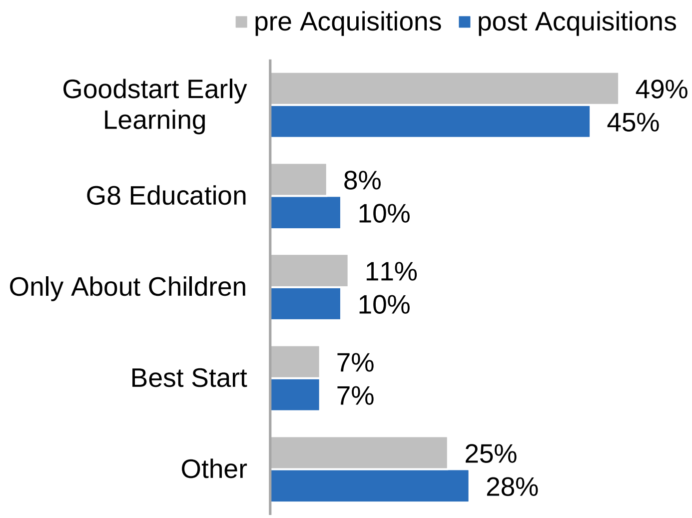
13 centres secured via off-market transactions that further enhances CQE's stable and defensive characteristics

	Dec-18	Acquisition Portfolio[2]	Dec-18 pro forma for Acquisitions
Number of properties	413	13	426
Property investments (A$m)	$1,041m[1]	$80m[3]	$1,121m
Weighted average yield (%)	6.2%[1]	6.5%	6.2%
Weighted Average Lease Expiry ("WALE") (years)	9.5	17.9	10.1
Weighted Average Rent Review ("WARR") (%)[4]	2.6	3.1	2.6
Occupancy (%)	100.0%[5]	100.0%	100.0%

GEOGRAPHIC PROFILE BY VALUE[1]



TENANT PROFILE BY % OF ANNUAL RENT



1. Pro forma for independent valuations of 24 properties resulting in a $4.5 million increase to 31 December 2018 carrying values.
2. Acquisition Portfolio metrics shown on completion.
3. Reflects purchase price of the Acquisition Portfolio of $75.5 million plus acquisition transaction costs of $4.2 million.
4. 10 of the 13 centres being acquired have a fixed annual rental review. CPI of 2.0% assumed for centres which have a CPI based rental review.
5. Pro forma for the leasing of an asset post 31 December 2018.

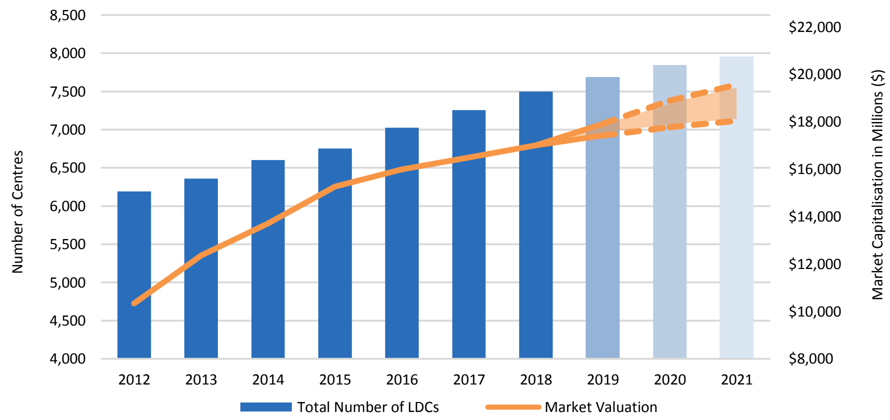
Early learning market overview

Major economic sector, growing from a fragmented base, providing opportunity for consolidation

GROWING SOCIAL INFRASTRUCTURE INDUSTRY

- The early learning sector provides significant economic benefit through provision of labour supply and childhood education
- 7,574 Long day Care Centres are operating in Australia[1]
- 1,269,260 children and 882,540 families utilize childcare[2]
- **$15.7bn** estimated industry operator revenue in 2018 which is forecast to grow by 3.8% p.a. over the next five years[3]
- **$17.0bn**[4]+ estimated total property value
- Institutional consolidation of the sector is ongoing

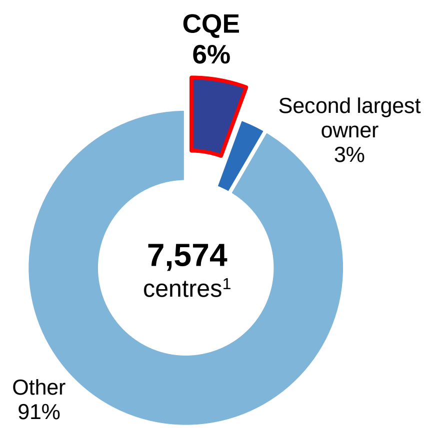
ESTIMATED AUSTRALIAN EARLY LEARNING CENTRE PROPERTY VALUATION[4]



CQE IS THE LARGEST LANDLORD AND ORIGINATOR

- Highly fragmented industry at property ownership level
- CQE is well positioned to grow its market share through its strong tenant partnerships and using its core child care expertise
- Large development pipeline adds quality to CQE's portfolio and is expected to draw operators toward CQE

PROPERTY OWNERSHIP FRAGMENTATION[1,5]



1. Australian Children's Education and Care Quality Authority (ACECQA), CQE analysis.
2. Department of Education and Training, Early Childhood and Childcare in Summary June quarter 2018.
3. IBISWorld - Child Care Services in Australia (December 2018).
4. CQE analysis.
5. Calculated by total number of early learning centres.

Drivers of the early learning sector

Fundamentals are strong on the back of continued demand growth

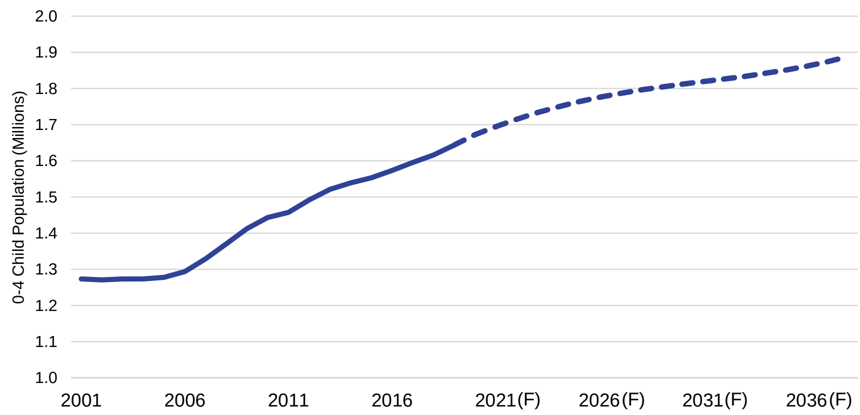
DEMAND STEADILY INCREASING

- **+180,000** children (0-4 year olds) by 2029[1]
- **35%** participation rate in long day care facilities[2] which is forecast to grow due to increased Government support for sector and improved education quality
- New Government Funded Child Care Subsidy ("CCS") has increased affordability since July 2018 by **11%**[2] and this has added to demand
- At previous funding reviews, namely 2001 and 2010, a reduction in the out-of-pocket expense of early learning proved to be materially positive for occupancy and the participation rate

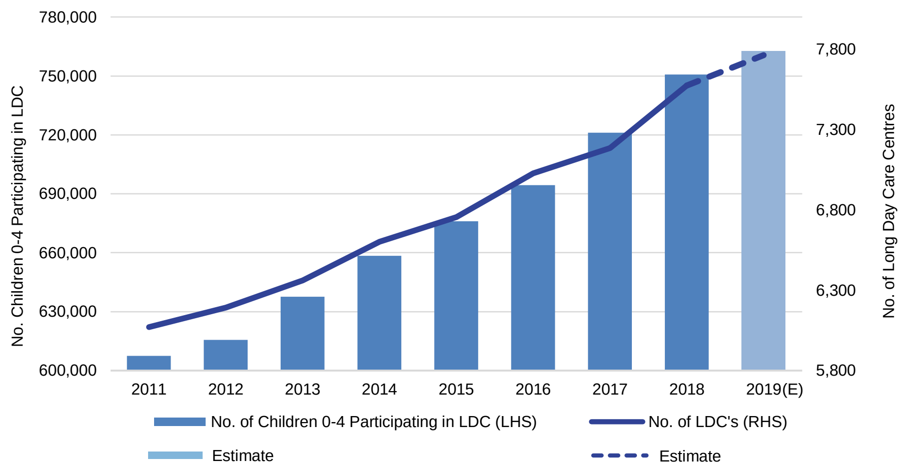
GOVERNMENT FUNDING CONTINUING TO GROW

- Government Childcare Subsidy (CCS) - introduced in July 2018 and confirmed for the long term
- **$8.0bn** budgeted government funding in FY19 with further increases budgeted[3]
- **+2.5%**[4] increase in early learning participation as a result of CCS introduction based on early indicators
- CCS provides family assistance up to 85% of potential fees, with 94% of families better off under the CCS[4] with increased affordability

ACTUAL AND FORECAST POPULATION 0 - 4 YEAR OLDS[1]



CHILD PARTICIPATION AND NUMBER OF LDC'S[5]

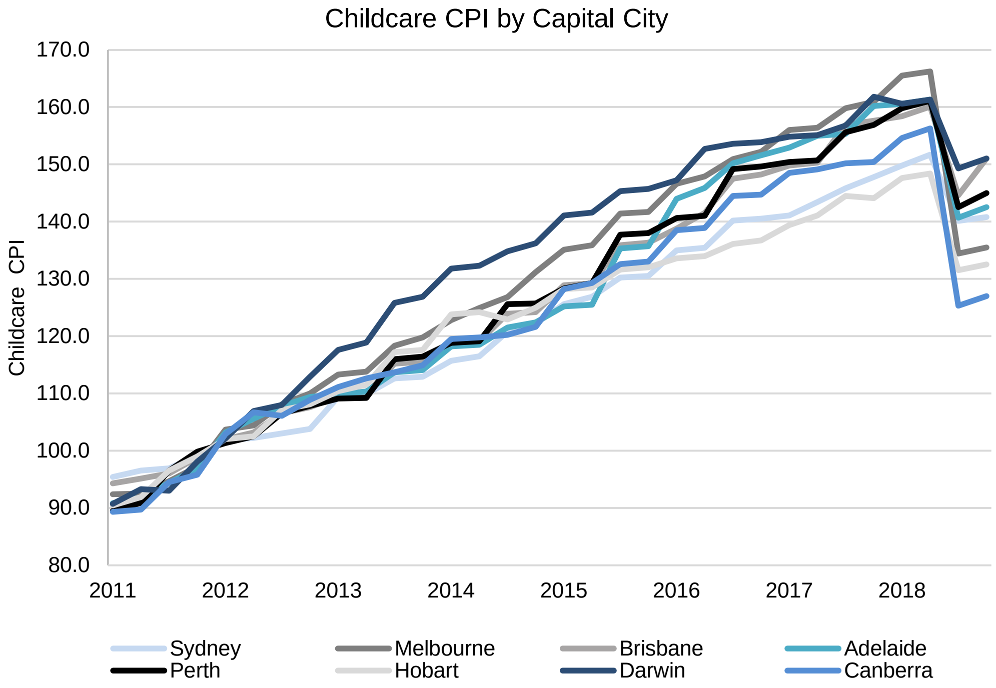


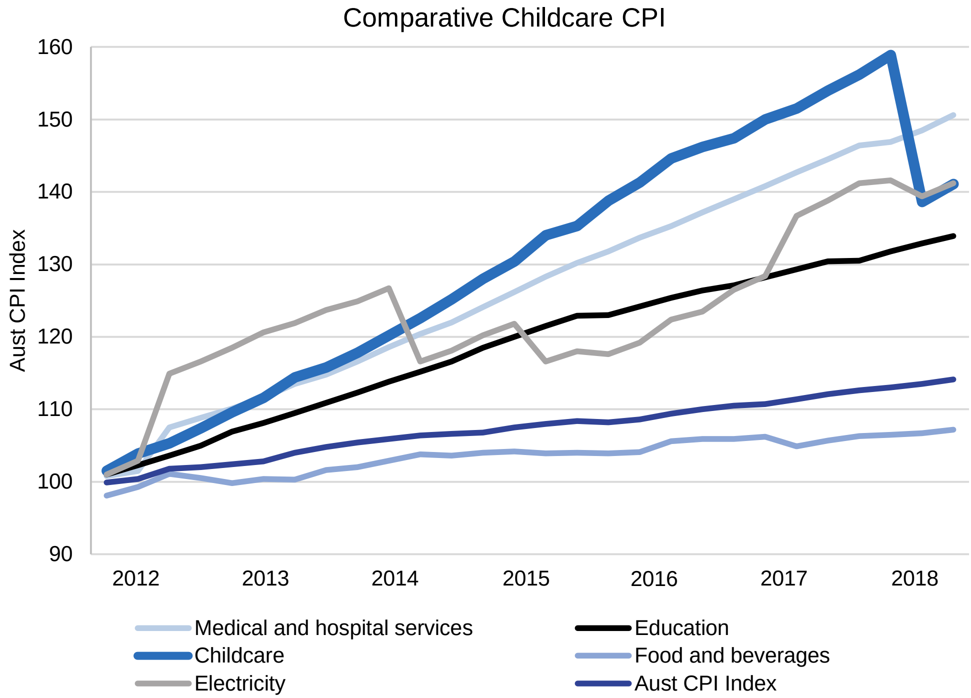
1. ABS, Forecast data produced by id. as part of SAFI, Small Area Forecast Information.
2. ABS.
3. Australian Productivity Commission - Report on Government Services 2018.
4. CQE analysis.
5. CQE, Department of Education and Training, ACECQA.

Affordability of early learning since CCS Introduction

Affordability of early learning is reported to have improved by an average of 11% since the introduction of the CCS (July 18 – Dec 18)

Childcare Consumer Price Index is an ABS composite index that takes into account the pricing of childcare, income levels and Government benefits received





Change in Childcare CPI since the introduction of the CCS

Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Darwin	Canberra	Australia
-7.2%	-18.5%	-5.7%	-11.7%	-10.0%	-10.7%	-6.4%	-18.7%	-11.2%

Source: ABS; 6461.0 Consumer Price Index: Concepts, Sources and Methods,

Note:
- Prices obtained for child care services cover full-time and part-time care. Respondents are selected from each of the community based, private company, and family based day care sectors of the industry.
- Parents with children in approved child care centres are eligible to claim a Child Care Benefit (CCB) based on income as well as the Child Care Rebate (CCR). This is modelled by the ABS, and the model is adjusted annually to reflect changes in benefit rates and tax rebates, and quarterly to reflect changes in aggregate income levels using data from Wage Price Index, Australia (ABS cat. no. 6345.0). Incomes are indexed quarterly as any change in a family's circumstances affects their benefit immediately regardless of when the Department of Human Services is notified. As the new CCB rates are applicable from 1 July each year, the estimated benefits typically increase in September quarter and then usually decline over the subsequent three quarters reflecting the effect of rises in aggregate incomes. The CCB and CCR are subsidies directly related to child care services, therefore the price of child care in the CPI is equal to the gross fee payable by the parents, less the amount of CCB and CCR that they receive. From 1 July 2018, the CCB and CCR will be replaced by one-means tested payment called the Child Care Subsidy (CCS).

Equity raising

$100 million fully underwritten Placement and UPP

- The Trust is undertaking a $100 million fully underwritten institutional placement and also intends to offer a non-underwritten UPP of up to $5 million[1] to fund the Acquisitions and associated transaction costs and provide CQE with increased balance sheet headroom to fund the current pipeline
- The Placement issue price of $3.35 ("Issue Price") represents a 5.1% discount to the distribution adjusted last closing price on 25 March 2019[2] and a 4.0% discount to the distribution adjusted 5-day volume weighted average price ("VWAP")[3]
- Units issued under the Placement and UPP will not be entitled to CQE's distribution for the three months ending 31 March 2019 as these Units will be allotted after the Trust's record date for the distribution for the three months ending 31 March 2019
- From the date of issue, Units issued under the Placement and UPP will rank equally with existing CQE Units and will be entitled to CQE's distribution for the three months ending 30 June 2019

Sources of funds[4]	$m
Placement	100.0
Total sources	**100.0**

Uses of funds[4]	$m
Purchase price for Acquisitions	75.5
Repayment of debt facilities	18.7
Transaction costs including stamp duty	5.8
Total uses	**100.0**

Key Placement metrics	
Issue Price under the Placement	$3.35
Discount to distribution adjusted closing price[2]	5.1%
Discount to distribution adjusted 5-day VWAP[3]	4.0%
Pro-forma market capitalisation post Placement[5]	$1,023m

1. The CQE Board may (in its absolute discretion), where the total applications under the UPP exceeds $5 million, determine to increase the amount raised under the UPP up to $10 million to reduce or eliminate the need for scale back.
2. Representing the last closing price on 25 March 2019 of $3.57, adjusted for the distribution for the three months ending 31 March 2019 of 4 cents per Unit.
3. Representing the 5 day VWAP to 25 March 2019 of $3.53, adjusted for the distribution for the three months ending 31 March 2019 of 4 cents per Unit.
4. Excludes potential proceeds from non-underwritten UPP.
5. Calculated by adding the Placement raising amount to CQE's market capitalisation at the close of trade on 25 March 2019.

Equity raising (continued)

Key terms of Placement and UPP

Structure	• Fully underwritten institutional Placement to raise approximately $100 million • $5m non-underwritten UPP to eligible investors in Australia and New Zealand[1]
Pricing	• Fixed issue price of $3.35 per Unit represents a: – 5.1% discount to the distribution adjusted closing price of $3.53 on 25 March 2019[2] – 4.0% discount to the distribution adjusted 5 day VWAP of $3.49 on 25 March 2019[3]
Ranking	• Units issued under the Placement and UPP will not be entitled to CQE's distribution for the three months ending 31 March 2019 as these Units will be allotted after CQE's record date for that distribution • From the date of issue, Units issued under the Placement and UPP will rank equally with existing CQE Units and will be entitled to CQE's distribution for the three months ending 30 June 2019
Underwriting	• The Placement is fully underwritten by J.P. Morgan Securities Australia Limited
UPP	• Eligible Unitholders in Australia and New Zealand will be invited to subscribe for up to $15,000 in additional Units at the same issue price as investors in the Placement, free of any brokerage or transaction costs • The UPP will not be underwritten and is expected to raise up to $5 million. Where the total applications under the UPP exceeds $5 million, the CQE Board may determine to increase the amount raised under the UPP up to $10 million to reduce or eliminate the need for scale back

1. The CQE Board may (in its absolute discretion), where the total applications under the UPP exceeds $5 million, determine to increase the amount raised under the UPP up to $10 million to reduce or eliminate the need for scale back.
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Equity raising (continued)

Timetable

Event	Date 2019
Record date for UPP	7pm, Monday, 25 March
Trading halt and announcement of the Acquisitions and Placement	Tuesday, 26 March
Placement executed	Tuesday, 26 March
Announcement of the outcome of the Placement	Wednesday, 27 March
Trading halt lifted and trading of Units recommences on the ASX	Wednesday, 27 March
Settlement of Units under the Placement	Friday, 29 March
Allotment and normal trading of Units issued under the Placement	Monday, 1 April
UPP offer opens and booklet is dispatched	Tuesday, 2 April
UPP offer closing date	Tuesday, 16 April
UPP allotment date	Wednesday, 24 April
Dispatch of holding statements and normal trading of new Units issued under the UPP	Friday, 26 April

All dates and times are indicative only and subject to change. Unless otherwise specified, all times and dates refer to Sydney time.

Conclusion

- ✓ **Acquisitions are consistent with CQE's locational strategy and adds high quality early learning centres to CQE's portfolio**
- ✓ **Assets acquired have an attractive initial yield of 6.5%, 17.9 year WALE[1] and WARR of 3.1% p.a.[2]**
- ✓ **Strengthened balance sheet through reduced gearing and greater headroom to fund current development pipeline and future acquisition opportunities**
- ✓ **CQE currently in due diligence on $14 million of additional acquisition opportunities[3]**
- ✓ **Enhances CQE's position as Australia's largest early learning REIT**
- ✓ **CQE is affirming its previously announced distribution guidance for FY19 of 16.0 cents per Unit and provides indicative FY20 distribution growth guidance of 3.5 – 4.0%**

1. WALE calculated based on the initial lease term of centres to be acquired on completion and centres being developed on a fund-through basis.
2. 10 of the 13 centres being acquired have a fixed annual rental review. CPI of 2.0% assumed for centres which have a CPI based rental review.
3. There is no certainty that these assets will be purchased following due diligence.

Appendix A

Keysborough, VIC

Pro-forma balance sheet

$m	Dec-18	Independent valuations and mark-to-market movements	Capital management initiatives[1]	Acquisitions and Placement[3]	Dec-18 pro-forma[3,4]
Cash	0.1				0.1
Investment properties	1,036.3	4.5		79.7[2]	1,120.5
Securities	42.3				42.3
Other assets	4.0				4.0
Total assets	**1,082.6**	**4.5**		**79.7**	**1,166.9**
Trade and other payables	5.0				5.0
Distribution payable	10.6				10.6
Borrowings	320.6[5]		9.0	(18.7)	311.0
Derivative instruments	6.7	2.3[6]	(9.0)		-
Total liabilities	**342.9**	**2.3**	**0.0**	**(18.7)**	**326.5**
Net tangible assets	**739.7**	**2.2**	**0.0**	**98.4**	**840.3**
Units on issue (m)	257.5			29.9	287.4
NTA per unit ($)	**2.87**				**2.92**
Balance sheet gearing (%)	**29.9%**				**27.0%**

1. Refer to page 19 for further information on capital management initiatives.
2. Reflects purchase price of the Acquisition Portfolio of $75.5 million plus acquisition transaction costs of $4.2 million.
3. Pro forma calculation that assumes the total consideration for the Acquisitions was paid on 31 December 2018. Does not include the impact of proceeds from the UPP.
4. Totals may not add due to rounding.
5. Consists of $319.0 million of drawn debt plus $5.2 million of bank overdrafts less $3.6 million of unamortised transaction costs.
6. Represents mark-to-market movements in the value of the Trust's interest rate swaps between 31 December 2018 and March 2019.

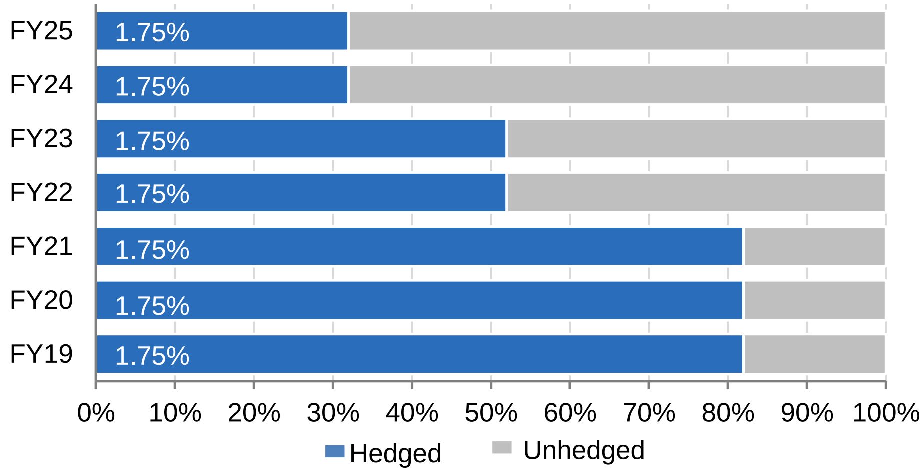
Prudent capital management

COMMENTARY

- Alongside the Acquisitions and Placement, CQE has undertaken a number of capital management initiatives to position CQE for the future
- $50 million debt facility limit increase to $397 million[1]
  - Added liquidity to fund the current pipeline while remaining below target Gearing range of 30% to 40%
- Increased and extended hedging positions to take advantage of a more favourable interest rate environment
  - Hedged interest rate exposure increased to 59%
  - Trust's weighted average hedge rate reduced to 1.75%
  - Weighted average hedged maturity increased to 4.4 years

	Dec-18	Dec-18 pro-forma[2]	Change
Debt facilities limit ($m)	347.0	397.0	+50.0
Drawn debt amount ($m)	319.0	309.3	(9.7)
Average interest rate hedged (%)	52%	59%	+7%
Average hedged rate (% p.a.)	2.93%	1.75%	(1.18%)
Average hedging maturity (years)	2.3	4.4	+2.1

HEDGING PROFILE: POST INCREASE AND EXTENSION[3]



1. Credit approved, subject to documentation.
2. Pro forma for Acquisitions, Placement and capital management initiatives described above.
3. Based on drawn debt of $309.3 million.

Delivering on Strategy

Acquisitions on strategy, extending CQE's position as Australia's largest early learning REIT

CQE strategy	CQE at Dec-18	Acquisition Portfolio
Provide Investors with a stable and secure income targeting consistent capital and income growth	✓ 100.0%[1] occupancy ✓ 9.5 year WALE ✓ >90% triple net leases	✓ Enhances WALE and occupancy metrics ✓ Primarily triple net leases ✓ 3.1% WARR[2] ✓ Pre-leases on all contracted centres ✓ Weighted average Initial Yield of 6.5%[3,4]
Enhance and grow the Portfolio through strategic activity	✓ \$614 million growth in portfolio value over last five years – 19.7% CAGR ✓ \$181 million of assets bought or developed in the last three years ✓ Pipeline of 27 developments	✓ 13 additional centres secured off-market ✓ \$80 million (+7.7%) increase to portfolio ✓ ~\$14 million of additional completed centres currently in due diligence[5] ✓ Re-weights CQE's QLD exposure toward Brisbane
Partner with operators with strong lease covenants who innovate and maintain CQE's assets	✓ Portfolio diversified across 31 reputable tenants operating within the Profit and Not-for Profit sectors ✓ Significant exposure to Australia's two largest child care operators (Goodstart Early Learning and G8 Education)	✓ Portfolio leased to four established early learning operators ✓ 4 of the 13 assets leased to G8 Education ✓ Little Seeds, Harmony Early Learning and Nino Early Learning further diversify CQE's tenant base

1. Pro forma for the leasing of an asset post 31 December 2018.
2. 10 of the 13 centres being acquired have a fixed annual rental review. CPI of 2.0% assumed for the four centres which have a CPI based rental review..
3. Before transaction costs.
4. Initial Yield calculated based on the initial rent at commencement of the leases divided by the property purchase price.
5. There is no certainty that these assets will be purchased following due diligence.

Appendix B

Yeronga, QLD

Early learning demand update

Population Growth

- By 2029 it is forecast there will be 180,000 more pre-school children (0-4 year olds) growing at a rate of circa 1.0% annually[1]
- Total Australian growth of 0-4 year olds for the 12 months to June 2018 was 0.7%. NSW recorded the highest growth of 1.0%[2]

Participation Rate

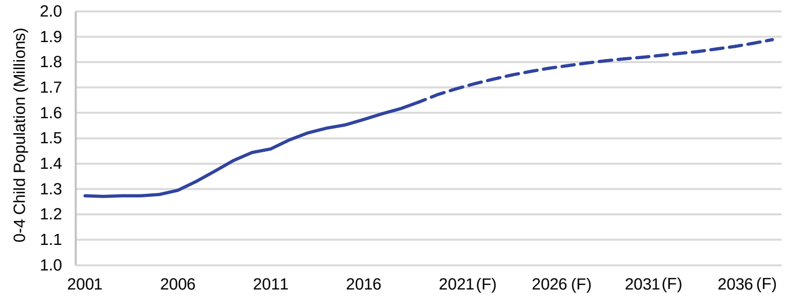
- Participation was subdued in the first half of 2018, most likely caused by decreased affordability under the previous childcare funding regime
- Anecdotal indicators from re-enrolments in 2019 suggest a +2-3% increase in LDC occupancy levels and up to 6% on some reports
- Participation rate of 0-4 year olds in long day care is calculated at 35%[2]

LDC Usage

- Victoria continued its trend of increased usage by 5.3%[1,2]
- Overall an increase of 3.2% (22,100) in the total number of children using LDC services from Q1-17 to Q1-18[3]

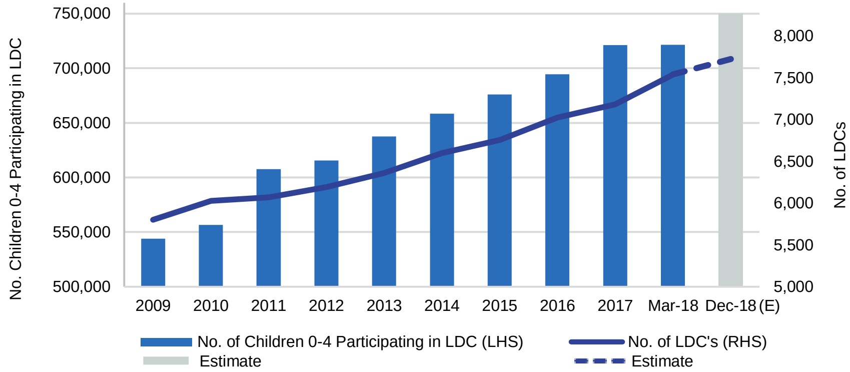
1. Sources: ABS, Forecast data produced by .id as part of SAFi, Small Area Forecast information.
2. ABS.
3. Calculated for March 2018, Source: Department of Education and Training.

ACTUAL AND FORECAST POPULATION 0-4 YEAR OLDS: 2001 - 2038



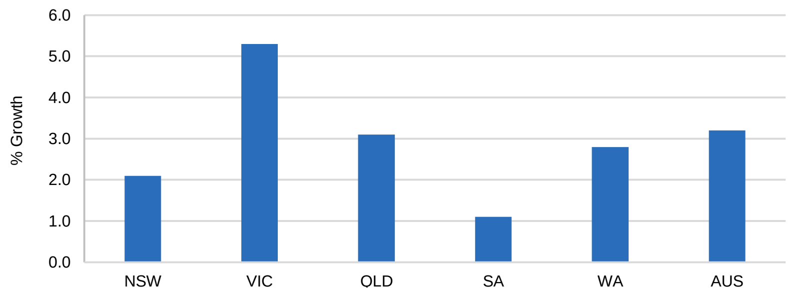
Source: ABS, Forecast data produced by .id as part of SAFi, Small Area Forecast information

CHILD PARTICIPATION AND NUMBER OF LDCs



Source: CQE, Department of Education and Training

% GROWTH IN NUMBER OF CHILDREN USING LDC: Q1-17 TO Q1-18

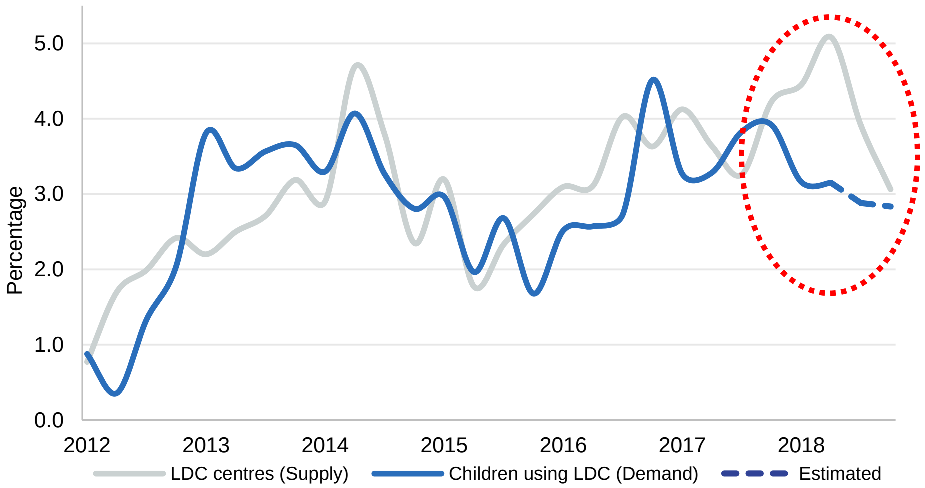


Source: CQE, Department of Education and Training

Early learning supply update

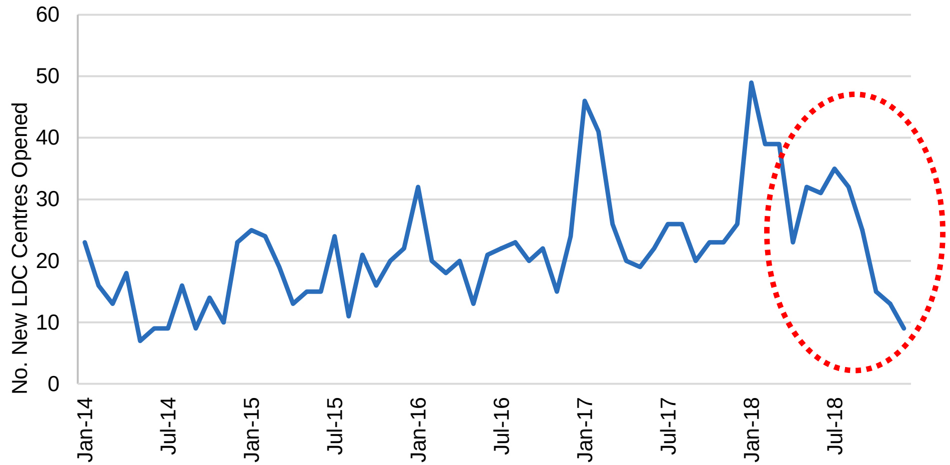
- As at December 2018 there were 7,574 Long Day Care (LDC) centres in Australia, growing by 4.7% for CY18
- Supply of new centres exceeded child demand growth for most of 2018 by an estimated 75 centres or 1.0%. The growth in new centres reduced in the last few months
- New supply is absorbing closures of older inefficient centres. 73 centres closed in CY18 (27 centres closed in CY17)
- In CY18 VIC and NSW had the greatest number of new centre openings (accounting for a combined 60% of the total new supply)
- Supply is expected to moderate in 2019 and beyond with higher barriers to entry such as:
  - Bank lending criteria has tightened further
  - Councils approval processes are becoming more challenging
  - Operators continue to remain cautious in regards to location and centre selection and have decreased funding capacity
- Analysis indicates that ~60% of new centres are located in areas where the child-to-place ratio sits above 3:1

12 MONTH ROLLING AVERAGE – GROWTH IN:
LDC CENTRES (SUPPLY) AND CHILDREN USING LDC (DEMAND)



Source: CQE, Department of Education and Training, ACECQA

NUMBER OF NEW LDC CENTRES OPENED IN AUSTRALIA: 2014 – 2018



Source: Canaccord, CQE, Department of Education and Training

Appendix C

Holland Park, QLD

Summary of key risks

Transaction specific risks

Acquisition risk

Whilst the Trust expects the Acquisitions to proceed as advised in this Presentation, if an acquisition in fact fails to complete or completion is delayed, the expected financial performance of the Trust could be adversely affected. A number of the Acquisitions are conditional on certain matters which are considered by CQE to be customary conditions for transactions of this nature. If any such conditions are not able to be satisfied or waived, completion of one or more of the Acquisitions may be deferred or cancelled. If an acquisition does not complete and the Trust has raised funds under the Placement, the Trust will need to consider alternative uses for, or ways to return, those funds.

Underwriting

The Responsible Entity has entered into an underwriting agreement under which the underwriter of the Placement has agreed to fully underwrite the Placement, subject to the terms and conditions of the underwriting agreement between the Responsible Entity and the underwriter ('Underwriting Agreement'). The underwriter's obligation to underwrite the Placement is conditional on certain customary matters. Further, if certain events occur, the underwriter may terminate the Underwriting Agreement. Termination of the Underwriting Agreement is likely to have an adverse impact on the amount of proceeds raised under the Placement, and the Responsible Entity's ability to complete the Acquisitions as currently planned and fund transaction costs, and could materially adversely affect the Trust's business, cash flow, financial performance, financial conditions and unit price.

Other risks

Rental Income

Distributions made by the Trust are largely dependent on the rents received from tenants across the portfolio and expenses incurred during operations, which may be affected by a number of factors, including:

- overall economic conditions;
- the financial circumstances of tenants (as at the date of this Presentation and in the future);
- the ability to negotiate lease extensions or replace outgoing tenants with new tenants;
- the occurrence of rental arrears or any vacancy periods;
- reliance on a tenant which leases a material portion of the Trust's portfolio;
- an increase in unrecoverable outgoings; and
- supply and demand in the property market.

Any negative impact on rental income (including as a result of a failure of existing tenants to perform existing leases in accordance with their terms) has the potential to decrease the value of the Trust and have an adverse impact on distributions or the value of securities or both.

Re-leasing and vacancy risk

Although the Trust's portfolio (including the Acquisitions) is currently fully leased, in the longer term, the Trust's portfolio's leases will come up for renewal on a periodic basis. There is a risk that the Trust may not be able to negotiate suitable lease renewals with existing tenants, maintain existing lease terms, or replace outgoing tenants with new tenants. This may result in a reduction in the Trust's earnings and distributions and a reduction in the value of the assets of the Trust.

Property valuation risk

The value of each property held by the Trust, and those it may hold in the future, may fluctuate due to a number of factors affecting both the property market generally or the Trust's properties in particular. These factors include, but are not limited to:

- changes in market rental rates;
- changes in property yields;
- fluctuating occupancy levels;
- tenants defaulting;
- supply and demand in the relevant property market;
- increased competition from new or existing properties;
- a downturn in the property market generally;
- pricing or competition policies of any competing properties or tenants; and
- general economic conditions, such as interest rates.

These factors may change for a variety of reasons including those set out above in respect of these particular risks. A reduction in the value of any property may adversely affect the value of securities in the Trust. It may also impact the Trust's financing arrangements (refer to Funding risk).

Summary of key risks

Property valuation risk (cont.)

Property values may fall if the underlying assumptions on which the property valuations outlined in this Presentation are based, change in the future. As changes in valuations of investment properties are recorded in the statutory income statement, any decreases in value will have a negative impact on the statutory income of the Trust.

As property values fluctuate, so too may returns from property assets. Rental and occupancy levels may change as a result of changes in the property market and this may affect the distributions paid by the Trust and the market price of securities.

The Trust will have its properties independently revalued regularly in accordance with its valuation policy. The independent valuations of the properties are the best estimates of the independent valuers at the time of undertaking the valuation and may not reflect the actual price a property would realise if sold. The independent valuations are subject to a number of assumptions which may prove to be inaccurate.

Property liquidity

By their nature, investments in real property assets are illiquid investments, and there is a risk that should the Trust be required to realise property assets, it may not be able to do so in a short period of time, or may not be able to realise a property asset for the amount at which it has been valued. This may adversely affect the Trust's net tangible assets and the value of securities in the Trust.

Early learning industry risk

The long day care sector of the Australian early learning industry comprises a large number of early learning centres in a diverse number of locations. It is possible that an event occurring in a centre or a number of centres which may not be owned by the Trust (such as the outbreak of sickness or a labour relations problem), may negatively affect investor perceptions of the industry and the business of the Trust and its tenants.

The early learning operations of the Trust's tenants are subject to various licensing requirements in Australia and any unexpected termination or suspension of any licence or non-renewal of any licence may result in the cessation of such licenced business activity and the tenant's ability to offer early learning services, its financial position and its ability to pay leasing obligations which may adversely impact the Trust's overall financial performance.

Demographic structure of the Australian population

As the underlying demand for early learning centres is driven by the numbers of children in the 0-4 age bracket, changes in the expected numbers of children in this bracket will have an impact on the sector. Similarly the labour force participation rate of women with children in this age bracket will be a key determinant of the market for early learning and early learning management services. Decreased demand for early learning centres or decreasing participating rate of women with children in the 0-4 age bracket may adversely impact the Trust's tenants and their business, which may indirectly impact the Trust's overall financial performance.

Tenant concentration

The Trust's properties are predominately early learning properties and therefore any adverse events in the early learning sector may impact on the tenants' ability to meet their lease obligations and also the future growth prospects of the portfolio. As at the date of this Presentation, Goodstart Early Learning Limited ("Goodstart") contributes approximately 49% of the Trust's annual rental income. Non-performance of Goodstart's rental or leasing obligations would significantly impact on the Trust's financial performance. The Trust's leases with Goodstart contain financial reporting obligations that allow regular monitoring of the financial performance of Goodstart.

Development risk

The Trust will focus on sustainable income returns and minimising development risk. The Trust will not undertake speculative development. Any development risk will be substantially mitigated through fixed price construction contracts or capped funding commitments with the developer and undertaking pre-leasing activities relating to the development, both prior to and during, construction. The Trust will endeavour to achieve a level of pre-commitment appropriate to the project prior to commencing development activities.

In respect to the fund-through developments in the Acquisition Portfolio, the Trust has further mitigated its development risk through taking put options from the developer, which would entitle the Trust to require the developer to buy the properties at cost (land purchase price plus duty and development contributions paid) where development and building approvals are not obtained by agreed sunset dates and where the development agreements with the developer or agreements for lease with the tenants are terminated other than due to default by the Trust. Further, the Trust will have tripartite agreements with the builder's for each of the fund-through developments, giving the Trust the right to step-in and complete developments in certain instances of default by the developer.

No guarantee of distribution or capital return

No guarantee can be given as to the amount of any income or capital return from the securities or the performance of the Trust, nor can the repayment of capital from the Trust be guaranteed.

Management performance

The loss or unavailability of key management personnel of the Trust could have an adverse impact on the management and financial performance of the Trust and therefore returns to Unitholders.

Capital expenditure

The Trust will be responsible for capital expenditure that may arise.

There is a risk that the actual required capital expenditure may exceed currently expected expenditure which could lead to increased funding costs and impact distributions. Additionally, any requirement for unforeseen material capital expenditure on the properties could impact the performance of the Trust.

Future acquisitions

In addition to acquiring the assets in connection with the Acquisitions, the Trust will continue to identify new investment opportunities for potential acquisition. The Trust will endeavour to conduct all reasonable and appropriate due diligence on potential investment opportunities.

There is a risk that the Trust will be unable to identify suitable investment opportunities that meet the Trust's investment objectives. Even if such opportunities are identified, they may not be able to be secured on appropriate terms. These factors may restrict the Trust's ability to add investments to its portfolio and this may adversely impact growth and returns to unitholders.

Summary of key risks

Reliance on third parties

The Responsible Entity may engage third party service providers in respect of a part or the whole of the Trust's portfolio, being Charter Hall Group entities or third parties outside the Charter Hall Group. These services will be subject to contractual arrangements between the Responsible Entity and the relevant third parties.

A failure of third parties to discharge their agreed responsibilities may adversely affect the management and financial performance of the Trust and therefore also adversely impact returns to investors.

Conflicts

The Trust may engage wholly owned subsidiaries of Charter Hall Limited to provide property management and development management services in respect of various properties in the Trust.

The Responsible Entity and the property management and development management entities may also have one or more common director(s) from time to time.

This may create a conflict of interest. Related party transactions also carry a risk that they could be assessed and monitored less rigorously than transactions with unrelated third parties. The Trust will mitigate these risks through the conflicts of interest and related party policy that governs the way the Trust manages such conflicts or transactions.

Funding

The Responsible Entity may fund future refinancing, capital expenditure and acquisitions from either debt or equity markets. The Trust's ability to raise funds from either market on favourable terms is dependent on a number of factors including:

- the general economic and political climate;
- the state of debt and equity capital markets;
- the performance, reputation and financial strength of the Trust; and
- the value of the properties.

Changes to any of these or other factors could lead to an increased cost of funding, limited access to capital, increased refinancing risk for the Trust and / or an inability to expand operations or purchase assets in a manner that may benefit the Trust and its Unitholders.

Extension and refinancing

The Trust's ability to refinance or repay its debts as they fall due will be impacted by market conditions, the financial status of the Trust, the value of the Trust’s properties, and prevailing economic conditions, including interest rates, at the time of maturity or refinancing. There is a risk that the Trust may not be able to extend or refinance its debts before maturity. Possible increases in the interest rate, the cost of interest rate hedges and the level of financial covenants required by lenders may also adversely impact the operating and financial performance of the Trust, the distributions of the Trust and the Trust's ability to raise equity and / or enter into new debt facilities.

In these circumstances, the Trust may need to raise further equity, dispose of assets for a lower market value than could otherwise have been realised, or enter into new debt facilities on less favourable terms.

There is also a risk that the Trust may be unable to hedge future borrowings to mitigate future interest rate risk, or that the terms of such hedging are less favourable than the existing terms.

Debt facility undertakings and covenants

The Trust is subject to a number of undertakings and covenants under existing debt facilities, including in relation to gearing ratio and interest cover ratios. An event of default would occur if the Trust fails to maintain these financial covenants. This may be caused by amongst other factors, unfavourable movements in interest rates (to that extent interest rates are not hedged) or deterioration in the income or the value of the Trust's portfolio. In the event that an event of default occurs, the lender may require immediate repayment of a debt facility. The Trust may need to dispose of some or all of its properties for less than their book value, raise additional equity, or reduce or suspend distributions in order to repay a debt facility.

Gearing

The level of gearing of the Trust exposes the Trust to any changes in interest rates and increases the Trust's exposure to movements in the value of the Trust's portfolio or performance measures. Higher gearing will increase the effect. If the level of gearing increases over the term of the Trust's debt financing, this may create refinancing risk on the Trust's debts as it approaches expiry.

Interest rates

To the extent that interest rates are not hedged (refer to 'Derivatives' below), unfavourable movements in interest rates relating to existing debt facilities could lead to increased interest expense. This could impact the level of distributions available to securityholders.

Derivatives

The Trust will use derivative instruments to hedge the Trust's exposure to interest rates. The mark-to-market valuation of derivative instruments could change quickly and significantly. Such movements may have an adverse effect on the financial performance and financial position of the Trust.

In entering into derivative contracts, the Trust will be exposed to the risk that a party to the contract become insolvent or otherwise defaults on its contractual obligations. The Responsible Entity will seek to manage this risk by only entering into hedging arrangements with reputable counterparties.

Summary of key risks

Insurance

Insurance coverage is maintained in respect of each property (including insurance for destruction or damage to the property and public risk liability) where that coverage is available on commercial terms. Insurance coverage will include differing levels of cover for material loss or damage items such as accidental damage, flood and demolition and removal of debris. Some risks are not able to be insured at acceptable premiums. Examples of losses that are generally not insured against include war or acts of terrorism and natural phenomena such as earthquakes or hurricanes.

Any losses incurred due to uninsured risks, or loss in excess of the insured amounts, may adversely affect the performance of the Trust, and could lead to a loss of some of the capital invested by the Trust. Increases in insurance premiums may affect the performance of the Trust to the extent they are not recoverable from the tenant under their leases. Any failure by the company or companies providing insurance (or any reinsurance) may adversely affect the Trust's right of recovery under its insurance.

Insolvency

In the event of any liquidation or winding up of the Trust, the claims of the Trust's creditors, including any counterparty under any hedging or other derivative arrangements, will rank ahead of those of its securityholders. Under such circumstances the Trust will first repay or discharge all claims of its creditors. Any surplus assets will then be distributed to the Trust's Unitholders. All Unitholders will rank equally in their claim and will be entitled to an equal share per Unit.

Compliance

The Trust is a managed investment scheme which means that the Responsible Entity is subject to strict regulatory and compliance arrangements under the Corporations Act 2001 (Cth) and its Australian Financial Services Licence. If the Responsible Entity fails to comply with the conditions of its Australian Financial Services Licence, then ASIC may take action to suspend or revoke the licence, which in turn could adversely impact the Trust.

Forecast Financial Information

The forward looking statements, opinions and estimates provided in the Presentation, including any forecast financial information provided, rely on various contingencies and assumptions. Various factors and risks, both known and unknown, many of which are outside the control of the Trust, may impact upon the performance of the Trust and cause actual performance to vary significantly from expected results. There can be no guarantee that the Trust will achieve its stated objectives or that forward looking statements or forecasts will eventuate.

Environmental

As with any property, there is a risk that one or more of the properties in the Trust's portfolio may be contaminated now or in the future. Government environmental authorities may require such contamination be remediated. There is always a residual risk that the Trust may be required to undertake any such remediation at its own cost. Such an event would adversely impact the Trust's financial performance. Environmental laws impose penalties for environmental damage and contamination which can be material in size.

In addition, if any remediation required to be undertaken on a property is not completed properly, this may adversely affect the Trust's ability to sell the relevant property or to use it as collateral for future borrowings. Should new or more stringent environmental laws or regulations be introduced in the future, any remediation costs required to be incurred by the Trust may increase materially in order to comply with the new laws or regulations.

Exposure to hazardous substance at a property within the Trust's portfolio could result in personal injury claims. Such a claim could prove greater than the value of the contaminated property. An environmental issue may also result in interruptions to the operations of a property, including the closure or re-lease of the property.

Occupational health and safety

There is a risk that liability arising from occupational health and safety matters at a property may be attributable to the Trust as the landlord instead of, or as well as, the tenant. To the extent that any liabilities may be borne by the Trust, this may impact the financial performance of the Trust (to the extent not covered by insurance). In addition, penalties may be imposed upon the Trust which may have an adverse impact on the Trust.

Disputes and litigation

The Trust may in the ordinary course of business be involved in possible litigation and disputes (for example, tenancy disputes, occupational health and safety claims or third party claims). Whilst the extent of any disputes and litigation cannot be ascertained at this time, any dispute or litigation may be costly and may adversely affect the operational and financial results of the Trust.

Summary of key risks

There are risks associated with any stock market investment. These include, but are not limited to:

Dilution risk – as the Trust issues Units to new investors, existing Unitholders' proportional beneficial ownership in the underlying assets of the Trust may be reduced. For example, if you do not participate in a future entitlement offer or choose not to reinvest your distributions pursuant to any future distribution reinvestment plan, then your beneficial ownership in the Trust may be diluted. The Responsible Entity will only raise equity if it believes that the benefit of acquiring the relevant assets or reducing gearing is in the interests of the Unitholders.

Pricing risk – Units may trade on the ASX at, above or below the offer price or net tangible asset amount per Unit. The price of the securities can fall as well as rise. The price at which Units trade on the ASX may be affected by a range of factors including: movements and volatility in international and local share markets; general economic conditions in Australia and offshore including inflation, interest rates and exchange rates; recommendations by brokers; changes in government, fiscal, monetary and regulatory policies; changes to laws (particularly taxation laws); inclusion or removal from market indices; and changes in the supply and demand of listed property securities. Changes in the stock market rating of securities relative to other listed securities, especially other listed property trusts, may also affect prices at which the Units trade.

Liquidity risk – there can be no assurance of an active trading market for the Units. Liquidity of the Units will be dependent on the relative volume of the buyers and sellers in the market at any given time. Changes in liquidity may affect the price at which securityholders are able to sell their Units. Significant blocks of Units held by individual investors may reduce liquidity in the trading of Units.

Macro-economic

Changes in the general economic outlook both in Australia and globally may impact the performance of the Trust and its portfolio.

Examples include (whether individually or in combination):

- changes in economic conditions and outlook in Australia and internationally;
- changes in Australian government, industrial, fiscal, monetary, regulatory policies or changes to laws (e.g. taxation laws);
- changes in interest rates, exchange rates or rates of inflation;
- investor sentiment for particular sectors and real estate sectors over the economic cycle;
- the impact of international conflicts or acts of terrorism;
- performance of comparable listed entities and projects;
- changes in the general level of prices in local and international share markets and general investor sentiment in these markets; and
- significant industrial, contractual or political disturbances impacting the Trust or the continuity of its business.

Macro-economic (cont.)

Consequently the trading price of Units may be influenced by factors non-specific to the Trust and out of the Trust's ability to control.

No assurances can be made that the performance of the Units will not be adversely affected by such market fluctuations or factors. Neither the Trust or the Directors or any other person guarantees the performance of the securities.

Changes in laws, regulation and policy

Changes in laws, regulations and government policy may affect the Trust or the tenants and the attractiveness of an investment in the Trust. Further, the impact of actions by governments may affect the Trust's activities including such matters as compliance with environmental regulations and taxation.

Tax

The Trust's operating earnings may be affected by changes in taxation law, including changes in income tax, GST or stamp duty legislation, particularly if they relate to property investment. Taxation law may change as a result of legislation, case law in Australia, rulings and determinations issued by the Australian Commissioner of Taxation or other practices of tax authorities. The tax treatment of distributions in the hands of the Trust's Unitholders may also be affected by changes to the tax regime applicable to the Trust, or the Trust's ability to make tax deferred distributions. Tax considerations may differ between investors, therefore prospective investors are encouraged to seek professional tax advice in connection with any investment in securities.

Offshore investors in managed investment trusts are governed by particular taxation rules. An offshore investor should obtain their own taxation advice in relation to those rules.

Accounting standards

The Australian Accounting Standards to which the Trust adheres are set by the Australian Accounting Standards Board ("AASB") and are consequently out of the control of the Trust and the Directors. Changes to accounting standards issued by AASB or changes to the commonly held views on the application of those standards could materially adversely affect the financial performance and position reported in the Trust's financial statements.

Appendix D

Tarragindi, QLD

Foreign selling restrictions

This document does not constitute an offer of Units (“New Units”) in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Units may not be offered or sold, in any country outside Australia except to the extent permitted below.

Canada

This document constitutes an offering of New Units only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces") and to those persons to whom they may be lawfully distributed in the Provinces, and only by persons permitted to sell such New Units. This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of NI 45-106 – Prospectus Exemptions, of the Canadian Securities Administrators.

No securities commission or similar authority in the Provinces has reviewed or in any way passed upon this document, the merits of the New Units or the offering of New Units and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Units or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Units in the Provinces must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with exemptions from dealer registration and prospectus requirements. These resale restrictions may in some circumstances apply to resales of the New Units outside Canada and, as a result, Canadian purchasers should seek legal advice prior to any resale of the New Units.

The Trust, and the directors and officers of the Responsible Entity, may be located outside Canada, and as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon the Trust or its directors or officers. All or a substantial portion of the assets of the Trust and such persons may be located outside Canada, and as a result, it may not be possible to satisfy a judgment against the Trust or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Trust or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board.

Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

Statutory rights of action for damages and rescission

Securities legislation in certain of the Provinces may provide purchasers with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to purchasers contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defenses contained in applicable securities legislation. Prospective purchasers should refer to the applicable provisions of the securities legislation of their respective Province for the particulars of these rights or consult with a legal adviser.

The following is a summary of the statutory rights of rescission or to damages, or both, available to purchasers in Ontario. In Ontario, every purchaser of the New Units purchased pursuant to this document (other than (a) a "Canadian financial institution" or a "Schedule III bank" (each as defined in NI 45-106), (b) the Business Development Bank of Canada or (c) a subsidiary of any person referred to in (a) or (b) above, if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary) shall have a statutory right of action for damages and/or rescission against the Trust if this document or any amendment thereto contains a misrepresentation. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against the Trust. This right of action for rescission or damages is in addition to and without derogation from any other right the purchaser may have at law. In particular, Section 130.1 of the Securities Act (Ontario) provides that, if this document contains a misrepresentation, a purchaser who purchases the New Units during the period of distribution shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has a right of action for damages or, alternatively, may elect to exercise a right of rescission against the Trust, provided that:

(a) the Trust will not be liable if it proves that the purchaser purchased the New Units with knowledge of the misrepresentation;

(b) in an action for damages, the Trust is not liable for all or any portion of the damages that the Trust proves does not represent the depreciation in value of the New Units as a result of the misrepresentation relied upon; and

(c) in no case shall the amount recoverable exceed the price at which the New Units were offered.

Section 138 of the Securities Act (Ontario) provides that no action shall be commenced to enforce these rights more than:

(a) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or

(b) in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the purchaser first had knowledge of the fact giving rise to the cause of action or (ii) three years after the date of the transaction that gave rise to the cause of action.

Foreign selling restrictions

These rights are in addition to and not in derogation from any other right the purchaser may have.

Certain Canadian income tax considerations. Prospective purchasers of the New Units should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding, or disposition of the New Units as any discussion of taxation related maters in this document is not a comprehensive description and there are a number of substantive Canadian tax compliance requirements for investors in the Provinces.

Language of documents in Canada. Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Units (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.

Hong Kong

WARNING: This document has not been, and will not be, authorized by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorize this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Units have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO).

No advertisement, invitation or document relating to the New Units has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the New Units which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors as defined in the SFO and any rules made under that ordinance.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (New Zealand) (the "FMC Act"). The New Units are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Singapore

This document has not been registered as a prospectus with the Monetary Authority of Singapore ("MAS") and, accordingly, statutory liability under the Securities and Futures Act, Chapter 289 (the "SFA") in relation to the content of prospectuses does not apply, and you should consider carefully whether the investment is suitable for you. The issuer is not authorised or recognised by the MAS and the New Units are not allowed to be offered to the retail public. This document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the New Units may not be circulated or distributed, nor may the New Units be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except to "institutional investors" (as defined in the SFA), or otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

This document has been given to you on the basis that you are an "institutional investor" (as defined under the SFA). In the event that you are not an institutional investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Units being subsequently offered for sale to any other party. You are advised to acquaint yourself with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Foreign selling restrictions

Switzerland

The New Units may not be distributed in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the New Units may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the New Units have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of New Units will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA), and the offer of New Units has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("CISA"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of New Units.

This document is personal to the recipient only and not for general circulation in Switzerland.

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Units.

This document is issued on a confidential basis to "professional investors" (within the meaning of the Alternative Investment Fund Managers Directive) who are also "qualified investors" (within the meaning of section 86(7) of the FSMA) in the United Kingdom. The New Units may not be offered or sold in the United Kingdom by means of this document or any other document except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

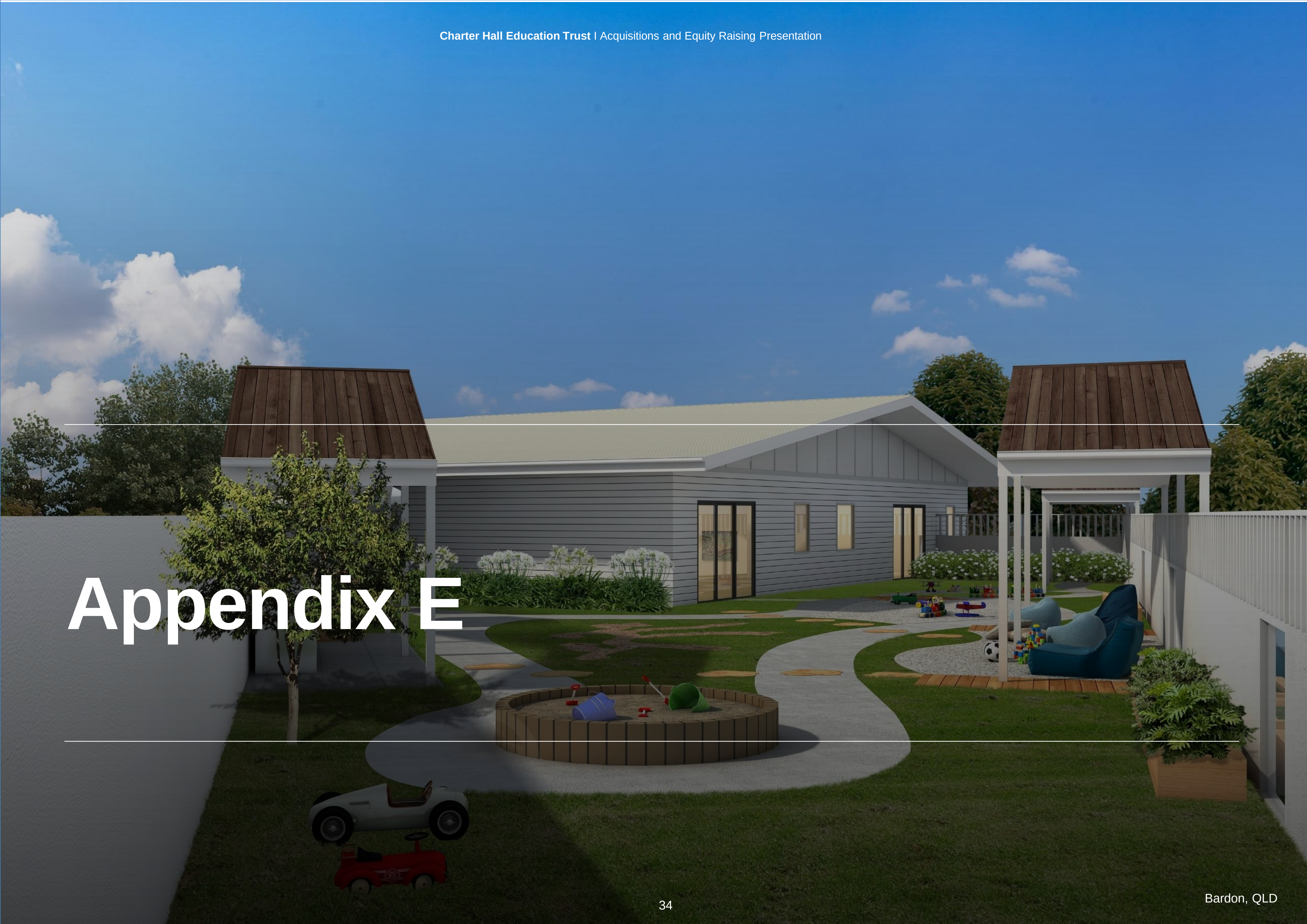
Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Units has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Trust.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

The New Units are being marketed in the United Kingdom in compliance with the National Private Placement Regime (within the meaning of The Alternative Investment Fund Managers Regulations 2013). The Trust's most recent Half Year Report and other information it has lodged with the Australian Securities Exchange can be found on the websites of the Trust (https://educationtrust.folkestone.com.au/) and the ASX (www.asx.com.au).

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Units have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.



Appendix E

Bardon, QLD

Glossary

Defined term	Meaning
CAGR	Compound Annual Growth Rate
CBD	Central Business District
CCLP Consulting	CCLP Consulting Pty Limited (ABN 55 610 308 202)
CCS	Australian Government Child Care Subsidy which came into effect on 2 July 2018
Fund-through development	An arrangement whereby CQE makes progressive payments to a third party developer in order to fund the development of a property. CQE will earn a coupon on each payment
FY	Financial Year
Gearing	Calculated as the ratio of net drawn debt (excluding unamortised debt establishment costs) to total tangible assets less cash.
Initial Yield	Initial net rent at commencement of lease divided by property purchase price
LDC	Long Day Care Service
NTA	Net Tangible Assets per unit
Occupancy	Number of properties without lease divided by total number of properties
REIT	Real Estate Investment Trust
Responsible Entity	Charter Hall Social Infrastructure Limited (ABN 46 111 338 937, Australian Financial Services Licence Number 281544) in its capacity as responsible entity of the Trust
Transaction	The Acquisitions, Placement and capital management initiatives outlined in this presentation
Trust or CQE	Charter Hall Education Trust (ARSN 102 955 937)
VWAP	Volume Weighted Average Price
Weighted Average Lease Expiry or WALE	The average lease term remaining to expiry across the Acquisition Portfolio or a property or group of properties, weighted by gross passing income or as noted
Weighted Average Rent Review or WARR	The average rent review across the Acquisition Portfolio or a property or group of properties, weighted by gross passing income

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