



**ASX Announcement  
Vitalharvest Freehold Trust**

4 May 2021

**VTH Second Supplementary Scheme Booklet and Meeting**

The Trust Company (RE Services) Limited as responsible entity (**VTH RE**) for Vitalharvest Freehold Trust (**VTH**) announces that the meeting of VTH Unitholders, which was postponed from 16 April 2021, will now be held on Wednesday, 12 May 2021 (**Meeting**).

VTH RE has prepared a Second Supplementary Scheme Booklet to provide an update to VTH unitholders on the revised terms of the acquisition by Macquarie Agricultural Funds Management Limited as trustee of Macquarie Agriculture Fund – Crop Australia 2 (**MAFM**), of:

- all of the fully paid ordinary units in VTH from VTH Unitholders for \$1.26 per VTH unit by way of a trust scheme (**Trust Scheme**); or
- if the Trust Scheme is not approved by the requisite majority of VTH Unitholders, all of the assets of VTH for \$348.1 million, subject to certain adjustments (**Asset Sale**)

(together, the **Transaction**).

The Second Supplementary Scheme Booklet is attached to this announcement and will be available on the ASX website and at [www.VTHscheme.com](http://www.VTHscheme.com).

Information relating to the Transaction, including a Second Supplementary Independent Expert's Report, is included in the Supplementary Scheme Booklet.

**Second Supplementary Independent Expert's Report**

The Independent Expert, Grant Thornton Corporate Finance Pty Ltd, has concluded that the Scheme and, if the Scheme is not implemented, the Asset Sale is fair and reasonable to, and in the best interests of, VTH Unitholders. Grant Thornton's conclusion should be read in context with the Second Supplementary Independent Expert's Report and the Second Supplementary Scheme Booklet attached to this announcement, as well as the reports forming part of the disclosure materials sent previously to unitholders on 10 February 2021 and 24 March 2021.

**VTH RE Board Recommendation**

The VTH RE Board unanimously recommends that VTH unitholders vote in favour of:

- the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable to, and in the best interests of, VTH Unitholders; and
- the Asset Sale, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Asset Sale is fair and reasonable to, and in the



best interests of, VTH Unitholders (and on the basis that it will only be implemented if the Scheme Approval Condition is not satisfied).

## Meeting

The Meeting will take place at 2.00pm (Sydney time) on Wednesday, 12 May 2021 with VTH Unitholders to attend via audio webcast. Details on how to attend the Meeting are set out in the Second Supplementary Scheme Booklet.

All VTH Unitholders are encouraged to vote either by attending the Meeting online, or by lodging a proxy vote by 2pm, Sydney time on Monday, 10 May 2021. Details on how to lodge a proxy vote are included on the proxy form and in the Supplementary Scheme Booklet.

## Key Dates

The key dates in relation to the Transaction are set out in the Supplementary Scheme Booklet and are as follows:

Event	Time and date
Latest time and date for receipt of proxy forms (including proxies lodged online) or powers of attorney by the VTH Registry for the Meeting	Monday, 10 May 2021 at 2.00pm (Sydney time)
Time and date for determining eligibility to vote at the Meeting	Monday, 10 May 2021 at 7.00pm (Sydney time)
Meeting	Wednesday, 12 May 2021 at 2.00pm (Sydney time)
Second Court Date	Tuesday, 18 May 2021 at 3.00pm (Sydney time)

If the Scheme is approved by the requisite majorities of VTH Unitholders at the Meeting:

Effective Date	Tuesday, 18 May 2021
Last day of trading in VTH Units on ASX (VTH Units will be suspended from trading on ASX from close of trading)	Tuesday, 18 May 2021
Scheme Record Date (for determining entitlements to Scheme Consideration)	Thursday, 20 May 2021



Implementation Date (Scheme Participants will receive the Scheme Consideration on the Implementation Date)

Thursday, 27 May 2021

---

If the Scheme is not approved by the requisite majorities of VTH Unitholders at the Meeting, but the Asset Sale is approved by the requisite majority at the Meeting:

Completion Date

Tuesday, 25 May 2021

---

All times and dates in the above timetable are references to the time and date in Sydney, New South Wales, Australia and all such times and dates are subject to change. VTH RE may vary any or all of these dates and times and will provide notice of any such variation on ASX. Certain times and dates are conditional on the approval of the Scheme or the Asset Sale (as applicable) by VTH Unitholders and by the Court. Any changes will be announced by VTH RE to ASX.

### **VTH Interim Distribution**

As announced on 29 April 2021, the interim distribution of 2.5c per VTH unit from rent received to 31 December 2020 will be paid on Friday, 14 May 2021, with a record date of Wednesday, 5 May 2021.

### **Further Information**

For further information, please contact the Unitholder Information Line on 1300 855 080 (within Australia) or +61 3 9415 4000 (outside Australia), Monday to Friday between 8.30am and 5.30pm (Sydney time).

**Authorised for release by:** The Board of The Trust Company (RE Services) Limited

ENDS



## **Investors**

Emma Rumble  
General Manager, Corporate Affairs & Investor Relations  
Perpetual  
+61 2 9229 3998  
emma.rumble@perpetual.com.au

## **Media**

Jon Snowball  
Domestique  
+61 477 946 068  
jon@domestiqueconsulting.com.au

## **About Vitalharvest Freehold Trust**

Vitalharvest owns one of the largest aggregations of berry and citrus farms in Australia. These are located in prime growing locations in New South Wales, South Australia and Tasmania and are leased to Costa Group (ASX:CGC).

Vitalharvest provides investors with exposure to agricultural property assets whose earnings profile and underlying value are exposed to the growing global agricultural demand for healthy, nutritious food. These assets provide agricultural diversification by way of crop type, climatic region, water source and product end markets.

Vitalharvest is an agricultural real estate investment trust managed by Primewest Agrichain Management Pty Ltd (ACN 625 505 455) AR No. 001264243.

## **About The Trust Company (RE Services) Ltd**

The Trust Company (RE Services) Limited (ABN 45 003 278 831) (Responsible Entity), part of Perpetual Limited (ASX:PPT) (**Perpetual**), is the responsible entity for the Vitalharvest Freehold Trust ARSN 626 537 362.

Perpetual is a financial services group operating in funds management, financial advisory and trustee services and has been in operation for over 130 years. Perpetual provides the fiduciary and governance oversight for the Vitalharvest Freehold Trust and Perpetual's Responsible Entity Services are provided independently of the manager to ensure the Vitalharvest Freehold Trust meets its regulatory and compliance obligations. Perpetual currently acts for over 90 Australian and international investment managers making their Responsible Entity team one of Australia's leading providers.



# Vitalharvest

FREEHOLD TRUST



# VTH

## SECOND SUPPLEMENTARY SCHEME BOOKLET

For a trust scheme (**Scheme**) in relation to the proposed acquisition by Macquarie Agricultural Funds Management Limited (ACN 122 169 368) as trustee of Macquarie Agriculture Fund – Crop Australia 2 (**MAFM**), of all of the issued units of the Vitalharvest Freehold Trust (ARSN 626 537 362) (**VTH**), or alternatively, a sale of the assets of VTH (**Asset Sale**).

**The Directors of The Trust Company (RE Services) Limited (ACN 003 278 831), as responsible entity of VTH, unanimously recommend that you:**

- (a) **vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable to, and in the best interests of, VTH Unitholders; and**
- (b) **vote in favour of the Asset Sale, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Asset Sale is fair and reasonable to, and in the best interests of, VTH Unitholders (and on the basis that it will only be implemented if the Scheme Approval Condition is not satisfied).**

**The Independent Expert has concluded that each of the Scheme and Asset Sale, if the Scheme is not implemented, is fair and reasonable to, and in the best interests of, VTH Unitholders.**

The Meeting will be held at 2.00pm (Sydney time) on Wednesday, 12 May 2021.

This is an important document that requires your immediate attention.

You should read this Second Supplementary Scheme Booklet, the First Supplementary Scheme Booklet and the Scheme Booklet carefully and in their entirety before deciding whether or not to vote in favour of the Scheme or Asset Sale.

If you are in any doubt as to what you should do, you should consult your broker, financial adviser or legal adviser immediately.





## IMPORTANT NOTICES

### What is this document

This Second Supplementary Scheme Booklet supplements the Scheme Booklet dated 10 February 2021 and the first supplementary scheme booklet dated 24 March 2021 (**First Supplementary Scheme Booklet**) which contain information about the Proposal.

**This document must be read together with the Scheme Booklet and the First Supplementary Scheme Booklet such that references to “Scheme Booklet” in the Notice of Meeting are taken to include this Second Supplementary Scheme Booklet and all information contained in it (in addition to the First Supplementary Scheme Booklet and all information contained in that document), and the Supplemental Deed attached at Annexure B of this Second Supplementary Scheme Booklet is taken to be the VTH Supplemental Deed for all purposes. If there are any inconsistencies between this document and the Scheme Booklet or the First Supplementary Scheme Booklet this document will prevail.**

### General

This document is important and requires your immediate attention. You should read this Second Supplementary Scheme Booklet, the Scheme Booklet and the First Supplementary Scheme Booklet in full before making any decision as to how to vote at the Meeting. If you have sold all of your VTH Units, please ignore this document.

If you are in any doubt as to what you should do, you should consult your broker, financial adviser or legal adviser immediately.

### Nature of this Second Supplementary Scheme Booklet

This document, together with the Scheme Booklet and the First Supplementary Scheme Booklet, does not constitute or contain an offer to VTH Unitholders, or a solicitation of an offer from VTH Unitholders, in any jurisdiction.

This document has been prepared for VTH Unitholders in connection with the Meeting to be held at 2.00pm (Sydney time) on Wednesday, 12 May 2021 in relation to the Proposal under which MAFML2 proposes to acquire:

- (a) pursuant to the Scheme, all of the VTH Units on issue; or
- (b) if the Scheme Resolutions are not approved by the Requisite Majorities of VTH Unitholders but the Asset Sale Resolution is approved by the Requisite Majority, pursuant to the Asset Sale, all of the units in the Leasehold Trust from VTH RE and all of the shares in the Leasehold Trustee from Vitalharvest Finance.

The purpose of this Second Supplementary Scheme Booklet is to provide VTH Unitholders with information about the following matters which arose following despatch of the First Supplementary Scheme Booklet:

- (a) an increase to the Scheme Consideration from \$1.08 per VTH Unit to \$1.26 per VTH Unit;

- (b) an increase to the Asset Sale Consideration from \$314.8 million to \$348.1 million;
- (c) an outline of the competing proposals received by VTH RE from Roc and MAFM since the despatch of the First Supplementary Scheme Booklet, described in section 1.1 of this Second Supplementary Scheme Booklet; and
- (d) certain amendments to the Scheme Implementation Deed, described at section 1.3 of this Second Supplementary Scheme Booklet.

### ASIC and ASX

A copy of this Second Supplementary Scheme Booklet has been provided to ASIC and ASX. None of ASIC, ASX, or any of their officers, takes any responsibility for the contents of this Second Supplementary Scheme Booklet.

### Court involvement

The Court provided the First Judicial Advice on Wednesday, 10 February 2021, judicial advice in relation to the First Supplementary Scheme Booklet on Wednesday, 24 March 2021 and judicial advice in relation to this document and the Further Revised MAFM Proposal on Tuesday, 4 May 2021.

The Court's provision of judicial advice is not and should not be treated as an endorsement by the Court of, or any other expression of opinion by the Court on, the proposed Scheme or Asset Sale. In particular, the Court's provision of the judicial advice does not mean that the Court has:

- (a) formed any view as to the merits of the Scheme or Asset Sale, or as to how VTH Unitholders should vote (on these matters VTH Unitholders must reach their own conclusion); or
- (b) prepared, or is responsible for the content of, the Scheme Booklet, the First Supplementary Scheme Booklet or this document.

### Notice of Meeting

The Meeting previously scheduled to be held on 16 April 2021 at 2.00pm (Sydney time), has been postponed to Wednesday, 12 May 2021.

### Notice of Second Court Hearing

At the Second Court Hearing, the Court will consider whether to give the Second Judicial Advice.

Any VTH Unitholder may attend at the Second Court Hearing, expected to be held at 3.00pm (Sydney time) on Tuesday, 18 May 2021 at the Supreme Court of New South Wales, Law Courts Building, 184 Phillip Street Sydney, NSW 2000.

Any VTH Unitholder who wishes to be heard on the application for the Second Judicial Advice at the Second Court Hearing may do so by filing with the Court and serving on VTH RE (in its capacity as the responsible entity for VTH) a notice of appearance in the prescribed form together with any affidavit on which the VTH Unitholder proposes to rely.



### **Defined terms**

Capitalised terms used in this document are defined in section 14.1 of the Scheme Booklet, unless the context otherwise requires or the term is defined in this Second Supplementary Scheme Booklet. Section 14.2 of the Scheme Booklet also sets out some rules of interpretation which apply to this document.

### **Responsibility statement**

VTH RE has prepared, and is responsible for, the VTH Information in this Second Supplementary Scheme Booklet, the First Supplementary Scheme Booklet and the Scheme Booklet. Neither MAFM nor MAFML2 nor any of their respective Subsidiaries, directors, officers, employees or advisers assume any responsibility for the accuracy or completeness of such information.

MAFM and MAFML2 have prepared, and are responsible for, the MAFM Information in this Second Supplementary Scheme Booklet, the First Supplementary Scheme Booklet and the Scheme Booklet. Neither VTH RE nor any of its Subsidiaries, directors, officers, employees or advisers assume any responsibility for the accuracy or completeness of such information.

Grant Thornton has prepared the Independent Expert's Report, the Supplementary Independent Expert's Report (as set out in Annexure A of the First Supplementary Scheme Booklet), and the Second Supplementary Independent Expert's Report (as set out in Annexure A of this Second Supplementary Scheme Booklet) and takes responsibility for that report. None of VTH RE, MAFM or MAFML2 or any of their respective Subsidiaries, directors, officers, employees or advisers assume any responsibility for the accuracy or completeness of the information contained in the Independent Expert's Report.

No consenting party has withdrawn their consent to be named before the date of this Second Supplementary Scheme Booklet.

### **Timetable and dates**

All times and dates referred to in this document are times and dates in Sydney, New South Wales, Australia, unless otherwise indicated. All times and dates relating to the implementation of the Scheme or Asset Sale referred to in this document may change and, among other things, are subject to all necessary approvals from Government Agencies.

### **Incorporation in this Second Supplementary Scheme Booklet**

The items entitled "Responsible Entity", "No investment advice", "Forward looking statements", "Foreign Jurisdictions", "Currency and financial information", "Charts and diagrams", "Effect of Rounding", "External websites" and "Privacy" in the Important Notices in the Scheme Booklet continue to apply to this document without amendment.

### **Additional information**

If, after reading the Scheme Booklet, the First Supplementary Scheme Booklet and this Second Supplementary Scheme Booklet, you have any questions regarding the Proposal, please call 1300 855 080 (within Australia) or +61 3 9415 4000 (outside Australia), or consult your legal, investment or other professional adviser.

### **Meeting location**

Having regard to ongoing COVID-19 considerations in planning events, physical attendance at the meeting will be limited to VTH RE management team and VTH Unitholders will only be able to attend the Meeting online.

### **Date of Second Supplementary Scheme Booklet**

This Second Supplementary Scheme Booklet is dated 4 May 2021.

### **Further updates**

This Second Supplementary Scheme Booklet may be updated. Any update will be made available for inspection on the website at [www.vitalharvest.com.au](http://www.vitalharvest.com.au) or released on ASX. If you access an electronic version of the Scheme Booklet, the First Supplementary Scheme Booklet or Second Supplementary Scheme Booklet you should ensure you download and read the entire Scheme Booklet, the First Supplementary Scheme Booklet and Second Supplementary Scheme Booklet.

VTH unitholders are encouraged to regularly review the ASX platform for any announcements made by VTH RE.





## Contents of this Second Supplementary Scheme Booklet

---

<b>Key Dates</b>	<b>4</b>
<b>Letter to VTH Unitholders</b>	<b>5</b>
<b>1 Overview of Further Revised MAFM Proposal</b>	<b>8</b>
1.1 History of offers from MAFM and Roc .....	8
1.2 Further Revised MAFM Proposal .....	9
1.3 Amendments to Scheme Implementation Deed .....	9
<b>2 Supplementary information about VTH</b>	<b>11</b>
2.1 Material changes in financial position of VTH.....	11
<b>3 Supplementary information about MAFML2</b>	<b>12</b>
3.1 Funding arrangements.....	12
<b>4 Additional Information</b>	<b>13</b>
4.1 Consents and disclosures.....	13
4.2 Further disclosure .....	13
<b>5 Glossary and Interpretation</b>	<b>14</b>
5.1 Glossary.....	14
<b>Annexure A</b>	
<b>Second Supplementary Independent Expert's Report</b>	
<b>Annexure B</b>	
<b>VTH Supplemental Deed</b>	



## Key Dates

Event	Time and date
Date of this Second Supplementary Scheme Booklet	Tuesday, 4 May 2021
Record date for VTH Interim Distribution	Wednesday, 5 May 2021
Latest time and date for receipt of proxy forms (including proxies lodged online) or powers of attorney by the VTH Registry for the Meeting	Monday, 10 May 2021 at 2.00pm (Sydney time)
Time and date for determining eligibility to vote at the Meeting	Monday, 10 May 2021 at 7.00pm (Sydney time)
Payment of VTH Interim Distribution	Friday, 14 May
Meeting	Wednesday, 12 May 2021 at 2.00pm (Sydney time)
Second Court Date	Tuesday, 18 May 2021 at 3.00pm (Sydney time)

*If the Scheme is approved by the Requisite Majorities of VTH Unitholders at the Meeting:*

Effective Date	Tuesday, 18 May 2021
Last day of trading in VTH Units on ASX (VTH Units will be suspended from trading on ASX from close of trading)	Tuesday, 18 May 2021
Scheme Record Date (for determining entitlements to Scheme Consideration)	Thursday, 20 May 2021
Implementation Date (Scheme Participants will receive the Scheme Consideration on the Implementation Date) <sup>1</sup>	Thursday, 27 May 2021

*If the Scheme is not approved by the Requisite Majorities of VTH Unitholders at the Meeting, but the Asset Sale is approved by the Requisite Majority at the Meeting:*

Completion Date	Tuesday, 25 May 2021
-----------------	----------------------

All times and dates in the above timetable are references to the time and date in Sydney, New South Wales, Australia and all such times and dates are subject to change. VTH RE may vary any or all of these dates and times and will provide notice of any such variation on ASX. Certain times and dates are conditional on the approval of the Scheme or the Asset Sale (as applicable) by VTH Unitholders and by the Court. Any changes will be announced by VTH RE to ASX.

<sup>1</sup> The Scheme Consideration is subject to rounding for fractional entitlements.



## Letter to VTH Unitholders

---

4 May 2021

Dear VTH Unitholders

This Second Supplementary Scheme Booklet provides a further update regarding the proposed acquisition of VTH or its assets by Macquarie Agricultural Funds Management No. 2 Pty Limited as trustee of M2 Acquisition Trust (**MAFML2**) (which was nominated as the acquiring entity by Macquarie Agricultural Funds Management Limited as trustee of Macquarie Agricultural Fund – Crop Australia 2 (**MAFM**) under the Scheme Implementation Deed).

VTH Unitholders have previously received the Scheme Booklet dated 10 February 2021 in relation to the Proposal and the First Supplementary Scheme Booklet dated 24 March 2021 in relation to the Revised Proposal.

It is proposed that the acquisition of all of the issued units in VTH will occur under a trust scheme (**Scheme**). If the Scheme is not approved by the Requisite Majorities of VTH Unitholders (but VTH Unitholders approve a resolution under Listing Rule 11),<sup>2</sup> MAFML2 would instead purchase the assets of VTH (**Asset Sale**).

The terms of the Scheme and Asset Sale have been amended in the Further Revised MAFM Proposal described in this Second Supplementary Scheme Booklet.

### OVERVIEW

This Second Supplementary Scheme Booklet provides VTH Unitholders with an overview of developments which have occurred since the First Supplementary Scheme Booklet.

The Scheme Implementation Deed that was amended on 11 March 2021, as described in the First Supplementary Scheme Booklet, was further amended on 15 April 2021, 26 April 2021 and 30 April 2021 to reflect:

- (a) an increase the consideration payable under:
  - the Scheme to \$1.26 per VTH Unit; and
  - the Asset Sale to \$348.1 million;
- (b) the VTH RE is permitted to pay an interim distribution of 2.5 cents per VTH Unit to VTH Unitholders (**VTH Interim Distribution**); and
- (c) certain changes, described in section 1.3 of this Second Supplementary Scheme Booklet, were made to the Scheme Implementation Deed,

### (Third MAFM SID).

The all cash Scheme Consideration together with the VTH Interim Distribution is \$1.285 per VTH Unit, and represents:

- a 63.7% premium to the undisturbed unit price of VTH Units on Friday, 6 November 2020, prior to the announcement by MIRA on Monday, 9 November 2020 that an agricultural fund managed by it intended to seek VTH RE's support for the Proposal; and
- a 25.7% premium to the net asset value of VTH of \$1.022 per VTH Unit as at 31 December 2020, based on the half year accounts for FY2021 released on 25 February 2021.<sup>3</sup>

---

<sup>2</sup> For details of the voting resolutions and thresholds required to approve the Scheme and the Asset Sale, see the 'Key Terms of the Proposal' section of the Scheme Booklet.

<sup>3</sup> The half year accounts for FY2021 do not factor in capitalised corporate costs. If adjusted for the Independent Expert's assessed value of those costs the NAV figure as at 31 December 2020 would be \$0.93. See Independent Expert's Report at page 11.



## INDEPENDENT EXPERT'S CONCLUSION

The Independent Expert continued to conclude that each of the Scheme and Asset Sale, if the Scheme is not implemented, is fair and reasonable to, and in the best interests of, VTH Unitholders in the absence of a Superior Proposal emerging.

The Independent Expert has issued the Second Supplementary Independent Expert's Report attached to this Second Supplementary Scheme Booklet as Annexure A.

## RECOMMENDATIONS

The VTH RE Directors unanimously recommend that, in the absence of a Superior Proposal, VTH Unitholders vote in favour of:

- the Scheme, subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable to, and in the best interests of, VTH Unitholders; and
- the Asset Sale, subject to the Independent Expert continuing to conclude that the Asset Sale is fair and reasonable to, and in the best interests of, VTH Unitholders (on the basis that it will only be implemented if the Scheme is not approved by the requisite majorities of VTH Unitholders).

## THIS BOOKLET

This Second Supplementary Scheme Booklet, together with the First Supplementary Scheme Booklet and the Scheme Booklet, provides details of the Proposal, the Independent Expert's Report, reasons to vote in favour of or against the Scheme and Asset Sale and information on how to vote.

I encourage you to read this Second Supplementary Scheme Booklet, the Scheme Booklet and the First Supplementary Scheme Booklet, carefully and in full as they contain important information in relation to the Scheme and the Asset Sale and will assist you in making an informed decision at the Meeting. This Second Supplementary Scheme Booklet should be read with reference to the defined terms set out in section 14 of the Scheme Booklet as well as terms defined in this Second Supplementary Scheme Booklet.

You should also consult your legal, financial, tax or other professional adviser prior to making any investment decision in relation to your VTH Units.

## NEW MEETING DATE

The Meeting was originally postponed on 1 March 2021, following receipt of the First Binding Roc Offer, defined in section 1.1 of this Second Supplementary Scheme Booklet.

As announced on 12 April 2021, the Meeting, which had been rescheduled for 16 April 2021, was postponed.

As a consequence of the updated information in this Second Supplementary Scheme Booklet, the Meeting will now be held at **2.00pm (Sydney time) on Wednesday, 12 May 2021**.

A full list of the new dates in connection with the Proposal is set out on page 4 of this Second Supplementary Scheme Booklet.

## PROXY FORMS AND VOTING

If you are a VTH Unitholder on Monday, 10 May at 7.00pm (Sydney time), you will be entitled to attend and vote on the Scheme Resolutions and, if put, the Asset Sale Resolution, at the Meeting.

As outlined above, having regard to ongoing COVID-19 considerations in planning events, physical attendance at the meeting will be limited to VTH RE management team and VTH Unitholders will only be able to attend the Meeting online.

It is very important that you cast your vote either by attending the Meeting or by appointing a proxy, attorney or body corporate representative to attend the Meeting and vote on your behalf. If you do not wish to or are unable to attend the Meeting, I encourage you to vote by proxy.

Valid proxy forms which have already been submitted by VTH Unitholders are valid unless revoked. This means that if you have already submitted a valid proxy form and you do not want to change your vote, you do not need to take any action.



If you have already submitted a valid proxy form and you want to change your vote, you may do so by:

- lodging a replacement proxy online at [www.investorvote.com.au](http://www.investorvote.com.au) or [www.intermediaryonline.com](http://www.intermediaryonline.com) (for Intermediary Online subscribers (custodians)) and following the instructions provided;
- completing and returning to the VTH Registry the new proxy form which accompanies this Second Supplementary Scheme Booklet for the Meeting at:

<b>Mailing Address</b>	<b>Hand Delivery</b>
Computershare Investor Services Pty Limited	Computershare Investor Services Pty Limited
GPO Box 1282	Level 3, 60 Carrington Street
Melbourne Victoria 3001	Sydney NSW 2000
Australia	Australia

- or contact Computershare Investor Services on 1300 855 080 (within Australia) and +61 3 9415 4000 (from outside Australia) on Business Days between 8:30am and 5:30pm (Sydney time).

Any subsequent proxy form that you lodge will revoke any earlier proxy form that you have previously lodged.

Your proxy forms (including any changes in proxy instructions previously submitted) must be received by the VTH Registry or lodged online by no later than 2.00pm (Sydney time) on Monday, 10 May 2021.

Given postal delays and the upcoming deadline of 2.00pm on Monday, 10 May 2021, **VTH RE recommends that any VTH Unitholders wishing to lodge a replacement proxy do so online.**

Full details on how to vote are set out in section 2 of the Scheme Booklet, the First Supplementary Scheme Booklet and the Notice of Meeting (in Annexure C of the First Supplementary Scheme Booklet) sets out the voting options in full.

#### **FURTHER INFORMATION**

If you have any questions about the Scheme, Asset Sale, lodging or revoking a proxy form or any other matter in this Second Supplementary Scheme Booklet, you should contact the VTH Unitholder Information Line on 1300 855 080 (within Australia) and +61 3 9415 4000 (from outside Australia) on Business Days between 8:30am and 5:30pm (Sydney time) or visit [www.vthscheme.com](http://www.vthscheme.com).

Where appropriate, VTH RE intends to provide updated information in relation to the Proposal, including any changes to the terms of the Proposal or VTH RE's response to any alternative proposal, promptly by way of announcement to the ASX only. You are encouraged to regularly review the ASX platform for any announcements made by VTH RE.

On behalf of the VTH RE Board, I would like to take this opportunity to thank you for your continued support of VTH. I look forward to your participation at the Meeting.

Yours sincerely,

Richard McCarthy

**Director**

**The Trust Company (RE Services) Limited as responsible entity for Vitalharvest Freehold Trust**



## 1 Overview of Further Revised MAFM Proposal

### 1.1 History of offers from MAFM and Roc

Since the First Supplementary Scheme Booklet was issued on 24 March 2021, the following developments have occurred:

Date	Development
31 March 2021	<ul style="list-style-type: none"><li>VTH RE received a binding offer from Roc for \$1.12 per VTH Unit or the assets of VTH for \$322.2 million (<b>First Binding Roc Offer</b>).</li></ul>
6 April 2021	<ul style="list-style-type: none"><li>The VTH RE Board determined that the First Binding Roc Offer was a Superior Proposal to the revised MAFM Proposal of \$1.08 per VTH Unit (or equivalent under the Asset Sale) described in the First Supplementary Scheme Booklet.</li><li>MAFM subsequently provided a revised offer for \$1.12 per VTH Unit (or equivalent under the Asset Sale), which VTH RE Board determined met the criteria for a matching offer under MAFM's matching right in the Scheme Implementation Deed.</li></ul>
7 April 2021	<ul style="list-style-type: none"><li>Subsequent to this determination, VTH RE received a modified binding offer from Roc for \$1.16 per VTH Unit (or equivalent under the Asset Sale) (<b>Second Binding Roc Offer</b>).</li><li>The VTH RE Board determined that the Second Binding Roc Offer was a Superior Proposal to the revised MAFM proposal of \$1.12 per VTH Unit (or equivalent under the Asset Sale) and issued a matching notice to MAFM under the Scheme Implementation Deed.</li></ul>
14 April 2021	<ul style="list-style-type: none"><li>MAFM provided a revised proposal for \$1.16 per VTH Unit (or equivalent under the Asset Sale).</li></ul>
15 April 2021	<ul style="list-style-type: none"><li>The VTH RE Board determined that the revised MAFM proposal of \$1.16 per VTH Unit met the criteria for a matching right offer under MAFM's matching right in the Scheme Implementation Deed. VTH RE and MAFM entered into an amending deed in relation to the Scheme Implementation Deed on 15 April 2021 to reflect the revised proposal.</li><li>Subsequent to the VTH RE Board's determination, VTH RE received a further modified offer from Roc for \$1.18 per unit (or equivalent under the Asset Sale) (<b>Third Binding Roc Offer</b>).</li><li>The VTH RE Board determined that the Third Binding Roc Offer was a Superior Proposal to the revised MAFM proposal of \$1.16 per VTH Unit (or equivalent under the Asset Sale).</li></ul>
22 April 2021	<ul style="list-style-type: none"><li>MAFM provided a further proposal for \$1.19 per VTH Unit (or equivalent under the Asset Sale).</li><li>Subsequent to this determination, VTH RE received a further offer from Roc for \$1.23 per VTH Unit (or equivalent under the Asset Sale) (<b>Fourth Binding Roc Offer</b>).</li></ul>



Date	Development
23 April 2021	<ul style="list-style-type: none"><li>• The VTH RE Board determined that:<ul style="list-style-type: none"><li>– the revised MAFM proposal for \$1.19 was likely to provide a superior outcome for VTH Unitholders to the Third Binding Roc Offer; and</li><li>– the Fourth Binding Roc Offer was reasonably likely to result in a Superior Proposal.</li></ul></li><li>• MAFM provided a further revised proposal for \$1.24 per VTH Unit (or equivalent under the Asset Sale).</li></ul>
30 April 2021	<ul style="list-style-type: none"><li>• VTH RE received a further offer from Roc for \$1.25 per VTH Unit (or equivalent under the Asset Sale) (<b>Fifth Binding Roc Offer</b>).</li><li>• Subsequent to receiving the Fifth Binding Roc Offer, VTH RE received the Further Revised MAFM Proposal.</li></ul>

## 1.2 Further Revised MAFM Proposal

On 30 April 2021, MAFM provided VTH RE with the Further Revised MAFM Proposal which offered the following revised consideration:

- (a) \$1.26 cash per VTH Unit under the Scheme; and
- (b) \$348.1 million cash under the Asset Sale.

On 30 April 2021, the VTH RE Board determined that it was in the best interests of VTH Unitholders to accept the Further Revised MAFM Proposal. Accordingly, the parties have entered into a fourth amending deed in relation to the Scheme Implementation Deed to give effect to the Further Revised MAFM Proposal.

The amendments to the Scheme Implementation Deed since the despatch of the First Supplementary Scheme Booklet are described in section 1.3 of this Second Supplementary Scheme Booklet.

Under the amended Scheme Implementation Deed, VTH RE is permitted to pay the VTH Interim Distribution at any time. As announced on 29 April 2021, the VTH Interim Distribution will have a record date of 5 May and will be paid to all VTH Unitholders, who hold VTH Units on the record date, on 14 May 2021.

## 1.3 Amendments to Scheme Implementation Deed

The Scheme Implementation Deed that was amended on 11 March 2021, as described in the First Supplementary Scheme Booklet, was further amended on 15 April 2021, 26 April 2021 and 30 April 2021 to:

- (a) reflect the amendments to the Scheme Consideration and Asset Sale Consideration described in section 1.2 of this Second Supplementary Scheme Booklet;
- (b) reflect that VTH RE is permitted to pay the VTH Interim Distribution;
- (c) require that any public announcement in respect of the Further Revised MAFM Proposal contain:
  - (1) a unanimous recommendation by the VTH RE Board in favour of the Further Revised MAFM Proposal; and



- (2) a statement that VTH RE has ceased all engagement with Roc and that no binding agreement has been entered into between VTH RE and Roc in relation to any acquisition of the VTH Units, the Leasehold Trust Units or the Leasehold Trustee Shares by Roc; and
- (d) reflect that, in the context of any Asset Sale:
  - (1) VTH RE must pay to MAFM any surplus cash that remains in VTH after VTH RE distributes an aggregate amount of up to \$1.26 per unit to VTH Unitholders and settles any outstanding liabilities of VTH. This means that the maximum VTH unitholders will receive under the Asset Sale is \$1.26 per unit; and
  - (2) VTH RE must procure that all non-intragroup guarantees granted by the Leasehold Trust, Leasehold Trustee or any of their subsidiaries in respect of any indebtedness are released with effect on or before Completion.

As at the date of this Second Supplementary Scheme Booklet, MAFM and MAFML2 have entered into a revised Deed Poll to reflect the terms of the Further Revised MAFM Proposal. The Deed Poll is in the form annexed to the Scheme Implementation Deed as amended and released on ASX on 30 April 2021.





## 2 Supplementary information about VTH

---

### 2.1 Material changes in financial position of VTH

VTH RE previously provided an estimate of the transaction related costs expected to be incurred by VTH RE which, if neither the Scheme nor Asset Sale are implemented, will be paid out of the assets of VTH. VTH RE also noted that further transaction costs may be incurred after the issue of the Scheme Booklet.

Since the Scheme Booklet, particularly as a result of the multiple revised offers from MAFM and Roc, VTH RE now anticipates that these transaction related costs will be approximately \$3.2m, rather than the approximately \$1.55m referred to in the Scheme Booklet.

Since the release of the VTH half year accounts for FY21 on 25 February 2021, the interest rate swaps valuation has improved from a \$10.4m liability to a \$7.8m liability (as at 31 March 2021). However, despite this current improvement, there is no certainty that the valuation of the interest rate swaps will remain the same, or that the amount owing on the swaps will not increase, by implementation of the Further Revised MAFM Proposal.



## 3 Supplementary information about MAFML2

---

### 3.1 Funding arrangements

The funding commitment that may arise for MAFML2 if:

- (a) the Scheme becomes effective and is implemented has increased to a maximum of \$241.1 million due to the increased Scheme Consideration (**Revised Scheme Costs**); or
- (b) the Asset Sale is implemented has increased to a maximum of \$354.1 million due to the increased Asset Sale Consideration (**Revised Asset Sale Costs**).

MAFML2 confirms that it is able to fund the Revised Scheme Costs or Revised Asset Sale Costs (as applicable) through equity committed by MAFM, as described in section 9.3 of the Scheme Booklet. On the basis of the arrangements described in that section, MAFML2 remains of the opinion that it has a reasonable basis for holding the view, and holds the view, that it will be able to satisfy the funding commitments described in this section 3.1.



## 4 Additional Information

### 4.1 Consents and disclosures

Each party named in this section 4.1 as consenting parties:

- (a) has given and has not, before the date of this Second Supplementary Scheme Booklet, withdrawn its written consent to be named in the Second Supplementary Scheme Booklet in the form and context in which it is named;
- (b) has given and has not, before the date of this Second Supplementary Scheme Booklet, withdrawn its written consent to the inclusion of its respective statements and reports (where applicable) noted next to its name in this section 4.1, and the references to those statements and reports in the form and context in which they are included in this Second Supplementary Scheme Booklet;
- (c) has not caused or authorised the issue of this Second Supplementary Scheme Booklet; and
- (d) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any statements in or omissions from this Second Supplementary Scheme Booklet.

The term “consent” as used in this Second Supplementary Scheme Booklet is used solely in the context of this Second Supplementary Scheme Booklet and as that term is used in Australia.

Party	Consenting Party
MAFM	Macquarie Agricultural Funds Management Limited as trustee of Macquarie Agriculture Fund – Crop Australia 2
MAFML2	Macquarie Agricultural Funds Management No. 2 Pty Limited as trustee for M2 Acquisition Trust
VTH Registry	Computershare Investor Services Pty Limited
Legal adviser	Herbert Smith Freehills
Independent Expert (in relation to the Second Supplementary Independent Expert’s Report in Annexure A)	Grant Thornton Corporate Finance Pty Ltd

### 4.2 Further disclosure

Where appropriate, VTH RE intends to provide updated information in relation to the Proposal, including any changes to the terms of the Proposal or VTH RE’s response to any alternative proposal, promptly by way of announcement to the ASX only. You are encouraged to regularly review the ASX platform for any announcements made by VTH RE.



## 5 Glossary and Interpretation

### 5.1 Glossary

In this Second Supplementary Scheme Booklet, unless the context otherwise appears, defined terms have the meanings given to them in the Scheme Booklet and the following terms have the meanings shown below:

Term	Meaning
<b>Fifth Binding Roc Offer</b>	has the meaning given to the term in section 1.1.
<b>First Binding Roc Offer</b>	has the meaning given to the term in section 1.1.
<b>First Supplementary Scheme Booklet</b>	the supplementary scheme booklet dated 24 March 2021, including the attachments to it.
<b>Fourth Binding Roc Offer</b>	has the meaning given to the term in section 1.1.
<b>Further Revised MAFM Proposal</b>	has the meaning given to the term in section 1.2.
<b>MAFM Information</b>	<p>information regarding the MAFM Group (other than any VTH Information contained in that information), provided by MAFML2 to VTH RE in writing for inclusion in this Second Supplementary Scheme Booklet, being information about funding for the Proposal and any other information required under the Corporations Act, Corporations Regulations or the Listing Rules to enable this Second Supplementary Scheme Booklet to be prepared that VTH RE and MAFM agree is 'MAFM Information' and that is identified in this Second Supplementary Scheme Booklet as such.</p> <p>For the avoidance of doubt, the MAFM Information excludes the VTH Information and the Second Supplementary Independent Expert's Report.</p>
<b>Manager</b>	Primewest Agrichain Management Pty Ltd (ACN 625 505 455).
<b>Revised Asset Sale Costs</b>	has the meaning given to the term in section 3.1.
<b>Revised Scheme Costs</b>	has the meaning given to the term in section 3.1.
<b>Roc</b>	Roc Private Equity Pty Ltd (ACN 615 322 060).
<b>Scheme Booklet</b>	the scheme booklet dated 10 February 2021, including the attachments to it.
<b>Second Binding Roc Offer</b>	has the meaning given to the term in section 1.1.
<b>Second Supplementary Independent Expert's Report</b>	the second supplementary Independent Expert's report attached at Annexure A to this Second Supplementary Scheme Booklet.



Term	Meaning
<b>Third Binding Roc Offer</b>	has the meaning given to the term in section 1.1.
<b>VTH Information</b>	the information contained in this Second Supplementary Scheme Booklet other than the MAFM information and the Second Supplementary Independent Expert's Report.
<b>VTH Interim Distribution</b>	the interim distribution of 2.5c per VTH Unit to be paid to VTH Unitholders.



**Grant Thornton**

An instinct for growth™

# Vitalharvest Freehold Trust

Second Supplementary Independent Expert's Report and Financial Services Guide

30 April 2021

#5287694v1



**Grant Thornton**

An instinct for growth™

The Directors  
The Trust Company (RE Services) Limited as responsible  
entity of Vitalharvest Freehold Trust  
Angel Place, 123 Pitt St  
Sydney NSW 2000

**Grant Thornton Corporate Finance  
Pty Ltd**  
Level 17  
383 Kent Street  
Sydney NSW 2000  
Locked Bag Q800  
Queen Victoria Building NSW 1230  
T +61 2 8297 2400

30 April 2021

Dear Directors

## Supplementary Independent Expert's Report

On 17 November 2020, The Trust Company (RE Services) Limited ("RE"), as responsible entity of Vitalharvest Freehold Trust ("VTH" or the "Trust"), entered into a scheme implementation deed ("SID") with Macquarie Agricultural Funds Management Limited ("MAFM") as trustee of Macquarie Agriculture Fund – Crop Australia 2<sup>1</sup> to regulate the acquisition of VTH units to be implemented as a trust scheme ("Trust Scheme").

The cash consideration was agreed at A\$1 per unit ("Trust Scheme Consideration") plus MAFM allowed VTH to pay a distribution of 2.5c per VTH Unit<sup>2</sup> for the half year ended 31 December 2020 ("VTH Interim Distribution").

If the Trust Scheme failed to be approved by the requisite majority of VTH Unitholders<sup>3</sup>, the acquisition would instead be implemented by the purchase of the Properties<sup>4</sup> for a cash

<sup>1</sup> As part of the SID, MAFM nominated M2 Acquisition Trust, as the acquiring entity. M2 Acquisition Trust was established for the purpose of acquiring VTH and Macquarie Agricultural Funds Management No. 2 Pty Limited is the trustee ("MAFML2") of M2 Acquisition Trust. In the remainder of this document, MAFM refers to both MAFM and MAFML2.

<sup>2</sup> This was agreed on 30 January 2021 as it would otherwise (in the absence of MAFM's consent) be prohibited under the SID.

<sup>3</sup> It requires at least 75% of the votes cast at the Meeting by VTH Unitholders eligible to vote on the Trust Scheme

<sup>4</sup> The Trust owns one of the largest aggregations of berry and citrus farms in Australia comprising 4 berry properties, 3 citrus properties and attached water rights (collectively referred to as "the Properties").

ABN-59 003 265 987 ACN-003 265 987 AFSL-247140

Grant Thornton Corporate Finance Pty Ltd ABN 59 003 265 987 ACN 003 265 987 (holder of Australian Financial Services Licence No. 247140), a subsidiary or related entity of Grant Thornton Australia Limited ABN 41 127556 389. 'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Limited is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thornton' may refer to Grant Thornton Australia Limited ABN 41 127 556 389 and its Australian subsidiaries and related entities. Liability limited by a scheme approved under Professional Standards Legislation.

#5287694v1

[www.grantthornton.com.au](http://www.grantthornton.com.au)



consideration of A\$300 million ("Asset Sale" together with the Trust Scheme referred to as the "Proposed Transaction")<sup>5</sup>.

On 10 February 2021, VTH released the Scheme Booklet in relation to the Proposed Transaction which contained an Independent Expert's Report ("IER") prepared by Grant Thornton Corporate Finance Pty Ltd ("Grant Thornton Corporate Finance") which opined that both the Trust Scheme and the Asset Sale were FAIR and REASONABLE and hence in the BEST INTEREST of VTH unitholders. The VTH unitholders meeting to consider the Proposed Transaction was scheduled to be held on 4 March 2021.

However, On 25 February 2021, the RE received a non-binding indicative proposal from ROC Private Equity Pty Ltd ("ROC") to acquire 100% of the issued units in VTH for A\$1.08 cash per unit by way of trust scheme or if the trust scheme proposal is not approved by the requisite majority, by acquiring all of the assets of VTH for A\$314.8 million in cash. Since then, the VTH unitholders meeting was postponed due to a number proposals from both ROC and MAFM as outlined below:

Date	Bidding Party	Price per unit under Trust Scheme (A\$)	Price for the Asset Sale (A\$m)	Definition
25 February 2021	ROC	1.08	314.8	Initial ROC Proposal <sup>6</sup>
11 March 2021	MAFM	1.08	314.8	Second MAFM Proposal
17 March 2021	ROC	1.12	322.2	Second ROC Proposal <sup>7</sup>
24 March 2021	Grant Thornton Corporate Finance issued a Supplementary IER concluding that both the Trust Scheme and the Asset Sale in connection with MAFM Second Offer were FAIR and REASONABLE and hence in the BEST INTEREST of VTH unitholders. At the date of the Supplementary IER, Grant Thornton Corporate Finance did not comment on the Second Roc Proposal as it was non-binding proposal.			
31 March 2021	ROC	1.12	322.2	Second ROC Proposal
6 April 2021	MAFM	1.12	322.2	Third MAFM Proposal
7 April 2021	ROC	1.16	329.6	Third ROC Proposal
14 April 2021	MAFM	1.16	329.6	Fourth MAFM Proposal
15 April 2021	ROC	1.18	333.3	Fourth ROC Proposal
22 April 2021	MAFM	1.19	335.15	Fifth MAFM Proposal
22 April 2021	ROC	1.23	342.55	Fifth ROC Proposal
23 April 2021	MAFM	1.24	344.4	Sixth MAFM Proposal
30 April 2021	ROC	1.25	346.25	Sixth ROC Proposal

<sup>5</sup> This will occur through the acquisition of the units in the Leasehold Trust which owns the Properties.

<sup>6</sup> Non-binding proposal.

<sup>7</sup> Non-binding proposal which on 22 March 2021, the VTH RE Board determined that the Second ROC Proposal would be reasonably like to result in a superior proposal.





Date	Bidding Party	Price per unit under Trust Scheme (A\$)	Price for the Asset Sale (A\$m)	Definition
30 April 2021	MAFM	1.26	348.1	Seventh MAFM Proposal

Subject to no superior proposal being received before the unitholders meeting and an independent expert concluding and continuing to conclude that the Seventh MAFM Proposal<sup>8</sup> is fair and reasonable to and in the best interests of VTH unitholders, the Directors of the RE have unanimously recommended that VTH unitholders vote in favour of the Seventh MAFM Proposal.

In accordance with the requirements of ASIC RG 111, Grant Thornton Corporate Finance has prepared a Second Supplementary Independent Expert's Report ("Second Supplementary IER") in relation to the Seventh MAFM Proposal. This Second Supplementary IER should be read in conjunction with the Supplementary IER and the IER prepared by Grant Thornton Corporate Finance. Definitions adopted in the IER apply to this letter unless otherwise stated.

### Relevant updates since the release of the IER

Notwithstanding that only a small period of time has passed since the issue of the IER and the Colliers Report, in forming our opinion in relation to the Seventh MAFM Proposal, we have considered whether or not any of the key assumptions adopted in the IER and in the Colliers Report needed to be updated in any material respect having regard to changes in market conditions or in the underlying circumstances of the Trust. We make the following asset specific and market observations:

#### *Assets specific observations*

- **Update on the LID<sup>9</sup>** – At the time of preparation of the IER, we received written confirmation from MAFML2's legal advisers that the fixed annual rental payment agreed between Costa and MIRA in the LID was lower than the annual fixed rental payment of A\$20 million<sup>10</sup> adopted by Colliers as market benchmark in the valuation assessment of the Properties. Following the Seventh MAFM Proposal, we received written confirmation from MAFML2's legal advisers that the previous disclosure regarding the LID between MAFM and Costa remains accurate.
- **Colliers' valuations** – In the IER and Supplementary IER, Grant Thornton Corporate Finance assessed the value per unit of VTH between A\$0.97 and A\$1.11 which was based on the valuation of the Properties assessed by Colliers in December 2020 between A\$295.5 million and A\$320.5 million<sup>11</sup>. As part of the review of the Seventh MAFM Proposal, we sought confirmation from Colliers whether or not changes in the current macro-economic environment and trends in the broader REIT sector since December 2020 would lead Colliers to materially increase the valuation assessment of the Properties.

<sup>8</sup> In the case of the Asset Sale on the basis that it will only be implemented if the Trust Scheme is not approved by the requisite majority.

<sup>9</sup> On 18 December 2020, Costa announced that it had signed a Lease Implementation Deed ("LID") with Macquarie Infrastructure and Real Assets ("MIRA") for the Properties currently leased from VTH which will only take effect if the Proposed Transaction completes. The new leases are based on fixed rental payments for each of the seven farms for 20 years plus a 10-year extension option.

<sup>10</sup> Please refer to page 126 of the Colliers valuation report for further supporting assumptions.

<sup>11</sup> Average of Scenario 1 and Scenario 2 assessed by Colliers.



Colliers has indicated that having regard to the 5 year average rent of the Properties at the time of the Colliers valuation of A\$18.14 million, the passing rental yield would have been required to compress/reduce from 6.49% in December 2020 to 5.20% in April 2021 for the low-end of the Properties value to be higher than the consideration offered under the Seventh MAFM Proposal<sup>12</sup>. Based on a high level review of available information, transactions in the broader REIT sector and general market conditions, Colliers has indicated that whilst it would expect the capitalisation rate applicable to the Properties to have compressed since the Colliers Report was issued, Colliers is not aware of any market evidence which would lead Colliers to reduce the capitalisation rate to the level of 5.20%. Notwithstanding the current buoyant market conditions, it is not reasonable to expect that in such a short period of time between December 2020 and April 2021 the low end of the Properties assessed by Colliers would have increased from A\$295.5 million to above the consideration offered under the Seventh MAFM Proposal.

For the avoidance of the doubt, we note that Colliers has provided these additional observations based on current market trends and has not undertaken any additional asset specific investigations. Colliers has not updated the valuation assessment of the Properties included in the Colliers Report.

- *Half year accounts* – At the date of finalising the IER, we were only provided with a draft of the half year accounts as at 31 December 2020. On 25 February 2021, VTH released the half year reviewed accounts as at 31 December 2020 with the same net assets and valuation of the Properties that was provided to us in the draft accounts. The balance sheet as at 31 December 2020 did not include a provision for the 2.5c dividend given that it was conditional on approval of the Proposed Transaction.
- *Costa's financial performance* – As set out in the Supplementary IER, on 22 February 2021, Costa Group Holding Limited ("Costa") released the results for the full CY20 which delivered strong results due to favourable market conditions supported by positive demand and pricing across a number of produce categories including citrus and berry. This will likely lead to an increase in the variable rent payable to VTH in 2021. However favourable market conditions for Costa in 2021 were already considered by Colliers in the valuation assessment of the Properties. No additional updates relevant for the Properties were released by Costa following the issue of the Supplementary Report.

#### *Market observations*

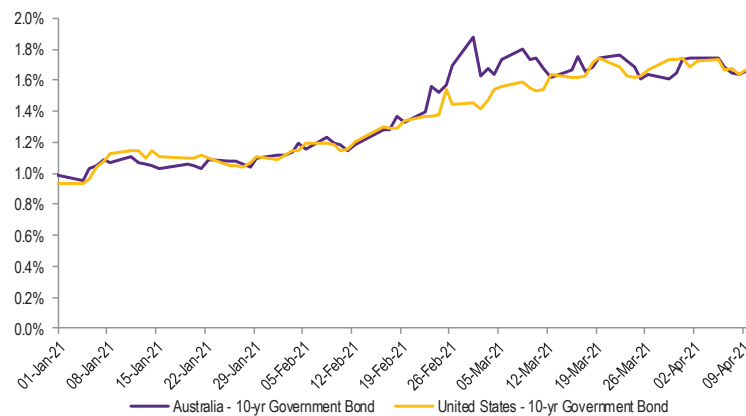
- *Macro update* – At the beginning of March 2021, Q4 GDP figures for 2020 were released by the Australian government with economic growth of 3.1% vs a forecast of 2.5% which provided further confidence for a quick recovery from the recession caused by the outbreak of COVID-19. Year-on-year, GDP was only 1.1% down on pre-COVID-19 level. On the back of the strong 3.4% GDP growth in Q3 2020, this was the first time in the more than 60 years that GDP has grown by more than 3 percent in two straight quarters. Household consumption was particularly strong with 4.3% growth. These strong macro-economic data should provide support for the expected recovery.
- *Interest rate increase* – In the last few months, there has been an increase in the long term bond yield as set out in the graph below triggered by expectations that inflation may be on the rise on the back of the large monetary and fiscal stimulus deployed by Governments around the

<sup>12</sup> Under these circumstances the Seventh MAFM Proposal would be not fair.



world to mitigate the impact of the outbreak of COVID-19 and support economies and employment rates. An enduring increase in the long term bond yield may have an adverse effect on properties valuations.

#### Australia and United States 10-year Government Bond Yields



Source: S&P Capital IQ

#### Conclusions

Based on the above discussions and whilst the valuation assessment of the Properties has not been updated by Colliers, we are of the opinion that the Seventh MAFM Proposal remains fair for VTH unitholders. This is also supported by the highly contested nature of the transaction with two well capitalised and sophisticated parties over-bidding each other several times.

#### Summary of opinion

##### **Seventh MAFM Proposal**

**Subject to an alternative transaction not becoming a superior proposal, Grant Thornton Corporate Finance has concluded that the Trust Scheme is FAIR and REASONABLE and hence in the BEST INTEREST of VTH unitholders.**

**If the Trust Scheme is not implemented, Grant Thornton Corporate Finance has concluded that the Assets Sale is FAIR and REASONABLE and hence in the BEST INTEREST of VTH unitholders.**

##### **Net benefit opinion**

Based on the analysis, procedures and limitations outlined in Section 8 of the IER, we are of the opinion that:

- **Primewest and MAFML2 are dealing at arms' length in relation to the Facilitation Agreement.**



- **The terms of the Facilitation Agreement do not constitute the receipt of a net benefit by Primewest.**

### Other matters

Grant Thornton Corporate Finance has prepared a Financial Services Guide in accordance with the Corporations Act. The Financial Services Guide is set out in the following section.

The decision of whether or not to vote in favour of the Seventh MAFM Proposal is a matter for each VTH Shareholder to decide based on his or her own views of value of VTH and expectations about future market conditions, VTH's performance, risk profile and investment strategy. If VTH Unitholders are in doubt about the action they should take in relation to the Seventh MAFM Proposal, they should seek their own professional advice.

Yours faithfully

GRANT THORNTON CORPORATE FINANCE PTY LTD

ANDREA DE CIAN  
Director

JANNAYA JAMES  
Authorised Representative



30 April 2021

## Financial Services Guide

### 1 Grant Thornton Corporate Finance Pty Ltd

Grant Thornton Corporate Finance carries on a business, and has a registered office, at Level 17, 383 Kent Street, Sydney NSW 2000. Grant Thornton Corporate Finance holds Australian Financial Services Licence No 247140 authorising it to provide financial product advice in relation to securities and superannuation funds to wholesale and retail clients.

Grant Thornton Corporate Finance has been engaged by the Trust to provide general financial product advice in the form of an independent expert's report in relation to the Proposed Transaction and the Seventh MAFM Proposal. This Report is included in VTH's Second Supplementary Scheme Booklet.

### 2 Financial Services Guide

This Financial Services Guide ("FSG") has been prepared in accordance with the Corporations Act, 2001 and provides important information to help retail clients make a decision as to their use of general financial product advice in a report, the services we offer, information about us, our dispute resolution process and how we are remunerated.

### 3 General financial product advice

In our Report, we provide general financial product advice. The advice in the Report does not take into account your personal objectives, financial situation or needs.

Grant Thornton Corporate Finance does not accept instructions from retail clients. Grant Thornton Corporate Finance provides no financial services directly to retail clients and receives no remuneration from retail clients for financial services. Grant Thornton Corporate Finance does not provide any personal retail financial product advice directly to retail investors nor does it provide market-related advice directly to retail investors.

### 4 Remuneration

When providing the Report, Grant Thornton Corporate Finance's client is the Trust. Grant Thornton Corporate Finance receives its remuneration from the Trust. In respect of the Report, Grant Thornton Corporate Finance will receive from the Trust a fee of A\$245,000 (plus GST) which is based on commercial rates, plus reimbursement of out-of-pocket expenses for the preparation of the Report. Our directors and employees providing financial services receive an annual salary, a performance bonus or profit share depending on their level of seniority.

Except for the fees referred to above, no related body corporate of Grant Thornton Corporate Finance, or any of the directors or employees of Grant Thornton Corporate Finance or any of those related bodies or any associate receives any other remuneration or other benefit attributable to the preparation of and provision of this Report.

### 5 Independence

Grant Thornton Corporate Finance is required to be independent of VTH in order to provide this Report. The guidelines for independence in the preparation of independent expert's reports are set out



**Grant Thornton**

An instinct for growth™

8

in RG 112 *Independence of expert* issued by ASIC. The following information in relation to the independence of Grant Thornton Corporate Finance is stated below.

*"Grant Thornton Corporate Finance and its related entities do not have at the date of this Report, and have not had within the previous two years, any unitholding in or other relationship with VTH (and associated entities) that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation the Amended Transaction.*

*Grant Thornton Corporate Finance has no involvement with, or interest in the outcome of the Amended Transaction, other than the preparation of this Report.*

*Grant Thornton Corporate Finance will receive a fee based on commercial rates for the preparation of this Report. This fee is not contingent on the outcome of the Amended Transaction. Grant Thornton Corporate Finance's out of pocket expenses in relation to the preparation of the Report will be reimbursed. Grant Thornton Corporate Finance will receive no other benefit for the preparation of this Report.*

*Grant Thornton Corporate Finance considers itself to be independent in terms of RG 112 "Independence of expert" issued by the ASIC."*

## **6 Complaints process**

Grant Thornton Corporate Finance has an internal complaint handling mechanism and is a member of the Australian Financial Complaints Authority. All complaints must be in writing and addressed to the Chief Executive Officer at Grant Thornton. We will endeavour to resolve all complaints within 30 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to the Australian Financial Complaints Authority who can be contacted at:

Australian Financial Complaints Authority Limited  
GPO Box 3  
Melbourne, VIC 3001  
Telephone: 1800 931 678

Grant Thornton Corporate Finance is only responsible for this Report and FSG. Complaints or questions about the Scheme Meeting should not be directed to Grant Thornton Corporate Finance. Grant Thornton Corporate Finance will not respond in any way that might involve any provision of financial product advice to any retail investor.

## **7 Compensation arrangements**

Grant Thornton Corporate Finance has professional indemnity insurance cover under its professional indemnity insurance policy. This policy meets the compensation arrangement requirements of section 912B of the Corporations Act, 2001.

#5287694v1



Deed

## Constitution of Vitalharvest Freehold Trust Amending Deed

---

The Trust Company (RE Services) Limited



## Contents

### Table of contents

<b>1</b>	<b>Definitions and interpretation</b>	<b>3</b>
1.1	Definitions .....	3
1.2	Interpretation .....	7
1.3	Interpretation of inclusive expressions .....	8
1.4	Business Day .....	8
<b>2</b>	<b>Operation of this deed</b>	<b>8</b>
<b>3</b>	<b>Amendment of the VTH Constitution</b>	<b>8</b>
3.1	Amendment .....	8
3.2	Binding conditions .....	8
<b>4</b>	<b>Governing law and jurisdiction</b>	<b>9</b>
	<b>Schedule 1</b>	
	<b>New Clause 47 of the Constitution</b>	<b>9</b>
	<b>Schedule 2</b>	
	<b>Amendments to clause 1.1 of the VTH Constitution</b>	<b>15</b>
	<b>Signing page</b>	<b>19</b>





## Constitution of Vitalharvest Freehold Trust Amending Deed

---

Date ►

---

VTH RE	<b>The Trust Company (RE Services) Limited</b> ABN 45 003 278 831 of Level 18, Angel Place, 123 Pitt Street, Sydney NSW 2000
--------	--

---

### Recitals

- A Vitalharvest Freehold Trust ARSN 626 537 362 (the **Trust**) is governed by a trust constitution originally dated 30 May 2018 and repealed and replaced by a Supplemental Deed No. 1 dated 13 June 2018 (**VTH Constitution**) and lodged with the Australian Securities and Investments Commission.
- B The Trust is registered as a managed investment scheme under Chapter 5C of the Corporations Act 2001.
- C As at [●], there are 185,000,000 Units on issue.
- D VTH RE and MAFM have entered into the Implementation Deed.
- E Under the terms of the Implementation Deed, MAFM has nominated MAFML2 to perform its obligations under clauses 2(b) and 2(c) of the Implementation Deed, which include to implement the Proposal on and subject to the terms of the Implementation Deed.
- F Under the Implementation Deed, MAFM:
  - warrants that it will ensure that MAFML2 completes the acquisition in accordance with the Implementation Deed and the Deed Poll; and
  - unconditionally and irrevocably guarantees the due and punctual performance by MAFML2 of the obligations which MAFM has nominated MAFML2 to perform under the Implementation Deed, the Deed Poll and the Corporations Act.
- G The VTH Constitution needs be amended in the manner set out in this amending deed to facilitate the Scheme.
- H Section 601GC(1)(a) of the Corporations Act 2001 provides that the VTH Constitution may be modified by special resolution of the VTH Unitholders.
- I At a meeting of VTH Unitholders held on or about [●], VTH Unitholders approved the Scheme Resolutions, including a special resolution to make the amendments to the VTH Constitution contained in this deed.



---

This deed witnesses as follows:

---



## 1 Definitions and interpretation

---

### 1.1 Definitions

- (a) A word or phrase (except as otherwise provided in this deed) defined in the VTH Constitution has the same meaning when used in this amending deed.
- (b) The meanings of the terms used in this deed are set out below.

Term	Meaning
<b>ASIC</b>	the Australian Securities and Investments Commission.
<b>ASX</b>	ASX Limited ABN 98 008 624 691, and where the context requires, the financial market that it operates.
<b>Business Day</b>	a business day as defined in the Listing Rules and which is not a Saturday, Sunday or a public holiday or bank holiday in Sydney, Australia.
<b>CHESS</b>	the Clearing House Electronic Subregister System operated by ASX Settlement Pty Ltd and ASX Clear Pty Limited.
<b>CHESS Holding</b>	has the meaning given in the Settlement Rules.
<b>Control</b>	with respect to any person (other than an individual) the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such person whether through the ownership of voting securities, by agreement or otherwise, and for the avoidance of doubt, a general partner is deemed to Control a limited partnership of which it is the general partner and, solely for the purposes of this deed, a fund advised or managed directly or indirectly by a person will also be deemed to be Controlled by such person, and, in respect of MAFM, will also include any fund, account, client, limited partnership or other collective investment vehicle or other person which is managed or advised by an Affiliate of MAFM.
<b>Corporations Act</b>	the <i>Corporations Act 2001</i> (Cth) as modified or varied by ASIC.
<b>Court</b>	the Supreme Court of New South Wales, or such other court of competent jurisdiction under the <i>Trustee Act 1925</i> (NSW) agreed to



## Schedule 1 New Clause 47 of the Constitution

Term	Meaning
	in writing by MAFM and VTH RE.
<b>Effective Date</b>	the date on which the Scheme becomes Effective.
<b>Effective</b>	when used in relation to the Scheme, this deed taking effect pursuant to section 601GC(2) of the Corporations Act.
<b>Excess Manager Payment</b>	<div><div><b>A</b></div><div><b>B</b></div><div>Where: <b>A</b> = any Early Termination Fee (as that term is defined in the Management Agreement between VTH RE and Primewest Agrichain Management Pty Ltd as amended from time to time (<b>Management Agreement</b>)) paid or payable under the Management Agreement plus any other amount paid or payable by VTH RE to Primewest Agrichain Management Pty Ltd that arises as a result of the termination of the Management Agreement, but only to the extent the total amount paid or payable is in excess of \$4.5 million <b>B</b> = the total number of Scheme Units</div></div>
<b>Excluded Unitholder</b>	any VTH Unitholder who is a member of the MAFM Group or any VTH Unitholder who holds any VTH Units on behalf of, or for the benefit of, any member of the MAFM Group and does not hold VTH Units on behalf of, or for the benefit of, any other person.
<b>Government Agency</b>	any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity (including any stock or other securities exchange), or any minister of the Crown in right of the Commonwealth of Australia or any state, or any other federal, state, provincial, local or other government, whether foreign or Australian.
<b>Implementation Date</b>	in relation to the Scheme, if the Scheme Approval Condition is satisfied and the Scheme becomes Effective, the fifth Business Day after the Record Date, or such other date after the Record Date as VTH RE and MAFM agree in writing.
<b>Implementation Deed</b>	the implementation deed executed on 17 November 2020 between VTH RE as responsible entity of the Trust and MAFM, as amended <u>by an amending deed dated on 11 March 2021, 15 April 2021, 26 April 2021 and 30 April 2021</u> , relating to the implementation of the



## Schedule 1 New Clause 47 of the Constitution

Term	Meaning
	Scheme.
<b>Issuer Sponsored Holding</b>	has the meaning given in the Settlement Rules.
<b>Listing Rules</b>	the official listing rules of ASX.
<b>MAFM</b>	Macquarie Agricultural Funds Management Limited (ACN 122 169 368) as trustee of Macquarie Agriculture Fund – Crop Australia 2.
<b>MAFML2</b>	Macquarie Agricultural Funds Management No. 2 Pty Limited as trustee for M2 Acquisition Trust (ABN 52 712 569 900).
<b>MAFM Group</b>	MAFM and each of its Related Bodies Corporate but only to the extent that those Related Bodies Corporate are directly or indirectly owned or Controlled by MAFM, and a reference to a <b>MAFM Group Member</b> or a <b>member of the MAFM Group</b> is to any member of the MAFM Group.
<b>Record Date</b>	7.00pm on the second Business Day after the Effective Date, or such other Business Day after the Effective Date as may be agreed to in writing by MAFM and VTH RE.
<b>Registered Address</b>	in relation to a Scheme Participant, the address shown in the Register as at the Record Date.
<b>Related Bodies Corporate</b>	has the meaning set out in section 50 of the Corporations Act, except that references to 'subsidiary' have the meaning given to 'Subsidiary' in this deed.
<b>Scheme</b>	an arrangement under which MAFM, or MAFML2 as its nominee, acquires all of the VTH Units from VTH Unitholders facilitated by amendments to the VTH Constitution as set out in the Implementation Deed, subject to the requisite approvals of the VTH Unitholders.
<b>Scheme Approval Condition</b>	the Scheme Condition Precedent in clause 4.1(b) of the Implementation Deed.
<b>Scheme Condition Precedent</b>	each of the conditions set out in clause 4.1 of the Implementation Deed.



## Schedule 1 New Clause 47 of the Constitution

Term	Meaning
<b>Scheme Consideration</b>	the consideration to be provided by MAFML2 to each Scheme Participant as at the Record Date for the transfer to MAFML2 of each Scheme Unit being \$1.2698 for each Scheme Unit held by a Scheme Participant less the Excess Manager Payment.
<b>Scheme Deed Poll</b>	the deed poll under which MAFM and MAFML2 both covenant in favour of the Scheme Participants to perform obligations attributed to them under the Implementation Deed.
<b>Scheme Meeting</b>	the meeting of the VTH Unitholders convened by VTH RE to consider the Scheme Resolutions, and includes any adjournment or further adjournments of that meeting.
<b>Scheme Participants</b>	each person who is registered in the Register as at the Record Date as a holder of VTH Units (other than an Excluded Unitholder).
<b>Scheme Resolutions</b>	<p>the resolutions made to approve the Scheme including:</p> <ol style="list-style-type: none"><li>1 a resolution for the purposes of section 601GC(1) of the Corporations Act to approve amendments to the VTH Constitution, as set out in this deed; and</li><li>2 a resolution for the purposes of item 7 of section 611 of the Corporations Act to approve the acquisition of all the Scheme Units by MAFML2.</li></ol>
<b>Scheme Unit</b>	VTH Units as at the Record Date.
<b>Settlement Rules</b>	ASX Settlement Operating Rules, being the official operating rules of the settlement facility provided by ASX Settlement Pty Ltd.
<b>Subsidiary</b>	<p>has the meaning given in Division 6 of Part 1.2 of the Corporations Act, provided that an entity will also be taken to be a Subsidiary of another entity if it is Controlled by that entity and, without limitation:</p> <ol style="list-style-type: none"><li>1 a trust may be a Subsidiary, for the purposes of which a unit or other beneficial interest will be regarded as a share;</li><li>2 an entity may be a Subsidiary of a trust if it would have been a Subsidiary if that trust were a corporation; and</li><li>3 an entity will also be deemed to be a Subsidiary of an entity if that entity is required by the accounting standards to be consolidated with that entity.</li></ol>
<b>Trust</b>	the Vitalharvest Freehold Trust (ARSN 626 537 362).



## Schedule 1 New Clause 47 of the Constitution

Term	Meaning
<b>VTH Constitution</b>	the constitution establishing the Trust originally dated 30 May 2018 and repealed and replaced by a Supplemental Deed No. 1 dated 13 June 2018.
<b>Register</b>	the unit register of the Trust.
<b>VTH Unit</b>	a fully paid ordinary unit in the Trust.
<b>VTH Unitholder</b>	each person who is registered in the Register as a holder of VTH Unit.

## 1.2 Interpretation

In this deed:

- (a) headings and bold type are for convenience only and do not affect the interpretation of this deed;
- (b) the singular includes the plural and the plural includes the singular;
- (c) words of any gender include all genders;
- (d) other parts of speech and grammatical forms of a word or phrase defined in this deed have a corresponding meaning;
- (e) a reference to a person includes any company, partnership, joint venture, association, corporation or other body corporate and any Government Agency as well as an individual;
- (f) a reference to a clause, party, part, schedule, attachment or exhibit is a reference to a clause or part of, and a party, schedule, attachment or exhibit to, this deed;
- (g) a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or re-enactments of any of them;
- (h) a reference to a document (including this deed) includes all amendments or supplements to, or replacements or novations of, that document;
- (i) a reference to '\$', 'A\$' or 'dollar' is to Australian currency unless denominated otherwise;
- (j) a reference to any time is a reference to that time in Sydney, New South Wales;
- (k) a term defined in or for the purposes of the Corporations Act has the same meaning when used in this deed;
- (l) a reference to a party to a document includes that party's successors and permitted assignees;
- (m) no provision of this deed will be construed adversely to a party because that party was responsible for the preparation of this deed or that provision;



- (n) a reference to a body, other than a party to this deed (including an institute, association or authority), whether statutory or not:
  - (1) which ceases to exist; or
  - (2) whose powers or functions are transferred to another body,is a reference to the body which replaces it or which substantially succeeds to its powers or functions.

### 1.3 Interpretation of inclusive expressions

Specifying anything in this deed after the words 'including', 'includes' or 'for example' or similar expressions does not limit what else is included.

### 1.4 Business Day

Where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the next Business Day.

## 2 Operation of this deed

---

This document is conditional upon, and will have no force of effect until, the satisfaction of each conditions precedent stipulated in clause 4.1 of the Implementation Deed.

## 3 Amendment of the VTH Constitution

---

### 3.1 Amendment

- (a) The VTH Constitution as it applies to the Trust is amended (except for clauses 2.2 (*Constitution*) and 2.8 (*Vesting*), which are not amended or affected by this deed in any way) by:
  - (1) renumbering Clause 47 (*Governing Law*) as Clause 48;
  - (2) inserting as a new Clause 47 the text contained in Schedule 1; and
  - (3) amending the definitions in clause 1.1 as set out in Schedule 2.
- (b) VTH RE confirms that clauses 2.2 (*Constitution*) and 2.8 (*Vesting*) of the VTH Constitution are not replaced, amended or otherwise affected in any way by this deed.
- (c) The VTH Constitution as it applies to the Trust and as amended by this deed is the constitution of the Trust.

### 3.2 Binding conditions

This deed is binding on VTH RE, each VTH Unitholder and any other person claiming through any of them as if each was a party to this deed.





## 4 Governing law and jurisdiction

---

This deed is governed by the law of New South Wales.

## Schedule 1

### New Clause 47 of the Constitution

---

## 47 Scheme

---

### 47.1 Implementation of the Scheme

- (a) Each Scheme Participant and VTH RE must do all things and execute all deeds, instruments, transfers or other documents as VTH RE considers are necessary or desirable to give effect to the terms of the Scheme and the transactions contemplated by it.
- (b) Without limiting VTH RE's powers under this clause 47, VTH RE has power to do all things that it considers necessary or desirable to give effect to the Scheme and the Implementation Deed.
- (c) The Scheme is intended to result in the transfer of the Scheme Units to MAFML2 in return for the Scheme Consideration being received by the Scheme Participants.

### 47.2 Determination of Scheme Participants

To establish the identity and addresses of the Scheme Participants, dealings in VTH Units and other alterations to the Register will only be recognised if:

- (a) in the case of dealings of the type to be effected using CHES, the transferee is registered in the Register as the holder of the relevant VTH Units on or before the Record Date; and
- (b) in all other cases, registrable transfer or transmission applications in respect of those dealings, or valid requests in respect of those alterations, are received on or before the Record Date at the place where the Register is kept,

and VTH RE must not accept for registration, nor recognise for any purpose (except a transfer to MAFML2 pursuant to the Scheme and any subsequent transfer by MAFML2 or its successors in title), any transfer or transmission application or other request received after such times, or received prior to such times but not in registrable or actionable form, as appropriate.

### 47.3 Register

- (a) VTH RE must register or cause to be registered registrable transmission applications or transfers of the Scheme Units in accordance with clause 47.2(b)



## Schedule 1 New Clause 47 of the Constitution

by, or as soon as practicable after, the Record Date; provided that, for the avoidance of doubt, nothing in this clause 47.3(a) requires the registration of a transfer that would result in a Scheme Participant holding a parcel of Scheme Units that is less than a 'marketable parcel' (for the purposes of this clause 47.3(a) 'marketable parcel' has the meaning given in the ASX Settlement Operating Rules).

- (b) If the Scheme becomes Effective, a holder of the Scheme Units (and any person claiming through that holder) must not dispose of or purport or agree to dispose of, any Scheme Units or any interest in them after the Record Date (except a transfer to MAFML2 pursuant to the Scheme or any subsequent transfer by MAFML2 or its successors in title).
- (c) For the purpose of determining entitlements to the Scheme Consideration, VTH RE must maintain the Register in accordance with the provisions of this clause 47.3 until the Scheme Consideration has been paid to the Scheme Participants. The Register in this form will solely determine entitlements to the Scheme Consideration.
- (d) All statements of holding for VTH Units (other than statements of holding in favour of an Excluded Unitholder) will cease to have effect after the Record Date as documents of title in respect of those VTH Units and, as from that date and time, each entry current at that date on the Register (other than entries on the Register in respect of MAFML2 or any Excluded Unitholders) will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the VTH Units relating to that entry.
- (e) As soon as possible on or after the Record Date, and in any event, by 5.00pm on the first Business Day after the Record Date, VTH RE will ensure that details of the names, Registered Addresses and holdings of Scheme Units for each Scheme Participant as shown in the Register are available to MAFML2 in the form MAFML2 reasonably requires.

#### 47.4 Scheme Consideration

Each Scheme Participant is entitled to receive the Scheme Consideration in respect of each Scheme Unit held by that Scheme Participant, subject to the terms of the Scheme.

#### 47.5 Provision of Scheme Consideration

- (a) Subject to clause 47.5(d), MAFML2 must, and MAFM unconditionally and irrevocably guarantees to VTH RE that MAFML2 will, by no later than the Business Day before the Implementation Date, deposit, or procure the deposit, in cleared funds of an amount equal to the aggregate amount of the Scheme Consideration payable to all Scheme Participants into an Australian dollar denominated trust account, which will be an account held with an Australian authorised deposit-taking institution, operated by VTH RE as trustee for the Scheme Participants (**Trust Account**), (provided that any interest on the amounts deposited (less bank fees and other charges) will be to MAFML2's account).
- (b) On the Implementation Date, subject to funds having been deposited in accordance with clause 47.5(a), VTH RE must pay or procure the payment of the Scheme Consideration from the Trust Account, to each Scheme Participant.
- (c) The obligations of VTH RE under clause 47.5(b) will be satisfied by VTH RE (in its absolute discretion):



## Schedule 1 New Clause 47 of the Constitution

- (1) paying, or procuring the payment of, the relevant amount in Australian currency by electronic means to a bank account nominated by the Scheme Participant by an appropriate authority from the Scheme Participant to VTH RE; or
- (2) dispatching, or procuring the dispatch of, a cheque for the relevant amount in Australian currency to the Scheme Participant by prepaid post to their Registered Address (as at the Record Date), such cheque being drawn in the name of the Scheme Participant (or in the case of joint holders, in accordance with the procedures set out in clause 47.6).

To the extent that, following satisfaction of VTH RE's obligations under clause 47.5(c), there is a surplus in the amount held by VTH RE as trustee for the Scheme Participants in the Trust Account, that surplus may be paid by VTH RE to MAFML2.

- (d) If MAFML2 is required by Subdivision 14-D of Schedule 1 of the *Taxation Administration Act 1953* (Cth) (Subdivision 14-D) to pay amounts to the ATO in respect of the acquisition of VTH Units from certain Scheme Participants, MAFML2 is permitted to deduct the relevant amounts from the payment of the Scheme Consideration to those Scheme Participants and remit such amounts to the ATO. The aggregate sum payable to Scheme Participants shall not be increased to reflect the deduction and the net aggregate sum payable to those Scheme Participants shall be taken to be in full and final satisfaction of the amounts owing to those Scheme Participants. MAFML2 must, and MAFM unconditionally and irrevocably guarantees to VTH RE that MAFML2 will, pay any amount so withheld to the relevant taxation authorities within the time permitted by law, and, if requested in writing by the relevant Scheme Participant, provide a receipt or other appropriate evidence of such payment (or procure the provision of such receipt or other evidence) to the relevant Scheme Participant.

**47.6 Joint Holders**

In the case of Scheme Units held in joint names:

- (a) subject to 47.6(b), any Scheme Consideration payable in respect of those Scheme Units is payable to the joint holders and any cheque required to be sent under the Scheme will be made payable to the joint holders and sent to either, at the sole discretion of VTH RE, the holder whose name appears first in the Register as at the Record Date or to the joint holders; and
- (b) any other document required to be sent under the Scheme, will be forwarded to either, at the sole discretion of VTH RE, the holder whose name appears first in the Register as at the Record Date or to the joint holders.

**47.7 Transfer of Scheme Securities**

On the Implementation Date:

- (a) subject to the provision of the Scheme Consideration in the manner contemplated by clauses 47.5(b) and 47.5(c), the Scheme Units, together with all rights and entitlements attaching to the Scheme Units as at the Implementation Date, must be transferred to MAFML2, without the need for any further act by any Scheme Participant (other than acts performed by VTH RE as attorney and agent for Scheme Participants under clause 47.8), by:



Schedule 1 New Clause 47 of the Constitution

- (1) VTH RE delivering to MAFML2 duly executed instruments of transfer of the Scheme Units, executed on behalf of the Scheme Participants by VTH RE (**Instruments of Transfer**), for registration; and
- (2) MAFML2 duly executing the Instruments of Transfer, attending to the stamping of the Instruments of Transfer (if required) and delivering them to VTH RE for registration; and
- (b) immediately following receipt of the Instruments of Transfer in accordance with clause 47.7(a)(2), but subject to the stamping of the Instruments of Transfer (if required), VTH RE must enter, or procure the entry of, the name of MAFML2 in the Register in respect of all the Scheme Units transferred to MAFML2 in accordance with the Scheme.

#### 47.8 Scheme Participants' agreements and warranties

- (a) Each Scheme Participant:
  - (1) agrees to the transfer of their Scheme Units together with all rights and entitlements attaching to those Scheme Units in accordance with the Scheme;
  - (2) agrees to the variation, cancellation or modification of the rights attached to their Scheme Units constituted by or resulting from the Scheme;
  - (3) who holds their Scheme Units in a CHESS Holding agrees to the conversion of those Scheme Units to an Issuer Sponsored Holding and irrevocably authorises VTH RE to do anything necessary or expedient (whether required by the ASX Settlement Operating Rules or otherwise) to effect or facilitate such conversion; and
  - (4) acknowledges and agrees that the Scheme binds VTH RE and all Scheme Participants (including those who do not attend the Scheme Meeting and those who do not vote, or vote against the Scheme, at the Scheme Meeting).
- (b) Each Scheme Participant is taken to have warranted to VTH RE and MAFML2 on the Implementation Date, and appointed and authorised VTH RE as its attorney and agent to warrant to MAFML2 on the Implementation Date, that all their Scheme Units (including any rights and entitlements attaching to those units) which are transferred under Clause 47 will, at the date of transfer, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind, and that they have full power and capacity to transfer their Scheme Units to MAFML2 together with any rights and entitlements attaching to those Scheme Units. VTH RE undertakes that it will provide such warranty to MAFML2 as agent and attorney of each Scheme Participant.

#### 47.9 Title to and rights in Scheme Units

- (a) To the extent permitted by law, the Scheme Units (including all rights and entitlements attaching to the Scheme Units) transferred under this Clause 47 to MAFML2 will, at the time of transfer of them to MAFML2 vest in MAFML2 free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any



## Schedule 1 New Clause 47 of the Constitution

kind, whether legal or otherwise and free from any restrictions on transfer of any kind.

- (b) Immediately upon the provision of the Scheme Consideration to each Scheme Participant in the manner contemplated by this Clause 47, MAFML2 will be beneficially entitled to the Scheme Units being transferred to it under this Scheme pending registration by VTH RE of MAFML2 in the Register as the holder of the Scheme Units.

**47.10 Appointment of sole proxy**

Immediately upon the provision of the Scheme Consideration to each Scheme Participant in the manner contemplated by clauses 47.5(b) and 47.5(c), and until MAFML2 is registered as the holder of all Scheme Units in the Register, each Scheme Participant:

- (a) is deemed to have appointed MAFML2 as attorney and agent (and directed MAFML2 in each such capacity) to appoint any director, officer, secretary or agent nominated by MAFML2 as its sole proxy and, where applicable or appropriate, corporate representative to attend VTH Unitholders' meetings, exercise the votes attaching to the Scheme Units registered in their name and sign any Scheme Participants' resolution or document;
- (b) must not attend or vote at any of those meetings or sign any resolutions, whether in person, by proxy or by corporate representative (other than pursuant to this clause 47.10);
- (c) must take all other actions in the capacity of a registered holder of Scheme Units as MAFML2 reasonably directs; and
- (d) acknowledges and agrees that in exercising the powers referred to in clause 47.10, MAFML2 and any director, officer, secretary or agent nominated by MAFML2 under clause 47.11 may act in the best interests of MAFML2 as the intended registered holder of the Scheme Units.

**47.11 Authority given to VTH RE**

Each Scheme Participant, without the need for any further act:

- (a) on the Effective Date, irrevocably appoints VTH RE and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of enforcing the Scheme Deed Poll against MAFM and MAFML2, and VTH RE undertakes in favour of each Scheme Participant that it will enforce the Scheme Deed Poll against MAFM and MAFML2 on behalf of and as agent and attorney for each Scheme Participant; and
- (b) on the Implementation Date, irrevocably appoints VTH RE and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of executing any document or doing or taking any other act necessary, desirable or expedient to give effect to this Scheme and the transactions contemplated by it, including (without limitation) executing the Instruments of Transfer,

and VTH RE accepts each such appointment. VTH RE as attorney and agent of each Scheme Participant, may sub-delegate its functions, authorities or powers under this clause 47.11 to all or any of its directors, officers, secretaries or employees (jointly, severally or jointly and severally).



#### **47.12 Fractional entitlements, splitting**

Where the calculation of the Scheme Consideration to be provided to a particular Scheme Participant would result in the Scheme Participant becoming entitled to a fraction of a cent, the fractional entitlement will be rounded up or down (as applicable) to the nearest cent.

#### **47.13 Quotation and Status of VTH Units**

- (a) VTH RE will apply to ASX to suspend trading of the VTH Units on the ASX with effect from the close of trading on the Effective Date.
- (b) On a date after the Implementation Date to be determined by MAFM, VTH RE will apply:
  - (1) for termination of the official quotation of VTH Units on the ASX; and
  - (2) to have itself removed from the official list of the ASX.

#### **47.14 Binding effect of this Part**

From the Effective Date:

- (a) this Clause 47 binds VTH RE and all of the present and future Scheme Participants (including those who did not attend the Scheme Meeting, did not vote at that meeting, or voted against the Scheme Resolutions) and, to the extent of any inconsistency, overrides any other part of this deed;
- (b) VTH RE and, so far as is relevant, the Scheme Participants, must give effect to the Scheme in accordance with its terms;
- (c) VTH RE may amend the terms of the Scheme if such amendment is not inconsistent with the approval given by the Scheme Participants under the Scheme Resolutions and this Clause 47 shall apply to the Scheme as amended.

#### **47.15 Consent**

Each of the Scheme Participants consents to VTH RE doing all things necessary or incidental to the implementation of the Scheme.

#### **47.16 Further action**

VTH RE must do all things and execute all documents necessary to give full effect to the Scheme and the transactions contemplated by them.

#### **47.17 Cessation of operation**

Clause 47 ceases to have any force or operation if the Implementation Deed or Scheme Deed Poll is terminated in accordance with its terms.



## Schedule 2

### Amendments to clause 1.1 of the VTH Constitution

---

The following new definitions are inserted into the definitions contained in clause 1.1 of the VTH Constitution in alphabetical order having regard to the existing definitions:

Unless the contrary intention appears, these meanings apply:

Term	Meaning
<b>ATO</b>	Australian Taxation Office
<b>CHESS</b>	the Clearing House Electronic Subregister System operated by ASX Settlement Pty Ltd and ASX Clear Pty Limited.
<b>CHESS Holding</b>	has the meaning given in the ASX Settlement Operating Rules.
<b>Control</b>	with respect to any person (other than an individual) the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such person whether through the ownership of voting securities, by agreement or otherwise, and for the avoidance of doubt, a general partner is deemed to Control a limited partnership of which it is the general partner and, solely for the purposes of this deed, a fund advised or managed directly or indirectly by a person will also be deemed to be Controlled by such person, and, in respect of MAFM, will also include any fund, account, client, limited partnership or other collective investment vehicle or other person which is managed or advised by an Affiliate of MAFM.
<b>Court</b>	the Supreme Court of New South Wales, or such other court of competent jurisdiction under the <i>Trustee Act 1925</i> (NSW) agreed to in writing by MAFM and VTH RE.
<b>Effective Date</b>	the date on which the Scheme becomes Effective.
<b>Effective</b>	when used in relation to the Scheme, this deed taking effect pursuant to section 601GC(2) of the Corporations Act.
<b>Excess Manager Payment</b>	<div><b>A</b> <b>B</b></div> <div>Where:</div>



## Schedule 2 Amendments to clause 1.1 of the VTH Constitution

Term	Meaning
	<p><b>A =</b> any Early Termination Fee (as that term is defined in the Management Agreement between VTH RE and Primewest Agrichain Management Pty Ltd as amended from time to time (Management Agreement)) paid or payable under the Management Agreement plus any other amount paid or payable by VTH RE to Primewest Agrichain Management Pty Ltd that arises as a result of the termination of the Management Agreement, but only to the extent the total amount paid or payable is in excess of \$4.5 million</p> <p><b>B =</b> the total number of Scheme Units</p>
<b>Excluded Unitholder</b>	any <b>VTH Unitholder</b> who is a member of the <b>MAFM Group</b> or any VTH Unitholder who holds any <b>VTH Units</b> on behalf of, or for the benefit of, any member of the MAFM Group and does not hold VTH Units on behalf of, or for the benefit of, any other person.
<b>Government Agency</b>	any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity (including any stock or other securities exchange), or any minister of the Crown in right of the Commonwealth of Australia or any State, or any other federal, state, provincial, local or other government, whether foreign or Australian.
<b>Implementation Date</b>	in relation to the Scheme, if the Scheme Approval Condition is satisfied and the Scheme becomes Effective, the fifth Business Day after the Record Date, or such other date after the Record Date as VTH RE and MAFM agree in writing.
<b>Implementation Deed</b>	the implementation deed executed on 17 November between VTH RE as responsible entity of the Trust and MAFM, as amended <del>by an amending deed dated on</del> 11 March 2021, <u>15 April 2021</u> , <u>26 April 2021</u> and <u>30 April 2021</u> , relating to the implementation of the Scheme.
<b>Issuer Sponsored Holding</b>	has the meaning given in the ASX Settlement Operating Rules.
<b>MAFM</b>	Macquarie Agricultural Funds Management Limited (ACN 122 169 368) as trustee of Macquarie Agriculture Fund – Crop Australia 2.
<b>MAFML2</b>	Macquarie Agricultural Funds Management No. 2 Pty Limited as trustee for M2 Acquisition Trust (ABN 52 712 569 900).





## Schedule 2 Amendments to clause 1.1 of the VTH Constitution

Term	Meaning
<b>MAFM Group</b>	MAFM and each of its Related Bodies Corporate but only to the extent that those Related Bodies Corporate are directly or indirectly owned or Controlled by MAFM, and a reference to a MAFM Group Member or a member of the MAFM Group is to any member of the MAFM Group.
<b>Record Date</b>	7.00pm on the second Business Day after the Effective Date, or such other Business Day after the Effective Date as may be agreed to in writing by MAFM and VTH RE.
<b>Registered Address</b>	in relation to a Scheme Participant, the address shown in the Register as at the Record Date.
<b>Scheme</b>	an arrangement under which MAFM, or MAFML2 as its nominee, acquires all of the VTH Units from VTH Unitholders facilitated by amendments to the VTH Constitution as set out in the Implementation Deed, subject to the requisite approvals of the VTH Unitholders.
<b>Scheme Approval Condition</b>	the Scheme Condition Precedent in clause 4.1(b) of the Implementation Deed.
<b>Scheme Condition Precedent</b>	each of the conditions set out in clause 4.1 of the Implementation Deed.
<b>Scheme Consideration</b>	the consideration to be provided by MAFML2 to each Scheme Participant as at the Record Date for the transfer to MAFML2 of each Scheme Unit being \$1. <del>2698</del> for each Scheme Unit held by a Scheme Participant less the Excess Manager Payment.
<b>Scheme Deed Poll</b>	the deed poll under which MAFM and MAFML2 both covenant in favour of the Scheme Participants to perform obligations attributed to them under the Implementation Deed.
<b>Scheme Meeting</b>	the meeting of the VTH Unitholders convened by VTH RE to consider the Scheme Resolutions, and includes any adjournment or further adjournments of that meeting.
<b>Scheme Participants</b>	each person who is registered in the Register as at the Record Date as a holder of VTH Units (other than an Excluded Unitholder).
<b>Scheme Resolutions</b>	the resolutions made to approve the Scheme including: 1 a resolution for the purposes of section 601GC(1) of the Corporations Act to approve amendments to this constitution;



Schedule 2 Amendments to clause 1.1 of the VTH Constitution

Term	Meaning
	and 2 a resolution for the purposes of item 7 of section 611 of the Corporations Act to approve the acquisition of all the Scheme Units by MAFML2.
<b>Scheme Unit</b>	VTH Units as at the Record Date.
<b>Subsidiary</b>	has the meaning given in Division 6 of Part 1.2 of the Corporations Act, provided that an entity will also be taken to be a Subsidiary of another entity if it is Controlled by that entity and, without limitation: 1 a trust may be a Subsidiary, for the purposes of which a unit or other beneficial interest will be regarded as a share; 2 an entity may be a Subsidiary of a trust if it would have been a Subsidiary if that trust were a corporation; and 3 an entity will also be deemed to be a Subsidiary of an entity if that entity is required by the accounting standards to be consolidated with that entity.
<b>VTH RE</b>	The Trust Company (RE Services) Limited
<b>VTH Unit</b>	a fully paid ordinary Unit.
<b>VTH Unitholder</b>	each person who is registered in the Register as a holder of VTH Units.



## Signing page

Executed as a deed

---

Signed sealed and delivered for  
**The Trust Company (RE Services) Limited**

*sign here* ► \_\_\_\_\_  
Director

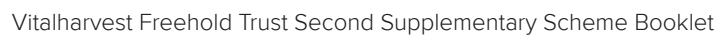
*print name* \_\_\_\_\_

*sign here* ► \_\_\_\_\_  
Director/Secretary

*print name* \_\_\_\_\_









The Trust Company (RE Services) Limited  
ACN 003 278 831  
AFS Licence 235150  
Level 18  
123 Pitt Street  
Sydney NSW 2000

Vitalharvest Freehold Trust  
Level 1, 307 Murray Street  
Perth WA 6000  
T +61 8 9321 7133  
W [www.primewest.com.au](http://www.primewest.com.au)

