

ASX Announcement – Australian Unity Office Fund

25 July 2022

Update on non-binding indicative proposal to acquire Australian Unity Office Fund

Australian Unity Investment Real Estate Limited (AUIREL) as responsible entity of Australian Unity Office Fund (ASX: AOF) notes its previous announcements in relation to the non-binding, indicative proposal from Aliro Group, on behalf of the Aliro Group Office Value Fund (AGOVF) (collectively, **Aliro**) to acquire all the issued units in AOF for \$2.45 cash per AOF unit (**Offer Price**), by way of a trust scheme (**Aliro Proposal**).

An independent board committee (**IBC**) comprising the independent directors of AUIREL was established by AUIREL to consider the Aliro Proposal and, as announced on 3 June 2022, an Exclusivity Deed was entered into between AUIREL and Aliro, to permit Aliro to conduct exclusive due diligence.

As disclosed by AUIREL on 1 July 2022 and 18 July 2022, following requests from Aliro, the Exclusivity Period as defined in the Exclusivity Deed was extended to enable Aliro to revert with an updated proposal.

After market on Friday, 22 July 2022, AUIREL received correspondence from Aliro advising that Aliro is unable to submit an updated proposal at this time. Aliro noted it had completed a significant amount of work, having previously advised AUIREL that its key diligence findings did not contain any major issues. Aliro further noted a deterioration of market conditions had resulted in it being unable to arrive at an offer price that could meet its investment objectives as well as being at a level that Aliro believed would be acceptable for consideration by AOF unitholders.

AUIREL will continue to progress with the three options previously outlined to maximise value for AOF unitholders namely:

- the delivery of asset refurbishments and repositioning opportunities, while maintaining strong occupancy from multi-tenanted assets;
- divesting some or all properties and returning capital to unitholders; and
- a portfolio sale via a corporate transaction.

As previously disclosed, Colliers and Knight Frank have been appointed to jointly investigate the sale of some or all of AOF's properties. Colliers and Knight Frank will now proceed with an expression of interest campaign.

AUIREL will continue to keep the market updated.

Authorised by:
AUIREL Board

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About AOF

AOF is an ASX-listed REIT that wholly owns a diversified portfolio of properties located across Australian metropolitan and CBD markets in Sydney, Adelaide, Melbourne, Brisbane and Canberra.

This announcement is issued by Australian Unity Investment Real Estate Limited ABN 86 606 414 368 AFSL 477434 (AUIREL) as responsible entity of Australian Unity Office Fund. AUIREL is owned equally by subsidiaries of Australian Unity Limited ABN 23 087 648 888 and Keppel Capital Holdings Pte Ltd CRN 201302079N, the asset management arm of Singapore-based Keppel Capital Limited CRN 196800351N.

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