

PRODUCT DISCLOSURE STATEMENT AND PROSPECTUS

Primewest Group Limited (ACN 636 344 137)

Primewest Management Ltd (ACN 091 415 833) as responsible entity of Primewest Property Fund (ARSN 636 405 635)

Primewest SaleCo Limited (ACN 636 478 932)



Offer

The Offer contained in this product disclosure statement and prospectus (Offer Document) is an initial public offering of fully paid ordinary shares in Primewest Group Limited (ACN 636 344 137) and fully paid units in Primewest Property Fund (ARSN 636 405 635) which will be stapled together and trade as stapled securities (Securities).

This Offer Document has been prepared, and is issued, by Primewest Group Limited, Primewest Management Ltd (ABN 63 091 415 833, Australian Financial Services Licence Number 250963), as responsible entity of Primewest Property Fund (ARSN 636 405 635 (together with their controlled entities, Primewest) and Primewest SaleCo Limited (ACN 636 478 932 (SaleCo). This Offer Document is a product disclosure statement for the purposes of Part 7.9 of the Corporations Act 2001 (Cth) (Corporations Act) and a prospectus for the purposes of Part 6D.2 of the Corporations Act. Each of Primewest Group Limited, Primewest Management Ltd and SaleCo take full responsibility for this Offer Document.

Lodgement and listing

This Offer Document is dated 21 October 2019 (Offer Document Date) and a copy was lodged with the Australian Securities and Investments Commission (ASIC) on that day (Offer Document Lodgement) in accordance with Sections 718 and 1015B of the Corporations Act.

This is a replacement product disclosure statement and prospectus that replaces the product disclosure statement and prospectus dated and lodged with ASIC on 14 October 2019 (Original Offer Document)

This Offer Document differs from the Original Offer Document, including in the following areas: (i) including the full name of the directors each time the directors are referred to in the chairman's letter; (ii) changing the heading of the directors interests row in the Q&A on page 17; (iii) noting the number of Funds that the Directors are invested in, in the Q&A on page 17 and at Section 3.9; (iv) further detail about what constitutes an "exchanged" contract, at Section 2.1.4; (v) update references to assets of Primewest Funds at Section 2 (as opposed to assets of Primewest); (vi) moving the corporate structure diagram forward to a new section 2.4; (vii) noting that the Employee Offer is being made under the Employee Securities Acquisition Plan at Section 3.4; (viii) explaining the implications of the escrow arrangements under Chapter 6 of the Corporations Act; (ix) adding a footnote

to Table 6.2.1; (x) removing references to WAFL at section 2.2.1; and (xi) the lodgement of a replacement product disclosure statement and prospectus has also required amendments to the definition of "Offer Document" (and associated definitions) and the Offer Document Date.

Primewest Group Limited and Primewest Management Ltd applied to ASX Limited (ASX) within seven days after the date of the original Offer Document for admission of Primewest Group Limited and Primewest Property Fund to the Official List and quotation of the Securities on ASX. None of ASIC, ASX or their officers take any responsibility for the content of this Offer Document or for the merits of the investment to which this Offer Document relates. The fact that ASX may admit Primewest Group Limited and Primewest Property Fund to the Official List and quote Securities is not to be taken in any way as an indication of the merits of Primewest.

As set out in Section 7.7.3, it is expected that the Securities will be quoted on ASX initially on a deferred settlement basis. Primewest Group Limited, Primewest Management Ltd, SaleCo, the Registry, the Lead Manager and the Existing Securityholders disclaim all liability, whether in negligence or otherwise, to persons who trade Securities before receiving their holding statements.

ASX reserves the right (but without limiting its absolute discretion) to remove one or more entities with Securities from the Official List if any of their securities cease to be stapled together, or any equity securities are issued by one entity which are not stapled to equivalent securities in the other entity.

Expiry date

No Securities will be issued on the basis of this Offer Document later than the expiry date of 13 months after the date of the Original Offer Document.

Not investment advice

The information in this Offer Document is not financial product advice and does not take into account your investment objectives, financial situation or particular needs.

It is important that you read this Offer Document carefully and in its entirety before deciding whether to invest in Primewest

In particular, you should consider the risk factors that could affect the performance of Primewest. You should carefully consider these risks in light of your personal circumstances (including financial and tax issues) and seek professional guidance

from your stockbroker, solicitor, accountant or other independent professional adviser before deciding whether to invest in Securities. Some of the key risk factors that should be considered by prospective investors are set out in Section 5. There may be risk factors in addition to these that should be considered in light of your personal circumstances.

No person is authorised to give any information or to make any representation in connection with the Offer described in this Offer Document which is not contained in this Offer Document. Any information not so contained may not be relied upon as having been authorised by Primewest Group Limited, Primewest Management Ltd, SaleCo or their respective directors, the Lead Manager the Existing Securityholders or any other person in connection with the Offer. You should only rely on information in this Offer Document.

No guarantee of capital or investment returns

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

Investments in the Securities are not a deposit with or other liability of Primewest or any other related party or associate of Primewest. Such investments are subject to investment risk including possible delays in repayment and loss of income or principal invested.

Rights and liabilities attached to the securities

All Securities will rank equally in all respects from the date the Securities under the Offer are issued.

Details of the rights and liabilities attached to each Security are set out in Sections 11.2 and 11.3 and in the Constitutions, copies of which will be provided to the ASX and made available for inspection at the registered office of Primewest within normal trading hours.

Statements of past performance

This Offer Document includes information regarding the past performance of the business conducted by Primewest. Investors should be aware that past performance should not be relied upon as being indicative of future performance.

Financial Information presentation

The Financial Information included in this Offer Document has been prepared and presented in accordance with the recognition and measurement principles prescribed in the Australian Accounting Standards, except where otherwise stated.

The Forecast Financial Information included in this Offer Document is unaudited and is based on the best estimate assumptions of the Directors. The Financial Information contained in this Offer Document should be read in conjunction with, and is qualified by reference to, the information contained in Section 4 and the comments on forward looking statements set out below.

Forward looking statements and industry data

This Offer Document contains forward looking statements which are identified by words such as "may", "could", "believes", "estimates", "expects", "intends", "anticipates", "projects" and other similar words that involve risks and uncertainties. The Forecast Financial Information is an example of forward looking statements.

Any forward looking statements are subject to various risks that could cause Primewest's actual results to differ materially from the results expressed. implied or anticipated in those statements. The Forecast Financial Information and other forward looking statements should be read in conjunction with, and are qualified by reference to, the risks set out in Section 5, the general and specific assumptions set out in Section 4.8, the sensitivity analysis set out in Section 4.11 and other information in the Offer Document. Such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of Primewest Group Limited, Primewest Management Ltd and SaleCo. Primewest Group Limited, Primewest Management Ltd and SaleCo do not warrant or guarantee that the results, performance or achievements expressed or implied by the forward looking statements contained in this Offer Document will actually occur and investors are cautioned not to place undue reliance on these forward looking statements.

Primewest Group Limited, Primewest Management Ltd and SaleCo will not update or revise forward looking statements, or publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Offer Document, except where required by law.

Estimates, forecasts and projections involve risks and uncertainties and are subject to change based on various factors, including those discussed in the risk factors set out in Section 5.

No offering where offering would not be lawful

This Offer Document does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Securities or the Offer, or to otherwise permit a public offering of the Securities in any jurisdiction outside Australia.

The Offer is not being extended to any investor outside Australia, other than to certain Institutional Investors in New Zealand and other certain jurisdictions. The distribution of this Offer Document outside Australia may be restricted by law and persons who come into possession of this Offer Document outside Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. For details of selling restrictions that apply to the Securities in certain jurisdictions outside of Australia, please refer to Section 7.6.4.

This Offer Document may not be distributed to, or relied upon by, persons in the United States. The Securities have not been, and will not be, registered under the US Securities Act of 1933, as amended (US Securities Act), or the securities laws of any state of the United States, and may not be offered or sold in the United States, or to or for the account or benefit of any person in the United States, except in a transaction exempt from the registration requirements of the US Securities Act and applicable United States state securities laws.

Unless otherwise agreed with Primewest Group Limited and Primewest Management Ltd, any person subscribing for Securities in the Offer shall, by virtue of such subscription, be deemed to represent that they are not in a jurisdiction which does not permit the making of an offer or invitation as detailed in this Offer Document, and are not acting for the account or benefit of a person within such jurisdiction.

None of Primewest Group Limited, Primewest Management Ltd, SaleCo, the Lead Manager, nor any of their respective directors, officers, employees, consultants, agents, partners or advisers accepts any liability or responsibility to determine whether a person is able to participate in the Offer.

Exposure period

The Corporations Act prohibits Primewest Group Limited and Primewest Management Ltd from processing applications in the seven day period after the date of the Original Offer Document. (Exposure Period). The Exposure Period may be extended by ASIC by up to a further seven days. The purpose of the Exposure Period is to enable the Offer Document to be examined by market participants prior to the raising of funds. Applications received during the Exposure Period will not be processed until after the expiry of the Exposure Period. No preference will be conferred on any Applications received during the Exposure Period.

Obtaining a copy of this Offer Document

A paper copy of the Offer Document is available free of charge during the Offer Period to any person in Australia by calling the Offer Information Line on 1300 943 885 (within Australia) and +61 2 8072 1488 (outside Australia) between 8.30am and 8.00pm (Sydney time) Monday to Friday. This Offer Document is also available to Australian resident investors in electronic form at the Offer website, https://investor.automic.com.au/#/ipo/ primewest. The Offer constituted by this Offer Document in electronic form is available only to Australian residents accessing the website from Australia. It is not available to persons in any other jurisdiction (including the United States). Persons who access the electronic version of this Offer Document should ensure that they download and read the entire Offer Document

Primewest Group Limited and Primewest Management Ltd, in consultation with the Lead Manager, reserve the right to close the Offer Period early, extend the Offer Period or withdraw the Offer, in each case without notice.

Applications

Applications for Securities via the Retail Offer may only be made on the appropriate Application Form attached to, or accompanying, this Offer Document in its paper copy form or in its electronic form. By making an application, you represent and warrant that you were given access to the Offer Document, together with an Application Form. The Corporations Act prohibits any person from passing the Application Form onto another person unless it is attached to, or accompanied by, this Offer Document in its paper copy form or the complete and unaltered electronic version of this Offer Document.

No cooling-off rights

Cooling-off rights do not apply to an investment in the Securities issued under the Offer Document. This means that, in most circumstances, you cannot withdraw your application once it has been accepted.

Defined terms and abbreviations

Defined terms and abbreviations used in this Offer Document are explained in the Glossary in Annexure C. Unless otherwise stated or implied, references to times in this Offer Document are to Sydney time and references to dates or years are calendar year references. All financial amounts contained in this Offer Document are expressed in Australian dollars unless otherwise stated. Any discrepancies between totals and sums and components in tables contained in this Offer Document are due to rounding.

Photographs and diagrams

Photographs and diagrams in this Offer Document do not necessarily depict assets owned or used by Primewest Group Limited and Primewest Management Ltd, and are for illustration only and should not be interpreted to mean that any person shown in them endorses this Offer Document or its contents. Diagrams used in the Offer Document are illustrative only and may not be drawn to scale. Fund valuations referred to in this Offer Document are as at 30 June 2019, unless otherwise stated. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the Offer Document Date.

Privacy

By completing an Application Form, you are providing personal information to Primewest Group Limited, Primewest Management Ltd, SaleCo and the Registry, which is contracted by Primewest Group Limited and Primewest Management Ltd to manage applications. Primewest Group Limited, Primewest Management Ltd, SaleCo and the Registry on their behalf, collect, hold and use that personal information to process your application, service your needs as a holder of Securities, provide facilities and services that you request and carry out appropriate administration.

Once you become a Securityholder, the Corporations Act and Australian taxation legislation requires information about you (including your name, address and details of the Securities you hold) to be included in the Register. The information must continue to be included in the Register if you cease to be a Securityholder. If you do

not provide all the information requested, your Application Form may not be able to be processed.

Primewest Group Limited, Primewest
Management Ltd, SaleCo and the Registry
may disclose your personal information
for purposes related to your investment
to their agents and service providers,
including those listed below or as
otherwise authorised under the
Australian Law:

- the Lead Manager in order to assess your application;
- the Registry for ongoing administration of the Register;
- a regulatory agency in compliance with regulatory obligations;
- printers and other companies for the purpose of preparation and distribution of documents and for handling mail;
- market research companies for the purpose of analysing Primewest's Securityholder base and for product development and planning;
- related bodies corporate of Primewest for the purpose of distributing marketing and other materials; and
- legal and accounting firms, auditors, management consultants and other advisers for the purpose of administering, and advising on, the Securities and for associated actions.

Information contained in the Securityholder register is also used to facilitate distribution payments and corporate communications (including Primewest's financial results and annual reports and other information that Primewest may wish to communicate to its Securityholders) and compliance by Primewest with legal and regulatory requirements.

You may request access to your personal information held by or on behalf of Primewest. You can request access to your personal information or obtain further information about Primewest's privacy practices by contacting the Registry. You may be required to pay a reasonable charge to the Registry in order to access your personal information. Primewest will aim to ensure that the personal information it retains about you is accurate, complete and up-to-date. To assist with this, please contact the Registry if any of the details you have provided change.

If you establish that information held about you is not accurate, complete or up-to-date, Primewest will take reasonable steps to correct it. In accordance with the requirements of the Corporations Act, information on the Register will be accessible by members of the public.

If you do not consent to Primewest using or disclosing your personal information in these ways, please notify the Registry at

Automic Pty Ltd Level 2, 267 St Georges Terrace Perth WA 6000

It is important that you contact Primewest because, by investing in the Securities, you will be taken to have consented to these uses and disclosures.

Anti-money laundering/ counter-terrorism financing act 2006

Primewest is bound by laws relating to the prevention of money laundering and the financing of terrorism, including the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Laws). By completing an application form, you agree that:

- you are not subscribing under an assumed name:
- any money used by you to invest in Securities is not derived from or related to any criminal activities;
- any proceeds of your investment will not be used in relation to any criminal activities;
- if we ask, you will provide us with additional information we reasonably require for the purposes of AML/CTF Laws (including information about a holder of a Security, any beneficial interest in the Securities, or the source of funds used to invest);
- we may obtain information about you or any beneficial owner of a Security from third parties if we believe this is necessary to comply with AML/CTF Laws; and
- in order to comply with AML/CTF Laws, we may be required to take action, including:
- delaying or refusing the processing of any application or withdrawal, or
- disclosing information that we hold about you or any beneficial owner of the Securities to our related bodies corporate or service providers, or relevant regulators of AML/CTF Laws (whether in or outside of Australia).

Acknowledgements

Each applicant, including those persons submitting an Application Form and/or paying application monies, will be deemed to have:

 agreed to become a member of Primewest and to be bound by the terms of the Constitutions and the terms and conditions of the Offer;

- acknowledged having personally received a printed or electronic copy of the Offer Document (and any supplementary or replacement document) accompanying the Application Form and having read them all in full;
- declared that all details and statements in their Application Form are complete and accurate:
- declared that the applicant(s), if a natural person, is/are over 18 years of age;
- acknowledged that once Primewest receives an Application Form it may not be withdrawn;
- applied for the number of Securities at the Australian dollar amount shown on the front of the Application Form;
- agreed to being allocated the number of Securities applied for (or a lower number allocated in a way described in this Offer Document), or no Securities at all;
- authorised Primewest, SaleCo and the Lead Manager and their respective officers or agents, to do anything on behalf of the applicant(s) necessary for Securities to be allocated to the applicant(s), including to act on instructions received by the Registry upon using the contact details in the Application Form;
- acknowledged that, in some circumstances, Primewest may not pay Distributions:
- acknowledged that the information contained in this Offer Document (or any supplementary or replacement document) is not investment advice or a recommendation that Securities are suitable for the applicant(s), and does not take in account the investment objectives, financial situation or particular needs of the applicant(s);
- declared that the applicant(s) is an Australian resident (except as applicable to the Institutional Offer); and
- given the representations and warranties on behalf of themselves and each person for whom they are applying for Securities referred to in Section 7.

Up to date information

Information regarding the Offer may need to be updated from time to time. Any updated information about the Offer that is not considered materially adverse will be made available on Primewest's website at www.primewest.biz. Primewest Group Limited and Primewest Management Ltd will provide a copy of the updated information free of charge to any recipient of this Offer Document or applicant who requests a copy by contacting their broker or the Offer Information Line on 1300 943 885 (within Australia) and +61 2 8072 1488 (outside Australia) between 8.30am and 8.00pm (Sydney time) Monday to Friday.

Underwriting

Moelis Australia Advisory Pty Ltd (ACN 142 008 446, AFSL 345499) has been appointed by Primewest Group Limited and Primewest Management Ltd as Lead Manager and underwriter to the Offer. The Underwriting Agreement sets out a number of circumstances where the Lead Manager may terminate the Underwriting Agreement and its obligations. For further information on the terms and conditions of the Underwriting Agreement you should refer to Section 11.4.

Questions

If you have any questions about how to apply for Securities, please call your Broker. Instructions on how to apply for Securities are set out in Section 7 of this Offer Document and on the back of the Application Form.

If you have any questions about whether to invest in Primewest, you should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding whether to invest in Primewest.

This document is important and should be read in its entirety.

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KEY OFFER DETAILS

Overview	
Issuers of this Offer Document	Primewest Group Limited
	Primewest Management Ltd as responsible entity of Primewest Property Fund
	Primewest SaleCo Limited
Proposed ASX Code	PWG
Offer Price per Security	\$1.00

Offer metrics	
Securities available under the Offer¹	100.0 million
Total Securities on issue at Completion ²	349.1 million
Gross proceeds of the Offer ³	\$100.0 million
Indicative market capitalisation at the Offer Price ^{4, 5}	\$349.1 million
Net tangible assets at Completion ⁶	\$82.3 million
Primewest implied platform value at the Offer Price ⁷	\$266.8 million
Primewest implied platform value / Pro Forma Forecast FY20 Adjusted EBITDA ⁸	10.5x
Pro Forma Forecast FY20 Annualised Distribution Yield ⁹	5.0%

- 1. On Completion of the Offer, Primewest will issue 85.0 million Securities and SaleCo will transfer 15.0 million Securities to successful applicants at the Offer Price.
- 2. Securities on issue at Completion of the Offer include 238.6 million Securities held by the Existing Securityholders as part of the Corporate Restructure (refer to Section 6.1 for further detail), 25.5 million Securities issued to existing Fund Investors (refer to Section 6.1.1 for further detail) and 85.0 million Securities issued by Primewest as part of the Offer (refer to Section 6.1.2 for further detail)
- 3. Gross proceeds of the Offer includes \$85.0 million proceeds to be received by Primewest and \$15.0 million proceeds paid to SaleCo.
- 4. Indicative market capitalisation at Completion is determined by multiplying the number of Securities on issue by the Offer Price.

 Securities may not trade at the Offer Price after Listing. If Securities trade below the Offer Price after Listing, the market capitalisation may be lower
- 5. Free float market capitalisation at Completion of the Offer is expected to be 39%. Free float market capitalisation represents the percentage of Securities that are not held by the Directors.
- 6. Net tangible assets is net assets after excluding goodwill, any intangible related to the acquisition of management rights, right-to-use assets and the lease liability arising from the application of AASB 16 to leases.
- 7. Primewest implied platform value is calculated by deducting the net tangible assets from the indicative market capitalisation.
- 8. FY20 Adjusted EBITDA has been adjusted to include the expenses associated with the leases on Primewest's Sydney and Perth offices which are not captured in EBITDA under AASB 16. Refer to Section 4.4 for details on the composition of FY20 Adjusted EBITDA.
- 9. From the Completion of the Offer, Primewest targets a dividend per Security of 3.2 cents in FY20. This represents an annualised dividend per Security of 5.0 cents for the period from Completion of the Offer to 30 June 2020. The forecast FY20 annualised distribution yield is calculated as the forecast annualised FY20 dividend per Security divided by the Offer Price.

KEY OFFER DATES

Key Offer dates	
Offer Document Date	21 October 2019
Broker Firm Offer, Primewest Offer and Employee Offer opens	22 October 2019
Broker Firm Offer, Primewest Offer and Employee Offer closes	1 November 2019
Settlement of the Offer	7 November 2019
Issue and transfer of Securities under the Offer	8 November 2019
Commencement of trading on ASX on a deferred settlement basis	8 November 2019
Expected dispatch of holding statements	11 November 2019
Expected commencement of trading on ASX on a normal settlement basis	12 November 2019

Dates may change

The dates above are indicative only and may change without notice. Primewest Group Limited, Primewest Management Ltd and SaleCo, in conjunction with the Lead Manager, reserve the right to amend or vary any or all of the dates and times of the Offer (subject to ASX Listing Rules, the Corporations Act and other applicable laws) without notice, including closing the Offer early, extending the date the Offer closes, deferring the Completion Date, accepting late applications either generally or in particular cases, or to cancel or withdraw the Offer before settlement of the Offer. Offers may be made and may be open for acceptance under this Offer Document either generally or in particular cases up to Completion or, subject to the Corporations Act, thereafter, at the discretion of Primewest. If the Offer is cancelled or withdrawn before the issue and transfer of Securities, then all application monies will be refunded in full (without interest) as soon as practicable in accordance with the requirements of the Corporations Act. Applicants are encouraged to submit their Application Forms as soon as possible after the Offer opens. The quotation and commencement of trading of the Securities is subject to confirmation from ASX.

How to invest

Applications for Securities can be made by completing and lodging the Application Form attached to or accompanying this Offer Document. Instructions on how to apply for Securities are set out in Section 7 and on the Application Form.

Questions

Please call the Offer Information Line on 1300 943 885 (within Australia) and +61 2 8072 1488 (outside Australia) between 8.30am and 8.00pm (Sydney time) Monday to Friday. If you have any questions about whether to invest in Primewest you should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding whether to invest in Primewest.

CHAIRMAN'S LETTER

21 October 2019

Dear Investor

We are delighted to have the opportunity to invite you to invest in Primewest. Since its establishment in 1995, Primewest has grown from a small property syndication business to one of Australia's leading private real estate funds management firms. The business currently manages \$3.9 billion of property assets which are diversified across 76 unlisted Funds and 7 different asset classes.

Primewest benefits from a strong and loyal investor network, with over 700 wholesale and high net worth investors. In FY19, Primewest generated \$25.6 million in net revenue resulting in \$15.7 million of pro forma Adjusted EBITDA¹. Since then, with the consent of fund investors, Primewest has amended the fee arrangements in 43 of its underlying Funds to match the current market environment. As a result of these amendments, certain performance and sales fees and further growth in assets under management, Primewest is forecast to generate \$35.6 million in net revenue resulting in \$25.4 million in pro forma Adjusted EBITDA in

Primewest is still predominantly owned and led by its three Founders, John Bond, Jim Litis and David Schwartz, who collectively have over 90 years of real estate funds management experience. The Founders will remain Primewest's largest Securityholders after Completion of the Offer and have agreed to long term escrow arrangements. However, to rebalance their respective ownership upon listing, a \$15.0 million sale facility has been established for certain Existing Securityholders to sell a portion of their holdings. As a result, John Bond, Jim Litis and David Schwartz will each hold approximately 20% of the business after Completion of the Offer.

This Offer Document describes Primewest's business and sets out the terms of the Offer. Primewest is raising \$100.0 million for a 29% interest in the business. Detailed information about the Offer and the financial and operating performance of Primewest is also set out in this Offer Document. Like any business, Primewest faces a number of risks, including asset acquisition risks, corporate M&A risks, competition and reliance on third party equity as well as other funding risks. Further risks are set out in Section 5.

Primewest has decided to take this major step in listing on ASX for a number of important reasons. Most significantly, the Board believes that the newly raised capital will provide enhanced financial strength and flexibility to the business, facilitating its ongoing growth. Immediately following Completion of the Offer, Primewest is expected to have approximately \$80 million in working capital. This capital will be available to expand its wholesale mandate business and assist in funding future asset acquisitions. Additionally, Primewest will have ongoing access to capital markets to fund future growth initiatives.

This Offer Document contains detailed information about the Offer, as well as the key risks associated with an investment in Primewest. We encourage you to read this document carefully and in its entirety before making your investment decision.

As Executive Chairman and Managing Director, we look forward to welcoming you as a Securityholder as we embark on this next phase of growth.

Yours sincerely

John Bond

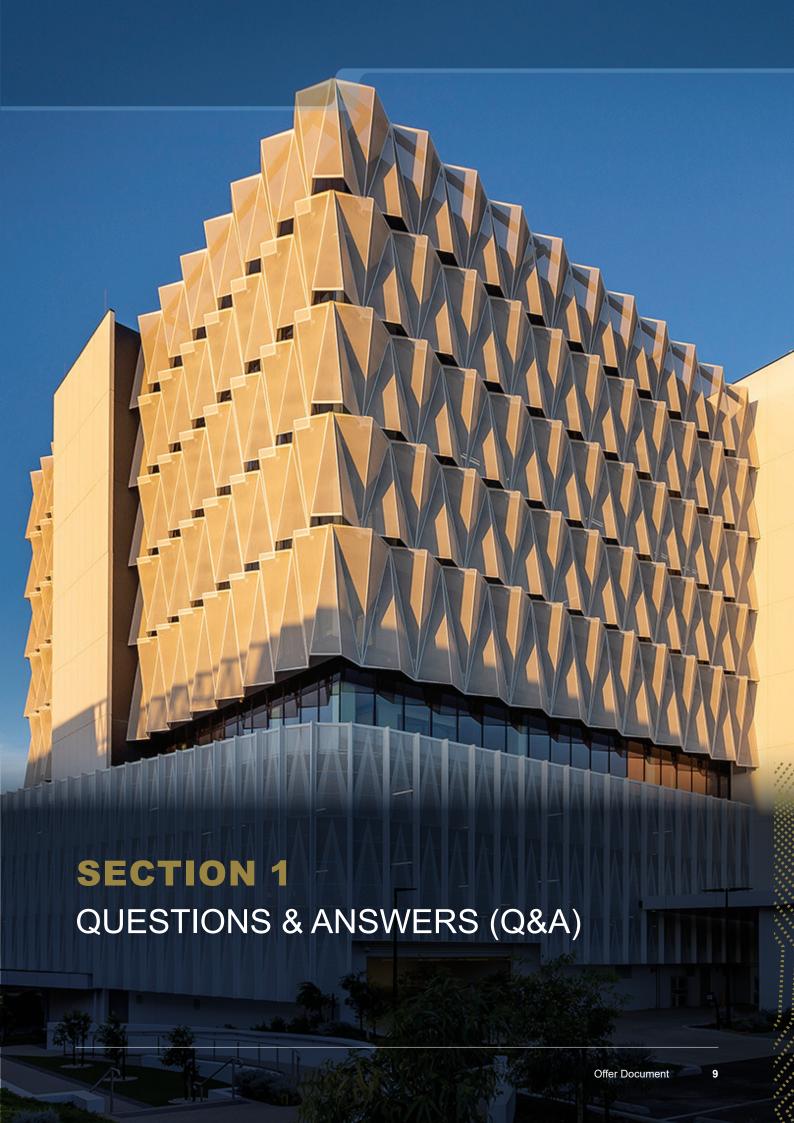
Executive Chairman

David Schwartz

Managing Director

1. As set out in Sections 4.3 and 4.4.





Торіс	Summary	Further Information
Introduction		
Who is Primewest?	Primewest is one of Australia's leading private real estate funds management businesses¹. It manages a range of unlisted property syndicates and funds (Funds) on behalf of wholesale and institutional investors.	Section 2.1.1
Why is the Offer being conducted?	 The purpose of the Offer is to provide: a liquid market for the Securities and provide liquidity to Existing Securityholders; capital to expand Primewest's wholesale partnership and mandate business; capital to warehouse or underwrite future asset acquisitions that can be recycled into new Funds; an opportunity to establish and increase its co-investment stakes across existing Funds; access to capital markets to fund future growth initiatives; a diversified register through the introduction of new Retail and Institutional Investors; and improved capacity to attract and retain quality staff through short and long term employee incentives. 	Section 6.2
When was Primewest established?	Primewest was founded in 1995 by John Bond, Jim Litis and David Schwartz (the Founders). Primewest currently employs 31 staff across its Perth headquarters and Sydney office.	Section 2.1.2
How will Primewest be structured?	Primewest will be structured as a stapled group comprising Primewest Group Limited and Primewest Property Fund and their controlled entities. Shares in Primewest Group Limited and Units in Primewest Property Fund will be stapled together to form a stapled security (Security) such that a Unit in Primewest Property Fund and a Share in Primewest Group Limited must be purchased or sold together.	Section 2.4
What does stapling mean?	Stapling is the process of contractually binding together units or shares of two or more companies or trusts in order to form a single transferable security.	

^{1.} By assets under management as at 30 September 2019.

Topic	Summary	Further Information
Key features of Pr	imewest's business	
What does Primewest do?	Primewest operates in the real estate funds management sector. This involves sourcing, acquiring, managing and disposing of real estate assets on behalf of investors. Real estate funds management is attractive to private high net worth and institutional investors because it allows for investors to acquire an interest in larger assets or diversify their investment exposure. These options may not be available if an investor was investing directly.	Section 2.1.3
How does Primewest generate revenue?	Primewest primarily generates revenue through fees charged to the Funds that Primewest manages. These fees include: • asset management fees; • property services, including: - leasing fees; - development management fees; - finance fees; • transactional fees which include establishment fees earned on the acquisition of new assets and sales fees on the disposal of assets; and • performance fees.	Section 2.2.3
How many Funds does Primewest manage?	Primewest currently manages 76 Funds. This includes 75 Funds that Primewest manages on behalf of private high net worth and institutional investors and a wholesale mandate with an institutional investor.	Section 2.2.1
Who are Primewest's clients?	Primewest has over 700 different underlying investors in its Funds, which are a combination of private high net worth investors, institutional investors and an institutional investor mandate.	Section 2.2.2
Who are Primewest's competitors?	 Primewest faces competition in two ways: competition for assets: Primewest competes to secure attractive investment opportunities with other property investors, which include ASX-listed A-REITS, other real estate fund managers, institutional investors and high net worth private investors. competition for clients: Real estate fund managers will often compete for clients, offering different investment opportunities. This competition may result in existing and potential clients investing through other real estate fund managers. 	Section 2.1.5 Section 5

Topic	Summary	Further Information		
Key features of Primewest's business				
What is Primewest's growth strategy?	Primewest intends to grow the business through targeting opportunities including, but not limited to: Iaunching new income and development Funds; entering into additional wholesale partnerships; seeking to list externally managed A-REITs on the ASX; establishing new Funds in alternative real estate sectors including: education, agriculture, hospitality, healthcare and social infrastructure; co-investing in Funds alongside its Fund investors; and exploring corporate mergers and acquisitions and/or the acquisition of management rights over other unlisted and listed Funds.	Section 2.3		
Key strengths				
An established and scaled investment platform with strong track record	The Offer represents an opportunity to invest in Primewest, one of Australia's leading private real estate funds management businesses². Primewest manages \$3.9bn of assets, held in 76 Funds and spanning 7 asset classes. Primewest has successfully grown AUM by 14.4% per year over the last 4 years.	Section 2.1		
Diversified earnings base with majority of revenue from stable revenue sources	Primewest Funds are well-diversified by geography and asset class, contributing to a lower correlation to specific market and asset class risks. Primewest's revenue is predominantly generated from asset management fees, property services fees and transactional fees.	Section 2.1		
Fully-integrated real estate funds manager	Primewest is a full service funds management platform which is led by the three Founders and has 28 additional employees, including 8 asset managers, 3 capital transaction executives, 2 leasing executives, 4 development managers, 2 finance managers and 9 accounts, investor relations and administration professionals.	Section 2.1		
Attractive distribution yield	Primewest is targeting an annualised cash distribution yield of 5.0% ³ .	Section 4.12		

^{2.} By assets under management as at 30 September 2019.

^{3.} From the Completion of the Offer, Primewest targets a dividend per Security of 3.2 cents in FY20. This represents an annualised dividend per Security of 5.0 cents for the period from Completion of the Offer to 30 June 2020. The forecast FY20 annualised distribution yield is calculated as the forecast annualised FY20 dividend per Security divided by the Offer Price.

Topic	Summary					Further Information
Key strengths						
Strong growth	Primewest has a so	alable platform	with offices in	Sydney and Pe	rth.	Section 2.1
prospects	Primewest will have approximately \$80 million in working capital to pursue its strategic initiatives.					Section 2.3
Experienced management team led by Founders	The Founders have an average of approximately 30 years of industry experience each. Post Completion, Primewest will be 61% owned by the Founders which ensures continued alignment of interests.			Section 3		
Financial informat						
What is Primewest's pro forma historical and forecast financial performance? The following table contains selected pro forma Financial Information for Primewest. While this does not represent the statutory results, Primewest believes it provides meaningful information as it permits investors to examine what it considers to be the underlying financial performance of the business. A reconciliation of the pro forma forecast and statutory forecast financial information is provided in Section 4.4.1.			rimewest s to examine e business.	Section 4		
	Table 1.1: Selected pro forma financial information (\$ million) Pro forma historical Pro forma forecast					
	30-June	FY17	FY18	FY19	FY20	
	Revenue	19.6	24.1	25.6	35.6	
	EBITDA	13.0	15.6	16.1	25.8	
	Notably, there has been certain amendment have been issued 2 to Section 6.1 for deforecasts a \$6.1 mill lit has not received purchased to the linformation presented.	ents to the Fund 5.5 million Sec etails of the pre- lion performan performance fe Financial Informancal	d arrangemen curities as a re e-IPO restructuce fee payable es over the himation are set	ts. Investors in the sult of these charactering. Additionally be by one of its Fustorical period.	nese Funds nges. Refer y, Primewest nds in FY20. The Financial	
Will Primewest	detailed discussions risk factors describe			disclosed in Sec	ction 4 and the	
have any debt						

facilities?

Topic	Summary	Further Information
Financial informat	ion	
What is Primewest's distribution policy?	Primewest will target a distribution pay-out ratio of between 60% and 95% of Operating Earnings. The distribution policy is subject to change and is at the absolute discretion of the Board. Operating Earnings is defined as statutory net profit after tax, adjusted for certain non-operating items, including: • fair value movements to Primewest's co-investments and investment properties; • gains or losses on the sale of investments; • depreciation expenses relating to operating leases with associated cash expenses being added back; • amortisation or impairment of intangible assets; • non-operating tax expenses; • discontinued operations; and • other unrealised or one-off items. The Board's intention is to pay distributions on a semi-annual basis, with the first ordinary distribution expected to be declared in June 2020.	Section 4.12
Key risks		
What are the key business risks?	Primewest manages 76 Funds on behalf of third-party investors. The majority of Primewest's income is derived from fees calculated with reference to the value of properties under the control of the Primewest funds management business or from additional services provided to those Funds. Primewest's financial performance may be adversely affected if one or more of the following risks were to occur. Asset acquisition risk There is no guarantee that Primewest will be able to identify or secure new assets for future Funds. To the extent that future asset acquisitions are not successfully executed or integrated with Primewest's existing business, the	Section 5 Section 5.2.1
	financial performance of Primewest could be materially adversely affected. Increase in competition and reliance on third party equity	Section 5.2.2
	Increased competition for investor equity, underperformance of Primewest Funds, changes in market conditions and other factors may together or in isolation result in limited availability of new equity and make it difficult for Primewest to execute its growth strategy, which would have a material adverse impact on Primewest's ability to generate income growth.	Section 5.2.2
	Funding	Section 5.2.3
	The underlying Funds managed by Primewest rely on access to debt financing to execute the business strategy. An inability to obtain the necessary funding or refinancing on acceptable terms and at commercial rates or a material increase in the costs of such funding may have an adverse impact on the performance of the underlying Funds.	
	Underperformance of Funds managed by Primewest	Section 5.2.4
	There is a risk that one or more of the Funds managed by Primewest underperform in a material way or for a prolonged period of time in a way that results in a reduction of fees paid to Primewest or has a negative effect on Primewest's ability to retain existing Funds and to attract new assets under management.	

Topic	Summary	Further Information
Key risks		
What are the key investment	Economic factors Drimowest in expand to changes in general economic conditions in Australia	Section 5.3.1
risks?	Primewest is exposed to changes in general economic conditions in Australia and globally. Adverse changes in inflation rates, interest rates, employment rates, government policies (including fiscal, monetary and regulatory policies), other structural changes and other factors driving global macroeconomic conditions are outside the control of Primewest, the Founders and Primewest management, and are not reliably predictable. Any of these factors may have an adverse impact on Primewest's business and financial performance.	
	Price of Securities	Section 5.3.2
	The price of Securities quoted on ASX may rise or fall and the Securities may trade below or above the Offer Price due to a number of factors, including fluctuations and general volatility in the domestic and international market for listed stocks, general economic conditions, including interest rates, inflation rates, exchange rates, commodity and oil prices, changes to government fiscal, monetary or regulatory policies, legislation or regulation, inclusion in or removal from market indices, the nature of the markets in which Primewest operates and general operational and business risks. Such market fluctuations may materially adversely affect the market price of the Securities.	
	Significant retained holding by Founders	Section 5.3.3
	Immediately after Completion, the Founders will hold 61% of Primewest. As such, the Founders may have the capacity to influence the election of Directors, the approval of significant corporate transactions and the success of a takeover or similar offer for the Securities. The interests of the Founders may differ from the interests of other Securityholders who purchase Securities under the Offer.	
Other risks	More details on these risks and a number of other risks are included in Section 5 including risks relating to	Section 5
	 co-investing in the Funds; ability to retain key staff; regulation; security breach and data privacy; liquidity; and certain investment risks. 	
Directors and key	management	
Who are the Directors of Primewest?	 The Board of Primewest comprises the following personnel: John Bond (Executive Chairman); Erin Flaherty (Independent Non-Executive Director); Hamish Beck (Independent Non-Executive Director); David Schwartz (Managing Director); and Jim Litis (Executive Director). 	Section 3.1

Торіс	Summary		Further Information
Directors and key	management		
Who are the senior management of Primewest?	Primewest's senior management comprises the following personne John Bond (Executive Chairman); David Schwartz (Managing Director); Jim Litis (Executive Director); David Creasy (Chief Financial Officer); Julian Lodge (Chief Investment Officer); and Adam O'Donoghue (Head of Asset Management).	l:	Section 3.2
Significant interest	s of key people		
Who are the	Table 1.2: Securityholder interests immediately following Co	ompletion	Section 6.3
Security- holders and	Securityholder % held on Completion	of the Offer	
what will their	John Bond ^{1,2}	20.8%	
interest	Jim Litis ^{1,2}	20.5%	
be after	David Schwartz ^{1,2,3}	19.8%	
Completion?	Other Existing Securityholders ^{1,2}	4.9%	
	Other Fund Investors ⁴	5.3%	
	New Securityholders⁵	28.6%	
	Total	100.0%	
	 Notes: These Securityholders may hold their interests directly, or through entitie with them (e.g. through companies or trusts). Certain of these Securities will be subject to voluntary escrow arrangeme Section 6.4). These Securities include 408,157 Securities that David Schwartz has a 25-30% beneficial interest in, and practically controls the voting or disposal of. Represents the Securities issued to Fund Investors other than the Found disclosure under this Offer Document. It includes 23,740 securities issue Beck in his capacity as a Fund Investor. See Section 6.1.1 for further det Includes 250,000 Securities acquired by Hamish Beck and 30,000 Security Erin Flaherty in the Offer (see Section 3.5). Primewest does not expect any Securityholder to control Primewest or	ders, with d to Hamish tails.	

Refer to Section 6.3 for details on Securityholder interests at the Offer Document

Date and on Completion of the Offer.

Topic	Summary	Further Information
Significant interest	s of key people	
What benefits and interests are payable to Directors and other persons connected with Primewest or the Offer, and what interests will they have on Completion?	Directors and senior management are entitled to remuneration and fees on commercial terms as disclosed in Sections 3.4 and 3.6. Certain Existing Securityholders are selling a portion of their Securityholding into the Offer and will receive the Offer Price for each Security sold by them as described in Sections 6.1.2 and 6.3. Advisers and other service providers are entitled to fees for services as disclosed in Section 8.3.3. All expenses of the Offer will be borne by Primewest Group Limited.	Section 3.3 Section 3.4 Section 8.3
What fees will Primewest Management Ltd as responsible entity for the Primewest Property Fund receive?	Primewest Management Ltd is not entitled to receive management or performance fees but is entitled to recover operating costs and expenses incurred on behalf of the Primewest Property Fund, including general administrative and marketing costs. Primewest Management Ltd reasonably estimates these operating costs and expenses to be approximately \$100,000 per annum, which is equal to 0.13% of the net asset value of the Primewest Property Fund. Refer to Section 8.3 for further information.	Section 8.3
Interest of Executive Directors in Funds managed by and businesses that provide services to Primewest The Executive Directors have investments in 73 of the Funds managed by Primewest. One of these Funds owns the premises where Primewest has its Perth headquarters and is party to a lease with Primewest. These arrangements are on arms' length commercial terms. The Executive Directors are also invested in businesses that provide services to the Funds.		Section 3.9
Will any Securities be subject to restrictions on disposal following Completion?	Yes. The Existing Securityholders have each entered into a voluntary escrow arrangement with Primewest in relation to certain of the Securities they (and entities associated with them) hold as at the Offer Document Date. Refer to Section 6.4 for specific details. In respect of these Securities, each Existing Securityholder agrees not to deal in those Securities from Completion: in respect of 33.3% of the Securities held by each Existing Securityholder at Completion, until after 4.15pm on the date on which the financial results of Primewest for the full year ending 30 June 2021 are released to the ASX by Primewest; in respect of 33.3% of the Securities held by each Existing Securityholder at Completion, until after 4.15pm on the date on which the financial results of Primewest for the full year ending 30 June 2022 are released to the ASX by Primewest; and in respect of 33.3% of the Securities held by each Existing Securityholder at Completion, until after 4.15pm on the date on which the financial results of Primewest for the full year ending 30 June 2023 are released to the ASX by Primewest. No Securities held by non-executive Directors will be subject to escrow restrictions.	Section 6.4

Topic	Summary	Further Information			
Proposed use of fo	Proposed use of funds and key terms and conditions of the Offer				
Who are the issuers of this Offer Document?	Primewest Group Limited, Primewest Management Ltd as responsible entity of the Primewest Property Fund and SaleCo.				
What is the Offer?	This Offer Document relates to an initial public offering (IPO) of Securities in Primewest, consisting of the issuance of 100 million Securities at the Offer Price of \$1.00 per Security.	Section 6.2			
	All Securities issued under the Offer will rank equally with each other and all other Securities on issue.				
	The Offer is made on the terms, and is subject to the conditions, set out in this Offer Document.				
What is SaleCo?	SaleCo is a special purpose vehicle, established to enable certain Existing Securityholders to sell part of their investment in Primewest on Completion. These Existing Securityholders have agreed to sell \$15 million of their Securities to SaleCo.	Section 6.1.2			
Why are Existing Securityholders selling Securities?	The sale of certain Securities by Existing Securityholders is being undertaken to rebalance the Founders' holdings to approximately 20% each and provide liquidity to Other Existing Securityholders.	Section 6.1.2			
What is the size of the	The Offer is seeking to raise \$100 million in proceeds.	Section 6.2			
Offer?	Table 1.3: Size of the Offer				
	Securities available under the Offer 100 million				
	Total securities on issue on Completion of the Offer 349 million				
What will happen on Completion of the Offer?	On Completion of the Offer, Primewest will issue 85 million Securities and SaleCo will transfer 15 million Securities to successful applicants at the Offer Price.	Section 6.2			

Торіс	Summary			Further Information
Proposed use of funds and key terms and conditions of the Offer				
How is the Offer structured?	 The Offer comprises: the Institutional Offer, which consists of an Offer to certain Institutional Investors in Australia and other eligible jurisdictions made with disclosure under this Offer Document; the Broker Firm Offer, which is open to persons who have received a firm allocation from their participating Broker and who have a registered address in Australia; the Primewest Offer, which is open to select existing investors in Primewest Funds and selected persons who have received an invitation from Primewest to participate in the Primewest Offer; and The Employee Offer, which is open to Eligible Employees of Primewest who have received an invitation to participate in the Employee Offer. There is no general public offer of Securities. 			Section 7
Is the Offer underwritten?	Primewest Group Limited, Primewest Management Ltd as responsible entity for the Primewest Property Fund, SaleCo and the Lead Manager have entered into an Underwriting Agreement pursuant to which the Lead Manager has agreed to underwrite the Offer (refer to Section 11.4 for further information).			
Who are the Lead Manager and Co-Manager to the Offer?	Moelis Australia is the financial advisor and sole lead manager of the Offer. Shaw and Partners are acting as co-manager to the Offer. Section 12.2			Section 12.2
What is the proposed use of the proceeds from the Offer?	The proceeds of the Offer will fund transaction costs, the acquisition of Section 6.2.1 Securities from SaleCo and provide working capital for Primewest to pursue its growth strategy (refer to Section 2.3 for a description of Primewest's growth strategy).			
	Table 1.4: Sources and use Sources of funds	es of funds	Hose of funds	
	Offer proceeds	\$100.0m	Uses of funds Value of SaleCo	\$15.0m
	Oner proceeds	φ100.0111	Excess working capital	\$79.6m
			Payment of costs of the Offer¹	
	Total Offer Sources	\$100.0m	Total Offer Uses	\$100.0m
	Notes: 1. For a detailed breakdown of the costs of the Offer please refer to Section 8.3.3. All expenses of the Offer will be borne by Primewest Group Limited.			ses of the Offer will

Topic	Summary	Further Information
How can I apply?		
When will I know if my	Holding statements confirming allocations under the Offer are expected to be dispatched on or about 11 November 2019.	Section 7.2
application has been accepted?	If you are an applicant under the Broker Firm Offer, you should contact your Broker to confirm your allocation.	
Is there a cooling-off period?	No. Cooling-off rights do not apply to an investment in Securities pursuant to this Offer. This means that, in most circumstances, you cannot withdraw your application once it has been accepted.	Section 7.2
When are the Securities expected to commence trading?	It is expected that trading of Securities on ASX will commence on a deferred settlement basis on 8 November 2019 and on a normal settlement basis on 12 November 2019.	Section 7.7.3
What is the minimum and maximum	The minimum application amount is \$10,000 for the Primewest Offer and Broker Firm Offer. There is no maximum application amount.	Section 7.2
application amount under the Offer?	The Employee Offer is limited to \$1,000 per Eligible Employee.	
What is the allocation policy?	The allocation of Securities between the Institutional Offer, Primewest Offer and Broker Firm Offer will be determined by the Responsible Entity, in consultation with the Lead Manager.	Section 7.2
	For applicants under the Broker Firm Offer, Brokers will decide as to how they allocate Securities among their clients. However, Primewest and the Lead Manager reserve the right to reject or scale back any applications in the Broker Firm Offer.	
	The allocation of Securities under the Institutional Offer was determined by Primewest and the Lead Manager.	
Will Primewest list on ASX and will the Securities be	Primewest Group Limited and Primewest Management Ltd as responsible entity for the Primewest Property Fund have applied to ASX for Primewest to be admitted to the official list of ASX and for the quotation of Securities on ASX under the code PWG.	Section 7.2
quoted on ASX?	It is expected that quotation will initially be on a deferred settlement basis. If ASX listing approval is granted, trading of the Securities is expected to commence on a deferred settlement basis on 8 November 2019 and on a normal settlement basis on 11 November 2019.	
	It is the responsibility of each applicant to confirm their holding before trading Securities. Applicants who sell Securities prior to receiving their initial holding statement do so at their own risk.	

Topic	Summary	Further Information
How can I apply?		
Is there any stamp duty payable by applicants?	There should be no stamp duty payable by applicants under the Offer.	Section 7.2
What are the tax implications of investing in the Securities?	Securityholders may be subject to Australian income tax or withholding tax on any future distributions paid and/or dealings in the Securities. The tax consequences of any investment in the Securities will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether to invest. Refer to Section 9 for a summary of tax implications of investing in Securities.	Section 9
	Applicants under the Employee Offer should refer to Section 12.10 for a summary of tax considerations specifically applicable to the Employee Offer.	
Can the Offer be withdrawn?	Yes. Primewest may withdraw the Offer at any time before the issue of Securities to successful applicants.	Section 7.6.5
	Completion of the Offer is also conditional on ASX approving the application for Primewest to be admitted to the official list of ASX and for quotation of Securities on ASX.	
	If the Offer is withdrawn, all application monies received will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.	
When can I obtain further information about this Offer Document or the Offer?	If you have further enquiries regarding the Offer, please contact the Offer Information Line on 1300 943 885 (within Australia) and +61 2 8072 1488 (outside Australia) between 8.30am and 8.00pm (Sydney time) Monday to Friday (excluding public holidays) during the Offer Period.	





2.1 Overview of Primewest

2.1.1 Who is Primewest?

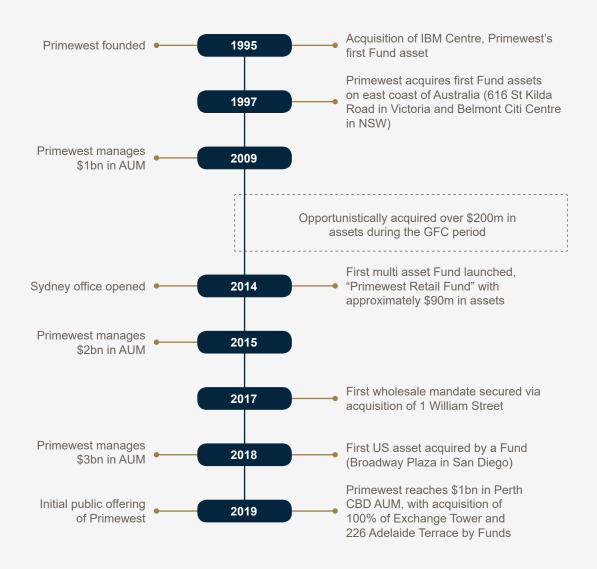
Primewest is one of Australia's leading private estate funds management businesses¹. Primewest manages \$3.9 billion of assets under management (**AUM**) across 76 separate syndicates and funds (**Funds**) and 7 asset classes. Primewest has a strong and loyal investor network, with over 700 underlying wholesale and high net worth investors.

2.1.2 History of Primewest

Primewest was founded in 1995 by John Bond, Jim Litis and David Schwartz. Primewest currently employs 31 staff across its Perth headquarters and Sydney office.

Key milestones for the firm are set out below:

Figure 2.1.2: Key milestones



^{1.} By assets under management as at 30 September 2019.

2.1.3 What does Primewest do?

Primewest operates in the real estate funds management sector. This involves sourcing, acquiring, managing and disposing of real estate assets on behalf of investors. Real estate funds management is attractive to private high net worth and institutional investors because it allows for investors to acquire an interest in larger assets or diversify their investment exposure. These options may not be available if an investor was investing directly.

2.1.4 Assets under management

Since its inception, Primewest has successfully grown AUM. Since 2015, Primewest has posted a 14.4% compound annual growth rate (**CAGR**) of AUM. Primewest is targeting AUM growth of \$300 million in FY20, of which \$81 million have already been acquired by Primewest Funds in 1Q20. Primewest has also exchanged unconditional contracts on behalf of its Funds on a further \$30 million of assets.

\$3.9bn
\$2.2bn
\$2.3bn
\$2.3bn

30 June 2018

30 June 2019

1 Jul 2019 to 30 Sep 2019

Figure 2.1.4: Growth in Primewest AUM

Notes:

30 June 2015

- 1. As at 30 September 2019.
- 2. Past performance is not a reliable indicator of future performance.

2.1.5 What is the competitor landscape?

30 June 2016

Primewest faces competition in two ways:

competition for assets: Primewest competes to secure attractive investment opportunities with other
property investors, which include ASX-listed A-REITS, other real estate fund managers, institutional
investors and high net worth private investors.

30 June 2017

 competition for clients: Real estate fund managers will often compete for clients, offering different investment opportunities and perspectives. This competition may result in existing and potential clients investing through other real estate fund managers.

Refer to Section 5.2 for further detail on competition risk.

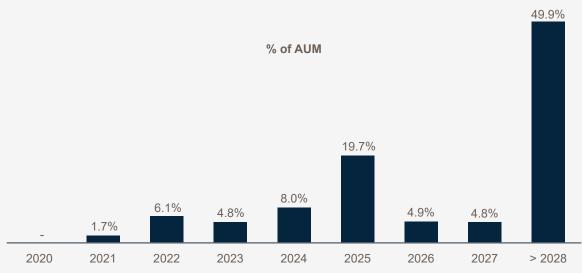
2.2 Primewest Funds

2.2.1 Fund expiry profile

Primewest currently manages 76 Funds on behalf of investors. The expiry profiles of the Funds varies depending on the commencement date and term of the Fund with over 49% of the Funds (by asset value) having an expiry or review date beyond 2028. The long-dated expiry profile provides a high degree of certainty around future revenue.

Refer to Section 11.1 for detail on the contractual arrangements with Funds.

Figure 2.2.1: Expiry profile of the Funds



Notes:

- 1. As at 30 September 2019.
- 2. Shown in % of total AUM expiring per calendar year.
- 3. Excludes a wholesale mandate which provides discretion to sell the asset and as such has been excluded from the analysis.

2.2.2 Who invests in Funds managed by Primewest?

Primarily, the Funds' equity is sourced from four types of investors who have contributed a total of \$1.4 billion of equity:

- **High net worth investors:** Primewest manages investments on behalf of high net worth individuals who are considered sophisticated investors under Australian regulation.
- Institutional investors via investment management agreement arrangements: Primewest has existing arrangements with institutional investors. These arrangements allow for institutional investors to act on behalf of their respective clients and invest in Funds.
- Wholesale investment mandates: Primewest currently has an investment mandate with a wholesale
 investor to acquire assets in Perth and Brisbane. Following listing, Primewest will seek to grow its
 wholesale investment mandate business.
- **Small and local institutions and charities:** Primewest's investor base includes smaller institutions and charitable organisations, mainly domiciled in Western Australia.

2.2.3 How does Primewest generate revenue?

Primewest generates revenue from charging fees on its Funds, including asset management fees, property services fees, transactional fees and performance fees. The various fee types and typical ranges are described in the table below.

Table 2.2.3: Primewest typical fees arrangements for new Funds

Туре	Description	Typical range
Asset management fees	 Asset management fees are payable for funds management activities 48% of the current AUM has fee arrangements with 0.65% of Gross asset value (GAV) p.a. 29% of the current AUM has fee arrangements with 0.50% of GAV p.a. Wholesale mandates have specific fee arrangements which may not be based on a % of GAV calculation 	0.35% – 0.65% of GAV p.a.
Property services fees	Property services fees includes leasing fees, development management fees and financing fees	8.5% – 15.5% of average annual rent for leasing fees 4.0% of construction cost for development management fees
Transactional fees	 Transactional fees include establishment fees earned on the acquisition of new assets and sales fees on the disposal of assets 53 of the existing Funds have a sales fee payable on the disposal of assets. Based on the current value of the assets under management, the embedded sales fees across these Funds is approximately \$47 million³ 	1.5% – 2.5% acquisition fee on new assets 2.0% sales fee payable on sale value of the assets on disposal
Performance fees	 Performance fees may be paid if the Fund has outperformed the relevant performance hurdle The 53 Funds which have sales fees, may also generate performance fees in excess of the sales fee if certain hurdles are met An additional 14 existing Funds representing a further 31% of current AUM have specific performance fee provisions without the sales fee arrangements 	20.0% on excess return above a hurdle rate of 8.0% – 12.0%

^{3.} Embedded sales fees calculated on the basis of the 30 June 2019 independent valuations of the properties in the 53 Funds multiplied by the sales fee percentage. The value of the sales fee will change based on realisation value of the assets.

2.2.4 What costs does Primewest incur?

Primewest's key expenses relate to:

- employee costs: costs associated with the salaries and bonuses of all Primewest staff, as well as superannuation, leave and staff recruitment expenses. Employee costs comprise the largest category of operating expenses for Primewest.
- commissions: costs payable to third parties in connection with the introduction of new Fund investors
 and comprise upfront commission, ongoing trail commissions, and additional commissions on exit
 (i.e. the sale of the property and closure of the fund).

Primewest also has a number of other costs relating to rent, other operating expenses and tax. Refer to Section 4 for further information.

2.2.5 Portfolio diversification

Primewest's Funds are diversified by geography and asset class which reduces the correlation between Primewest revenue and specific incidents that may have an effect on a particular asset class or geographic region.

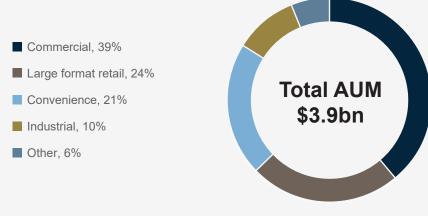
Primewest's Funds have investments in the following asset classes:

- 1. Commercial (which includes office property)
- 2. Large format retail (LFR) (which includes bulky goods retail)
- 3. Convenience (which includes shopping centres and convenience retail property)
- 4. Industrial (which includes distribution facilities, warehousing and other industrial properties)
- 5. Other (which includes land and tourism property)

Approximately 58% of the Fund's assets are located in Western Australia, with the remainder split across other Australian states.

In December 2017, Primewest established a partnership with Protea Properties, a US real estate funds management business, to acquire and syndicate property assets in the West Coast of the USA. Primewest currently has \$93.4 million in assets under management in San Diego.

Figure 2.2.5.1: AUM by sector



Notes:

1. As at 30 September 2019.

QLD Number of properties: 61 Number of properties: 21 AUM: \$2,254m (58.1%) AUM: \$502m (12.9%) Commercial Convenience Commercial Convenience \$427.6m \$1,112.3m \$125.3m \$103.8m LFR Industrial Industrial \$68.6m LFR \$76.3m \$204.4m Other \$200.6m NSW Number of properties: 15 AUM: \$498m (12.8%) SA Commercial Convenience Number of properties: 7 \$50.2m \$103.3m AUM: \$125m (3.2%) LFR Industrial Convenienc<u>e</u> Industrial \$125.8m \$93.4m \$31.3m **VIC & TAS** Number of properties: 12 AUM: \$367m (9.4%) LFR Commercial \$201.8m Industrial \$73.8m California, USA Number of properties: 2 AUM: \$93m (2.4%) Commercial Convenience \$13.5m \$79.9m

Figure 2.2.5.2 Geographical diversification

Notes:

- 1. As at 30 September 2019, includes exchanged but unsettled acquisitions.
- 2. Excludes indirect holdings of \$43.8m (1.1%).

2.2.6 Major Perth landlord

Primewest has a deep understanding of Perth's market conditions which furthers its competitive advantage. Funds managed by Primewest own 14 assets within 2km's of the Perth CBD with a combined value of \$993 million.

6 11 10 7 Name and the state of the state of

Figure 2.2.6: Concentration of assets in Perth CBD

Asse	t	Value
1	Exchange Tower	\$320.0m
2	1 William Street	\$206.0m
3	Australia Place	\$114.0m
4	226 Adelaide Terrace	\$86.0m
5	IBM Centre	\$56.0m
6	251 St Georges Terrace	\$52.2m
7	1 Forrest Place	\$52.0m

Asse	t	Value
8	267 St Georges Terrace	\$26.5m
9	619 Murray Street	\$21.0m
10	307 Murray Street	\$18.5m
11	383 – 393 Murray Street	\$14.9m
12	255 St Georges Terrace	\$13.9m
13	342 Murray Street	\$7.5m
14	67 King Street	\$4.2m

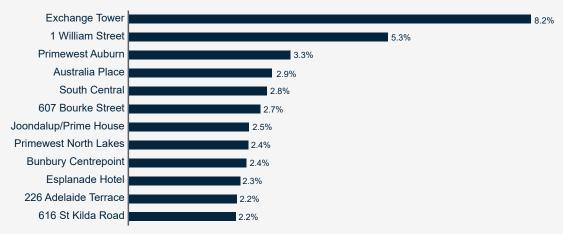
Notes:

1. Independent valuations as at 30 June 2019.

2.2.7 Portfolio is not concentrated

Currently, the largest asset under management is less than 8.2% of total AUM. This reduces the risks associated with an individual asset or the financial impacts of the disposal of individual asset on Primewest's net revenue. Further acquisitions or growth in AUM will further diversify the assets managed by Primewest as new assets are added.

Figure 2.2.7: Major assets and contribution to AUM



Notes:

1. As at 30 September 2019.

2.2.8 Proven track record of delivering strong returns for fund investors



Note: The asset sales and Internal Rate of Return (IRR) noted represent the 5 most recent disposals of Fund assets. Past performance is not a reliable indicator of future performance.

2.2.9 Leasing capabilities

Primewest is an integrated manager with an in-house leasing team comprising 2 professionals. The leasing executives' role is to seek to maximise rental income through effective negotiation, and also avoid impending vacancies through the effective re-leasing of space.

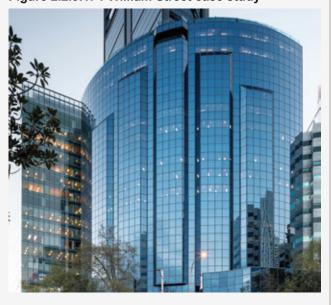
Recent examples of this capability are outlined below.

2.2.9.1 Case study: 1 William Street

October 2017 — currently owned

Primewest undertook approximately \$5.9 million of capital expenditure, including a lobby upgrade, on floor refurbishments, speculative fit outs, improved landscaping and rebranding. Tenant risk was reduced by leasing in excess of 11,500 sqm to the WA State Government and large corporate tenants. This increased occupancy from 64.1% to 93.4% and increased the asset's Weighted Average Lease Expiry (WALE) by area from 3.3 years to 5.5 years.

Figure 2.2.9.1: 1 William Street case study



	At acquisition	Today	Change
Occupancy	64.1%	93.4%	+29.3%
WALE	3.3 years	5.5 years	+2.2 years

2.2.9.2 Case study: Exchange Tower (50% share)

March 2016 - December 2018

The property was acquired by a Fund in March 2016 with a vacancy rate of 38.3%. On behalf of the Fund, Primewest managed a major capital works programme, including a refurbishment of the ground floor lobby and upgrading the lifts. During the refurbishment period, Primewest's leasing team secured new national and international tenants to reduce the vacancy to 12.5% at December 2018.

Figure 2.2.9.2: Exchange Tower case study



	At acquisition	Dec 2018	Change
Occupancy	61.7%	87.5%	+25.8%
WALE	2.7 years	4.4 years	+1.7 years

2.2.10 Development capabilities

Primewest has extensive experience in development projects and has a team of 4 professionals that aim to enhance property value through development and asset repositioning projects.

Figure 2.2.10: Overview of development projects



Notes:

1. As at 30 September 2019.

2.3 Growth strategy and opportunities

Primewest intends to grow the business through targeting opportunities including, but not limited to:

- launching new income and development Funds;
- entering into additional wholesale partnerships;
- seeking to list externally managed A-REITs on the ASX;
- establishing new funds in alternative real estate sectors including: education, agriculture, hospitality, healthcare and social infrastructure;
- co-investing in Funds alongside its Fund investors; and
- exploring corporate mergers and acquisitions and/or the acquisition of management rights over other unlisted and listed Funds.









BUSINESS OVERVIEW

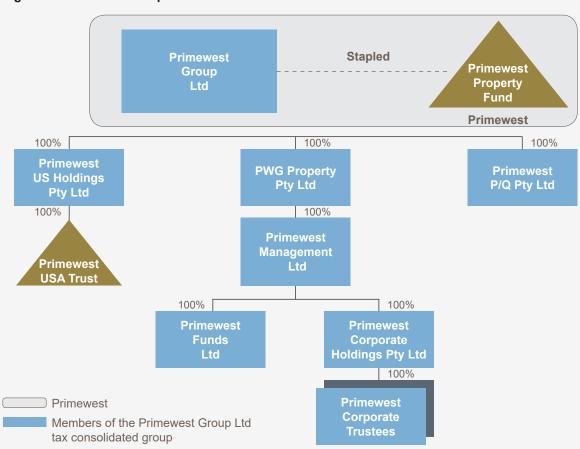
2.4 Primewest corporate structure

Primewest Management Ltd (ACN: 091 415 833) (AFSL: 250963) is the responsible entity of Primewest Property Fund.

Primewest will be structured as a stapled group comprising Primewest Group Limited and Primewest Property Fund and their controlled entities. Shares in Primewest Group Limited and Units in Primewest Property Fund will be Stapled together to form a stapled security (**Security**) such that a Unit in Primewest Property Fund and a Share in Primewest Group Limited must be purchased or sold together.

The diagram below sets out the corporate structure of Primewest on Completion.

Figure 2.4: Primewest corporate structure



A list of Primewest's subsidiaries as at the Offer Document Date is set out in Annexure B.



3.1 Board

The Board of directors of both Primewest Group Limited and Primewest Property Fund is comprised of five Directors, being two independent non-executive Directors and three Executive Directors.

The Directors of Primewest bring to the Board relevant experience and skills, including industry and business knowledge, financial management and corporate governance experience.



John Bond

Executive Chairman

John is a founding Director of Primewest and has been instrumental in its growth and development. His background spans law, investment banking as well as property investment and development. As a professional property investor, he has over 30 years' experience in negotiating acquisitions, overseeing the development of properties and asset management.

Along with his fellow Directors, John guides the Primewest team in all aspects of the business. John's hands on approach affords Primewest a competitive and agile approach to delivering high quality outcomes. Since 1990 John has been instrumental in delivering exceptional property and community outcomes across residential and commercial sectors.

John is a qualified solicitor and also holds a Bachelor of Commerce degree and is a Corporate Member of the Property Council. He is Chairman of two charities, being Australian Doctors for Africa and The Fathering Project. John is also a Board member of the Art Gallery of Western Australia Foundation.

John is a responsible manager under the AFSL.



Erin Flaherty

Independent Non-Executive Director

Erin is an experienced company director. Her business career has spanned 30 years in both private and Government sectors. She commenced practice as a lawyer in Western Australia in 1983 specialising in resources and finance before joining the finance and commercial property group at international law firm Baker & McKenzie in 1985.

She was corporate counsel and subsequently Australian director for Parker & Parsley Petroleum in 1992 and continued in that role until her appointment as commercial manager for Reliance Rail in 2008. In 2012 Erin joined the newly formed advisory body, Infrastructure NSW and was a founding member of the Sydney Metro Authority Board.

In 2016 Erin was appointed as a Guardian of Board of the Future Fund. The Future Fund Board manages five public asset funds with specific purposes of which the Future Fund (with assets of approximately \$145.8 billion), is the largest.

Erin recently joined the Board of Moorebank Intermodal Company and is also a Trustee of the Sydney Cricket Ground Trust. She sits on the Board of the NSW Police Citizens Youth Clubs and is on the Risk and Governance Committee and Infrastructure Committee.

She holds a Masters in Law, a Diploma in Applied Corporate Governance, and is a member of the Australian Institute of Company Directors.

Erin joined the Board in October 2019.



Hamish Beck

Independent Non-Executive Director

Hamish is the Managing Director of Beck Advisory and Property Australia Management (PAM), the dedicated asset management division of Beck Advisory. He founded Beck Advisory in 2000 and PAM in 2008, following a successful career in the Australian property industry for some of WA's largest development and construction companies.

Hamish is also Chairperson of the Swan River Trust, Deputy Chairperson of the Rottnest Island Authority, Member of the Central Perth Planning Committee, and Board Member of the Western Australian Maritime Museum Advisory Committee. In addition, he is an advisor to various institutional groups.

Hamish joined the Board in October 2019.



David Schwartz

Managing Director

David is a founding Director of Primewest and has been instrumental in its growth and development. David is a professional property investor with 25 years' experience in negotiating acquisitions and overseeing the development of properties. He is a Non-Executive Director of Schaffer Corporation Ltd.

Over the past 40 years David has been involved in many different businesses including retail, manufacturing and distribution. His property investments have been strongly focused on retail and commercial developments.

David is a responsible manager under the AFSL.



Jim Litis

Executive Director

Jim is a founding Director of Primewest and has been instrumental in its growth and development. Jim qualified from Curtin University with a Bachelor of Science (Pharmacy). However, not long after obtaining his degree, Jim decided to venture into retail and opened Douglas Hi Fi followed shortly thereafter with a Sony Central store. The business was a great success and eventually it was sold in late 1988 to a large public company.

It was in the early 80's that Jim's interest in commercial property investments began with the acquisition of several CBD properties and a small shopping centre.

Jim is a responsible manager under the AFSL.

3.2 Primewest management team

Profiles of the key members of Primewest's management team are set out below.



John Bond

Executive Chairman

See Section 3.1



Managing Director
See Section 3.1

David Schwartz



Executive Director
See Section 3.1

Jim Litis



David Creasy

Chief Financial Officer and Company Secretary

David is the Chief Financial Officer of Primewest and has over 25 years' experience of financial, strategic and operational leadership in the property, hospitality and retail industries. Within the property industry David has significant experience in the development of residential, commercial and mixed-use properties across North America and in the management and operation of diverse investment property portfolios.

David leads the internal business operations of Primewest and is responsible for accounting, treasury, finance, information technology, human resources, compliance and administration.

David is a Chartered Professional Accountant (Canada).

David has been with Primewest since 2018.



Julian Lodge

Chief Investment Officer

Julian is the Chief Investment Officer of Primewest. He has over 24 years' experience in the property industry with particular capabilities in property funds management, property development and the asset management of property investments.

His focus lies with the identification and delivery of key investment opportunities, together with the divestment strategy for Primewest. He works closely with the asset management team to deliver investment outcomes.

Julian is a Board member on the Western Australian Property Council Divisional Council and the Property Education Foundation of WA. He is a Senior Associate Member of FINSIA and is also a qualified Real Estate Agent.

Julian is a responsible manager under the AFSL.

Julian has been with Primewest since 2002.



Adam O'Donoghue

Head of Asset Management

Adam has over 12 years' experience in the property industry and oversees the Asset Management department. Adam and the asset management team seek to maximise property value and investor returns by improving properties' cash flow, closely managing and monitoring property expenditure and maintaining close relationships with existing and potential tenants and other stakeholders associated with the Primewest portfolio.

Adam holds a Bachelor of Commerce and in previous roles has worked as a taxation accountant.

Adam has been with Primewest since 2007.

3.3 Interests and benefits

This Section 3.3 sets out the nature and extent of the interests and fees of certain persons involved in the Offer. Other than as set out below or elsewhere in this Offer Document, no:

- Director or proposed Director or director or proposed director of SaleCo;
- person named in this Offer Document and who has performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Offer Document;
- · promoter of Primewest or SaleCo; or
- underwriter to the Offer or financial services licensee named in this Offer Document as a financial services licensee involved in the Offer.

held as at the time of lodgement of this Offer Document with ASIC, or has held in the two years before lodgement of this Offer Document with ASIC, an interest in:

- · the formation or promotion of Primewest or SaleCo;
- property acquired or proposed to be acquired by Primewest or SaleCo in connection with their formation or promotion or in connection with the Offer; or
- · the Offer,

and no amount (whether in cash, Securities or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given to any such person for services in connection with the formation of Primewest or SaleCo to induce them to become, or qualify as, a Director or director of SaleCo.

3.4 Directors' remuneration

Primewest Management Ltd is party to an employment contract dated 1 October 2019 with each of John Bond, David Schwartz and Jim Litis that governs their employment with Primewest. Each Director's annual remuneration package is comprised of a base salary of \$240,000 (plus superannuation). Directors will not participate in the Employee Securities Option Plan, the Employee Securities Acquisition Plan or the Employee Offer (made under the Employee Securities Acquisition Plan as outlined in Section 3.7.1). The terms and conditions of any bonus, including as to targets, may be determined by the Directors. Each employment contract has an initial term of 2 years following which it may be terminated by either Primewest or the Director by providing at least 3 months' notice in writing before the proposed date of termination. In some cases, Primewest may terminate the Director's employment at any time without notice, including in circumstances of gross or serious misconduct, materially failing to perform his duties, being convicted of a serious criminal offence and bankruptcy. Each Director's employment contract also includes a restraint of trade period of three years after Completion if the employment is terminated at any time before two years after Completion, and 12 months after the termination date if the employment is terminated two or more years after Completion. Enforceability of such restraint of trade is subject to all usual legal requirements.

Director appointment letters

Prior to the Offer Document Date, each of the Directors has entered into letters with Primewest, confirming their roles and responsibilities as directors of a public listed entity, and Primewest's expectations of them as Directors.

Non-executive Director remuneration

Under the Constitution, the Board may decide the total amount paid to each Director as remuneration for their services as a Director. However, under the ASX Listing Rules, the total amount paid to all Directors for their services (excluding, for these purposes, the salary of any Executive Director) must not exceed in aggregate in any financial year the amount fixed by Primewest's general meeting. This amount has been fixed by Primewest at \$550,000 per annum. For the financial year ended 30 June 2020, it is expected that the fees payable to the current Directors will not exceed \$137,250 in aggregate. Annual Director fees currently agreed to be paid by Primewest are \$95,000 to Erin Flaherty and \$88,000 to Hamish Beck. These Director fees include fees payable to each Director for their roles on the relevant Board committees. All non-executive Directors' fees are inclusive of superannuation contributions where required by law to be made by Primewest.

The non-executive Directors are not entitled to participate in any employee incentive scheme (including the Employee Option Plan, the Employee Securities Acquisition Plan or the Employee Offer made under the Employee Securities Acquisition Plan as outlined in Section 3.7.1).

Table 3.5 in Section 3.5 below, provides an overview of the Securities in which Directors are expected to have an interest directly or indirectly through an investment vehicle immediately following Completion.

Other information

Directors may be paid for travel and other expenses incurred in attending to Primewest's affairs, including attending and returning from meetings of the Board or committees of the Board or general meetings. Any Director who devotes special attention to the business of Primewest or who performs services which, in the opinion of the Board, are outside the scope of ordinary duties of a Director, may be remunerated for the services (as determined by the Board) out of the funds of Primewest. There are no retirement benefit schemes for Directors, other than statutory superannuation contributions.

3.5 Directors' interests

Directors' interests in Securities

The Directors are not required by the Constitutions to hold any Securities.

Immediately following Completion, it is expected that the Directors will hold the following Securities in Primewest.

Table 3.5 Securities held by Directors immediately following Completion

Director ¹	Number of Securities (millions)	% of Securities held on Completion of the Offer
John Bond ²	72.7	20.8%
Erin Flaherty³	0.0	0.0%
Hamish Beck ³	0.3	0.1%
David Schwartz ^{2,4}	69.3	19.8%
Jim Litis²	71.5	20.5%

Notes:

- 1. Directors may hold their interests directly, or through entities associated with them (e.g. through companies or trusts).
- 2. Certain of the Securities held by Existing Securityholders on Completion will be subject to voluntary escrow arrangements (see Section 6.4). Final Directors' shareholdings will be notified to ASX following Listing.
- 3. Erin Flaherty and Hamish Beck have informed Primewest that they, or their investment vehicles, intend to apply for 30,000 and 250,000 Securities (respectively) under the Primewest Offer. Hamish Beck's Securities also include 23,470 issued to him prior to Completion in his capacity as a Fund investor.
- These Securities include 408,157 Securities that David Schwartz has a 25-30% beneficial interest in, and practically controls the voting or disposal of.

Final Directors' Securityholdings will be notified to the ASX following Completion.

Deed of indemnity, insurance and access

Primewest has entered into deeds of indemnity, insurance and access with each Director which confirm each person's right of access to certain books and records of Primewest and its wholly owned subsidiaries for a period of seven years after the Director ceases to hold office. This period may be extended where certain proceedings or investigations commence before the seven year period expires. The deeds also require Primewest to provide an indemnity for liability incurred as an officer of Primewest and its subsidiaries, to the maximum extent permitted by law.

Pursuant to the Constitutions, Primewest is required to indemnify Directors and employees, past and present, against liabilities allowed under law. Under the deeds of indemnity, insurance and access, Primewest indemnifies each Director against all liabilities to another person that may arise from their position as a director of the Company or its subsidiaries to the extent permitted by law. The deeds stipulate that Primewest will meet the full amount of any such liabilities, including reasonable legal costs and expenses.

Pursuant to the Constitutions, Primewest may arrange and maintain directors' and officers' insurance for its Directors to the extent permitted by law. Under the deeds of indemnity, insurance and access, Primewest must obtain such insurance during each Director's period of office and for a period of seven years after a Director ceases to hold office. This seven year period can be extended including where certain proceedings or investigations commence before the seven year period expires.

3.6 Senior management employment contracts

Julian Lodge (Chief Investment Officer) and Adam O'Donoghue (Head of Asset Management) are party to contracts of employment with Primewest Management Ltd on terms substantially the same as the three Executive Directors except in relation to salary with Julian and Adam each on a base salary of \$240,000 (plus superannuation) with the ability to earn a cash bonus of up to 100% of the base salary in each 12 month period from Completion.

David Creasy (Chief Financial Officer and Company Secretary) is party to a contract of employment with Primewest Management Ltd under which Primewest or David may terminate his employment without cause after the expiry of one month's notice in writing. David is on a base salary of \$280,000 (plus superannuation).

Along with David Creasy, Helen Silva is Company Secretary of Primewest.

3.7 Retention and incentive arrangements

Primewest has established various incentive arrangements to assist in the attraction, motivation and retention of management and employees, including general incentive payments under contracts of employment, bonuses payable under the STIP and/or the right to participate in the Employee Securities Acquisition Plan and/or Employee Securities Option Plan.

3.7.1 Employee Securities Acquisition Plan

Primewest has established the Employee Securities Acquisition Plan to permit Eligible Employees to participate, at the invitation of the Board, in the acquisition of Securities on terms and conditions determined by the Board.

The initial offer under the Employee Securities Acquisition Plan will be the Employee Offer which will allow approximately 28 Eligible Employees to acquire Securities on or about Completion at no cost to the employees. For Eligible Employees, the Employee Offer will allow them to acquire Securities, at no cost, up to the value of \$1,000 (to the nearest number of whole Securities (rounded down) and calculated at the Offer Price), free of income tax in accordance with current Australian tax legislation provided their adjusted taxable income does not exceed \$180,000 per annum. Refer to Section 12.10 for a summary of relevant tax considerations.

Participation in the Employee Offer does not automatically entitle Eligible Employees to participate in future grants under the Employee Securities Acquisition Plan or any other Primewest incentive plan. Eligibility to participate in any future grant, and the terms and conditions of any future grant, under the Employee Securities Acquisition Plan is determined by the Board in its absolute discretion.

3.7.1.1 Eligible Employees

Persons eligible to participate in the Employee Offer are persons who are resident in Australia and are permanent full-time or permanent part-time employees of Primewest, as at 5.00pm (Perth time) on the date of the Original Offer Document (provided that they remain so employed and have not given, or been given, notice to terminate employment when the Employee Offer closes), and who are not Directors.

A separate Application Form in respect of the Employee Offer will be provided to Eligible Employees with this Offer Document.

3.7.1.2 Restrictions on Securities

Securities acquired under the Employee Securities Acquisition Plan are subject to a restriction on disposal such that the participant cannot deal in (i.e., sell or transfer) the Securities for a minimum period of three years (or earlier if the participant's employment ceases). Primewest will implement such arrangements (including a holding lock) as it determines are necessary to enforce this restriction.

3.7.2 Short term incentive plan (STIP)

Members of the senior executive team and managers may participate in a short term incentive plan (STIP) under which cash based incentives linked to financial metrics may be payable to participants at the sole discretion of Primewest.

3.7.3 Employee Security Option Plan (ESOP)

Primewest has established an employee security option plan which provides the framework under which individual grants of employee incentives outside the STIP are proposed to operate. No grants under the ESOP will have been made on Completion of the Offer.

The key terms of the ESOP are outlined below.

Table 3.7.3: Key ESOP terms

Term	Description
Administration	The ESOP will be administered by the Board.
Eligibility	Participation in the ESOP is by invitation (Invitation). Eligible participants are full time or part time employees of any Primewest group company (including Executive Directors), or any other person the Board deems eligible in its absolute discretion.
Award	The ESOP allows the Board to grant options to acquire Securities and/or performance rights to acquire Securities (together Awards).
Conditions	 The Board must set out the terms and conditions of the Award in the Invitation. The Invitation must include: the type(s) and number of Awards being offered or the method by which the number will be calculated; the amount payable for the grant of an Award or the method by which the amount payable is calculated; and any vesting conditions, or other condition including any vesting periods. An Invitation for an option or performance right must include: requirements for exercising the option (including any exercise price or exercise period); whether exercising the option or vesting the performance right will only be satisfied by an allocation of Securities to the participant; and the date or circumstances in which the option or performance right may lapse.
Rights to participate in new issues of Securities	Options and performance rights do not confer on participants a right to participate in the new issue of Securities to existing Securityholders unless: • the option is entitled to be exercised or the performance right has vested; • Securities have been allocated under the ESOP in respect of that option or performance right before the determination of entitlements to new Securities; or • the participant participates as a holder of allocated Securities.
Issue Price	Awards are to be issued at no cost to a participant unless the Invitation specifies otherwise.
Distribution Equivalent Rights	The Board may determine at the time of Invitation regarding an Award, that the participant also be granted rights to be paid cash amounts determined by reference to the value or change in value of Securities (Distribution Equivalent Right) in respect of exercised options or vested performance rights. If applicable, the Invitation must specify the method of calculating the Distribution Equivalent Right, and when the Distribution Equivalent Right will be paid.
Applications	Applications must be made in accordance with the instructions accompanying the Invitation, or in any other way the Board determines.
Vesting and Exercise	Options and performance rights will vest when the vesting conditions (or any other condition stipulated by the Board), have been satisfied. An option may only be exercised if it has vested.

Term	Description
Lapsing and Forfeiture	Options will lapse on the earlier of: 7 years after vesting, or any other date specified in the Invitation; a date or circumstance specified in the Invitation for that option; failure to meet a vesting condition within the vesting period; or the participant's election to surrender the option. Performance rights will lapse on the earlier of: a date or circumstance specified in the invitation; failure to meet a vesting condition within the vesting period; or the participant's election to surrender the relevant performance right.
Dealing restrictions	A participant must not sell, transfer, assign, encumber, option, swap, or alienate rights to the Award, or attempt to do so unless required by law, and permitted by Primewest's securities trading policy.
Cessation or change of employment	The Board may determine how a participant's Award is to be treated on cessation of employment. In making such decision, the Board may have regard to any matter they consider relevant, including the circumstances surrounding the cessation, satisfaction of any vesting conditions and the time elapsed in respect of the vesting period of the Award. An application in respect of an Award may be refused by the Board if the participant ceases to be employed by a Primewest group company, or ceases to satisfy any condition imposed by the Board. The Board may determine how a participant's Award is to be treated when the participant is transferred overseas to work for a group company where that transfer may impose tax implications for the participant, impacts the ability to vest or pay amounts relating to the Award or causes additional restrictions on dealing with Awards, Securities, or proceeds of Securities.
Control	 Where there is a change of control event, the board may determine that: all or a number of unvested Awards have vested; all or a number of options may be exercised for a specified period, or will lapse; disposal restrictions on Awards cease to apply; and/or disposal restrictions on Securities allocated on vesting of a performance right or exercise of an option cease to apply; If a body corporate obtains control of Primewest, a participant may, upon exercise of options and vesting of performance rights, be provided with securities in the controlling body corporate in such manner as agreed and on substantially similar conditions.

Term	Description
Award adjustments	In order to minimise material advantage or disadvantage to a participant resulting from corporate action or capital reconstruction, prior to an allocation of Securities or payment to a participant, the Board may determine to make adjustments to the terms of an Award or Distribution Equivalent Right, or grant additional Awards or Distribution Equivalent Rights.
	Permitted adjustments are:
	the number of Awards or Distribution Equivalent Rights a participant is entitled to;
	 the number of Securities a participant is entitled to on exercise of options, or vesting of performance rights;
	 the amount payable upon exercise of options, vesting of performance rights, and under Distribution Equivalent Rights.
	The Board may determine how to treat a participant's Award where fraud, dishonesty, or breach of duty by the employee has occurred.
Amendments to ESOP	The Board may, by resolution, amend the ESOP or any term or condition of any Award. This power may not be exercised in a manner adversely affecting the existing rights of the participant relating to any Award or share already granted without the participants permission. The Board may at any time terminate or suspend the ESOP, or determine to grant incentives outside of the ESOP.

3.8 Corporate governance

The Board recognises the importance of strong corporate governance and is committed to a high standard of compliance.

This Section 3.8 explains how the Board will oversee the management of Primewest. The Board is responsible for the overall corporate governance of Primewest. The Board monitors the operational and financial position and performance of Primewest and oversees its business strategy, including approving the strategic goals of Primewest and considering and approving an annual business plan, including a budget. The Board is committed to maximising performance, generating appropriate levels of Securityholder value and financial return, and sustaining the growth and success of Primewest. In conducting business with these objectives, the Board seeks to ensure that Primewest is properly managed to protect and enhance Securityholder interests, and that Primewest, and its Directors, officers and personnel operate in an appropriate environment of corporate governance. Accordingly, the Board has created a framework for managing Primewest, including adopting relevant internal controls, risk management processes and corporate governance policies and practices which it believes are appropriate for Primewest's business and which are designed to promote the responsible management and conduct of Primewest.

The main policies and practices adopted by Primewest, which will take effect from listing, are summarised below. In addition, many governance elements are contained in the Constitutions. Primewest's Code of Conduct outlines the standards of conduct expected of Primewest's business and personnel in a range of circumstances. In particular, the code requires awareness of, and compliance with, laws and regulations relevant to Primewest's other policies and procedures.

Copies of Primewest's key policies and practices and the charters for the Board and each of its committees will, from Completion, be available at http://www.primewest.biz.

Primewest is seeking a listing on ASX. The ASX Corporate Governance Council has developed and released its 4th edition of ASX Principles for Australian listed entities in order to promote investor confidence and to assist entities in meeting stakeholder expectations. This edition of the ASX Principles comes into force for financial years commencing on or after 1 January 2020. Primewest has had regard to this edition of the ASX Principles when developing its governance regime described below. The ASX Principles are not prescriptive, but guidelines. However, under the ASX Listing Rules, Primewest will be required to provide a corporate governance statement in its annual report disclosing the extent to which it has followed the ASX Principles in the reporting period. Where Primewest does not follow an ASX Principle, it must identify the relevant recommendation or principle that has not been followed and give reasons for not following it.

Except as set out below, Primewest does not anticipate that it will depart from the recommendations of the ASX Principles; however, it may do so in the future if it considers that such a departure would be reasonable or appropriate.

3.8.1 The Board

The Board comprises five Directors: an executive Chairman, two independent non-executive Directors, a Managing Director and a third executive Director. Detailed biographies of the Board members are provided in Section 3.1. Each Director has confirmed to Primewest that he or she anticipates being available to perform his or her duties as a non-executive Director or executive Director, as the case may be, without constraint from other commitments.

In determining whether a Director is "independent", the Board has followed the guidance contained in the ASX Principles. Consequently, a Director will be considered "independent" if that Director is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of their judgement. The Board will consider the materiality of any given relationship on a case-by-case basis, with the Board Charter to assist in this regard. The Board considers that each of Erin Flaherty and Hamish Beck are independent Directors, free from any business or any other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of the Director's judgement and each is able to fulfil the role of an independent Director for the purposes of the ASX Principles. As Executive Directors, John Bond, Jim Litis and David Schwartz are not currently considered by the Board to fulfil the role of an independent Director. None of the Directors is acting as nominee or representative of any Securityholder (other than in respect of their own direct or indirect interests), nor as nominees or representatives of the Lead Manager or suppliers to, or customers or clients of, Primewest.

Each of the Executive Directors have interests in the Funds managed by Primewest as well as interests in certain suppliers to Primewest (see Section 3.9 for further information).

Despite not having a majority of independent Directors, as recommended in the ASX Principles, the Board has considered Primewest's immediate requirements as it transitions to an ASX-listed group and is satisfied that the composition of the Board reflects an appropriate range of independence, skills and experience for Primewest after Listing. The Board will regularly review the independence of each Director in light of interests disclosed to the Board and will disclose any change to ASX, as required by the ASX Listing Rules.

Board Charter

The Board has adopted a written charter to provide a framework for the effective operation of the Board, which sets out:

- the roles and responsibilities of the Board including to provide overall strategic guidance for Primewest
 and effective oversight of management, oversight of Primewest's financial and capital management,
 management and review of Primewest's compliance with its disclosure obligations and the Continuous
 Disclosure Policy (see Section 3.8.3), promotion of effective engagement with securityholders, oversight
 of policies between Primewest and other stakeholders, ethical and responsible decision making along
 with compliance and risk management;
- the role and responsibilities of the Chairman and company secretary;
- the delegations of authority of the Board to both committees of the Board, the Managing Director and other management of Primewest;
- the membership of the Board, including in relation to the Board's composition and size and the process of selection and re-election of Directors, independence of Directors and conduct of individual Directors;
- the Board process, including how the Board meets; and
- the Board's performance evaluation processes, including in respect of its own performance, and the
 performance of the Board committees, individual Directors and senior management.

The management function is conducted by, or under the supervision of, the Managing Director as directed by the Board (and by officers to whom the management function is properly delegated by the Managing Director). Management must supply the Board with information in a form, timeframe and quality that will enable the Board to discharge its duties effectively.

Directors are entitled to access senior management and request additional information at any time they consider appropriate. The Board collectively, and each Director individually, may seek independent professional advice, subject to the approval of the Chairman, or the Board as a whole.

3.8.2 Board committees

The Board may from time to time establish appropriate committees to assist in the discharge of its responsibilities. To assist in carrying out its responsibilities, the Board has established an Audit, Risk and Compliance Committee and a Remuneration and Nomination Committee, and other committees may be established by the Board as and when required. Membership of Board committees will be based on the needs of Primewest, relevant legislative and other requirements and the skills and experience of individual Directors.

Each of the Audit, Risk and Compliance Committee and the Remuneration and Nomination Committee (and any other committee established by the Board from time to time) has terms of reference which set out the roles, responsibility, composition and processes of that committee.

Audit, Risk and Compliance Committee

The role of the Audit, Risk and Compliance Committee is to assist the Board in carrying out its accounting, auditing and financial reporting responsibilities including oversight of:

- the integrity of Primewest's external financial reporting and financial statements;
- the appointment, remuneration, independence and competence of Primewest's external auditors;
- · the performance of the external audit function and review of its audit;
- · the effectiveness of Primewest's system of risk management and internal controls; and
- Primewest's systems and procedures for compliance with applicable legal regulatory requirements including Primewest's compliance with the Corporations Act, the AFSL of Primewest Management Ltd and the compliance plans of Primewest Property Fund.

The Audit, Risk and Compliance Committee will comprise at least three Directors, two of whom are independent non-executive Directors. Currently, Erin Flaherty, Hamish Beck and Jim Litis are members of the committee, and Erin Flaherty is the independent Chair.

Primewest will comply with the recommendations set by the ASX Principles in relation to the operation of the Audit, Risk and Compliance Committee. However, it does not currently comply with the recommendations in relation to the composition of the committee. As noted above in relation to the composition of the Board, the Board has considered Primewest's immediate requirements as it transitions to an ASX-listed company and is satisfied that the composition of this committee reflects an appropriate range of independence, skills and experience for Primewest after Listing.

Remuneration and Nomination Committee

The role of the Remuneration and Nomination Committee is to assist and advise the Board on the following nomination related matters:

- appointment and re-election of Directors;
- induction and continuing professional development programs for Directors;
- development and implementation of processes for evaluating the performance of the Board, and its committees and Directors;
- · processes for recruiting new Directors (including evaluation of skills, independence and experience); and
- · succession planning for the Board, the Managing Director and other senior management,

to ensure that the Board is of a size and composition conducive to making appropriate decisions, with the benefit of a variety of perspectives and skills and in the best interests of Primewest as a whole.

The Remuneration and Nomination Committee will comprise at least three Directors, two of whom are independent non-executive Directors. Currently, Erin Flaherty, Hamish Beck and Jim Litis are members of the committee, and Hamish Beck is the independent Chair.

Primewest will comply with the recommendations set by the ASX Principles in relation to the operation of the Remuneration and Nomination Committee. However, it does not currently comply with the recommendations in relation to the composition of the committee. As noted above in relation to the composition of the Board and the Audit, Risk and Compliance Committee, the Board has considered Primewest's immediate requirements as it transitions to an ASX-listed company and is satisfied that the composition of this committee reflects an appropriate range of independence, skills and experience for Primewest after Listing.

3.8.3 Corporate governance policies

The Board has adopted the following corporate governance policies, each of which has been prepared having regard to the ASX Principles. Primewest's policies and corporate governance practices will continue to be reviewed regularly and will continue to be developed and refined to meet the needs of Primewest.

Risk Management Policy

The identification and proper management of Primewest's risks are an important priority of the Board. The Board has adopted a Risk Management Policy appropriate for its business. This policy highlights the risks relevant to Primewest's operations and Primewest's commitment to designing and implementing systems and methods appropriate to minimise and control its risks.

The Board is responsible for overseeing and approving risk management strategy and policies, monitoring risk management, and establishing procedures which seek to provide assurance that major business risks are identified, consistently assessed and appropriately addressed. The Board may delegate these functions to the Audit, Risk and Compliance Committee or a separate risk committee in the future.

The Board will regularly undertake reviews of its risk management procedures to ensure that it complies with its legal obligations.

The Board has in place a system whereby management is required to report as to its adherence to policies and guidelines approved by the Board for the management of risks.

Securities Trading Policy

Primewest has adopted a Securities Trading Policy which will apply to Primewest and its Directors, officers, senior management, and certain other employees and contractors and their connected persons (including those persons having authority and responsibility for planning, directing and controlling the activities of Primewest, whether directly or indirectly). The policy is intended to explain the types of conduct in dealings in securities that are prohibited under the Corporations Act and establish procedures in relation to Directors, officers, senior management, and certain other employees and contractors dealing in securities. Subject to certain exceptions, including exceptional financial circumstances, the policy defines certain "prohibited periods" during which trading in securities by Directors, officers, senior management, and certain other employees and contractors and their connected persons is prohibited. Those prohibited periods are currently defined as the following periods:

- Primewest's year end until after the release of Primewest's full year results;
- · Primewest's half year end until after the release of Primewest's half yearly results; and
- any additional periods imposed by the Board from time to time (e.g. when Primewest is considering matters which are subject to ASX Listing Rule 3.1A).

Outside these periods, Directors, officers, senior management, and certain other employees and contractors and their connected persons must receive clearance for any proposed dealing in securities and, in all instances, buying or selling Securities is not permitted at any time by any person who possesses price-sensitive information.

Continuous Disclosure Policy

Once listed, Primewest will be required to comply with the continuous disclosure requirements of the ASX Listing Rules and the Corporations Act. Subject to the exceptions contained in the ASX Listing Rules, Primewest will be required to immediately disclose to ASX any information concerning Primewest which is not generally available and which a reasonable person would expect to have a material effect on the price or value of the Securities. Primewest is committed to observing its disclosure obligations under the ASX Listing Rules and the Corporations Act.

Primewest has adopted a policy to take effect from Completion, which establishes procedures which inform Directors and management of their obligations in relation to timely disclosure of material price-sensitive information. Under the Continuous Disclosure Policy, the company secretary in conjunction with the Board will be responsible for managing Primewest's compliance with its continuous disclosure obligations.

Information will be communicated to Securityholders through the lodgement of all relevant financial and other information with ASX and continuous disclosure announcements will be made available on Primewest's website at http://www.primewest.biz.

Communications Policy

The Board aims to provide Securityholders with sufficient information to assess the performance of Primewest and that they are informed of all major developments affecting the state of affairs of Primewest relevant to Securityholders in accordance with all applicable laws. Information will be communicated to Securityholders through the lodgement of all relevant financial and other information with ASX and publishing information on Primewest's website, http://www.primewest.biz. In particular, Primewest's website will contain information about Primewest, including media releases, key policies and the terms of reference of its Board committees. All relevant announcements made to the market and any other relevant information will be posted on Primewest's website as soon as they have been released to ASX.

Compliance Plan

The compliance plan of the Primewest Property Fund describes the processes and procedures that Primewest Management Ltd will use to ensure compliance with its AFSL, the Primewest Property Fund Constitution, the Corporations Act, and relevant industry and internal standards.

Under the Compliance Plan, Primewest must have, in addition to the Audit, Risk and Compliance Committee, a compliance manager who reviews compliance on an ongoing basis, reports on compliance matters to the Audit, Risk and Compliance Committee and acts on the recommendations of the Board.

Primewest Management Ltd and Primewest Funds Ltd must also comply with their AFSL when acting as trustees and managers for the Funds, and have adopted the same compliance plan as Primewest Property Fund.

You can inspect a copy of the compliance plan and Security Pricing Policy regarding the exercise of discretion under the constitution of the Primewest Property Fund which affect Unit price calculations, valuation policy and other matters, free of charge at the offices of the Primewest Property Fund during business hours.

Code of Conduct

Primewest is committed to providing an ethical and legal framework within which its employees conduct Primewest's business. Accordingly, Primewest has adopted a Code of Conduct to take effect from Completion, which sets out the values, commitments, ethical standards and policies of Primewest and outlines the standards of conduct expected of the business and Primewest's employees, taking into account Primewest's legal and other obligations to its stakeholders.

Diversity Policy

Primewest has developed and adopted a Diversity Policy which sets out Primewest's commitment to diversity and inclusion in the workplace. The Diversity Policy provides a framework to achieve Primewest's diversity goals and underpins its commitment to creating a diverse work environment. The Diversity Policy applies to all Primewest employees.

3.9 Transactions with Directors

Executive Directors' investments in the Funds

The Executive Directors have investments in 73 of the Funds managed by Primewest, however none of the Directors individually hold over 50% in any of the Funds, and so they do not control any of the Funds.

However, one of the Funds owns the premises where Primewest has its Perth headquarters. In this Fund, the Executive Directors hold approximately 58% in aggregate. Primewest is party to a lease with the Fund, which was entered into on normal commercial rates and on arm's length terms. Annual rent under the lease is approximately \$340,000.

Executive Directors' investment in businesses that provide services to the Funds

The Executive Directors also have investments in businesses that provide services to the Funds from time to time, as described below. As described below, three of these businesses use part of Primewest's Sydney office space and pay rent on normal commercial rates.

- The Executive Directors each hold approximately 16.7% (50% in aggregate) in Base Capital Pty Ltd
 which assists broker finance facilities for some of the Funds on arm's length terms. Brokerage fees
 (including trail fees) are payable by the relevant Primewest manager/trustee in its capacity as manager/
 trustee of the relevant Fund. Base Capital Pty Ltd occupies part of Primewest's Sydney office space.
 Annual rent payable is \$16,320.
- The Executive Directors each hold approximately 16.7% (50% in aggregate) in Core Vision Pty Ltd which is a software platform used by property managers to manage buildings. Some of Primewest's external property managers use Core Vision's software in relation to properties they manage on behalf of Primewest, and Primewest managers/trustees engage with Core Vision in their capacity as managers/trustees of certain of the Funds. Any engagement with Core Vision, by the Primewest managers/trustees in their capacity as managers/trustees of the Funds, or the external property managers, is entered into on arm's length terms. Core Vision Pty Ltd occupies part of Primewest's Sydney office space. Annual rent payable is \$32,640.
- The Executive Directors each hold approximately 13.75% (41.25% in aggregate) in HFM Asset Management Ltd, a business which provides consulting services to property managers. Some of Primewest's external property managers use its services in relation to properties they manage on behalf of Primewest, and Primewest managers/trustees engage with HFM Asset Management in their capacity as managers/trustees of certain of the Funds. Any engagement with HFM Asset Management, by the Primewest managers/trustees in their capacity as managers/trustees of the Funds, or the external property managers, is entered into on arm's length terms. HFM Asset Management Ltd occupies part of Primewest's Sydney office space. Annual rent payable is \$16,320.
- The Executive Directors each hold approximately 25% (75% in aggregate) in Energy-Tec Holdings Pty Ltd which provides metering and consulting services to property managers. Some of Primewest's external property managers use its services in relation to properties they manage on behalf of Primewest, and Primewest managers/trustees engage with Energy-Tec in their capacity as managers/trustees of certain of the Funds. Any engagement with Energy-Tec, by the Primewest managers/trustees in their capacity as managers/trustees of the Funds, or the external property managers, is entered into on arm's length terms.

Primewest's non-executive Directors believe that each contractual arrangement set out above is on arm's length terms and that the risks faced by Primewest or the Funds from any of the arrangements are not materially different from or are more favourable to Primewest than those it would face were the arrangements entered into with counterparties unconnected to the Executive Directors.



4.1 Introduction

The financial information contained in this Section 4 includes historical financial information for Primewest for the financial years ended 30 June 2017 (FY17), 30 June 2018 (FY18) and 30 June 2019 (FY19) and forecast financial information for Primewest for the financial year ending 30 June 2020 (FY20F).

This Section 4 includes:

- pro forma historical financial information, comprising:
 - Primewest's pro forma historical consolidated income statements for FY17, FY18 and FY19 (Pro Forma Historical Income Statements), as set out in Section 4.3; and
 - Primewest's pro forma historical consolidated cash flow statements for FY17, FY18 and FY19 (Pro Forma Historical Cash Flow Statements), as set out in Section 4.6; and
 - Primewest's pro forma historical consolidated statement of financial position as at 30 June 2019 (Pro Forma Historical Statement of Financial Position), as set out in Section 4.7, (together, the Pro Forma Historical Financial Information);
- · pro forma forecast financial information. comprising:
 - Primewest's pro forma forecast consolidated income statement for FY20F (Pro Forma Forecast Income Statement), as set out in Section 4.4; and
 - Primewest's pro forma forecast consolidated cash flow statement for FY20F (Pro Forma Forecast Cash Flow Statement), as set out in Section 4.6.

The Pro Forma Historical Financial Information and the Pro Forma Forecast Financial Information are together referred to as the **Financial Information**.

Primewest has a 30 June financial year end.

In addition, Section 4 summarises:

- the basis of preparation and presentation of the Financial Information (refer to Section 4.2);
- information regarding certain non-IFRS financial measures (refer to Section 4.2.4);
- the pro forma adjustments to the statutory historical financial information (refer to Sections 4.3.1, 4.6.1 and 4.7);
- information regarding liquidity and capital resources (refer to Section 4.7.1);
- information regarding Primewest's contractual obligations, commitments and contingent liabilities (refer to Section 4.7.2);
- the Directors' best estimate general and specific assumptions underlying the Pro Forma Forecast Financial Information (refer to Section 4.8);
- management's discussion and analysis of the Financial Information (refer to Section 4.9);
- an analysis of the key sensitivities in respect of the Pro Forma Forecast Financial Information (refer to Section 4.11);
- · a description of Primewest's critical accounting policies (see Section 4.10); and
- Primewest's proposed distribution policy and pro forma forecast distribution statement (**Pro Forma Forecast Distribution Statement**) (refer to Section 4.12).

The information in Section 4 should also be read in conjunction with the risk factors set out in Section 5 and other information contained in this Offer Document.

All amounts disclosed in Section 4 are presented in Australian dollars and, unless otherwise noted, are rounded to the nearest \$0.1 million. Some numerical figures included in this Offer Document have been subject to rounding adjustments. Any differences between totals and sums of components in figures or tables contained in this Offer Document are due to rounding.

4.2 Basis of preparation and presentation of the Financial Information

4.2.1 Overview

The Directors are responsible for the preparation and presentation of the Financial Information.

Primewest Group Limited was incorporated on 20 September 2019 and acquired Primewest Funds Ltd, Primewest Management Ltd, PWG Property Pty Ltd, Primewest P/Q Pty Ltd and Primewest (USA) Trust on 1 October 2019 (the **Corporate Restructure**). For the purposes of this Section 4, these entities are together referred to as the **Primewest Companies**. The Financial Information has therefore been prepared on a pro forma consolidated basis, as the Primewest Companies were not in a legal group structure prior to 1 October 2019.

Primewest Management Ltd is the responsible entity of the Primewest Property Fund, a unit trust established on 24 September 2019. A Security in Primewest comprises a Unit in the Primewest Property Fund stapled to a Share in Primewest Group Limited. In accordance with Australian Accounting Standards (AAS), consolidated financial statements will be prepared for the stapled Primewest group, with Primewest Group Limited as the parent entity.

The Pro Forma Historical Financial Information included in this Offer Document has been derived from the audited financial statements of the Primewest Companies and is intended to present potential investors with information to assist them in understanding the underlying historical financial performance, cash flow and financial position of Primewest.

The audited statutory historical financial information of the Primewest Companies will be released to the ASX and is available for inspection at the registered office of Primewest within normal trading hours.

The Pro Forma Historical Financial Information has been prepared in accordance with the recognition and measurement principles of AAS adopted by the Australian Accounting Standards Board (AASB), which are consistent with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board, and Primewest's accounting policies. It includes certain adjustments that have been prepared in a manner consistent with AAS, that reflect the impact of certain transactions as if they had occurred on or before 30 June 2019. Primewest's significant accounting policies are described in Annexure A. In order to present the Financial Information on a consistent basis, the Pro Forma Historical Financial Information has been prepared in accordance with the AAS which are applicable to the financial year ending 30 June 2020, including AASB 15 Revenue from Contracts with Customers and AASB 16 Leases.

The Pro Forma Historical Financial Information does not reflect the actual financial results and cash flows of Primewest for the periods indicated. However, the Directors of Primewest believe that it provides useful information as it permits investors to examine what it considers to be the underlying financial performance and cash flows of the business presented on a consistent basis and including the incremental costs which Primewest expects to incur as a publicly listed company.

The Offer Document includes Pro Forma Forecast Financial Information based on the best estimate assumptions of the Directors. The Pro Forma Forecast Financial Information presented in this Offer Document is unaudited. The basis of preparation and presentation of the Pro Forma Forecast Financial Information, to the extent possible, is consistent with the basis of preparation and presentation for the Pro Forma Historical Financial Information, unless otherwise noted.

The Financial Information is presented in an abbreviated form and it does not include all of the presentation and disclosures, statements or comparative information required by AAS and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act.

In addition to the Financial Information, Section 4 describes certain non-IFRS financial measures that Primewest uses to manage and report on the business that are not defined under or recognised by AAS or IFRS.

Independent Limited Assurance Report

The Financial Information (as defined above) has been reviewed by RSM Corporate Australia Pty Ltd (**RSM**) in accordance with the Australian Standard on Assurance Engagements ASAE 3450 Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information as stated in its Independent Limited Assurance Report set out in Section 9. Investors should note the scope and limitations of the Independent Limited Assurance Report.

4.2.2 Preparation of the Pro Forma Historical Financial Information

As the Primewest Companies were not in a legal group structure prior to 1 October 2019, the historical financial information has been presented on a pro forma basis.

The Pro Forma Historical Financial Information has been derived from:

- the audited general purpose financial statements of Primewest Funds Ltd and Primewest Management Ltd for FY17, FY18 and FY19;
- the audited special purpose financial statements of PWG Property Pty Ltd for FY17, FY18 and FY19; and
- the audited special purpose financial statements of Primewest P/Q Pty Ltd and Primewest (USA) Trust for the period ended 30 June 2018 and for FY19.¹

The financial statements of Primewest Funds Ltd and Primewest Management Ltd for FY17 and FY18 were audited by Macri Partners in accordance with Australian Auditing Standards. Macri Partners issued unmodified audit opinions on these financial statements.

The financial statements of Primewest Funds Ltd and Primewest Management Ltd for FY19; the financial statements of PWG Property Pty Ltd for FY17, FY18 and FY19; and the financial statements of Primewest P/Q Pty Ltd and Primewest (USA) Trust for the period ended 30 June 2018 and for FY19, were audited by RSM Australia Partners. RSM Australia Partners issued unmodified audit opinions on these financial statements.

The Pro Forma Historical Financial Information has been prepared solely for the purpose of inclusion in this Offer Document. The Pro Forma Historical Financial Information has been derived from the statutory historical financial information of the Primewest Companies and adjusted for the effects of the pro forma adjustments.

The Pro Forma Historical Income Statements are presented to EBITDA level and therefore do not include depreciation, amortisation, interest income and expense, or income tax expense. The Directors consider that the inclusion of historical financial information below EBITDA would not be useful or meaningful to potential investors, and may potentially be misleading, particularly in making historical pro forma adjustments with respect to the amortisation of management rights, as well as in presenting historical interest income and expenses which are a function of the former capital structure of Primewest as a closely-held private business. The Pro Forma Forecast Financial Information includes financial information to net profit after tax (NPAT) level.

The table in Section 4.3.1 sets out the pro forma adjustments made to the statutory historical income statements of the Primewest Companies and a reconciliation of the statutory historical income statements to the Pro Forma Historical Income Statements.

The table in Section 4.6.1 sets out the pro forma adjustments to the statutory historical cash flow statements of the Primewest Companies and a reconciliation of the statutory historical cash flows to the Pro Forma Historical Cash Flow Statements. Pro forma adjustments were made to the statutory historical cash flows to reflect the cash impact of the pro forma adjustments to the statutory historical income statements.

The Pro Forma Historical Income Statements and the Pro Forma Historical Cash Flow Statements have been presented to reflect the impact of Corporate Restructure, the Offer and the Listing as if they had occurred at 1 July 2016, that is at the start of the period covered by the Pro Forma Historical Financial Information.

The table in Section 4.7 sets out the pro forma adjustments to the Statutory Historical Statement of Financial Position, and a reconciliation of the statutory historical statement of financial position of Primewest Funds Ltd (being the deemed acquiring entity for accounting purposes) to the Pro Forma Historical Statement of Financial Position. Pro forma adjustments were made to the statutory historical statement of financial position to reflect the impact of the Corporate Restructure, the Offer and certain related transactions as if they had occurred as at 30 June 2019.

In connection with the pro forma adjustments to reflect the impact of the Corporate Restructure, the Directors have made a provisional assessment of the valuation of management rights, based on the expected future fee income under contractual agreements with existing Funds (including an assumption with respect to extensions and renewals), and of the amount of goodwill arising on the business combination.

In preparing the Financial Information, Primewest's accounting policies have been consistently applied throughout the periods presented, as summarised in Annexure A.

1. Primewest P/Q Pty Ltd was incorporated on 6 July 2017 and the Primewest (USA) Trust was established on 28 March 2018.

Investors should note that past results are not a guarantee of future performance.

Going Concern

The Financial Information for FY19 has been prepared on a going concern basis, which contemplates continuity of normal business activities and realisation of assets and discharge of liabilities in the normal course of business. The Directors believe that there are reasonable grounds to believe that Primewest will be able to continue as a going concern following completion of the Offer.

4.2.3 Preparation of the Pro Forma Forecast Financial Information

As the Primewest Companies were not in a legal group structure prior to 1 October 2019, the forecast financial information has been presented on a pro forma basis.

The Pro Forma Forecast Financial Information for FY20F has been prepared and presented as if the Corporate Restructure had occurred at 1 July 2019, and has been derived from the statutory forecast financial information of the Primewest Companies, after adjusting for the pro forma adjustments.

A statutory forecast income statement and cash flow statement for FY20F are not presented in the Offer Document, as Primewest Group Limited was only incorporated on 20 September 2019, with the Corporate Restructure implemented on 1 October 2019. In accordance with AASB 3 *Business Combinations*, the statutory financial statements for FY20F are expected to include the financial results of Primewest Funds Ltd (being the deemed acquirer for accounting purposes) for the 12-month period 1 July 2019 to 30 June 2020 and the results of the remaining Primewest Companies for the nine months from 1 October 2019 to 30 June 2020. The Directors consider that the presentation of forecast financial information in this format is not meaningful to potential investors considering whether to make an investment in Primewest, and may be misleading, as it presents the forecast results for neither the full financial year nor the period since the Corporate Restructure. The Directors therefore consider that the Pro Forma Forecast Financial Information provides investors with more meaningful financial information with respect to Primewest's prospective financial performance.

A reconciliation from statutory forecast EBITDA to pro forma forecast EBITDA for FY20F is, however, provided in Section 4.4.1.

On Completion of the Offer, an increase in the asset management fees for certain Funds will become effective pursuant to approvals received from the Fund Investors (**Fee Variation**). The Pro Forma Forecast Financial Information has been presented as if the Fee Variation was effective from 1 July 2019. Reconciliations of the statutory forecast financial information to the Pro Forma Forecast Financial Information are provided in Sections 4.4.1 and 4.6.1.

This Offer Document includes Pro Forma Forecast Financial Information based on the best estimate assumptions of the Directors. The basis of preparation and presentation of the Pro Forma Forecast Financial Information, to the extent applicable, is consistent with the basis of preparation and presentation of the Pro Forma Historical Financial Information, unless otherwise noted.

The Pro Forma Forecast Financial Information has been prepared by the Directors with due care and attention, based on an assessment of current economic and operating conditions and best estimate assumptions regarding future events and actions as set out in Section 4.8. The Pro Forma Forecast Financial Information is subject to the risks set out in Section 5. The inclusion of these assumptions and these risks is intended to assist investors in assessing the reasonableness and likelihood of the assumptions occurring, and is not intended to be a representation that the assumptions will occur.

The Directors believe the best estimate assumptions, when taken as a whole, to be reasonable at the time of preparing this Offer Document. However, this information is not fact and investors are cautioned not to place undue reliance on the Pro Forma Forecast Financial Information.

Investors should be aware that the timing of actual events and the magnitude of their impact might differ from that assumed in preparing the Pro Forma Forecast Financial Information, and that this may have a material positive or negative effect on Primewest's actual financial performance and/or financial position. In addition, the assumptions upon which the Pro Forma Forecast Financial Information is based are by their very nature subject to significant uncertainties and contingencies, many of which will be outside the control of Primewest, the Directors and management, and are not reliably predictable. Accordingly, neither Primewest, the Directors, nor any other person can give investors any assurance that the outcomes presented in the Pro Forma Forecast Financial Information will arise.

The Forecast Financial Information should be read in conjunction with the general assumptions set out in Section 4.8.1, the specific assumptions set out in Section 4.8.2, the sensitivities set out in Section 4.11, the risk factors set out in Section 5 and other information within this Offer Document.

Primewest has no intention to update or revise the Pro Forma Forecast Financial Information or other forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Offer Document, except where required by law.

4.2.4 Explanation of certain non-IFRS financial measures

Primewest uses certain measures to manage and report on its business which are not recognised under AAS or IFRS. These measures are collectively referred to in this Section 4 and under Regulatory Guide 230 *Disclosing Non-IFRS Financial Information* published by ASIC as "non-IFRS financial measures". The principal non-IFRS financial measures that are referred to in this Offer Document are as follows:

- EBITDA is earnings before interest income, interest expense, taxation, depreciation and amortisation.
 Management uses EBITDA to evaluate the operating performance of the business without the non-cash impact of depreciation and amortisation, and before interest and taxation. EBITDA can be useful to help understand the cash generation potential of the business.
- Adjusted EBITDA includes the expenses associated with the leases for Primewest's Sydney and Perth
 offices which are no longer captured in EBITDA under the revised lease accounting standards (AASB
 16).
- EBIT is earnings before interest income, interest expense and taxation.
- Operating Earnings is NPAT adjusted for certain non-cash or one-off expenses, as set out in Section 4.12.
- Net tangible assets is net assets after excluding goodwill, any intangible related to the acquisition of
 management rights, right-to-use assets and the lease liability arising from the application of AASB 16
 to leases.
- Capital expenditure is expenditure on acquiring, upgrading and improving fixed assets such as land, buildings, plant and equipment.

Although the Directors believe that these measures provide useful information about the financial performance and financial position of Primewest, they should be considered as supplements to the income statement, cash flow statement and balance sheet measures that have been presented in accordance with AAS and IFRS and not as a replacement for them. As these non-IFRS financial measures are not based on AAS or IFRS, they do not have standard definitions, and the way Primewest calculates these measures may differ from similarly titled measures used by other companies. Investors and readers of this Offer Document should therefore not place undue reliance on these non-IFRS financial measures.

4.3 Pro Forma Historical Income Statements

Table 4.3 sets out a summary of the Pro Forma Historical Income Statements of Primewest for FY17, FY18 and FY19. The Pro Forma Historical Income Statements are reconciled to the statutory historical income statements of the Primewest Companies in Section 4.3.1.

Table 4.3: Summary of Pro Forma Historical Income Statements

A\$ million	FY17	FY18	FY19
Asset management fees	10.5	11.7	12.9
Property services fees	1.2	3.3	3.6
Transactional fees	7.8	9.0	8.2
Performance fees	-	-	-
Other income	0.1	0.1	0.9
Total revenue	19.6	24.1	25.6
Employee costs	(3.9)	(4.6)	(5.8)
Commissions	(0.8)	(1.2)	(1.4)
Other operating expenses	(1.2)	(1.9)	(1.6)
Listed company costs¹	(0.8)	(0.8)	(8.0)
Total expenses	(6.7)	(8.5)	(9.6)
EBITDA	13.0	15.6	16.1
Operating lease expenses ²	(0.4)	(0.4)	(0.4)
Adjusted EBITDA	12.6	15.2	15.7

Notes:

^{1.} An adjustment has been made for the estimated incremental costs of \$0.8 million per annum associated with Primewest being a publicly listed company.

Adjustment for the expenses associated with leases for Primewest's Perth and Sydney offices which are no longer captured in EBITDA under the revised lease accounting standards (AASB 16).

4.3.1 Pro forma adjustments to the statutory historical income statements of the Primewest Companies

Table 4.3.1 sets out the pro forma adjustments that have been made to the statutory historical income statements of the Primewest Companies.

Table 4.3.1: Pro forma adjustments to the statutory historical income statements of the Primewest Companies

A\$ million	FY17	FY18	FY19
Statutory EBITDA			
Primewest Funds Ltd	9.2	11.3	11.6
Primewest Management Ltd	4.7	5.0	4.2
PWG Property Pty Ltd	0.4	0.5	0.4
Primewest P/Q Pty Ltd	-	-	-
Primewest (USA) Trust	-	-	1.0
	14.3	16.8	17.3
Adjustments:			
Lease accounting adjustment (AASB 16)1	0.4	0.4	0.4
Executive Director remuneration ²	(8.0)	(0.8)	(8.0)
Listed company costs ³	(0.8)	(8.0)	(0.8)
Pro forma EBITDA	13.0	15.6	16.1

Notes:

- Rent for leased premises for all periods has been accounted for in accordance with AASB 16 Leases, which is applicable to financial reporting periods commencing on or after 1 January 2019 (see Significant Accounting Policies – Annexure A).
- 2. From Completion of the Offer, the Executive Directors will receive remuneration (in aggregate) of \$0.8 million per annum, inclusive of superannuation, payroll tax and other oncosts. The Executive Directors have not previously received remuneration from Primewest.
- 3. An adjustment has been made for the estimated incremental costs of \$0.8 million per annum associated with Primewest being a publicly listed company.

4.4 Pro Forma Forecast Income Statement

Table 4.4 sets out a summary of the Pro Forma Forecast Income Statement of Primewest for FY20F. The Pro Forma Forecast Income Statement is reconciled to the statutory forecast income statement of Primewest in Section 4.4.1.

Table 4.4: Summary of Pro Forma Forecast Income Statement

A\$ million	1H20F	2H20F	FY20F
Asset management fees ¹	9.4	9.9	19.3
Property services fees	2.4	2.4	4.7
Transactional fees	2.3	3.1	5.4
Performance fees ²	_	6.1	6.1
Other income	0.1	0.1	0.1
Total revenue	14.1	21.5	35.6
Employee costs	(3.2)	(3.2)	(6.4)
Commissions	(0.5)	(0.5)	(1.0)
Other operating expenses	(8.0)	(8.0)	(1.6)
Listed company costs	(0.4)	(0.4)	(8.0)
Total expenses	(4.9)	(4.9)	(9.8)
EBITDA	9.2	16.6	25.8
Depreciation	(0.2)	(0.2)	(0.5)
Amortisation of management rights ³	(2.7)	(2.7)	(5.4)
EBIT	6.2	13.7	19.9
Interest income ⁴	0.6	0.6	1.2
Interest expense	(0.0)	(0.0)	(0.1)
Net profit before tax	6.8	14.3	21.1
Tax expense⁵	(2.7)	(4.9)	(7.6)
Net profit after tax	4.1	9.4	13.5
Operating lease adjustment ⁶	(0.2)	(0.2)	(0.4)
Depreciation adjustment	0.2	0.2	0.5
Amortisation adjustment	2.7	2.7	5.4
Operating Earnings after tax	6.9	12.1	19.0

Notes

- 1. FY20F asset management fees assume that the Fee Variation is effective from 1 July 2019 (see Section 4.4.1).
- 2. FY20F performance fees of \$6.1 million comprise a performance-related fee related to a Fund. The amount of the forecast performance fee is based on an independent valuation of the property as at 30 June 2019 and the calculated rate of return to fund investors as at that date.
- The management rights amortisation expense for the FY20F financial year assumes that the Corporate Restructure occurred on 1 July 2019, and reflects the Directors' provisional assessment of the value of management rights held by the Primewest Companies other than Primewest Funds Ltd (which is deemed to be the acquiring entity for accounting purposes).
- 4. Interest income includes notional interest of \$1.2 million per annum on the net proceeds of the Offer (after transaction costs of \$5.4 million and \$15.0 million paid to SaleCo). The Directors have assumed for this purpose an interest rate of 1.5% per annum.
- 5. The FY20F income tax expense assumes an effective tax rate of 30% applied to Net Profit Before Tax, after adding back amortisation of management rights (which is not deductible for tax purposes) and excluding interest income on the Offer proceeds which is assumed to be held in the Trust (which is not a taxpaying entity).
- 6 Adjustment for the expenses associated with leases for Primewest's Perth and Sydney offices which are no longer captured in EBITDA under the revised lease accounting standards (AASB 16).

4.4.1 Pro forma adjustments to the statutory forecast income statement of Primewest

Table 4.4.1 sets out the pro forma adjustments that have been made to the statutory forecast income statement of Primewest.

Table 4.4.1: Pro forma adjustments to the statutory forecast income statement of Primewest

A\$ million	1H20F	2H20F	FY20F
Statutory Forecast EBITDA ¹	5.0	16.6	21.6
Adjustments:			
EBITDA pre Corporate Restructure	1.3	-	1.3
Fee Variation adjustment ²	1.5	-	1.5
Executive Director remuneration ³	(0.3)	-	(0.3)
Listed company costs ⁴	(0.3)	-	(0.3)
Transaction costs ⁵	2.0	-	2.0
Pro forma EBITDA	9.2	16.6	25.8
Operating lease expenses ⁶	(0.2)	(0.2)	(0.4)
Adjusted EBITDA	9.0	16.4	25.4

Notes:

- In accordance with AASB 3 Business Combinations, the FY20F statutory forecast EBITDA of the Company includes
 the forecast results of Primewest Funds Ltd (being the deemed acquirer for accounting purposes) for FY20F and the
 results of the remaining Primewest Companies for the nine months from 1 October 2019 to 30 June 2020. A pro forma
 adjustment has therefore been made to include the forecast EBITDA of the remaining Primewest Companies for the
 period 1 July to 30 September 2019.
- 2. The statutory forecast income statement includes the effect of the Fee Variation from November 2019, being the expected time at which the Directors expect the Fee Variation to become effective, on Completion of the Offer. In the Pro Forma Forecast Income Statement, a pro forma adjustment has been made to include the effect of the Fee Variation as if it had been effective from 1 July 2019, in order to show the forecast earnings on a basis consistent with the fee arrangements which will be in place following Completion of the Offer.
- 3. From Completion of the Offer, the Executive Directors will receive remuneration (in aggregate) of \$0.8 million per annum, inclusive of superannuation, payroll tax and other oncosts. The Executive Directors have not previously received remuneration from Primewest. The statutory forecast includes these costs from Completion of the Offer. A pro forma adjustment has therefore been made to present the Pro Forma Forecast Financial Information as if this arrangement had been in place for the full financial year FY20F. A similar adjustment has been made in the Pro Forma Historical Financial Information.
- 4. From Completion of the Offer, Primewest will incur incremental costs associated with being a publicly listed company, which the Directors have estimated at \$0.8 million per annum. The statutory forecast includes these costs from Completion of the Offer. A pro forma adjustment has therefore been made to present the Pro Forma Forecast Financial Information as if the Company had been listed on the ASX for the full financial year FY20F. A similar adjustment has been made in the Pro Forma Historical Financial Information.
- 5. A portion of the costs of the Offer and the Listing will be recognised as an expense in Primewest's consolidated income statement for the six months ending 31 December 2019 (estimated at \$2.0 million), with the remainder of the costs being offset against issued share capital. As these costs are one-off in nature, they have been added back in presenting the Pro Forma Forecast Income Statement.
- 6 Adjustment for the expenses associated with leases for Primewest's Perth and Sydney offices which are no longer captured in EBITDA under the revised lease accounting standards (AASB 16).

4.5 Segment information

In accordance with Australian Accounting Standard AASB 8 *Operating Segments*, Primewest has determined that its operations comprise a single reporting segment for FY17, FY18 and FY19. However, Primewest reports its revenue in a number of categories, as set out in Tables 4.3 and 4.4. In accordance with AASB 8 *Operating Segments*, operating segments are those in which the chief operating decision-maker received information for the purpose of resource allocation and assessment of segment performance.

4.6 Pro Forma Historical Cash Flow Statements and Pro Forma Forecast Cash Flow Statement

Table 4.6 sets out Primewest's Pro Forma Historical Cash Flow Statements for FY17, FY18 and FY19 and Primewest's Pro Forma Forecast Cash Flow Statement for FY20F.

Table 4.6: Summary of Pro Forma Historical Cash Flow Statements and Pro Forma Forecast Cash Flow Statement

A\$ million	FY17	FY18	FY19	FY20F
Cash flows from operating activities				
Receipts from customers	21.8	26.8	25.4	39.2
Payments to suppliers and employees	(9.0)	(11.3)	(10.0)	(13.9)
Interest received	1.3	1.3	1.3	1.2
Interest paid	(0.1)	(0.1)	(0.1)	(0.1)
Income taxes paid	(3.5)	(4.1)	(4.3)	(7.6)
Net cash flow from operating activities	10.5	12.5	12.3	18.8
Cash flows from investing activities				
Loans to related parties	0.2	(0.2)	0.3	-
Purchase of property, plant and equipment	(0.1)	-	(0.1)	(0.1)
Proceeds from sale of non current assets	-	-	0.2	-
Purchase of financial asset	-	-	(0.1)	-
Net cash flow from investing activities	0.1	(0.2)	0.3	(0.1)
Net cash flow before financing activities	10.6	12.3	12.6	18.7

4.6.1 Pro forma adjustments to the Statutory Historical Cash Flows and Statutory Forecast Cash Flow Statements

Table 4.6.1 sets out the pro forma adjustments that have been made to the Statutory Historical Cash Flow Statements and Statutory Forecast Cash Flow Statements to reflect the post-tax cash impact of the pro forma earnings adjustments. These adjustments are summarised and explained in the table below.

Table 4.6.1: Pro forma adjustments to the Statutory Historical Cash Flows and Statutory Forecast Cash Flows

A\$ million	FY17	FY18	FY19	FY20F
Statutory Cash Flow (before financing) ¹				
Primewest Funds Ltd	6.9	8.1	8.0	
Primewest Management Ltd	3.1	3.8	3.2	
PWG Property Pty Ltd	0.4	0.2	0.7	
Primewest P/Q Pty Ltd	-	-	-	
Primewest (USA) Trust	-	-	0.7	
	10.5	12.2	12.6	17.0
Adjustments:				
EBITDA pre Corporate Restructure	-	-	-	1.3
Executive Director remuneration ²	(8.0)	(8.0)	(8.0)	(0.3)
Listed company costs ³	(8.0)	(8.0)	(8.0)	(0.3)
Interest income on capital raised (net of costs) ⁴	1.2	1.2	1.2	1.2
Tax effect of the above adjustments ⁵	0.5	0.5	0.5	(0.2)
Pro forma net cash flow before financing	10.6	12.3	12.6	18.7

Notes:

- 1. In accordance with AASB 3 *Business Combinations*, the FY20F statutory forecast includes the forecast results of Primewest Funds Ltd (being the deemed acquirer for accounting purposes) for FY20F and the results of the remaining Primewest Companies for the nine months from 1 October 2019 to 30 June 2020. A pro forma adjustment has therefore been made to include the forecast operating cash flow of the remaining Primewest Companies for the period 1 July to 30 September 2019.
- 2. From Completion of the Offer, the Executive Directors will receive remuneration (in aggregate) of \$0.8 million per annum, inclusive of superannuation, payroll tax and other oncosts. The Executive Directors have not previously received remuneration from Primewest.
- 3. An adjustment has been made for the estimated incremental costs of \$0.8 million per annum associated with Primewest being a publicly listed company.
- 4. Interest received includes notional interest of \$1.2 million per annum on the net proceeds of the Offer (after transaction costs of \$5.4 million and \$15.0 million paid to SaleCo). The Directors have assumed for this purpose an interest rate of 1.5% per annum.
- 5. An adjustment has been made for the tax effect of the pro forma adjustments made in the Pro Forma Historical Income Statements and the Pro Forma Forecast Income Statement.

4.7 Pro Forma Historical Statement of Financial Position

Table 4.7 sets out the Pro Forma Historical Statement of Financial Position of Primewest, which is based on the statutory statement of financial position of Primewest Funds Ltd as at 30 June 2019 and pro forma adjustments made to take into account the effect of the Corporate Restructure, the proceeds of the Offer, related transaction costs, and certain other pro forma adjustments as if they had occurred as at 30 June 2019.

The Pro Forma Historical Statement of Financial Position is provided for illustrative purposes only and is not represented as being necessarily indicative of Primewest's view of its financial position upon Completion of the Offer or at a future date. Further information on the sources and uses of funds from the Offer is contained in Section 6.2.

Table 4.7: Pro Forma Historical Statement of Financial Position as at 30 June 2019

(0.3)(0.4)(0.2)(0.7)(3.0)(1.4) (1.4) (4.3)1.5 202.6 23.6c 0.1 102.1 18.6 0.2 122.8 207.0 202.7 202.7 82.3 Pro forma 0.1 0.1 349.1 9.64 (2.0)9.67 9.64 9.6 81.6 9.64 9.6/ Capital raising⁵ (0.4)(1.4) 4.6 18.6 0.2 122.8 127.4 (0.3)(0.2)(0.7)(3.0)(1.4) (4.3)121.0 0.1 123.1 2.7 Pro forma Balance sheet prior to Completion 102.1 123.1 0.1 2.1 Pre-IPO I (6.9)(6.9)(6.9)(6.9)(6.9)(6.9)(6.9)4.0 4.0 4.0 4.0 4.0 4.0 (0.4)(0.4)(1.4) (1.4) (1.7) (0.3)(0.3)(0.3)AASB 16 (Leases)² 4. 4. 4. (0.3)(0.2)(1.6) (1.6) 18.6 121.0 2.2 Acquisitions 1.0 3.4 0.5 102.1 121.3 124.7 123.1 123.1 2.5 0.1 0.1 0.1 (0.4)3.5 (0.6)(1.0) (1.0)4.0 0.1 0.1 4.1 3.1 3.1 3.1 3.1 Non-IFRS financial information Number of Securities (millions) Property, plant and equipment Total non-current liabilities Trade and other receivables Cash and cash equivalents Total non-current assets NTA per Security (cents) Net tangible assets (NTA) Trade and other payables Total current liabilities Non-current liabilities Net assets/(liabilities) Total current assets Non-current assets As at 30 June 2019 A\$ million Right-of-use assets Deferred tax assets Management rights **Current liabilities** Retained earnings Financial assets **Current assets** Total liabilities _ease liabilities _ease liabilities Other liabilities Issued capital Total assets Other assets Tax liabilities Total equity Provisions Goodwill

Notes:

- 1. The Pro Forma Historical Statement of Financial Position incorporates the Corporate Restructure as if it had occurred as at 30 June 2019. In accordance with AASB 3 *Business Combinations*, Primewest Funds Ltd is deemed to be the acquiring entity for accounting purposes, with goodwill and the value attributed to management rights recognised as intangible assets on acquisition of the other Primewest Companies.
- AASB 16 Leases is applicable to accounting periods commencing on or after 1 January 2019 and will therefore be
 applied by Primewest for the first time in FY20F. The Pro Forma Historical Statement of Financial Position has been
 prepared in accordance with AASB 16, which results in the recognition of a right-of-use asset relating to leased
 property and a lease liability.
- 3. The pre-IPO cash flows comprise the net cash flow of the Primewest Companies in the period 1 July to 30 September 2019 and the forecast cash flows for the period to Completion of the Offer. These amounts have been included in the Pro Forma Historical Statement of Financial Position as the pre-IPO dividend will be paid out of both cash held at 30 June 2019 and cash generated since that date.
- 4. On 27 September 2019 the Primewest Companies declared and paid distributions to shareholders totalling \$3.8 million. The Directors expect to pay further distributions totalling \$3.1 million prior to Completion of the Offer and the Listing.
- 5. A pro forma adjustment has been made to account for the net proceeds of the Offer of \$79.6 million (being the Offer amount of \$100 million less the SaleCo amount of \$15 million and costs of the Offer of \$5.4 million).

4.7.1 Liquidity and capital resources

Following Completion of the Offer, Primewest's principal source of funds will be the net proceeds of the Offer and cash flow from operations. Primewest expects that it will have sufficient cash flow from operations to meet its business needs during the forecast period and will have sufficient working capital to carry out its stated objectives.

Primewest expects that the net proceeds of the Offer and its operating cash flow will position Primewest to pursue business growth opportunities. Whilst Primewest will evaluate investment opportunities, there is no current transaction or investment of sufficient certainty to permit its investment return to be included in the Pro Forma Forecast Financial Information. The Pro Forma Forecast Cash Flow Statement therefore assumes a return of 1.50% per annum based on a cash deposit rate.

4.7.2 Contractual obligations, commitments and contingent liabilities

As at 30 June 2019, Primewest had lease commitments for offices under non-cancellable leases totalling \$0.7 million, relating to its Perth and Sydney offices. The Perth office lease expires in October 2020 and contains an option to extend for a further period of five years. The Sydney office lease expires in June 2021, with no renewal option.

Primewest had no contingent liabilities as at 30 June 2019.

4.8 Pro Forma Forecast Financial Information – Assumptions

The Pro Forma Forecast Financial Information has been prepared based on the significant accounting policies adopted by Primewest, which are in accordance with Australian Accounting Standards and are disclosed in Annexure A. It is assumed that there will be no changes to Australian Accounting Standards, the Corporations Act or other financial reporting requirements that may have a material effect on the accounting policies of Primewest during the Forecast Period.

The Pro Forma Forecast Financial Information is based upon various best estimate assumptions concerning future events, including those set out below. In preparing the Pro Forma Forecast Financial Information, Primewest has had regard to its current operating performance and expectations with respect to future events and circumstances, including the establishment of new Funds. Primewest believes that it has prepared the Pro Forma Forecast Financial Information with due care and attention and considers all assumptions when taken as a whole to be reasonable at the time of preparing this Offer Document, including each of the general assumptions set out in Section 4.8.1.

However, actual results are likely to vary from those forecast and any variation may be materially positive or negative. The assumptions upon which the Pro Forma Forecast Financial Information is based are by their nature subject to significant uncertainties and contingencies, many of which are outside the control of Primewest and its Directors, and are not reliably predictable.

Accordingly, none of Primewest, its Directors, or any other person can give any assurance that the Pro Forma Forecast Financial Information or any prospective statement contained in this Offer Document will be achieved. Events and outcomes may differ in amount and timing from the assumptions, with a material consequential impact on the Pro Forma Forecast Financial Information.

The assumptions set out below should be read in conjunction with the sensitivity analysis set out in Section 4.11, the risk factors set out in Section 5 and the Independent Limited Assurance Report set out in Section 9.

4.8.1 General assumptions

In preparing the Pro Forma Forecast Financial Information, the following general best estimate assumptions have been adopted:

- no material changes in the competitive and operating environments in which Primewest operates;
- no significant deviation from current market expectations under Australian and international economic conditions under which Primewest and its current and potential syndicates and investors operate;
- no material changes in government legislation, tax legislation, regulatory requirements or government
 policy that will have a material impact on the financial performance or cash flows, financial position,
 accounting policies, financial reporting or disclosures of Primewest;
- no changes in applicable AAS, IFRS, other mandatory professional reporting requirements or the Corporations Act which would have a material effect on the Company's reported financial performance or cash flows, financial position, accounting policies, financial reporting or disclosures;
- no material changes in key personnel, including key management personnel; it is also assumed that Primewest maintains its ability to recruit and retain the personnel required to support future growth;
- no material industrial strikes, employee relations disputes or other disturbances, environmental costs, contingent liabilities or legal claims arise or are settled to the detriment of Primewest;
- no material adverse impact in relation to litigation (existing or otherwise);
- · no material acquisitions, disposals, restructurings or investments;
- no material changes to Primewest's corporate or funding structure other than as set out in, or contemplated by, this Offer Document;
- no significant disruptions to the continuity of operations of Primewest or other material changes in its business;
- no material changes in the property asset management industry that would have a material impact on the demand for Primewest's services;
- no material amendment to any material contract, agreement or arrangement relating to Primewest's business:
- · none of the risks listed in Section 5 has a material adverse impact on the operations of Primewest; and
- the Offer proceeds to Completion in accordance with the timetable set out in the Key Offer Dates on page 6 of this Offer Document.

4.8.2 Specific assumptions

In preparing the Pro Forma Forecast Financial Information, the following best estimate specific assumptions in relation to FY20F have been adopted by the Directors:

Revenue – Asset management fees

- Asset management fees are based on recent independent market valuations of properties held by the Funds as at 30 June 2019 and on the fees which Primewest is contractually entitled to charge to the Funds, which is a percentage of the property value (typically 0.35% to 0.65% per annum).
- Additional asset management fees are expected from new property acquisitions and syndications in FY20F. The Directors have assumed total acquisitions with a cost (and market value) of \$300 million, to be made evenly over the financial year ending 30 June 2020, and with asset management fees of 0.65% per annum. Acquisitions are expected to generate \$1.0 million of asset management fees in FY20F.
- Where Fee Variations have been approved by fund investors (to be effective on completion of the Offer and the Listing), the revised asset management fee has been assumed in the Pro Forma Forecast Financial Information with effect from 1 July 2019.

Revenue - Property services fees

- Expected leasing fees of \$1.6 million are based on contractually agreed fee terms, predominantly with respect to expected lease renewals, in addition to leasing a portion of vacant office or other premises.
- Expected development management fees of \$1.5 million are based on contractually agreed fee terms (generally 4% of the construction value) for projects expected to be undertaken, wholly or partially, during the forecast period. Over 85% of forecast development fees relate to development projects either currently in progress or committed.
- Expected finance fees of \$1.6 million are based on:
 - (a) known refinancings which fall due during the forecast period and assume a fee of 25 basis points (0.25%) for arranging the renewal or replacement of these financing facilities; and
 - (b) fees for arranging the debt financing for new acquisitions, assuming 50/50 debt/equity financing and a fee of 25 basis points (0.25%).

Revenue - Transactional fees

- Transactional fees comprise establishment fees (charged on the initial acquisition and syndication of a property) and sales fees (charged on the ultimate sale of the property and closure of the related fund).
- Expected establishment fees of \$4.5 million are based on a fee of 1.5% of the expected property acquisitions totaling \$300 million during the forecast period.
- Expected sales fees of \$0.9 million relate to one property which is currently being marketed for sale, with the fee (2.0% of the sale value) being the amount to which Primewest is contractually entitled under the trust deed.

Revenue – Performance fees

Primewest is contractually entitled to performance fees for certain Funds where the rate of return to
investors in a Fund exceeds a fixed 'hurdle' rate of return over the life of the investment (and, in some
cases to a fixed review date). The expected performance fee of \$6.1 million relates to one property for
which the review date falls due during the forecast period, and is based on the property valuation as
at 30 June 2019, the internal rate of return to syndicate investors up to that date, and the contractual
terms with respect to calculation of the performance fee.

Employee benefits expense

- Employee compensation is based on salaries and oncosts of existing Primewest employees. The bonus
 expense is based on the assumed level of property acquisitions, leasing and development projects, and
 either contractual bonus entitlements or, where bonuses are discretionary, the customary level of such
 bonuses.
- Employee benefits include \$0.8 million in annual remuneration of the Executive Directors (including oncosts), which is in accordance with the terms of their service agreements, as summarised in Section 3.4 of the Offer Document.

Commissions payable

Commissions are payable to third parties in connection with the introduction of new syndicate investors
and comprise upfront commission, ongoing trail commissions, and additional commissions on exit (i.e.
the sale of the property and closure of the fund). Commissions payable have been assumed separately
for each Fund, based on the actual proportion of investment funds introduced by the third parties and the
agreed terms with those parties.

Other expenses

- Office premises rental costs are calculated in accordance with the terms of the relevant lease. As leases
 are accounted for in accordance with AASB 16, the cost of such leases is reflected below EBITDA, with
 components of the cost being included in depreciation and interest payable.
- Operating expenses include the incremental costs which Primewest will incur as a publicly listed company, which have been estimated at \$0.8 million per annum. This amount includes additional directors' fees, the cost of directors' and officers' insurance, ASX listing fees, share registry costs, additional audit and legal costs, and the costs of holding an annual general meeting.

Interest income

• Interest income includes interest of 1.5% per annum assumed to be earned on the net proceeds of the Offer (after Offer costs of \$5.4 million and \$15.0 million paid to SaleCo).

Income tax expense

• Income tax expense has been calculated using an effective tax rate of 30% applied to pre-tax profit (before amortisation of management rights and interest on the Offer proceeds, which arises in the Trust).

4.9 Management discussion and analysis of the Financial Information

This Section 4.9 includes a discussion of key factors that affected Primewest's operating and financial performance during the period of the Pro Forma Historical Financial Information and the key factors expected to affect Primewest's operating and financial performance during FY20F.

The discussion of these general factors is intended to provide a brief summary only and does not detail all factors that affected or are assumed to affect the Company's historical and forecast operating and financial performance, or everything that may affect the Company's operations and financial performance in the future. The information in this Section 4.9 should be read in conjunction with the specific assumptions set out in Section 4.8, the risk factors set out in Section 5 and other information contained in this Offer Document.

Revenue

Revenue is generated by Primewest primarily from:

- Asset management fees, which are generated when Primewest performs the asset management
 function for a Fund and are based on the value of the AUM. The services include but are not limited
 to asset strategy, financial reporting, appointment and supervision of property managers and leasing
 agents and development/refurbishment strategies
- Property services fees
 - Leasing fees, which are generated when Primewest performs leasing services to secure new tenants or retain existing tenants. The services include marketing, RFI responses, inspections, negotiations, lease documentation and tenant coordination
 - Development management fees, which are generated when Primewest undertakes project work for a Fund, including development of property, capital refurbishment and project management of tenancy work
 - Finance fees, which are generated when Primewest secures debt financing for a fund, either at acquisition or subsequently on renewal or extension of existing loan facilities
- Transactional fees, which are generated for the services in either acquiring or selling a property for a
 Fund and are payable on settlement of the property. These services include originating a purchase or
 preparing for sale, negotiating and executing the transaction and establishing or winding up the fund.
- Performance fees, which are generated when the Fund has outperformed the relevant performance hurdle and a percentage of profits above the relevant performance hurdle becomes payable to Primewest.

The key drivers of Primewest's revenue growth include:

- Acquisitions which generate significant transaction fees, ongoing asset management fees and opportunities for property service fees;
- · Growth in asset values which increases asset management fees; and
- Providing property services including leasing, development and finance services.

The figure below sets out Primewest's pro forma historical revenue mix for FY17, FY18 and FY19 and pro forma forecast revenue for FY20F.

\$35.6m \$0.1m \$6.1m \$25.6m \$24.1m \$0.9m \$0.1m \$4.7m \$19.6m \$8.2m \$0.1m \$7.8m \$3.6m \$3.3m \$1.2m \$19.3m \$12.9m \$11.7m \$10.5m FY17 FY18 FY19 FY20F Asset management fees Property services fees Transactional fees Performance fees Other income

Figure 4.9.1: Pro forma historical and forecast revenue

Asset management fee income has grown steadily between FY17 and FY19 as a result of an increase in AUM, reflecting both increases in market value and the acquisition and syndication of additional properties. The pro forma forecast increase in asset management fees in FY20F includes \$1.0 million from new acquisitions and \$4.4 million as a result of the Fee Variation, which is reflected as if it had been implemented on 1 July 2019. The increase is also partly attributable to an increase in GAV based on independent valuations of properties as at 30 June 2019.

Property services fees increased from \$1.2 million in FY17 to \$3.6 million in FY19, and are forecast to increase further to \$4.7 million in FY20F. The amount of property services fees partly reflects growth in major development projects being managed by Primewest, as well as an increase in leasing fees, with the leasing of office/commercial premises being brought in-house from FY18. With effect from July 2019, Primewest has also taken over the arranging of debt finance for the Funds, which is forecast to generate pro forma fee income of \$1.6 million in FY20F.

Transactional fees vary from year to year, and are dependent on the extent of new acquisitions and property sales. FY20F transactional fees include forecast establishment fees of \$4.5 million and exit fees of \$0.9 million.

Pro forma FY20F revenue includes forecast performance fees of \$6.1 million. Primewest has not received performance fees over the period FY17 to FY19.

Other income in FY19 included \$0.7 million comprising the profit on sale of an investment.

Employee costs

Employee costs are associated with the salaries and bonuses of all Primewest staff, as well as superannuation, leave and staff recruitment expenses. Employee costs comprise the largest category of operating expenses for Primewest.

4. FINANCIAL INFORMATION

Commission expenses

Commission expenses are costs payable to third parties in connection with the introduction of new Fund investors and comprise upfront commission, ongoing trail commissions, and additional commissions on exit (i.e. the sale of the property and closure of the Fund).

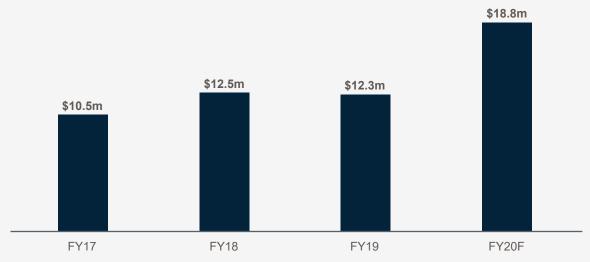
Other expenses

Primewest's other expenses include rent for its offices in Perth and Sydney, information technology and telecommunications costs, advertising and promotion, travel, and other general and administrative expenses.

Operating cash flows

The figure below sets out Primewest's pro forma historical operating cash flows for FY17, FY18, FY19 and FY20F.

Figure 4.9.2: Net cash flow from operating activities



Capital expenditure

Primewest's capital expenditure is limited to office premise and information technology expenditures.

4. FINANCIAL INFORMATION

4.10 Critical Accounting Policies

The Pro Forma Forecast Financial Information included in Sections 4.4 and 4.6 is based upon a number of estimates and assumptions as described in Section 4.8. These estimates and assumptions are subject to business, economic and competitive uncertainties and contingencies, many of which are beyond the control of Primewest, the Directors and management. These estimates are also based on assumptions with respect to future business decisions, which are subject to change.

Preparing financial statements in accordance with AAS requires management to make judgements, estimates and assumptions about the application of accounting policies that affect the reported revenues and expenses, carrying values of assets and liabilities and the disclosure of contingent liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both the current and future periods. The key areas in which critical estimates and judgements are applied are in respect of the valuation of management rights, as described in the significant accounting policies outlined in Annexure A.

4.11 Sensitivities

Set out below is a summary of the key sensitivities of the Pro Forma Forecast EBITDA and NPAT for FY20F to changes in a number of key assumptions. The changes in the key assumptions set out in the sensitivity analysis are intended to provide a guide only and are not intended to be indicative of the complete range of variations that may be experienced. Variations in actual performance could exceed the ranges shown. For the purpose of this analysis, each sensitivity is presented in terms of the impact of each on FY20F Pro Forma Forecast EBITDA and NPAT, as set out below.

Care should be taken when interpreting these sensitivities. The impact of changes to the variables presented has been considered in isolation from changes in other variables. In practice, a change to one variable is likely to have a flow on impact to other variables and may also impact the decision making of management.

Table 4.11: Summary of key sensitivities

A\$ million Key assumption	Increase/ decrease	FY20F Pro Forma EBITDA impact	FY20F Pro Forma NPAT impact
Property acquisitions	+/- \$25 million	0.4	0.3
Employee costs	+/- 5%	0.3	0.2
Return on net proceeds of the Offer	+/- 1.0%	0.7	0.7

4.12 Distribution policy

Primewest will target a distribution pay-out ratio of between 60% and 95% of Operating Earnings. Distribution policy is subject to change and is at the absolute discretion of the Board. Operating Earnings are defined as statutory net profit after tax, adjusted for certain non-operating items, including:

- fair value movements to Primewest's co-investment and investment properties;
- · gains or losses on the sale of investments;
- depreciation expenses relating to operating leases with associated cash expense being added back;
- · amortisation or impairment of intangible assets;
- non-operating tax expenses;
- · discontinued operations; and
- · other unrealised or one-off items.

The Board's intention is to pay distributions on a semi-annual basis, with the first ordinary distribution expected to be declared in June 2020.

4. FINANCIAL INFORMATION

4.12.1 Pro forma forecast distribution statement

The Pro Forma Forecast Distribution Statement has been derived by adjusting Pro Forma NPAT from the Pro Forma Forecast Income Statement for:

- non-cash items: comprises depreciation and amortisation, fair value adjustments, or other unrealised items; and
- other items: property acquisition and disposal costs not funded by operating cash flows, and other non-recurring items.

The resulting measure is termed Operating Earnings which represents the Directors' measure of performance and provides investors with the same basis that is used internally for evaluating performance, making strategic decisions and determining distributions to Securityholders during the year.

It is expected that distributions are paid semi-annually. The first distribution is for the period from Completion until 30 June 2020, and is expected to be declared in June 2020. Primewest will target to distribute 60 – 95% of Pro Forma Distributable Earnings. The Directors retain the discretion to amend the Distribution Policy.

The Directors will have regard to the amount of cash available in determining Primewest's distribution payout ratio and may change the distribution payout ratio in the future.

Table 4.12: Pro forma forecast distribution statement for FY20F

	1H20F	2H20F	FY20F
Pro forma net profit after tax (A\$ million)	4.1	9.4	13.5
Adjustments:			
Amortisation or impairment of intangible assets	2.7	2.7	5.4
Depreciation	0.2	0.2	0.5
Rental expense	(0.2)	(0.2)	(0.4)
Operating Earnings	6.9	12.1	19.0
Pro Forma Forecast FY20 Price Earnings Ratio ¹			18.4x
Pro Forma Forecast FY20 Adjusted Price Earnings ratio ²			15.2x
Dividend			
Number of Securities (millions)	349.1	349.1	349.1
Operating Earnings per Security	2.0c	3.5c	5.4c
Dividend per Security		3.2c	3.2c
Annualised FY20 Dividend yield (on Offer Price) ³			5.0%

Notes:

- Pro Forma Forecast FY20 Price Earnings Ratio is the market capitalisation at the Offer Price divided by Operating Earnings.
- 2. Pro Forma Forecast FY20 Adjusted Price Earnings Ratio is market capitalisation at the Offer Price (adjusted to exclude the impact of the net offer proceeds) divided by the FY20 forecast Operating Earnings (adjusted to exclude any interest income earned on the net offer proceeds).
- 3. From the Completion of the Offer, Primewest targets a dividend per Security of 3.2 cents in FY20. This represents an annualised dividend per Security of 5.0 cents for the period from Completion of the Offer to 30 June 2020. The forecast FY20 annualised distribution yield is calculated as the forecast annualised FY20 dividend per Security divided by the Offer Price.



5. Risks

5.1 Introduction

This Section 5 describes some of the potential risks associated with an investment in Primewest. Risks considered cover specific business risks relating to Primewest's funds management business, risks that may emerge in relation to investments undertaken through Primewest Property Fund, and general risks associated with an investment in Securities. Individually, or in combination, these risks may affect the future performance of Primewest and the value of an investment in Primewest.

This Section 5 does not purport to exhaustively list all risks that may be associated with an investment in Primewest now or in the future. The occurrence or consequences of some of the risks described in this Section 5 are partially or completely outside the control of Primewest, the Directors and Primewest management, and are not reliably predictable. The occurrence of any single risk, or a combination of these risks, may have a material adverse impact on Primewest's business, financial performance and operations.

The selection of risks has been based on the assessment of a combination of the probability of the risk occurring, the ability to mitigate the risk and the impact of the risk if it did occur. That assessment is based on the knowledge of the Directors as at the Offer Document Date, but there is no guarantee or assurance that the importance of different risks will not change or that other risks will not emerge.

There can be no guarantee that Primewest will deliver on its business strategy, or that the forecasts or any forward looking statement contained in this Offer Document will be achieved or realised. Primewest's actual results could differ materially from those anticipated in any such forward looking statements as a result of certain factors, including the risks described below and elsewhere in this Offer Document. You should note that past performance is not a reliable indicator of future performance.

Before applying for Securities, you should satisfy yourself that you have a sufficient understanding of these matters and should consider whether Securities are a suitable investment for you, having regard to your own personal circumstances, investment objectives, financial circumstances and tax position. If you do not understand any part of this Offer Document or are uncertain as to whether Primewest is a suitable investment for you, you should seek professional guidance from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding whether to invest.

5.2 Business risks

Primewest manages 76 Funds on behalf of third-party investors. The majority of Primewest's income is derived from fees calculated with reference to the value of properties under the control of the Primewest funds management business or from additional services provided to those Funds. Primewest's financial performance may be adversely affected if one or more of the following risks were to occur.

5.2.1 Asset acquisition risk

The growth in asset management fees is dependent on Primewest acquiring new assets. There is no guarantee that Primewest will be able to execute current or future asset acquisitions. To the extent that future asset acquisitions are not successfully executed or integrated with Primewest's existing portfolios, the financial performance of Primewest could be materially adversely affected.

There is also a risk that Primewest will be unable to identify future acquisition opportunities that meet its investment objectives, or if such acquisition opportunities are identified, that they can be acquired on appropriate terms, thereby potentially limiting the growth of Primewest and its funds management business. Any failure to identify appropriate assets or successfully acquire such assets could materially adversely affect the growth prospects and financial performance of Primewest. While it is Primewest's policy to conduct a thorough due diligence process in relation to any such acquisition, risks remain that are inherent in such acquisitions.

5.2.2 Increase in competition and reliance on third party equity

As a fund manager, growth in Primewest's earnings is dependent on the ability of Primewest to establish new listed or unlisted Funds, which requires continual sourcing of equity from existing and new investors. Increased competition for investor equity, underperformance of Primewest Funds, changes in market conditions and other factors may together, or in isolation, result in limited availability of investor capital and make it difficult for Primewest to execute its growth strategy, which would have a material adverse impact on Primewest's ability to generate income growth.

Risks

5.2.3 Funding for Primewest and the Funds managed by Primewest

Both Primewest, and the underlying Funds managed by Primewest, rely on access to debt financing to execute the business strategy. An inability to obtain the necessary funding or refinancing on acceptable terms and at commercial rates or a material increase in the costs of such funding may have an adverse impact on the performance of the Funds.

Further, the debt facilities of the Funds are subject to various covenants including interest coverage ratios and loan to valuation ratios, a breach of which could have an adverse impact on Primewest's debt financing capacity and also that of the Funds.

Whilst the use of debt funding by Primewest may enhance returns and increase the number of assets that Primewest can acquire, it may also substantially increase the risk of loss. Use of debt and equity funding may adversely affect Primewest when economic factors such as rising interest rates and/or margins, severe economic downturns, availability of credit, reduction in asset values or further deterioration in the condition of debt and equity markets occur. If Primewest is unable to raise capital it may be unable to pursue desirable investment opportunities which would constrain growth.

5.2.4 Underperformance of Funds managed by Primewest

There is a risk that one or more of the Funds managed by Primewest underperform in a material way or for a prolonged period of time in a way that either results in a reduction of fees paid to Primewest or has a negative effect on Primewest's ability to retain existing Funds and to attract new assets under management.

For example, the direct property Funds that Primewest manages have exposure to a variety of entities that lease or otherwise occupy the properties owned by these Funds. Insolvency or financial distress leading to a default by a major lessee or lessees across a number of leases, or failure to secure new leases on acceptable terms, could give rise to earnings volatility and breach of financial covenants within these Funds. Further, to the extent that income levels of a property fall which in turn impacts the value of a property, there is a risk that the management fee income derived from the Fund that holds that property may be adversely impacted and future transaction and performance fees may also be adversely impacted.

5.2.5 Funds move to new management

There is a risk that competitors or existing fund investors initiate actions with the intention to replace Primewest with a different management entity. Large investors within a particular Fund may, from time to time, have the ability to terminate the Primewest management arrangement, or otherwise remove the Funds they are invested in from the control of Primewest.

5.2.6 Funds are closed

As described in Section 2, Funds under the control of the Primewest funds management business are fixed term funds and a number have strategic review dates in the short to medium term. Fund life is typically between 3 and 10 years. Investor approval and/or endorsement is required for extensions to the term of these Funds. There is a risk that investors may not approve or endorse such extensions and whilst selling the Fund's assets to close the Fund can lead to significant transactional fees for Primewest in the short term, once the assets are sold, Primewest would no longer receive ongoing fees.

5.2.7 Reputation may diminish in value

The reputation of the Primewest brand could be adversely impacted by a number of factors including failure to provide investors with the quality of service they expect, disputes or litigation with third parties, employees (including in relation to their employment arrangements) or suppliers, and adverse media coverage. The Primewest brand could decline in value as a result of these factors occurring which in turn could negatively impact the business and the financial performance of Primewest.

5.2.8 Co-investment by Primewest Property Fund

Part of Primewest's long term growth strategy as described in Section 2 is to hold co-investment positions in a number of the Funds it manages. Such investments will be subject to the general investment risks outlined in Section 5.3 below. Factors influencing the financial performance of these Funds as described in Section 5.2 above, could also adversely impact the value of Primewest's investments.

5. Risks

5.2.9 Corporate M&A

Primewest will seek to acquire complimentary real estate funds management businesses. There is no guarantee that appropriate businesses will be identified for acquisition and that transactions of this nature will eventuate. To the extent that future acquisitions are identified but are not successfully closed, an adverse impact on Primewest may materialise.

5.2.10 Ability to attract and retain key staff

The ability of Primewest to successfully deliver on its strategy is dependent on retaining key employees. The loss of senior management, or other key employees, and/or the inability to hire new employees could adversely impact on Primewest's current and future business and financial performance. The growth of Primewest's operations is also dependent on attracting and retaining new quality employees.

5.2.11 Compliance with laws and regulation

Primewest Management Ltd and Primewest Funds Ltd operate under an AFSL, issued by ASIC. Under the Corporations Act, Primewest Management Ltd and Primewest Funds Ltd must hold an AFSL to engage in certain activities in relation to the funds management business (and, in respect of Primewest Management Ltd, to operate Primewest Property Fund). Compliance with the obligations of an AFSL is the responsibility of the licensee. If Primewest Management Ltd and Primewest Funds Ltd, as responsible entities of the Funds (and Primewest Management Ltd as responsible entity of Primewest Property Fund), do not meet regulatory requirements, or authorised representatives breach their obligations under authorised representative agreements, they may suffer penalties, such as fines, obligations to pay compensation, enforceable undertakings, impositions of (or variations to) licence conditions or, ultimately, the cancellation or suspension of their AFSL. If Primewest Management Ltd and Primewest Funds Ltd are unable to retain their AFSL, they would be unable to engage in certain activities required to operate the funds management business.

Primewest Management Ltd and Primewest Funds Ltd have adopted a Compliance Plan to ensure compliance with its AFSL, the Primewest Property Fund Constitution, the Corporations Act, and relevant industry and internal standards.

There is a range of legislation and regulations in Australia (and the United States) that govern Primewest's business operations. As Primewest transitions to a publicly listed entity it is increasingly focusing its attention on the development of internal compliance guidelines and procedures for compliance with all applicable laws and regulations (including laws relating to employment terms and conditions). Any past or future violations of applicable laws and regulations may result in reputational damage, fines and penalties, or the loss of licences which could have a material adverse effect on Primewest's financial condition, cash flows and operational outcomes. There is also a risk that future changes to laws and regulations may increase the costs of operations or adversely affect Primewest's ability to conduct its business.

5.2.12 Information system disruption

Primewest relies on its infrastructure and information technology in order to operate its business. A severe disruption to or failure of Primewest's information technology systems may adversely impact the operations of Primewest and its current and future business and financial performance.

Risks

5.2.13 Security breach and data privacy

Primewest's internal database contains confidential and proprietary information, including intellectual property, confidential business information, information regarding our employees or suppliers, information relating to Fund investors and other confidential information. Primewest's business could be materially impacted by security breaches, either by unauthorised access, theft, destruction, loss of information or misappropriation or release of confidential investor data. There is also a risk that the measures Primewest takes may not be sufficient to detect or prevent unauthorised access to, or disclosure of, such confidential or proprietary information, and any of these events may cause significant disruption to Primewest's business and operations. This may also expose Primewest to reputational damage, legal claims, termination of contracts, regulatory scrutiny and fines, any of which could materially adversely impact Primewest's financial performance.

5.2.14 Insurance

Primewest will carry a range of insurance cover for various assets. However, there are certain events for which Primewest may not or may not be able to maintain insurance cover for. These events may include, but are not limited to, acts of war or political instability and catastrophic events such as floods.

In the event of an uninsured loss or a loss in excess of the relevant insured limit, Primewest could suffer damage to its reputation and Primewest and the relevant funds businesses could lose all or a portion of their future revenues.

5.2.15 Climate Risk

The long-term implications of climate change may impact Primewest on several fronts and in the future, climate change may be a long term driver of both financial and non-financial risks. For example:

- increased regularity or severity of weather events may cause disruption to operations and significant damage to assets; and
- increased regulation in relation to climate change and the requirement to comply with new and emerging regulatory requirements could increase costs associated with Primewest's business and/or reduce appetite for funding either for Primewest or Primewest Funds.

5.2.16 Property liquidity

The property assets in Primewest's Funds are, by their nature, illiquid investments. Primewest may not be able to realise the properties within a short period of time or may not be able to realise the properties at a reasonable valuation.

5.3 Investment risks

5.3.1 Economic factors

Primewest is exposed to changes in general economic conditions in Australia and globally. Adverse changes in inflation rates, interest rates, employment rates, government policies (including fiscal, monetary and regulatory policies), other structural changes and other factors driving global macroeconomic conditions are outside the control of Primewest, the Directors and Primewest management, and are not reliably predictable. Any of these factors may have an adverse impact on Primewest's business and financial performance.

5. Risks

5.3.2 Price of Securities

The price of Securities quoted on ASX may rise or fall and the Securities may trade below or above the Offer Price due to a number of factors, including fluctuations and general volatility in the domestic and international market for listed stocks, general economic conditions, including interest rates, inflation rates, exchange rates, commodity and oil prices, changes to government fiscal, monetary or regulatory policies, legislation or regulation, inclusion in or removal from market indices, the nature of the markets in which Primewest operates and general operational and business risks. Other factors which may negatively affect investor sentiment and influence Primewest specifically or the stock market more generally include acts of terrorism, an outbreak of international hostilities or fires, floods, droughts, earthquakes, labour strikes, civil wars and other natural disasters. Further, the share and unit prices for many companies have in recent times, been subject to wide fluctuations, which in many cases may reflect a diverse range of non-company-specific influences such as global hostilities and tensions, acts of terrorism and the general state of the economy. Such market fluctuations may materially adversely affect the market price of the Securities. No assurances can be given that the performance of the Securities will not be adversely affected by any such market fluctuations or factors. None of the Primewest Directors, SaleCo directors or any other person quarantees the performance of the Securities.

5.3.3 Significant retained holding by the Founders

Immediately after Completion, the Founders will hold 61% of Primewest. As such, the Founders may have the capacity to influence the election of Directors, the approval of significant corporate transactions and the success of a takeover or similar offer for the Securities. The interests of the Founders may differ from the interests of Primewest and the interests of other Securityholders who purchase Securities under the Offer.

5.3.4 Liquidity

Prior to the Offer, there has been no public market through which the Securities may be sold. Once the Securities are quoted on ASX, there can be no guarantee that an active trading market for the Securities will develop or that the price of the Securities will increase. There is a risk that there may be relatively few potential buyers or sellers of the Securities on ASX at any time. This may increase the volatility of the market price of the Securities. It may also affect the prevailing market price at which Securityholders are able to sell their Securities. This may result in Securityholders receiving a market price for their Securities that is less than the price paid. Following Completion, the Existing Securityholders as described in Section 6.4 will be subject to voluntary escrow arrangements (representing approximately 64% of the Securities on issue). The absence of any sale of escrowed Securities during their escrow period may cause, or at least contribute to, limited liquidity in the market for the Securities. This could affect the prevailing market price at which Securityholders are able to sell their Securities and Securityholders may receive a market price for their Securities that is less than the price that they paid.

Following the end of the relevant escrow period, a significant sale of Securities by the escrowed Securityholders, or the perception that such a sale might occur, could adversely affect the market price of the Securities.

5.3.5 Future distributions

No assurances can be provided in relation to the payment of future distributions. Future determination as to the payment of distributions by Primewest will be at the discretion of Primewest and will depend upon the availability or profits, the operating results and financial condition of Primewest, future capital requirements, covenants in relevant debt facilities, general business and financial conditions and other factors considered relevant by Primewest.

5. Risks

5.3.6 Basis of forecasts

Financial forecasts are based on assumptions concerning future events and market conditions. Whilst the forecasts have been prepared with due care and attention, and Primewest considers the assumptions to be reasonable, future events and conditions are not reliably predictable and the assumptions are subject to significant uncertainties. Actual results may vary from the forecast and any variation may be materially positive or negative. Neither Primewest nor anyone else guarantees that the forecast or any other prospective statement contained in this Offer Document will be achieved and distributions from Primewest are not guaranteed.

5.3.7 Dilution

In the future, Primewest may elect to issue new Securities or engage in capital raisings to fund investments that Primewest may decide to undertake. While Primewest will be subject to the constraints of ASX Listing Rules regarding the percentage of its capital that it is able to issue within a 12-month period (other than where exceptions apply), Securityholders at the time may be diluted as a result of such issues of Securities and capital raisings.

5.3.8 Accounting standards

The Australian Accounting Standards to which Primewest adheres are set by the AASB and are consequently outside the control of Primewest. The AASB is due to introduce new or refined Australian Accounting Standards in the coming years, which may affect future measurement and recognition of key statement of income and balance sheet items, including sales and receivables.

There is also the risk that interpretations of existing Australian Accounting Standards, including those relating to the measurement and recognition of key income and balance sheet items, including sales and receivables, may differ. Changes to Australian Accounting Standards issued by the AASB or changes to the commonly held views on the application and interpretation of those standards could materially adversely affect the financial performance and position reported in Primewest's consolidated financial statements.

5.3.9 Taxation changes

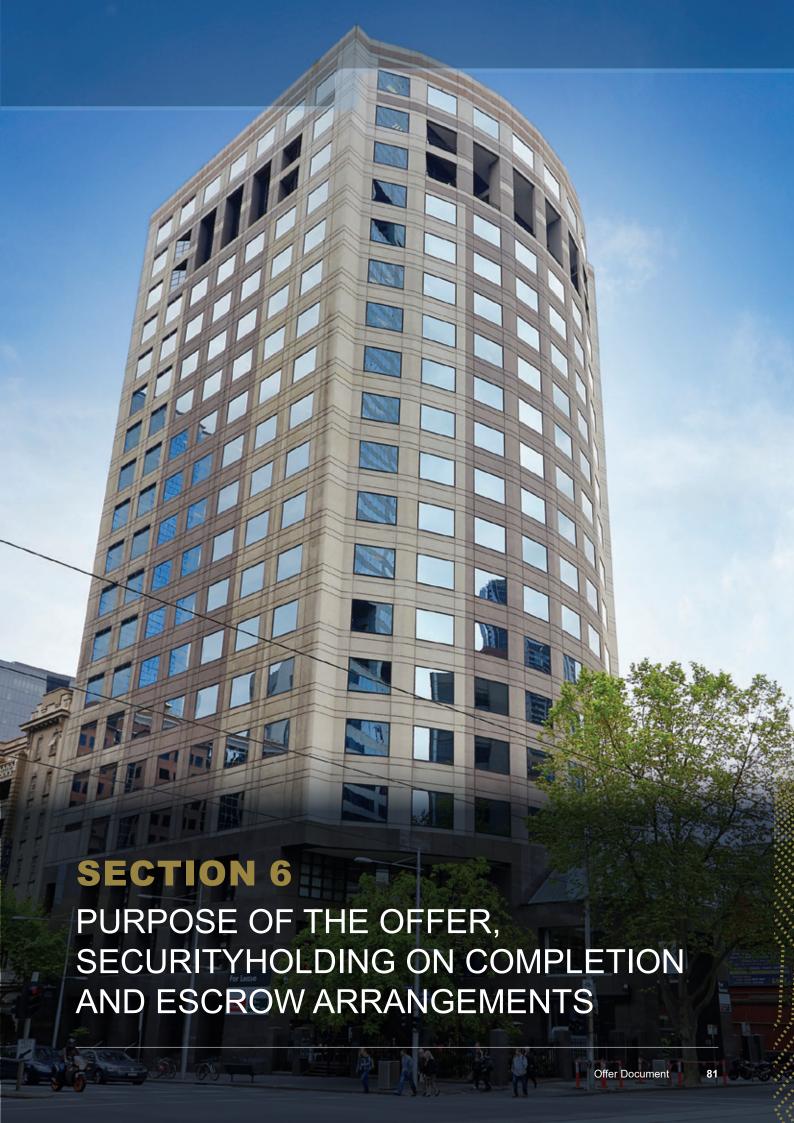
Tax laws in Australia are subject to change periodically, as is their interpretation by the courts and the tax revenue authorities. Significant reforms and current proposals for further reforms to Australia's tax laws give rise to uncertainty. The precise scope of many of the new and proposed tax laws is not yet known. Changes to taxation may adversely impact on Securityholder returns, as may a change to the tax payable by Securityholders in general. Any other changes to Australian tax law and practice that impact Primewest, or Primewest's industry generally, could also have an adverse effect on Securityholder returns.

An interpretation of the taxation laws by Primewest which is contrary to that of a revenue authority in Australia may give rise to additional tax payable. In order to minimise this risk, in areas of uncertainty, Primewest obtains external expert advice on the application of the tax laws to its operations (as applicable).

An investment in Securities involves tax considerations which differ for each Securityholder. Investors are encouraged to seek professional tax advice in connection with any investment in Primewest.

5.3.10 Force majeure events

Events may occur within or outside Australia that may have potential impacts on the Australian economy, Primewest's operations and the price of Securities. These events include, but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other natural or man-made events or occurrences that can have an adverse effect on the demand for Primewest's services and its ability to conduct its business. Primewest has a limited ability to insure against some of these risks.



6.1 Background to the Offer

On 1 October 2019, Primewest Group Limited acquired Primewest Funds Ltd, Primewest Management Ltd, PWG Property Pty Ltd, Primewest P/Q Pty Ltd and Primewest (USA) Trust and certain other corporate trustee entities noted in Annexure B. As consideration under the Corporate Restructure, the Existing Securityholders were issued with 238.6 million Shares in Primewest Group Limited. Prior to the Offer Document Date, the Existing Securityholders were issued with the number of Units in the Primewest Property Fund that equal the number of Shares they were issued in Primewest Group Limited under the Corporate Restructure.

In accordance with the Constitutions and the Stapling Deed, on the Stapling Commencement Date the Units and the Shares were stapled together to form the stapled entity, Primewest.

6.1.1 Issue of Securities to investors in the Funds

Prior to the Offer Document Date, Primewest issued 25.5 million options (at a nominal subscription price of \$0.001 per option) to certain of the investors in its Funds as part of a broader process undertaken to amend the terms of some of its Funds. These options will automatically exercise (at a nominal exercise price of \$0.001 per option) as part of Completion, and 25.5 million Securities will be issued to the holders with disclosure under this Offer Document (see Table 6.3 below).

6.1.2 Sale of Securities by Existing Securityholders

SaleCo, a special purpose vehicle, has been established to facilitate the sale of a portion of Securities held by the Existing Securityholders. The Existing Securityholders who are selling a portion of their holding have executed a deed in favour of, and for the benefit of, SaleCo under which they agree to sell 15 million Shares in aggregate to SaleCo at the Offer Price free from encumbrances and third party rights. Primewest Management Ltd as trustee of the Primewest Property Fund will also issue 15 million Units to SaleCo at nominal value (\$0.0005). The sale of the Shares and the issue of the Units to SaleCo will occur prior to the stapling of Primewest Group Limited and Primewest Property Fund.

The Securities which SaleCo acquires from these Existing Securityholders will be transferred by SaleCo to successful applicants at the Offer Price.

SaleCo has no material assets, liabilities or operations other than its interests in and obligations under the Underwriting Agreement and the sale deeds with Existing Securityholders. The shareholders of SaleCo are entities associated with John Bond, David Schwartz and Jim Litis. The directors of SaleCo are John Bond, David Schwartz and Jim Litis, and the two company secretaries are David Creasy and Helen Silva.

Primewest has agreed to provide such resources and support as are necessary to enable SaleCo to discharge its functions in relation to the Offer. Details of the number of Securities that Existing Securityholders will sell to SaleCo is provided in column 5 of Table 6.3, below.

6.2 The Offer

SaleCo will transfer 15 million Securities, and Primewest will issue 85 million Securities. As such, 100 million Securities are available for New Investors at the Offer Price of \$1.00 per Security.

The Offer is being conducted to provide:

- a liquid market for the Securities and provide liquidity to Existing Securityholders;
- immediate growth capital to expand Primewest's wholesale partnership and mandate business;
- · capital to warehouse or underwrite future asset acquisitions that can be recycled into new Funds;
- an opportunity to establish and increase its co-investment stakes across existing Funds;
- access to capital markets to fund future growth initiatives;
- · a diversified register through the introduction of new retail and institutional investors; and
- · improved capacity to attract and retain quality staff through short and long term employee incentives.

6.2.1 Use of proceeds

The proceeds of the Offer received by Primewest are expected to be applied as outlined in the table below.

The proceeds of the Offer receivable by SaleCo in respect of the sale of Securities by it will be paid to SaleCo and paid by SaleCo to the Existing Securityholders who were selling a portion of their Securities.

Table 6.2.1: Sources and uses of funds

Sources of funds		Uses of funds	
Offer proceeds	\$100.0m	Value of SaleCo	\$15.0m
		Excess working capital ¹	\$79.6m
		Payment of costs of the Offer ²	\$5.4m
Total Offer Sources	\$100.0m	Total Offer Uses	\$100.0m

Notes:

- 1. Primewest's excess working capital is cash in the bank for the purpose of pursuing the business opportunities referred to in Section 2.3. There is no immediate opportunity that has been identified and therefore Primewest believes there is no reasonable basis for allocating a dollar value and percentage of funds raised to particular opportunities. Any decision to invest the cash in a particular opportunity will be disclosed by Primewest in accordance with its continuous disclosure obligations.
- 2. For a detailed breakdown of the costs of the Offer please refer to Section 8.3.3.

6.2.2 Potential effect of the Offer on the future of Primewest

Primewest believes that on Completion, Primewest will have sufficient working capital to fulfil the purposes of the Offer and meet Primewest's stated business objectives.

6.3 Securityholdings at the Offer Document Date and on Completion of the Offer

On Completion, the total number of Securities on issue will be approximately 349 million and all Securities on issue will rank equally with each other.

The details of the ownership of Securities at the Offer Document Date, and on Completion, are set out below.

Table 6.3: Securityholdings at the Offer Document Date and on Completion of the Offer

	Securityholder	Securities held at the Offer Document Date (m)	% held at the Offer Document Date	Securities issued on exercise of the options ⁴	Securities acquired/ sold	Securities held post Completion (m)	% held post Completion on a \$100m Offer
1	John Bond ^{1,2}	74.7	31.3%	2.9	(5.0)	72.7	20.8%
2	Jim Litis ^{1,2}	74.7	31.3%	1.8	(5.0)	71.5	20.5%
3	David Schwartz ^{1,2,3}	67.0	28.1%	2.3	-	69.3	19.8%
4	Other Existing Securityholders ^{1,2}	22.2	9.3%	0.0	(5.0)	17.2	4.9%
5	Fund investors ⁵	-	-	18.5	-	18.5	5.3%
6	New Securityholders ⁶	-	-	-	100.0	100.0	28.6%
	Total	238.6	100.0%	25.5	85.0	349.1	100.0%

Notes:

- 1. These Securityholders may hold their interests directly, or through entities associated with them (e.g. through companies or trusts).
- 2. Certain of these Securities will be subject to voluntary escrow arrangements (see Section 6.4).
- 3. These Securities include 408,157 Securities that David Schwartz has a 25-30% beneficial interest in, and practically controls the voting or disposal of.
- 4. Represents the Securities issued to Fund Investors with disclosure under this Offer Document as a result of being granted options as part of the restructure. See Section 6.1.1 for further details.
- 5. Includes 23,740 Securities issued to Hamish Beck in his capacity as a Fund investor.
- 6. Includes 250,000 Securities acquired by Hamish Beck and 30,000 Securities acquired by Erin Flaherty in the Offer.

6.3.1 Control implications of the Offer

Primewest does not expect any Securityholder will control (as defined in Section 50AA of the Corporations Act) Primewest on Completion. However, together, the Founders are expected to hold a significant holding of 61% post completion of the Offer. Refer to Section 5 for a description of the risks associated with this.

6.4 Voluntary escrow arrangements

The Existing Securityholders have each entered into a voluntary escrow arrangement with Primewest in relation to certain Securities they (and entities associated with them) hold as at the Offer Document Date (refer to Table 6.3 for details of Securityholdings).

No Securities held by non-executive Directors will be subject to any escrow restrictions.

Table of escrowed Securities

Immediately following Completion, the following Securities will be subject to voluntary escrow restrictions.

Table 6.4: Escrowed Securities immediately following Completion

Existing Securityholder ¹	Securities held by Existing Securityholders that are escrowed (millions) ²	% of Securities held by Existing Securityholders that are escrowed	% of total Securities on issue that are escrowed
John Bond	69.7	96.0%	20.0%
Jim Litis	69.7	97.6%	20.0%
David Schwartz	67.0	96.7%	19.2%
Julian Lodge	12.7	99.7%	3.6%
Adam O'Donoghue	4.5	100.0%	1.3%
Total	223.6		

Notes:

- 1. Existing Securityholders may hold their interests directly, or through entities associated with them (e.g. through companies or trusts).
- Certain Securities issued to the Existing Securityholders in their capacity as Fund Investors have not been escrowed (Refer to Section 6.1.1). As such, the Existing Securityholders hold or have a relevant interest in Securities that are not being escrowed. See Table 6.3 for full details of Securityholdings as at the Offer Document Date and Completion.

In respect of the Securities included in the table above, each Existing Securityholder agrees not to deal in those Securities from Completion:

- in respect of 33.3% of the Securities held by each Existing Securityholder at Completion, until after 4.15pm on the date on which the financial results of Primewest for the full year ending 30 June 2021 are released to the ASX by Primewest;
- in respect of 33.3% of the Securities held by each Existing Securityholder at Completion, until after 4.15pm on the date on which the financial results of Primewest for the full year ending 30 June 2022 are released to the ASX by Primewest; and
- in respect of 33.3% of the Securities held by each Existing Securityholder at Completion, until after
 4.15pm on the date on which the financial results of Primewest for the full year ending 30 June 2023 are released to the ASX by Primewest.

Each escrow arrangement entered into prevents the relevant Existing Securityholder from disposing of their Securities for the applicable escrow period described above.

The restriction on disposing Securities is broadly defined and includes, among other things, selling, assigning, transferring or otherwise disposing of any legal, beneficial or economic interest in the Securities, encumbering or granting a security interest over the Securities (except to the extent permitted by the arrangement as outlined in Section 12.9), doing, or omitting to do, any act if the act or omission would have the effect of transferring effective ownership or control of any of the Securities or agreeing to do any those things.

The escrowed Securities may be released early from the escrow restrictions to, in summary, enable:

- the escrowed Securityholders to accept an offer under a takeover bid in relation to their escrowed Securities if holders of at least half of the Securities that are subject to the bid and are not held by the escrowed Securityholders have accepted the takeover bid, and the takeover bid is unconditional (or would become unconditional if accepted by the escrowed Securityholder) or all conditions to the takeover bid have been satisfied or waived;
- the Securities held by the escrowed Securityholders to be transferred or cancelled as part of a merger by scheme of arrangement under Part 5.1 of the Corporations Act; or

 the escrowed Securityholders to participate in an equal access buy-back or equal return of capital or other similar pro rata reorganisation.

During the relevant escrow period, Securityholders whose Securities remain subject to escrow may dispose of any of their Securities to the extent the disposal is required by applicable law (including an order of a court of competent jurisdiction), or to the extent the disposal is to an affiliate or affiliated fund entity or to a trust or entity which the Securityholder controls where the transferee also enters into an escrow arrangement with Primewest on substantially the same terms.

Further, the escrowed Securities will be released from voluntary escrow in circumstances where the relevant escrowed Securityholder dies, or has a serious disability or permanent incapacity through ill health.

Corporations Act Implications of the escrow arrangements

As a result of entering into the escrow arrangements, Primewest will be deemed to hold a relevant interest in the escrowed Securities referred to in Table 6.4, pursuant to section 608(1) of the Corporations Act.

Unless an exception applies, Primewest will therefore be restricted under Chapter 6 of the Corporations Act from increasing its voting power in Securities. In particular, whilst the escrow arrangements are in place and unless an exception applies, Primewest will be restricted from undertaking a buy-back of Securities or imposing further dealing restrictions on its Securities as such actions may result in Primewest acquiring a further relevant interest in its Securities.

Further, an investor who acquires more than 20% of the Securities in Primewest may be deemed to hold the relevant interest that Primewest holds in the escrowed Securities pursuant to the operation of section 608(3) of the Corporations Act.



7.1 The Offer structure

The Offer comprises:

- · the Retail Offer, which comprises:
 - the Broker Firm Offer, which is open to persons who have received a firm allocation from their participating Broker and who have a registered address in Australia;
 - the Primewest Offer, which is open to select existing investors in Primewest Funds and selected persons who have received an invitation from Primewest to participate in the Primewest Offer; and
 - the Employee Offer, which is open to Eligible Employees of Primewest who have received an invitation to participate in the Employee Offer.
- the Institutional Offer, which consists of an offer to certain Institutional Investors in Australia and other eligible jurisdictions made with disclosure under this Offer Document.

No general public offer of Securities will be made under the Offer. Members of the public wishing to apply for Securities under the Offer must do so through a participating Broker with a firm allocation of Securities under the Broker Firm Offer.

The allocation of Securities between the Institutional Offer, Broker Firm Offer and Primewest Offer was determined by Primewest in consultation with the Lead Manager, having regard to the allocation policies outlined in Sections 7.3.4, 7.4,3, 7.5.4 and 7.6.2.

The Offer is made on the terms, and is subject to the conditions, set out in this Offer Document.

7.2. Terms and conditions of the Offer

Table 7.2: Terms and conditions of the Offer

Topic	Summary
What is the type of security being offered?	The Securities being offered each comprise a fully paid Share in Primewest Group Limited stapled to a fully paid Unit in the Primewest Property Fund.
What are the rights and liabilities attached to the Securities?	A description of the Shares in Primewest Group Limited and the Units in the Primewest Property Fund, including the rights and liabilities attaching to them, is set out in Sections 11.2 and 11.3.
What is the consideration payable for each Security being offered?	The Offer Price is \$1.00 per Security.
When is the Offer open?	The key dates, including details of the Offer period relating to each component of the Offer, are set out in the Key Offer Dates on page 6.
	The timetable is indicative only and may change. Unless otherwise indicated, all times are stated in Sydney Time.
	Primewest and SaleCo reserve the right to vary the times and dates of the Offer without notice (including, subject to the ASX Listing Rules and the Corporations Act, to close the Offer early, to extend the Offer period relating to any component of the Offer, to accept late applications, either generally or in particular cases, or to cancel or withdraw the Offer before Completion, in each case without notifying any recipient of this Offer Document or any applicant). Offers may be made and may be open for acceptance under this Offer Document either generally or in particular cases up to Completion or, subject to the Corporations Act, thereafter, at the discretion of Primewest.
	If the Offer is cancelled or withdrawn before Completion, then all application monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act.
What are the cash proceeds to be raised under the Offer?	\$100 million is to be raised of which \$15 million is received by SaleCo.
Is the Offer underwritten?	Primewest Group Limited, Primewest Management Ltd as responsible entity for the Primewest Property Fund, SaleCo and the Lead Manager have entered into an Underwriting Agreement pursuant to which the Lead Manager has agreed to underwrite the Offer (refer to Section 11.4 for further information).

Topic	Summary
What is the minimum and maximum application size under the Retail Offer?	The minimum application under the Broker Firm Offer is \$10,000 of Securities and in multiples of \$500 thereafter, although your Broker may impose higher limits and/or a maximum application amount. There is no maximum value of Securities that may be applied for under the Broker Firm Offer. Primewest, SaleCo and the Lead Manager, reserve the right to treat any applications in the Broker Firm Offer that are from persons who they believe may be Institutional Investors, as bids in the Institutional Offer or to reject the application(s).
	Applications under the Primewest Offer must be for a minimum of \$10,000 of Securities, and in multiples of \$500 thereafter.
	Under the Employee Offer, Eligible Employees will be offered the opportunity to apply for a gift of up to \$1,000 worth of Securities.
	Primewest, SaleCo and the Lead Manager, reserve the right to aggregate any applications that they believe may be multiple applications from the same person.
	Participants in the Institutional Offer have been advised of their allocations of Securities, if any, by the Lead Manager.
What is the allocation policy?	The allocation of Securities between the Broker Firm Offer, the Primewest Offer and the Institutional Offer was determined by Primewest and the Lead Manager having regard to the allocation policies outlined in Sections 7.3.4, 7.4.3, 7.5.4 and 7.6.2 below.
	With respect to the Broker Firm Offer, the relevant Broker will decide how it allocates Securities among its eligible retail clients, and it (and not Primewest, SaleCo nor the Lead Manager) will be responsible for ensuring that retail clients who have received an allocation from it, receive the relevant Securities.
	The allocation of Securities under the Primewest Offer is at the absolute discretion of Primewest and SaleCo.
	As noted above, all Eligible Employees will be offered the opportunity to apply for a gift of up to \$1,000 worth of Securities. For further information on the Employee Offer, refer to Section 7.5.
	The allocation of Securities under the Institutional Offer was determined by the Company in consultation with the Lead Manager.
	Primewest and the Lead Manager have absolute discretion regarding the allocation of Securities to applicants under the Offer and may reject an application, or allocate fewer Securities than the number or equivalent dollar amount applied for, in their absolute discretion.
When will I receive confirmation that my	It is expected that initial holding statements will be dispatched by standard post on or around 11 November 2019.
application has been successful?	Refunds (without interest) to applicants who make an application and are scaled back (or otherwise receive Securities having a lesser value than the amount of application monies they have paid) will be made as soon as possible after Completion of the Offer.
Will the Securities be quoted on ASX?	Primewest will apply to be admitted to the official list of ASX and quotation of Securities on ASX under the code "PWG".
	Completion is conditional on ASX approving this application. If approval is not given within three months after such application is made (or any longer period permitted by law), the Offer will be withdrawn, and all application monies received will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.
	ASX takes no responsibility for this Offer Document or the investment in Primewest. The fact that ASX may admit Primewest to the official list is not to be taken as an indication of the merits of Primewest or the Securities offered for subscription or sale.

Topic	Summary
When are the Securities expected to commence trading?	It is expected that trading of the Securities on ASX will commence on or about 8 November 2019, initially on a deferred settlement basis. Securities are expected to commence trading on ASX on a normal settlement basis on or around 12 November 2019 once Primewest has advised ASX that holding statements have been dispatched to Securityholders. It is the responsibility of each applicant to confirm their holding before trading in Securities. Applicants who sell Securities before they receive an initial statement of holding do so at their own risk. Primewest, SaleCo, the Registry and the Lead Manager disclaim all liability, whether in negligence or otherwise, to persons who sell Securities before receiving their initial statement of holding, even if such person received confirmation of allocation from any of them, the Offer Information Line, by a Broker or otherwise.
Are there any escrow arrangements?	Yes. Refer to Section 6.4.
Has ASIC relief or ASX waivers been sought, obtained or been relied on?	Yes. Refer to Section 7.6.6.
Are there any tax considerations for Australian investors?	Yes. Refer to Section 10 and Section 12.10.
Are there any brokerage, commission or stamp duty considerations?	No brokerage, commission or stamp duty is payable by applicants on acquisition of Securities under the Offer. Refer to Section 11.4 for details of various fees payable by Primewest to the Lead Manager.
What should I do with any enquiries?	All enquiries in relation to this Offer Document should be directed to the Offer Information Line on 1300 943 885 (within Australia) and +61 2 8072 1488 (outside Australia) between 8.30am and 8.00pm (Sydney time) Monday to Friday during the Offer Period. All enquiries in relation to the Broker Firm Offer should be directed to your Broker. If you are unclear in relation to any matter or are uncertain as to whether Primewest is a suitable investment for you, you should consult with your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding whether to invest.

7.3 Broker Firm Offer

7.3.1 Who may apply under the Broker Firm Offer?

The Broker Firm Offer is open to Australian resident retail clients of participating Brokers who have received a firm allocation of Securities from their Broker and who have a registered address in Australia (and are not located in the United States). If you have been offered a firm allocation by a Broker, you will be treated as an applicant under the Broker Firm Offer in respect of that allocation. You should contact your Broker to determine whether you can receive an allocation of Securities under the Broker Firm Offer.

7.3.2 How to apply under the Broker Firm Offer

If you have received an allocation of Securities from your Broker and wish to apply for those Securities under the Broker Firm Offer, you should contact your Broker for information about how to submit your Application Form and for payment instructions. Applicants under the Broker Firm Offer must not send their Application Forms or payment to the Registry.

Applicants under the Broker Firm Offer should contact their Broker to request an Offer Document and Application Form, or download a copy at http://www.investor.automic.com.au/ipo/primewest. Your Broker will act as your agent and it is your Broker's responsibility to ensure that your Application Form and application monies are received before 8.00pm (Sydney Time) on 1 November 2019 or any earlier date as determined by your Broker.

Broker clients should complete and lodge their Application Form with the Broker from whom you received your invitation to acquire Securities under this Offer Document. Application Forms must be completed in accordance with the instructions given to you by your Broker and the instructions set out on the reverse of the Application Form.

By making an application, you declare that you were given access to this Offer Document, together with an Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is attached to, or accompanied by, a hard copy of this Offer Document or the complete and unaltered electronic version of this Offer Document. By making an application, you declare that you were given access to this Offer Document, together with an Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is attached to, or accompanied by, a hard copy of this Offer Document or the complete and unaltered electronic version of this Offer Document.

The minimum application under the Broker Firm Offer is \$10,000 of Securities, and in multiples of \$500 thereafter worth of Securities. There is no maximum value of Securities that may be applied for under the Broker Firm Offer. However, Primewest, SaleCo and the Lead Manager reserve the right to aggregate any applications which they believe may be multiple applications from the same person or reject or scale back any applications in the Broker Firm Offer. Primewest and SaleCo may determine a person to be eligible to participate in the Broker Firm Offer and may amend or waive the Broker Firm Offer application procedures or requirements, in its discretion in compliance with applicable laws.

The Broker Firm Offer opens on 22 October 2019 and is expected to close on 1 November 2019. Primewest, SaleCo and the Lead Manager may elect to extend the Offer or any part of it or accept late applications either generally or in particular cases. The Offer, or any part of it, may be closed at any earlier date and time, without further notice. Your Broker may also impose an earlier closing date. Applicants are therefore encouraged to submit their applications as early as possible. Please contact your Broker for instructions.

The applicant's Broker will act as the applicant's agent in processing the Application Form and providing application details and application monies to the Registry.

Primewest, SaleCo, the Lead Manager and the Registry take no responsibility for any acts or omissions committed by your Broker in connection with your application.

7.3.3 How to pay under the Broker Firm Offer

Applicants under the Broker Firm Offer must pay their application monies in accordance with instructions provided by their Broker.

7.3.4 Allocation policy under the Broker Firm Offer

The allocation of firm stock to Brokers under the Broker Firm Offer has been determined by Primewest in consultation with the Lead Manager.

Securities that have been allocated to Brokers for allocation to their Australian resident clients will be issued or transferred to the applicants nominated by those Brokers (subject to the right of Primewest, SaleCo and the Lead Manager to reject, aggregate or scale back applications). It will be a matter for each Broker as to how they allocate Securities among their retail clients, and they (and not Primewest, SaleCo or the Lead Manager) will be responsible for ensuring that retail clients who have received an allocation from them, receive the relevant Securities.

Primewest expects to announce the final allocation policy under the Broker Firm Offer on or about Completion. Applicants in the Broker Firm Offer will be able to call the Offer Information Line on 1300 943 885 (within Australia) and +61 2 8072 1488 (outside Australia) between 8.30am and 8.00pm (Sydney time) Monday to Friday (excluding public holidays), to confirm their allocation. Applicants under the Broker Firm Offer will be able to confirm their firm allocation through the Broker from whom they received their allocation.

Holding statements are expected to be dispatched on or around 11 November 2019. If you sell Securities before receiving a holding statement, you do so at your own risk, even if you obtained details of your holding from the Offer Information Line or confirmed your allocation through a Broker.

7.4 Primewest Offer

7.4.1 Who may apply under the Primewest Offer?

The Primewest Offer is open to select existing investors in Primewest Funds and other selected individuals invited by Primewest who have a registered address in Australia and who have received a Primewest offer invitation. If you have been invited by Primewest to participate in the Primewest Offer, you will be treated as an applicant under the Primewest Offer in respect of those Securities that are allocated.

7.4.2 How to apply under the Primewest Offer

If you have received a personalised invitation to apply for Securities under the Primewest Offer and you wish to apply for all or some of those Securities, you should follow the instructions on your personalised invitation to apply online. The minimum application under the Primewest Offer is \$10,000 of Securities and in multiples of \$500 thereafter. There is no maximum value of Securities which may be applied for under the Primewest Offer. By making an application online, you declare that you were given access to this Offer Document, together with an Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is attached to, or accompanied by, a hard copy of this Offer Document or the complete and unaltered electronic version of this Offer Document.

If you are a Primewest Offer applicant, you must pay for Securities applied for online via BPAY® and must comply with the instructions on the website. All payments must be made in Australian dollars. It is your responsibility to ensure your BPAY® payment is received by the Registry by no later than 8.00pm (Sydney Time) on 1 November 2019. You should be aware your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment.

7.4.3 Primewest Offer Allocation Policy

Offers and allocations under the Primewest Offer will be at the absolute discretion of Primewest, in consultation with the Lead Manager.

Applicants under the Primewest Offer will receive a guaranteed minimum allocation of \$10,000 of Securities at the Offer Price. There is no maximum value of Securities which may be applied for under the Primewest Offer. Applications in excess of the guaranteed minimum allocation may be subject to scale back.

Primewest, SaleCo and the Lead Manager also reserve the right to close the Offer or any part of it early, extend the Offer or any part of it, accept late applications either generally or in particular cases, reject any application, or (subject to the terms of any guaranteed allocations referred to in this Offer Document) allocate to any applicant fewer Securities than applied for.

7.5 Employee Offer

7.5.1 Who may apply under the Employee Offer?

All Eligible Employees are entitled to participate in the Employee Offer. Eligible Employees are persons who are resident in Australia and permanent full time or permanent part-time employees of Primewest, as at the Offer Document Date (provided that they remain so employed and have not given, or been given, notice to terminate employment when the Employee Offer closes, which is expected to be on or around 1 November 2019).

7.5.2 How to apply under the Employee Offer

If you are an Eligible Employee, you should have received a letter of offer detailing the terms of the Employee Offer, along with details of how to go online and apply for your Employee Offer Securities. If you wish to apply for Securities under the Employee Offer, you should follow the instructions in your personalised invitation.

7.5.3 Application monies under the Employee Offer

The cost of Securities under the Employee Offer will be funded by Primewest. No additional payment from Eligible Employees is required for the Employee Offer.

7.5.4 Employee Offer Allocation Policy

Eligible Employees resident in Australia will receive an allocation of \$1,000 worth of Securities (rounded down to the nearest whole Security based on the Offer Price).

7.5.5 Further information about the Employee Offer

Eligible Employees who participate in the Employee Offer are subject to a restriction period in respect of the Securities they acquire under the Employee Offer. The restriction period commences on the date of issue of the Securities and ends on the earlier of:

- · three years following the issue of the Securities; and
- the time when the Eligible Employee is no longer employed by Primewest, the participant's employer on the date of issue of the Securities.

During the restriction period, Securities acquired under the Employee Offer will be subject to a trading lock and the Eligible Employee must not sell, assign, transfer or otherwise deal with, or grant a security interest over those Securities.

Employees participating in the Employee Offer will, from the date of allocation, be the registered holder of the Securities and will be entitled to vote, receive notices issued by Primewest to Securityholders, and receive distributions and/or distributions in respect of the Securities.

Eligible Employees resident in Australia participating in the Employee Offer may be eligible for concessional tax treatment if the relevant conditions are met. See Section 12.10 for an overview of the potential taxation implications for employees resident in Australia of participating in the Employee Offer.

7.6 Institutional Offer

7.6.1 Invitations to Bid

Under the Institutional Offer, Institutional Investors in Australia and a number of other eligible jurisdictions outside the United States were invited to bid for an allocation of Securities under this Offer Document. The Lead Manager has separately advised Institutional Investors of the application procedures for the Institutional Offer. Offers and acceptances in the Institutional Offer are made with disclosure under this Offer Document and are at the Offer Price.

7.6.2 Allocation policy

The allocation of Securities among applicants in the Institutional Offer was determined by the Lead Manager and Primewest. The Lead Manager and Primewest had absolute discretion regarding the basis of allocation of Securities among Institutional Investors.

Participants in the Institutional Offer have been advised of their allocation of Securities, if any, by the Lead Manager. The allocation policy was influenced, but not constrained, by the following factors:

- the number of Securities bid for by particular bidders;
- the timeliness of the bid by particular bidders;
- the Board's desire for an informed and active trading market following Completion;
- the Board's desire to establish a wide spread of institutional Securityholders;
- · the overall level of demand under the Institutional Offer and from Brokers under the Broker Firm Offer;
- the size and type of assets under management of particular bidders;
- the likelihood that particular bidders will be long-term Securityholders; and
- other factors that Primewest, SaleCo and the Lead Manager considered appropriate.

7.6.3 Underwriting arrangements

Primewest Group Limited, Primewest Management Ltd as responsible entity for the Primewest Property Fund, SaleCo and the Lead Manager have entered into an Underwriting Agreement pursuant to which the Lead Manager has agreed to underwrite the Offer (refer to Section 11.4 for further information).

7.6.4 Restrictions on distribution

No action has been taken to register or qualify this Offer Document, the Securities or the Offer or otherwise to permit a public offering of the Securities in any jurisdiction outside Australia.

This Offer Document does not constitute an offer or invitation to subscribe for or purchase Securities in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or invitation or issue or transfer under this Offer Document.

This Offer Document may not be released or distributed by you in the United States, and may only be distributed to persons to whom the Offer may lawfully be made in accordance with the laws of any applicable jurisdiction.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The Securities have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States and may not be offered or sold, directly or indirectly, in the United States except in accordance with an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable laws.

Each applicant in the Broker Firm Offer, and each person to whom the Institutional Offer was made under this Offer Document, will be taken to have represented, warranted and agreed as follows:

- it understands that the Securities have not been, and will not be, registered under the US Securities
 Act or the securities law of any state of the United States and may not be offered or sold, directly or
 indirectly, in the United States;
- it is not acting for the account or benefit of a person in the United States;
- it has not and will not send this Offer Document or any other material relating to the Offer to any person in the United States; and
- it will not offer or sell the Securities in the United States or in any other jurisdiction outside Australia except in transactions exempt from, or not subject to, registration under the US Securities Act and in compliance with all applicable laws in the jurisdiction in which Securities are offered and sold.

7.6.5 Discretion regarding the Offer and Timetable

Primewest, SaleCo and the Lead Manager may withdraw the Offer at any time before Settlement of the Offer. If the Offer, or any part of it, does not proceed, all relevant application monies will be refunded (without interest). They also reserve the right to close the Offer or any part of it early, extend the Offer or any part of it, accept late applications either generally or in particular cases, reject any application, or (subject to the terms of any guaranteed allocations referred to in this Offer Document) allocate to any applicant fewer Securities than applied or bid for. Offers may be made and may be open for acceptance under this Offer Document either generally or in particular cases up to Completion or, subject to the Corporations Act, thereafter, at the discretion of Primewest.

7.6.6 ASIC relief and ASX waivers and confirmations

In order to conduct the Offer, Primewest has sought from ASX, and been granted the following in principle confirmations and waivers to the ASX Listing Rules to allow Primewest to be treated as a single economic entity, Listing Rules 1.1 (conditions 8 and 9), 2.1 (condition 2), 6.24, 8.10 and 10.1.

Primewest has also sought and received an in principle decision from ASIC to grant customary stapling relief modifying Parts 5C.2, 5C.3, 5C.5, 5C.6, 5C.7 and sub-Sections 708(13), 1012D(3), and 1017E(2) of the Corporations Act to allow Primewest to be treated as a single economic entity.

7.7 ASX Listing, registers and holding statements, and deferred settlement trading

7.7.1 Application to ASX for Listing of Primewest and quotation of Securities

Primewest will apply within seven days after the Offer Document Date, to ASX for admission to the Official List and quotation of the Securities on ASX (which is expected to be under the code PWG). ASX takes no responsibility for this Offer Document or the investment to which it relates. The fact that ASX may admit Primewest to the official list is not to be taken as an indication of the merits of Primewest or the Securities offered under this Offer Document.

If permission is not granted for the official quotation of the Securities on ASX within three months after such application is made (or any later date permitted by law), all application monies received by Primewest will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.

Subject to certain conditions (including any waivers obtained by Primewest from time to time), Primewest will be required to comply with the ASX Listing Rules.

In addition to its general rights to remove Primewest from the official list, ASX reserves the right to remove Primewest from the official list if any of the Shares of Primewest Group Limited or the Units of Primewest Property Fund cease to be stapled together or any Shares are issued by Primewest Group Limited or Units are issued by Primewest Property Fund and are not stapled to equivalent securities in the other entity comprising Primewest.

7.7.2 CHESS and issuer sponsored holdings

Primewest will apply to participate in ASX's Clearing House Electronic Sub-register System (**CHESS**) and will comply with ASX Listing Rules and the ASX Settlement Operating Rules. CHESS is an electronic transfer and settlement system for transactions in securities quoted on ASX under which transfers are effected in an electronic form.

When the Securities become Approved Financial Products (defined in the ASX Settlement Operating Rules), holdings will be registered in one of two sub-registers, an electronic CHESS sub-register or an issuer sponsored sub-register.

For all successful applicants, the Securities of a Securityholder who is a participant in CHESS or a Securityholder sponsored by a participant in CHESS will be registered on the CHESS sub-register. All other Securities will be registered on the issuer sponsored sub-register.

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

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

7.7.3 Deferred settlement trading and selling Securities on market

It is expected that the Securities will commence trading on ASX on or about 8 November 2019, initially on a deferred settlement basis. It is the responsibility of each person who trades in Securities to confirm their holding before trading in Securities. If you sell Securities before receiving a holding statement, you do so at your own risk. Primewest, SaleCo, the Lead Manager and the Registry disclaim all liability, whether in negligence or otherwise, if you sell Securities before receiving your holding statement, even if you obtained details of your holding from the Offer Information Line or confirmed your allocation of Securities through a Broker. Securities are expected to commence trading on ASX on a normal settlement basis on or about 12 November 2019.





FEES AND OTHER COSTS

8.1 Overview

The Corporations Act 2001 (Cth) requires Primewest Management Ltd, as responsible entity of Primewest Property Fund, to include the following standard consumer advisory warning. The information in the consumer advisory warning is standard across product disclosure statements and is not specific to information on fees and costs in the Primewest Property Fund.

All fees quoted in this Section are inclusive of GST (less reduced input tax credits). For additional information in relation to the taxation implications of an investment in Primewest, please refer to Section 9.

8.2 Consumer advisory warning

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, it could reduce from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

To find out more

If you would like to find out more or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website (www.moneysmart.gov.au) has a managed investment fee calculator to help you check out different fee options.

8.3 Fees and other costs

The following table shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of Primewest as a whole.

Taxes and insurance costs are set out in another part of this document.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

8. FEES AND OTHER COSTS

Table 8.3: Fees and other costs you may be charged

Type of fee or cost	Amount	How and when paid
Management costs		
(the fees and costs for managing y	our investment)	
Operating costs and expenses	Operating costs and expenses of the Primewest Property Fund are estimated to be approximately \$100,000 p.a which is equal to approximately 0.13% of the NAV of the Primewest Property Fund. See Section 8.3.2 for further details.	Payable in arrears from the assets of the Primewest Property Fund on demand by Primewest Management Ltd.
Offer expenses ¹	Nil.	Not applicable.
Indirect costs ²	The indirect costs incurred in investing in underlying Primewest Funds (i.e. interposed vehicles²) is estimated to be 0.25% of the NAV of the relevant underlying Funds that Primewest invests in.	Payable when incurred. Payable from the assets of interposed vehicles.
Service fees ³		
Investment switching fee (the fee for changing investment options)	Nil.	Not applicable.

Notes:

- 1. Expenses of the Offer referred to in Section 8.3.3 are being borne by Primewest Group Limited.
- 2. Indirect costs are included in management costs and represent underlying management and other costs incurred by certain entities in which the Primewest Property Fund invests otherwise known as 'interposed vehicles' (i.e. the Funds). They are not additional costs or fees paid by the Primewest Property Fund itself but rather are factored into the value of, and returns from, the investments owned by the Primewest Property Fund.
- 3. Advice fees agreed between you and your financial adviser, and other service fees, may apply to your investment in the Primewest Property Fund.

FEES AND OTHER COSTS

8.3.1 Example of annual fees and costs

The following table gives an example of how the fees and costs for the Units can affect your investment over a one-year period. You should use this table to compare this product with other managed investment products.

All fees and costs set out in this Section 8 are inclusive of GST (less reduced input tax credits).

Table 8.3.1: Example of annual fees and costs for first year after the issue of Units

Example ¹		Balance of \$50,000 including a contribution of \$5,000
Establishment/contribution fees	Nil.	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management costs²	0.38% per annum.	And , for every \$50,000 you have in the Primewest Property Fund you will be charged \$190 each year.
EQUALS Cost of the Fund	0.38% per annum.	If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of approximately: \$190 to \$2093

Notes

- 1. This example does not include any additional fees that your financial adviser may charge you.
- 2. This is the Primewest Property Fund's indirect cost ratio (ICR) and represents Primewest Management Ltd's best estimate of the ratio of the management costs of the Fund for the first year to the total average net assets of the Primewest Property Fund. The ICR includes management costs incurred in any Funds in which the Primewest Property Fund invests which are currently estimated at 0.38% of the NAV. The ICR will change over time as the management costs of the Primewest Property Fund and any Funds into which it invests change.
- 3. This amount does not include any expenses of the Offer because all expenses of the Offer are borne by Primewest Group Limited. Please refer to the explanation of the expenses of the Offer at Section 8.3.3.

8.3.2 Additional explanation of fees and costs

No management fee, costs recovery only

Under the Primewest Property Fund Constitution, Primewest Management Ltd, as responsible entity of the Primewest Property Fund, is not entitled to receive management or performance fees but is entitled to recover expenses incurred on behalf of the Primewest Property Fund, including general administrative and marketing costs. This recovery is to be payable from time to time upon demand by Primewest Management Ltd, provided that it may make demand for payment of all or part of the expense only once it has incurred the relevant costs, whether or not it has paid those costs.

Primewest Management Ltd, as responsible entity of the Primewest Property Fund, estimates that it will incur total costs and expenses of managing and administering the Primewest Property Fund of approximately \$100,000 per annum which is equal to 0.13% of Primewest Property Fund's expected average net asset value for the first year after Listing. This amount is included in the management costs stated in the table in Section 8.3. It is an estimate only and the actual expenses incurred by Primewest Management Ltd as responsible entity of the Primewest Property Fund may differ.

All expenses incurred by Primewest Management Ltd, including those in connection with the establishment, promotion and operation of the Primewest Property Fund, in properly performing its duties as responsible entity of Primewest Property Fund are payable or can be reimbursed out of the assets of Primewest Property Fund but only to the extent to which it has not claimed those amounts as part of the above cost recovery.

FEES AND OTHER COSTS

Indirect costs

Indirect costs are essentially any amounts that reduce (or may reasonably be expected to reduce) the returns of the Primewest Property Fund that are paid from the assets of Primewest Property Fund or the assets of interposed vehicles. Generally, an interposed vehicle is a body, trust or partnership in which the Primewest Property Fund's assets are invested. Any Fund into which the Primewest Property Fund invests is likely to be an interposed vehicle. Therefore, the fees and costs associated with any investment by the Primewest Property Fund into a Fund which reduce the value of, or income return from, your investment in Primewest Property Fund is an indirect cost which is included in the management costs disclosed in this Offer Document. The actual indirect costs incurred by the Primewest Property Fund in any year will depend on the portfolio composition which is not known at this time.

Therefore, the amount included in this Offer Document is the best estimate of those costs. Actual indirect costs for a financial year may therefore differ from the amount disclosed in this Offer Document. Indirect costs are paid from the assets of Primewest Property Fund (or from the assets of the Funds) when the cost is incurred and are reflected in the relevant unit price. Indirect costs are not directly payable by you.

The estimate of indirect costs does not include any fees or costs which are charged by the manager of those Funds to the extent the manager of the relevant Fund is a subsidiary of Primewest Group Limited. This is because those fees will be paid to a member of the stapled Primewest group in which each Investor has an interest. For example any management costs or performance fees which may be charged by the manager of the relevant Fund are not included in the calculation of management costs.

Transactional and operating costs

Transactional and operational costs are costs incurred for dealing with the assets of the Primewest Property Fund. These costs include stamp duty, legal and tax advice, property settlement costs, property management fees, rates, land tax, other statutory outgoings, maintenance expenses, other general outgoings and includes the transactional and operational costs of any interposed vehicles in which the Primewest Property Fund invests. These costs will be incurred indirectly by Primewest Property Fund when investing in a Fund. Each Fund in which Primewest Property Fund invests will typically acquire a real property asset and in doing so the Primewest Property Fund will indirectly incur costs associated with the acquisition which will be paid from the assets of the relevant Fund. These costs are costs which Primewest Property Fund would incur if it acquired the assets directly.

The total transactional and operating costs for the first year of investment are unknown due to the broad investment mandate of the Primewest Property Fund. However, Primewest reasonably estimates that the transaction and operating costs to acquire a real property asset valued at \$20 million would be approximately \$1,620,000, which equates to approximately 8.1% of the Primewest Property Fund's gross assets, or \$4,050 for a \$50,000 investment in the Primewest Property Fund.

Waiver or deferral of fees

Primewest Management Ltd as the responsible entity of the Primewest Property Fund may at its discretion partially or fully waive any fees to which it is entitled, or defer payment of fees to which it would otherwise be entitled, and may claim these in the event it is removed as responsible entity of the Primewest Property Fund.

GST

All fees in this Section 8 are inclusive of the net effect of GST (i.e. includes GST net of input tax credits and any available reduced input tax credits). The Primewest Property Fund may not be entitled to claim a reduced input tax credit in all instances. Further information on the tax implications associated with an investment in the Primewest Property Fund are set out in Section 10 and Section 12.10.

8. FEES AND OTHER COSTS

8.3.3 Fees and costs associated with the Offer

The following table sets out the fees and costs expected to be incurred by Primewest in connection with the Offer. These costs are one-off in nature and have not been included in the estimated management costs of Primewest Property Fund in Section 8.3 above for subsequent years. Offer costs are payable on issue from proceeds raised under the Offer.

Table 8.3.3: Transaction costs

Type of fee or cost	
(rounded to the nearest \$0.1 million)	
Underwriting and Offer management fees and costs	\$2.1m
Advisers' and consultants' fees	\$2.2m
Initial ASX listing Fees	\$0.4m
Other transaction costs	\$0.7m
Total fees and costs	\$5.4m

From the Underwriting and Offer management fees, the Lead Manager may pay sub-underwriting fees out of their fee.

If you apply for Securities through a Broker or other adviser, that Broker or other adviser may require you to pay a handling fee. You will need to contact your adviser to determine the cost of that handling fee.



INVESTIGATING ACCOUNTANT'S REPORT



RSM Corporate Australia Pty Ltd

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21 October 2019

The Directors
Primewest Group Limited
Level 1, 307-313 Murray Street
PERTH WA 6000

Dear Directors

Independent Limited Assurance Report on the Pro Forma Historical and Pro Forma Forecast Financial Information of Primewest Group Limited

Introduction

We have been engaged by Primewest Group Limited (the "Company") to report on the pro forma historical financial information of the Company for the three years ended 30 June 2019 and the pro forma forecast financial information of the Company for the year ending 30 June 2020 for inclusion in a disclosure document (the "Offer Document") of the Company to be dated on or about 21 October 2019. The Offer Document is in connection with the Company's initial public offering and listing on the Australian Securities Exchange ("ASX"), pursuant to which the Company is offering 100 million ordinary shares stapled to units in Primewest Property Fund (the "Trust") at an issue price of \$1.00 per stapled security, to raise \$100 million before costs (the "Offer").

Expressions and terms defined in the Offer Document have the same meaning in this Report.

The nature of this report is such that it can only be issued by an entity which holds an Australian Financial Services Licence ("AFSL") under the *Corporations Act 2001*. RSM Corporate Australia Pty Ltd holds such a licence, being AFSL No. 255847.

Background

The Company was incorporated on 20 September 2019 as a public limited company and on 1 October 2019 acquired the following entities, which together operate the Primewest property funds management business:

- Primewest Funds Ltd, a public limited company incorporated in Australia;
- Primewest Management Ltd, a public limited company incorporated in Australia;
- PWG Property Pty Ltd (formerly Primewest Group Pty Ltd), a proprietary limited company incorporated in Australia;
- Primewest P/Q Pty Ltd, a proprietary limited company incorporated in Australia on 6 July 2017; and
- Primewest (USA) Trust, a unit trust established in Australia on 28 March 2018;

in addition to certain other corporate trustee entities (together the "Acquisitions").

THE POWER OF BEING UNDERSTOOD

AUDIT | TAX | CONSULTING

RSM Corporate Australia Pty Ltd is beneficially owned by the Directors of RSM Australia Pty Ltd. RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any uit-rightinion.

 $RSM\ Corporate\ Australia\ Pty\ Ltd\ ABN\ 82\ 050\ 508\ 024\ Australia\ Financial\ Services\ Licence\ No.\ 255847$



On 24 September 2019 Primewest Property Fund was established as a unit trust, and was registered as a managed investment scheme on 4 October 2019, with Primewest Management Limited as its trustee and Responsible Entity.

The Acquisitions, the establishment of Primewest Property Fund and the stapling of the Company's ordinary shares with units in the Trust are together referred to in this report as the "Corporate Restructure".

Scope

Pro Forma Historical Financial Information

You have requested RSM to review the following pro forma historical financial information of the Company included in Section 4 of the Offer Document:

- the Company's pro forma consolidated statement of financial position as at 30 June 2019, including the pro
 forma adjustments applied to the historical financial information of the Company to illustrate the events and
 transactions related to the Corporate Restructure and the Offer as if they had occurred at that date, set out in
 Section 4.7 of the Offer Document; and
- the pro forma consolidated income statements of the Company for the three years ended 30 June 2019, after
 adjustments made to reflect the operating and capital structure following completion of the Corporate
 Restructure and the Offer as if it had been in place throughout that period, set out in Section 4.3 of the Offer
 Document; and
- the pro forma consolidated cash flow statements of the Company for the three years ended 30 June 2019, after
 adjustments made to reflect the operating and capital structure following completion of the Corporate
 Restructure and the Offer as if it had been in place throughout that period, set out in Section 4.6 of the Offer
 Document;

(together, the "Pro Forma Historical Financial Information"),

The Pro Forma Historical Financial Information has been compiled by the Company on the basis of financial information extracted from:

- the audited general purpose financial statements of Primewest Funds Ltd and Primewest Management Ltd for the three years ended 30 June 2019:
- the audited special purpose financial statements of PWG Property Pty Ltd (formerly Primewest Group Pty Ltd) for the three years ended 30 June 2019;
- the audited special purpose financial statements of Primewest P/Q Pty Ltd for the period from the date of its incorporation to 30 June 2018 and for the year ended 30 June 2019; and
- the audited special purpose financial statements of Primewest (USA) Trust for the period from the date of its establishment to 30 June 2018 and for the year ended 30 June 2019.

and adjusting for the effects of the pro forma adjustments described in Sections 4.3, 4.6 and 4.7 of the Offer Document.

As at the date of this report:

- the Company had not undertaken any transactions other than the Corporate Restructure and had no assets or liabilities other than its investments in subsidiary entities arising as a result of the Corporate Restructure;
- the Primewest Property Fund had not undertaken any transactions and had no significant assets or liabilities;
 and
- the corporate trustee entities acquired as part of the Corporate Restructure had no significant assets, liabilities, income or expenses.



The financial statements of Primewest Funds Ltd and Primewest Management Ltd for the years ended 30 June 2017 and 30 June 2018 were audited by Macri Partners in accordance with Australian Auditing Standards. Macri Partners issued unmodified audit opinions on these financial statements.

The financial statements of Primewest Funds Ltd and Primewest Management Ltd for the year ended 30 June 2019 were audited by RSM Australia Partners in accordance with Australian Auditing Standards. RSM Australia Partners issued unmodified audit opinions on these financial statements.

The financial statements of PWG Property Pty Ltd, Primewest P/Q Pty Ltd and Primewest (US) Trust for all periods were audited by RSM Australia Partners in accordance with Australian Auditing Standards. RSM Australia Partners issued unmodified audit opinions on these financial statements.

The stated basis of preparation of the Pro Forma Historical Financial Information is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information of the Company and the events or transactions to which the pro forma adjustments relate, as described in Sections 4.3, 4.6 and 4.7 of the Offer Document. The pro forma historical statement of financial position has been prepared as if those events or transactions had occurred as at 30 June 2019. The pro forma historical income statement and the pro forma historical cash flow statements have been prepared as if the Corporate Restructure and the Offer had occurred at 1 July 2016 and the Company had been listed on the ASX since that date.

The Pro Forma Historical Financial Information is presented in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

Due to its nature, the Pro Forma Historical Financial Information does not represent the Company's actual or prospective financial position, financial performance or cash flows.

Pro Forma Forecast Financial Information

You have requested RSM to review the Pro Forma Forecast Financial Information of the Company for the year ending 30 June 2020, which is included in Section 4 of the Offer Document. The Pro Forma Forecast Financial Information comprises:

- the Company's pro forma consolidated forecast income statement for the year ending 30 June 2020, set out in Section 4.4 of the Offer Document: and
- the Company's pro forma consolidated forecast cash flow statement for the year ending 30 June 2020, set out in Section 4.6 of the Offer Document.

The Pro Forma Forecast Financial Information has been derived from the Company's consolidated forecast for the year ending 30 June 2020, after making pro forma adjustments to take account of the Corporate Restructure and the Offer, as if they had occurred prior to 1 July 2019. The directors' best-estimate assumptions, on which the Pro Forma Forecast Financial Information is based, are set out in Sections 4.8.1 and 4.8.2 of the Offer Document.

The stated basis of preparation of the Pro Forma Forecast Financial Information is the recognition and measurement principles contained in Australian Accounting Standards and Primewest's adopted accounting policies applied to the forecast and the events or transactions to which the pro forma adjustments relate, as described in Sections 4.4 and 4.6 of the Offer Document, as if those events or transactions had occurred as at 1 July 2019.

Due to its nature, the Pro Forma Forecast Financial Information does not represent the Company's actual prospective financial performance or cash flows for the year ending 30 June 2020.



Directors' responsibility

The Directors of the Company are responsible for:

- the preparation and presentation of the Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the historical financial information and included in the Pro Forma Historical Financial Information: and
- the preparation of the Pro Forma Forecast Financial Information, including the best-estimate assumptions
 underlying the Pro Forma Forecast Financial Information and the selection and determination of the pro forma
 adjustments made to the Company's forecast financial information and included in the Pro Forma Forecast
 Financial Information.

This includes responsibility for such internal controls as the Directors determine are necessary to enable the preparation of Pro Forma Historical Financial Information and Pro Forma Forecast Financial Information that are free from material misstatement, whether due to fraud or error.

Our responsibility

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

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

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

Our procedures included:

Pro Forma Historical Financial Information

- A review of work papers, accounting records and other documents, including those dealing with the extraction of financial information from the audited financial statements;
- Consideration of the appropriateness of the pro forma adjustments described in Sections 4.3, 4.6 and 4.7 of the Offer Document;
- Enquiry of Directors, management, personnel and advisors of the Company;
- The performance of analytical procedures applied to the Pro Forma Historical Financial Information;
- A review of audit workpapers;
- · A review of the accounting policies adopted for consistency of application; and
- A check of the application of the stated basis of preparation to the Pro Forma Historical Financial Information.

Pro Forma Forecast Financial Information

 Enquiries, including discussions with management and Directors, as to the factors considered in determining the best estimate assumptions;



- Analytical and other review procedures which we considered necessary including examination, on a test basis, of evidence supporting the assumptions, amounts and disclosures in the Pro Forma Forecast Financial Information:
- Review of the accounting policies adopted and used in the preparation of the Pro Forma Forecast Financial Information; and
- Consideration of the pro forma adjustments applied to the forecast financial information in preparing the Pro Forma Forecast Financial Information.

Conclusions

Pro Forma Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information, as set out in Sections 4.3, 4.6 and 4.7 of the Offer Document, is not presented fairly in all material respects, in accordance with the stated basis of preparation.

Pro Forma Forecast Financial Information

Based on our limited assurance review, which is not an audit, nothing has come to our attention that causes us to believe that:

- a) the Directors' best-estimate assumptions used in the preparation of the Pro Forma Forecast Financial Information do not provide reasonable grounds for the Pro Forma Forecast Financial Information;
- b) in all material respects, the Pro Forma Forecast Financial Information:
 - (i) is not prepared on the basis of the Directors' best estimate assumptions, as described in Section 4.8 of the Offer Document; and
 - (ii) is not presented fairly in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies, applied to the forecast and the pro forma adjustments as if the events and transactions to which those adjustments had occurred as at 1 July 2019; or that
- c) the Pro Forma Forecast Financial Information itself is unreasonable.

Important information in relation to the Pro Forma Forecast Financial Information

The Pro Forma Forecast Financial Information has been prepared by management and adopted by the Directors in order to provide prospective investors with a guide to the potential financial performance of Primewest for the financial year ending 30 June 2020. There is a considerable degree of subjective judgement involved in preparing forecasts since they relate to events and transactions that have not yet occurred and may not occur. Actual results are likely to be different from the Pro Forma Forecast Financial Information since anticipated events or transactions frequently do not occur as expected and the variation may be material.

The Directors' best-estimate assumptions, on which the Pro Forma Forecast Financial Information is based, relate to future events and/or transactions that management expects to occur and actions that management expects to take, and are also subject to uncertainties and contingencies, which are often outside the control of the Company.

Evidence may be available to support the Directors' best-estimate assumptions on which the Pro Forma Forecast Financial Information is based, however, such evidence is generally future-orientated and therefore speculative in nature. We are, therefore, not in a position to express a reasonable assurance conclusion on those best-estimate assumptions, and accordingly, provide a lesser level of assurance on the reasonableness of the Directors' best-estimate assumptions. However, as stated above, based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Directors' best-estimate assumptions used in the preparation of the Pro Forma Forecast Financial Information do not provide reasonable grounds for the Pro Forma Forecast Financial Information. The limited assurance conclusion expressed in this report has been formed on the above basis.



Prospective investors should be aware of the material risks and uncertainties relating to an investment in the Company, which are detailed in Section 5 of the Offer Document, and the inherent uncertainty relating to the forecast financial information. Accordingly, prospective investors should have regard to the business and investment risks described in Sections 5.2 and 5.3 respectively, and the sensitivities set out in Section 4.11 of the Offer Document, which demonstrates the impact on the Pro Forma Forecast Financial Information of changes in certain key assumptions. We express no opinion as to whether the Pro Forma Forecast Financial Information will be achieved.

We have assumed and relied on representations from the management of Primewest, that all material information concerning the prospects and proposed operations of Primewest has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

Restriction on Use

Without modifying our conclusions, we draw attention to Section 4.2 of the Offer Document, which describes the purpose of Pro Forma Historical Financial Information and the Pro Forma Forecast Financial Information, being for inclusion in the Offer Document. As a result, the Pro Forma Historical Financial Information and the Pro Forma Forecast Financial Information may not be suitable for use for another purpose.

Consent and Liability

RSM Corporate Australia Pty Ltd has consented to the inclusion of this limited assurance report in the Offer Document in the form and context in which it is included. RSM Corporate Australia Pty Ltd has not authorised the issue of the Offer Document. Accordingly, we make no representation regarding, and take no responsibility for, any other documents or material in, or omissions from, the Offer Document.

Disclosure of Interest

RSM Corporate Australia Pty Ltd does not have any interest in the outcome of the Offer, other than the preparation of this report and participation in the due diligence procedures, for which normal professional fees will be received.

RSM Australia Partners is the auditor of the Company.

Financial Services Guide

We have attached our Financial Services Guide as an Appendix to this Independent Limited Assurance Report. The Financial Services Guide is designed to assist retail investors in their use of any general financial product advice in our Independent Limited Assurance Report.

Yours faithfully

JUSTIN AUDCENT

Director



APPENDIX A - FINANCIAL SERVICES GUIDE

RSM Corporate Australia Pty Ltd ABN 82 050 508 024 ("we" or "us" or "ours" as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide ("FSG"). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as a financial services licensee.

This FSG includes information about:

- who we are and how we can be contacted;
- the financial services that we will be providing you under our Australian Financial Services Licence, Licence No. 255847:
- remuneration that we and/or our staff and any associates receive in connection with the financial services that
 we will be providing to you;
- any relevant associations or relationships we have; and
- our complaints handling procedures and how you may access them.

Financial services we will provide

For the purposes of the report and this FSG, the financial service we will be providing to you is the provision of general financial product advice in relation to securities.

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we provide is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

General Financial Product Advice

In our report we provide general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

Benefits that we may receive

We charge various fees for providing different financial services. However, in respect of the financial service being provided to you by us, fees will be agreed, and paid by, the person who engages us to provide the report and such fees will be agreed on either a fixed fee or time cost basis. You will not pay to us any fees for our services; the Company will pay our fees. These fees are disclosed either in the Report or elsewhere in the disclosure document which contains our report.

Except for the fees referred to above, neither RSM Corporate Australia Pty Ltd, nor any of its Directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of our report.



Remuneration or other benefits received by our employees

All our employees receive a salary.

Referrals

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

Associations and relationships

RSM Corporate Australia Pty Ltd is beneficially owned by the partners of RSM Australia, a large national firm of chartered accountants and business advisers. Most of the directors of RSM Corporate Australia Pty Ltd are also partners of RSM Australia Partners.

From time to time, RSM Corporate Australia Pty Ltd, RSM Australia Partners, RSM Australia and/or their related entities may provide professional services, including audit, tax and financial advisory services, to financial product issuers in the ordinary course of their business.

Complaints resolution

Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints should be directed to The Complaints Officer, RSM Corporate Australia Pty Ltd, PO Box R1253, Perth, WA 6844.

When we receive a written complaint, we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination.

Referral to External Dispute Resolution Scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Australian Financial Complaints Authority ("AFCA"). AFCA is an external dispute resolution scheme for the financial services industry. Further details about AFCA are available at the AFCA website www.afca.org.au.

If you are not satisfied with our handling of your complaint, you may lodge a complaint with AFCA at the following:

Australian Financial Complaints Authority GPO Box 3 Melbourne VIC 3001

Toll Free: 1800 931 678 Email: info@afca.org.au

Contact details

You may contact us using the details set out at the top of our letterhead on page 1 of this report.







The Directors Primewest Group Limited Level 1, 307-313 Murray Street PERTH WA 6000 The Directors Primewest Management Ltd As responsible entity of Primewest Property Fund Level 1, 307-313 Murray Street PERTH WA 6000

21 October 2019

Primewest - Tax implications for Securityholders

Dear Directors

We have prepared this letter to provide you with a broad summary of the Australian income tax, stamp duty and Goods and Services tax (**GST**) implications for investors (**Securityholders**) who participate in the offer of stapled securities (the **Securities**) in Primewest Group Limited and Primewest Management Ltd as responsible entity of the Primewest Property Fund (collectively referred to as **Primewest**; the **Offer**), for the purpose of inclusion in the Offer Document. The terminology and definitions used in this summary are consistent with that of the Offer Document.

The comments in this letter are based on the relevant taxation laws in the *Income Tax Assessment Act* 1936 (Cth) (**ITAA 1936**), the *Income Tax Assessment Act* 1997 (Cth) (**ITAA 1997**), the *Income Tax Rates Act* 1986 (Cth), A New Tax System (Goods & Services Tax) Act 1990 (Cth) and the Taxation Administration Act 1953 (Cth) (referred to collectively herein as **the Australian Tax Act**) as at the date of this document and the associated administrative instruments, except where otherwise indicated.

The taxation information provided below is intended only as a brief guide and does not purport to be a complete analysis of the potential tax consequences of investing in, holding and disposing of the Securities. The information applies only to prospective investors in Primewest who are Australian tax resident individuals and non-resident Securityholders who all hold their Securities on capital account. This section does not address the Australian tax consequences for Securityholders in the following circumstances:

- · Securityholders who hold their investments on revenue account or as trading stock; or
- who are exempt from Australian income tax; or
- are subject to the Taxation of Financial Arrangements (TOFA) rules in Division 230 of the Australian Tax Act

The comments below are based on our opinion of the law and understanding of the practice of the tax authorities in Australia as at the date of this letter. The law is complex and subject to change periodically as is their interpretation by the courts, the Australian Taxation Office (ATO) and the revenue offices in each Australian state and territory.

PricewaterhouseCoopers, ABN 52 780 433 757 One International Towers Sydney, Watermans Quay, Barangaroo NSW 2000 GPO BOX 2650, Sydney NSW 2001

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The information contained in this letter does not constitute "financial product advice" within the meaning of the *Corporations Act 2001* (Cth) (**Corporations Act**). PricewaterhouseCoopers is not licensed to provide financial product advice under the Corporations Act. To the extent that this letter contains any information about a "financial product" within the meaning of the Corporations Act, taxation is only one of the matters that must be considered when making a decision about the relevant financial product. This letter should not be a substitute for advice from an appropriate professional adviser having regard to your individual circumstances and all investors are strongly advised to obtain their own professional advice on the tax implications based on their own specific circumstances.

1. Taxation of Primewest

1.1 Acquisition of Securities

By participating in the Offer, Securityholders will acquire Securities in Primewest consisting of one fully paid share in Primewest Group Limited and one fully paid unit in Primewest Management Limited as responsible entity of Primewest Property Fund (**Primewest Property Fund**). Each share in Primewest Group Limited and each unit in the Primewest Property Fund will be treated as separate capital gains tax (**CGT**) assets for Australian income tax purposes.

The cost base of each Security will consist of the cost of acquiring the Security plus any incidental costs incurred in relation to the acquisition. Securityholders should apportion the cost base on a reasonable basis between each share in Primewest Group Limited and each unit in the Primewest Property Fund. Securityholders will need to make their own decision as to what is a reasonable basis for apportioning the cost base of the Security between the shares in Primewest Group Limited and the units in the Primewest Property Fund. One possible method of apportionment is on the basis of the future Net Tangible Assets of Primewest Group Limited and the Primewest Property Fund at the date of the Offer being 10% and 90% respectively. Securityholders should seek professional advice with regard to this matter.

1.2 Tax treatment of the Primewest Property Fund

Based on current tax legislation, a trust should not generally be liable for income tax (i.e. it should be taxed on a 'flow through' basis), where its beneficiaries are presently entitled to all of the income of the trust. However, a trust may be liable for income tax in any year where the requirements to be classed as a public trading trust under Division 6C of the Australian Tax Act are satisfied for that year.

Based on the information in the Offer Document regarding the proposed activities of the Primewest Property Fund and the intentions of the Responsible Entity as expressed to us, the Primewest Property Fund should not be regarded as a public trading trust. We note that the requirements for a public trading trust are ongoing such that the tax position of the Primewest Property Fund in any year will depend on the actual operations in that year.

On the basis that Division 6C does not apply, the Primewest Property Fund should be a "flow through" entity for tax purposes such that the net income of the trust will be taxable in the hands of the Securityholders. If Primewest Property Fund has taxable income, Securityholders will generally be liable for tax on their share of the trust's taxable income at their own applicable tax rates. Provided the



Primewest Property Fund continues to fall outside the public trading trust rules in Division 6C, the trust should not be liable to tax in its own right.

Tax losses

Where a revenue loss or net capital loss is incurred by the Primewest Property Fund, the loss must be quarantined and cannot be passed to Securityholders for Australian income tax purposes. Instead, revenue tax losses should be able to be carried forward and offset against assessable income derived by the Primewest Property Fund in future years subject to the Primewest Property Fund satisfying the relevant trust loss recoupment tests.

Any net capital losses will be carried forward and offset against future capital gains derived by the Primewest Property Fund. There are no restrictions on utilising carried forward net capital losses incurred by a trust.

Managed Investment Trust (MIT) Aspects

On the basis that the Primewest Property Fund is expected to qualify as a MIT and a withholding MIT for Australian tax purposes, it will have access to certain tax attributes. These include the ability to make a capital account election and have a reduced rate of withholding tax on distributions when made to certain non-resident Securityholders. MITs may elect to treat eligible investments (such as shares, units and real property) on capital account, which provides certainty on the tax treatment of disposal of these assets in that they will be dealt with under the CGT rules, rather than the ordinary income rules. The remainder of this summary assumes the Primewest Property Fund will qualify as a MIT and that a valid capital account election will be made.

Attribution Managed Investment Trust (AMIT) Aspects

If eligible, the Primewest Property Fund may elect to become an Attribution Managed Investment Trust (AMIT) (so that, amongst other things, specific taxation provisions apply to the attribution of income to Securityholders and is deemed to be a 'fixed trust' for tax purposes). A decision on whether the Primewest Property Fund will elect into the AMIT regime has not yet been made. Securityholders will be advised should this election be made.

1.3 Tax treatment of Primewest Group Limited

Primewest Group Limited will form a tax consolidated group with its wholly owned subsidiaries prior to implementation of the Offer.

Primewest Group Limited will be liable to Australian income tax at the corporate rate (currently 30%, or at the rate of 27.5% where it qualifies as a 'base rate entity') on its taxable income. Under the single entity rule, members of the tax consolidated group will be treated as divisions or branches of Primewest Group Limited for tax purposes, and not as separate income tax entities. Intra-group transactions will therefore be ignored for income tax purposes, and the group will lodge a single income tax return.



2. Taxation of Australian Tax Resident Securityholders

2.1 Taxation of distributions from the Primewest Property Fund

Australian resident Securityholders are liable to pay tax on their share of the taxable income of the Primewest Property Fund which is distributed to them for the relevant income year. This applies irrespective of whether distributions from the Primewest Property Fund in respect of that income are paid during the year or in a subsequent year.

Distributions from the Primewest Property Fund may include various components, the taxation treatment of which may differ. For example, a distribution may include an interest component, other income component, net capital gains and a tax deferred component. Tax deferred distributions are distributions in excess of the net taxable income of the Primewest Property Fund and are usually attributable to tax timing differences (e.g. depreciation).

Tax deferred distributions should not be assessable when received unless and until the total tax deferred amounts received by a Securityholder exceed the cost base of units held in the Primewest Property Fund. For CGT purposes, amounts of tax deferred distributions received reduce the cost base of units held and therefore affect a Securityholder's capital gain or loss on any future disposal of the units. A Securityholder will make an immediate capital gain to the extent tax deferred distributions received exceed the Securityholder's cost base of the units in the Primewest Property Fund.

Distributions of capital gains to Securityholders

Under current law, where an asset that is owned by a trust for at least 12 months is disposed of (not including the dates of acquisition and disposal), the trust will receive a 50% discount on the capital gain realised. The CGT concession component of a distribution represents the CGT discount claimed by a trust in respect of asset sales. The CGT concession component is not assessable when received by Australian resident Securityholders. Where a trust distribution includes a CGT concession component, there will be no reduction to the cost base of the units held by the unitholder for that component.

The capital gain component of a distribution from the Primewest Property Fund must be included in the Securityholder's calculation of their net capital gain. Where the distributed capital gain includes a discounted capital gain component, Securityholders are required to gross up that amount by the discount applied by the Primewest Property Fund (i.e. 50%). The capital gain (i.e. the whole amount of the gain prior to discounting) is then included in the calculation of the Securityholder's total capital gains for the income year. Securityholders may be entitled in their own right to a CGT discount as an individual, trust or superfund.

Under proposals announced in the 2018-19 Budget on 8 May 2019 (and as revised at the 2018-19 Mid-Year Economic and Fiscal Outlook in respect of the commencement date), the Government intends to prevent MITs and AMITs from applying the 50% capital gains discount at the trust level. This measure is intended to apply from 1 July 2020 although draft legislation to enact this measure has yet to be released. If this measure is enacted, the Primewest Property Fund will distribute gross capital gains as assessable amounts, such that the 50% capital gains discount is not applied, and non-assessable amounts will not include the CGT gross up amount. Although non-corporate Securityholders may be entitled to claim a CGT discount on the gross capital gain, if this measure is enacted, it potentially may



increase the income tax liability of non-corporate Securityholders in respect of their investment in the Securities

2.2 Taxation of dividends from Primewest Group Limited

Dividends that Securityholders receive from Primewest Group Limited should be included in the assessable income of the Securityholder in the income year that the dividend is received. To the extent that dividends from Primewest Group Limited to Securityholders are franked, then (subject to a number of measures that may affect the ability of a Securityholder to use franking credits received, including the 45 day holding period rule), the grossed up amount (i.e. the dividend plus the attached franking credit) is included in the Securityholder's assessable income. A Securityholder is then generally allowed a franking offset equal to the franking credit. Where the Securityholder is an individual or a complying superannuation fund, the Securityholder may be entitled to a refund to the extent that the franking credits attached to the Securityholder's dividends exceeds the Securityholder's tax liability for the income year.

Where the Securityholder is a corporate shareholder, any franked dividends which the Securityholder receives will generally give rise to a franking credit in the Securityholder's franking account.

In the event that Primewest Group Limited returns capital to Securityholders, the cost base of Securityholder's shares in Primewest Group Limited should be reduced by the amount of the return of capital. To the extent that a return of capital exceeds the cost base of the shares, a capital gain will result for the excess amount. Returns of capital can be deemed as unfranked dividends in certain circumstances due to the integrity rules, however Securityholders should seek professional advice with regard to this matter.

2.3 Disposal of Securities

For CGT purposes, the disposal of a Security involves the disposal of two separate assets, being a share in Primewest Group Limited and a unit in the Primewest Property Fund (the **Security Components**). Broadly, a Securityholder must include any realised capital gain or loss on the disposal of their Security in the calculation of their net capital gain or loss for the year. The tax consequences must be worked out separately for each Security Component.

A Securityholder will derive a capital gain on the disposal of the Security Components to the extent the capital proceeds on disposal exceed the CGT cost base of the Security Components. A Securityholder will incur a capital loss on the disposal of the Security Components to the extent that the capital proceeds on disposal are less than the CGT reduced cost base of the Security Components.

The capital proceeds received on the disposal of a Security must be apportioned between the Security Components on a reasonable basis. The CGT cost base of each Security Component will include the amount paid to acquire the Securities, together with any capital costs of acquisition or disposal, allocated to each Security Component on a reasonable basis. The cost base of each Security Component will be reduced by any tax deferred or return of capital amounts.

All capital gains and capital losses arising in a year, including distributions of capital gains, are added together to determine whether a Securityholder has derived a net capital gain or incurred a net capital loss in that year. If a Securityholder derives a net capital gain in a year, this amount is, subject to the



comments below, included in the Securityholder's assessable income. If a Securityholder incurs a net capital loss in a year, this amount is carried forward and is available to offset capital gains derived in subsequent years.

If the Securityholder has held the Securities for 12 months or more at the time of disposal (ignoring the day of acquisition and the day of disposal) and there is a net capital gain, a discount factor may be available. The discount factor for individuals and trusts is 50%, whilst a discount factor of 33½% applies for complying superannuation entities. We note that a discount factor is not available for companies.

3. Taxation of Non-resident Securityholders

3.1 Taxation of distributions from Primewest Property Fund

On the basis that the Primewest Property Fund is a withholding MIT, distributions that qualify as fund payments (a defined term) will be subject to specific withholding tax rules. A fund payment is any payment by the trustee from the net taxable income of the Primewest Property Fund to Securityholders reduced by the amount of any dividend, interest or royalties included in the amount. In practice a fund payment will represent the net rental income from any Australian properties held by the Primewest Property Fund (directly or indirectly) and gross capital gains on disposal of those properties.

The trustee will generally be required to withhold from distributions to non-resident Securityholders in respect of Australian sourced income (other than dividends, royalties and interest) as follows:

- For Securityholders that provide an address or place of payment for the distribution in an information exchange country, the trustee will withhold tax at 15% from fund payments and 10% from fund payments received from a clean building MIT.
- For Securityholders that provide addresses in non-information exchange countries, the rate of withholding applied will be 30%.

An information exchange country is a country specified as such in regulations issued under the Australian Tax Act. Where Securityholders are tax resident in a country other than the information exchange country address provided to the trustee, further Australian tax obligations may arise for that Securityholder.

Non-Australian tax resident Securityholders should not be required to lodge an Australian tax return in respect of a trust distribution from a MIT that is subject to withholding tax. This is due to the withholding tax being a final tax for Australian taxation purposes. Distributions that comprise interest amounts will generally be subject to a 10% final withholding tax.

For completeness, to the extent the Primewest Property Fund distributes non-concessional MIT income to non-resident Securityholders, the rate of withholding applied by the trustee will be 30%. However, based on the information in the Offer Document regarding the proposed activities of the Primewest Property Fund and the intentions of the Responsible Entity as expressed to us, it is not expected that the Primewest Property Fund will derive non-concessional MIT income.



3.2 Taxation of dividends from Primewest Group Limited

Franked dividends received by non-resident Securityholders from Primewest Group Limited should not be subject to dividend withholding tax. Unfranked dividends should however be subject to dividend withholding tax at 30% unless a lower rate applies under a tax treaty or a specific exemption applies.

3.3 Disposal of Securities

Non-resident investors would generally be subject to the CGT rules on disposal of the Securities. A discounting factor is not available for non-resident Securityholders. However, no Australian tax should be payable on capital gains made by non-resident Securityholders from the disposal of their Securities where their Securities holding (together with associates) is less than 10% of Primewest Group Limited and the Primewest Property Fund (both at the time of the CGT event and in any 12 month period in the 24 months prior to the CGT event).

Under the foreign resident capital gains tax withholding rules, a purchaser of certain taxable Australian property from foreign residents must withhold 12.5% of the gross sale proceeds (as a nonfinal withholding tax) and remit this to the ATO. The obligation applies to a transaction involving, for example, the acquisition of an indirect Australian real property interest, such as a membership interest in a 'land-rich' company or trust. On-market transactions however are excluded from the withholding regime and therefore should not apply to the disposal of Securities by Securityholders via the Australian Securities Exchange.

4. Tax File Numbers and Australian Business Numbers

An Australian tax resident Securityholder need not quote a Tax File Number (**TFN**) when applying for Securities in Primewest. However, if a TFN is not quoted, or no appropriate TFN exemption information is provided (e.g. where a Securityholder has lodged a TFN application and is awaiting confirmation), tax is required to be deducted from any income distribution entitlement at the highest marginal tax rate plus the Medicare levy (currently 47 per cent). Securityholders that hold their Securities as part of their business may quote their Australian Business Number instead of their TFN. This affects Securityholders on an individual basis.

5. Stamp Duty

No stamp duty should be payable by Securityholders on their acquisition of Securities.

6. Goods and Services Tax (GST)

The acquisition and disposal of the Securities by Securityholders should not be subject to GST. GST registered Securityholders should seek advice in relation to their ability to recover any GST incurred on costs relating to the acquisition or disposal of the Securities.



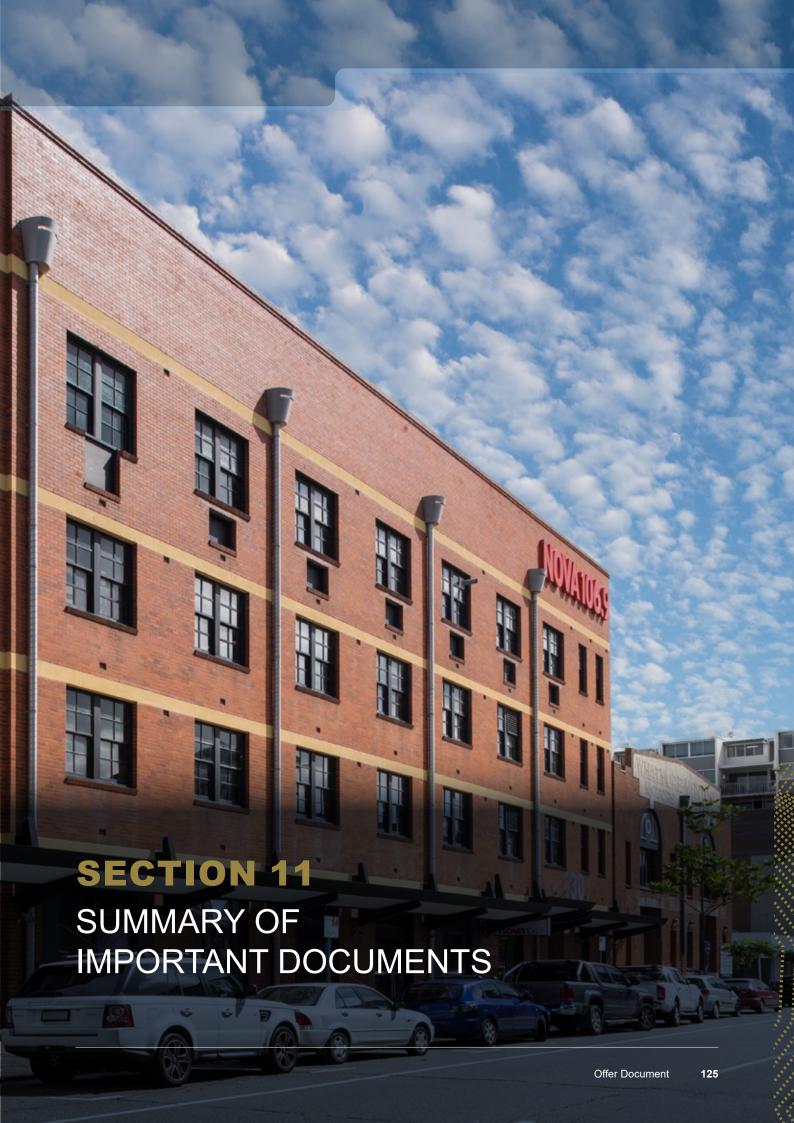
Yours faithfully

Joshua Cardwell

Partner

PricewaterhouseCoopers





11.1 Contractual arrangements with Funds

The terms upon which Primewest acts as trustee in relation to, and/or manages each of the Funds is set out in either a trust deed, management agreement or syndicate agreement. The structure and key terms of these agreements are similar across the Funds.

Table 11.1: Selected contract terms for Funds

	Trust deed / syndicate agreement / management agreement (Fund Agreements) ¹		
Fees	Refer to Section 2.2.3.		
Fund term ^{2,3}	The term length of the Funds vary but generally range between 3 and 10 years. Historically Primewest has extended shorter Fund terms in accordance with the terms of the relevant Fund.		
	The term length of the Funds can generally be amended by the manager/trustee with the agreement of a majority of investors. A small number of Funds have a 75% or unanimous agreement requirement.		
Ability to amend or vary Fees	The fee provisions in the Fund Agreements can generally be amended by the manager/trustee with the agreement of either 75% or 100% of investors. The fee provisions in a small number of Funds can be amended with the agreement of a majority of investors.		
Termination	Generally, the Funds must be wound up and terminated on the first to occur of the following dates:		
	by 50% resolution of the investors resolving to wind up the Fund;		
	if the trustee has not entered into a contract to purchase property within 12 months of the date of execution of the document;		
	if the manager considers it to be in the interests of the members, the date the manager so determines;		
	upon the expiration of the term; or		
	 if wound up pursuant to an order of a court, the date of that order or such other date as the court determines. 		
	The rights of the relevant trustee/manager to terminate the relevant Fund generally include:		
	if the trustee has not entered into a contract to purchase the property within 12 months of the date of execution of the document or if the manager resolves not to proceed with the acquisition of the property; or		
	if the manager considers it to be in the interests of the members, the date the manager so determines.		
Rights to remove trustee/ manager	The rights of investors to terminate or remove the trustee/manager include either:		
	the passing of a special resolution of investors that the trustee should be removed; or		
	resolution by a majority of investors.		

	Trust deed / syndicate agreement / management agreement (Fund Agreements)¹
Liability regime	Generally, to the extent to which the Fund property is inadequate, each investor (in proportion to its respective interest) indemnifies the manager in respect of:
	all manager's fees;
	all liabilities, costs and expenses incurred by the manager in relation to the operation of the Fund; and
	all liabilities incurred in relation to the proper performance of its duties.
	A manager will not be indemnified in circumstances where there has been a breach of trust, recklessness or fraud on the part of the manager.

Notes:

- 1. Two of the Funds are corporate entities governed by constitutions which include terms similar to those noted in the table above for trust deeds, syndicate agreements and management agreements.
- 2. Refer to Section 2.2.1 for further detail on existing terms of the various Funds.
- 3. The shortest term of Funds established by Primewest is 12 months and the longest is 80 years. Generally, Primewest seeks an extension of its Funds 6 months before expiry and has done so for at least 5 years.

11.2 Constitutions

The Primewest Group Limited Constitution and the Primewest Property Fund Constitution are designed to provide for the operation of the two entities as stapled entities (the **Stapled Entities**) and permit and facilitate the stapling of the Shares to the Units. A general summary of the rights attaching to the Securities and other key provisions of the Constitutions are set out below. This summary is not intended to be exhaustive and its qualified by the Constitutions, Corporations Act, exemptions and declarations by ASIC, ASX Listing Rules, waivers by ASX and the general law.

Stapling provisions

General

The **Stapling Provisions** in the Constitutions (as summarised below) apply on and from the **Stapling Commencement Date** (the date when the Board of each Stapled Entity has determined that Stapling occurs) and, subject to any specific provisions to the contrary in the Constitutions, the Stapling Provisions prevail over all other provisions of the Constitutions (except to the extent provided in the Constitutions or where it would result in a breach of the Corporations Act, the ASX Listing Rules or any other law).

Intention

The intention of the Stapling Provisions is to ensure that to the extent permitted by law, each Security will be treated as one security.

Stapling arrangements

Under the Stapling Provisions:

- (**Stapling**) each component of a Security must be Stapled to each other component of the Security on and from the Stapling Commencement Date;
- (No issue) a Stapled Entity must not offer or issue a component of a Security, or any option or rights to such a component without a corresponding and simultaneous offer or issue being made in respect of each other component of the Security;
- (No transfer) a Stapled Entity must not register any transfer of a component of a Security without a
 corresponding and simultaneous transfer of each other component of the Security;
- (Corporate action) a Stapled Entity must not cancel, buy-back or redeem a component of a Security
 without a corresponding and simultaneous corporate action being made in respect of each other
 component of the Security;

- (Unstapling by Stapled Entities) subject to the Corporations Act and the Constitutions, a component of the Securities may be unstapled if:
 - each Stapled Entity has agreed to the unstapling; and
 - the Stapling Provisions will terminate in respect of the component of the Security that has been unstapled;
- (**Restapling**) if a component of the Security becomes unstapled, this does not prevent the Company and the trustee subsequently agreeing the provisions to Stapling contained in each Constitution should recommence in respect of the Unstapled Security.
- (Unstapling in the event of an unstapling event) where a special resolution of the Securityholders is
 passed to unstaple the Securities, stapling becomes unlawful or prohibited under the ASX Listing Rules,
 a winding up is commenced in respect of the Company or trust, or the trustee believes that Unstapling
 is in the best interests of the Securityholders, and on this basis, the trustee and the Company agree in
 writing that unstapling is in the best interests of the Securityholders, the Securities will be unstapled,
 provided that:
 - ASX has indicated in writing that it will grant permission for the unstapling of the Security; and
 - each Stapled Entity has agreed to the unstapling and that the unstapling is not contrary to the interests of Securityholders as a whole.

After the unstapling, the Stapling Provisions cease to have effect in respect of that component of the Security.

- (Joint Meetings) meetings of each Stapled Entity may be held in conjunction with the meetings of each
 other Stapled Entity; and
- (Interests of Securityholders) each Stapled Entity may, subject to the Corporations Act and the terms of any applicable ASIC relief, have regard to the interests of Securityholders as a whole and not only to the interests of holders of each component of the Security.

Application price

After the Offer Document Date, the Stapled Entities may agree how the application price for a Security will be allocated between the application price of each component of the Security, and in the absence of agreement will allocate as follows:

- first, to the application price for the unit (or any other component that is an interest in a trust) being an amount reflecting the net assets (adjusted for the net market value of its investments) of the relevant trust. If there is more than one stapled entity which is a trust, the amounts to be allocated between those trusts is in the ratio that the net assets of each relevant trust (adjusted for the net market value of its investments) immediately before the issue or acquisition of the Security, bears to the amount of the aggregate net assets (adjusted for the net market value of their investments) of those trusts at the end of the relevant period immediately before the issue of the Security; and
- second, to the application price of any other component that is not a unit of a trust being the lesser of
 the balance remaining (if any) and the amount reflecting the net assets of the relevant Stapled Entities
 before the issue of the Security which will be allocated between them in the ratio of their respective net
 assets (adjusted for the net market value of their investments).

If a reinvestment of capital or income payable to a Securityholder applies while Units are quoted on the Official List and Stapled, subject to the ASX Listing Rules and any applicable ASIC relief, the application price for each additional Unit issued or transferred upon reinvestment is the price determined by Primewest Management Ltd, as responsible entity of Primewest Property Fund. If Primewest Management Ltd has not determined the offer price by the date at which Units are to be issued upon reinvestment, the price will be the average of the volume weighted average price for Securities for each of the first ten "trading days" (as that term is defined in the ASX Listing Rules) from and including the third "trading day" after the "record date" for the "distribution period" (as those terms are defined in the trust Constitution).

11.2.1 Primewest Group Limited Constitution

Stapling

The Primewest Group Limited Constitution provides that the Stapling Provisions take effect if determined by the Board on and from the Stapling Commencement Date. Any provisions, which by their meaning and context apply only while Shares are not Stapled do not apply while the Shares are quoted on the official list as part of a Security.

Voting

Subject to the Corporations Act, the ASX Listing Rules, the rights or restrictions on voting which may attach to or be imposed on any class of shares and the Primewest Group Limited Constitution:

- on a show of hands every shareholder present or who has cast a Direct Vote (as defined in the Primewest Group Limited Constitution) will have one vote; and
- on a poll every shareholder present or who has cast a Direct Vote (as defined in the Primewest Group Limited Constitution) will have:
 - one vote for each fully paid Share held by the shareholder; and
 - a fraction of a vote for each partly paid Shares, equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) for that Share (or, where applicable, a fraction of a Share), ignoring any amounts paid in advance of a call.

Issue of shares and options

Subject to the Corporations Act, the ASX Listing Rules and the Constitution (including the rules concerning stapling), the Board may, in its absolute discretion:

- issue shares or other securities in the company with such preferred, deferred or other special rights, obligations or restrictions as determined by the Board (including, but not limited to, the issue of shares of different classes and the issue of securities which convert into shares) and for the consideration the Board thinks fit;
- · grant options over unissued shares in the company, and
- · allot, cancel or otherwise dispose of shares in the company.

Preference Shares

Primewest Group Limited may issue preference Shares including preference Shares which are, or which at the option of Primewest Group Limited or the holder may be, liable to be redeemed or converted into ordinary Shares. All preference Shares confer on the holders:

- the same rights as holders of ordinary Shares to receive notices, reports and accounts and to attend general meetings of Primewest Group Limited;
- the right to vote in each of the following circumstances and in no others:
 - during a period when a distribution (or part of a distribution) for the Share is in arrears;
 - on a proposal to reduce Primewest Group Limited's Share capital;
 - on a resolution to approve the terms of a buy-back agreement;
 - on a proposal that affects rights attached to the Share;
 - on a proposal to wind up Primewest Group Limited;
 - on a proposal to dispose of the whole of Primewest Group Limited's property, business and undertaking;
 - during the winding up of Primewest Group Limited;
 - in any other circumstances which the ASX Listing Rules require holders of preference shares to be entitled to vote, subject to any additional or different terms as approved by a resolution of the Company in accordance with the Corporations Act.
- such other rights, and subject to such other terms and conditions as are provided for in their terms of issue.

Variation of rights

Subject to the Corporations Act and the ASX Listing Rules, all or any of the rights and privileges attached to any class of Shares (unless otherwise provided by the terms of issue of the Shares of that class) may be varied or cancelled with the written consent of holders of at least 75% of the Shares issued in that class or with the approval of a special resolution passed at a meeting of holders of the Shares of that class.

Meetings and notices

Annual general meetings of Primewest Group Limited must be held in accordance with the Corporations Act and the ASX Listing Rules. The Directors may convene a general meeting by a resolution of the Board of Primewest Group Limited whenever they think fit.

Notice of every annual general meeting, general meeting or meeting of any class of shareholders must be given in the manner provided by the Primewest Group Limited Constitution and the Corporations Act to the shareholders and those persons who are otherwise entitled to receive notices.

Subject to the Corporations Act the following people must receive written notice of a meeting of shareholders:

- each shareholder, whether or not that shareholder is entitled to vote at the meeting (except where the shares are held jointly, in which case notice must be given to the holder of the share noted first on the register).
- Each person who is entitled to a share because of an event resulting in transmission of shares in accordance with the Primewest Group Limited Constitution and the person has satisfied the Board of his or her right to be registered as the holder of, or to transfer, the shares.
- · Each Director.
- · The company auditor.

A quorum required for a meeting of shareholders is two or more voting shareholders holding at least 5 percent of all ordinary shares, unless the company has only one shareholder in which case such shareholder will constitute a quorum.

Transfer of shares

Subject to the Primewest Group Limited Constitution, the Corporations Act, the ASX Listing Rules and ASX Settlement Operating Rules, a shareholder may transfer all or any Shares by a transfer document duly stamped (if necessary) and delivered to Primewest Group Limited. The transfer document must be in writing in the usual or common form or in any other form as the Directors may determine or, in particular circumstances, agree to accept and must be signed by or on behalf of the transferor or as otherwise permitted by the Corporations Act. If permitted under the ASX Listing Rules, the Directors may ask ASX Settlement Pty Ltd to apply a holding lock to prevent a transfer or refuse to register a paper-based transfer.

Directors

The number of Directors must not be less than three (not including alternate Directors), nor more than ten unless otherwise determined by the Directors from time to time.

Directors' indemnities

To the maximum extent permitted by law, Primewest Group Limited must indemnify each Director and secretary and each former Director and secretary, including each Director and secretary who is or was, at the request of Primewest Group Limited, serving as a director or secretary of another company, and may indemnify any other officer or former officer of Primewest Group Limited, against any liability incurred in acting in that capacity and costs and expenses incurred in defending an action for a liability incurred in acting in that capacity. Primewest Group Limited may pay, or agree to pay, a premium for a contract insuring such a person from liability incurred by that person in that capacity.

Winding up

In a winding up, any assets available for distribution to holders of Shares will, subject to the rights of the holders of Shares issued on special terms and conditions, the Primewest Group Limited Constitution, the Corporations Act and the ASX Listing Rules, be distributed amongst the holders of Shares to return capital paid up on their Shares and distribute any surplus in proportion to the amount paid up (not credited) on Shares held by them. If Primewest Group Limited is wound up, the liquidator may:

- with the approval of a special resolution, divide among the contributories in specie or kind any part of the assets of the Primewest Group Limited;
- with the approval of a special resolution, vest any part of the assets of Primewest Group Limited in trustees of trusts for the benefit of the contributories or any of them as the liquidator thinks fit; and
- set the values it considers fair and reasonable on any property to be divided and determine how the
 division is to be carried out.

11.2.2 Primewest Property Fund Constitution

Primewest Property Fund is a managed investment scheme. A general summary of the main provisions of the Primewest Property Fund Constitution that deal with the respective rights and obligations of Securityholders and Primewest Management Ltd, as responsible entity of Primewest Property Fund, are set out below.

Stapling

The trustee may staple Units with either or both shares in a company or units in a trust to create a Stapled Entity, with, as far as possible, the Units, Stapled Shares and Stapled Units being treated as one security.

Any reference in the Constitution to the Units being quoted includes a reference to a Unit being part of a Stapled Security that is quoted.

Units

The beneficial interest in the assets of Primewest Property Fund as a whole will be divided into Units. Every Unit confers an equal and undivided interest in the assets of the Primewest Property Fund as a whole, subject to the liabilities. It does not confer an interest in a particular asset of the Primewest Property Fund. Subject to the Corporations Act (including the conditions of any applicable ASIC relief), and the ASX Listing Rules, the trustee may create and issue options on such terms and to any person as the trustee determines.

Income and distributions

The trustee may at any time determine that capital or income be distributed to the Unitholders. The distribution may be by way of cash or additional Units.

Transfer of Units

If the Units are not officially quoted, transfer may be effected by instruments of transfer that are in accordance with the Primewest Property Fund Constitution as follows:

- Holder may request the trustee to register transfers of all or any of the Units held by them.
- A transfer of Units is not effective until it has been recorded in the register.
- All transfers of Units will be effected by an instrument of transfer in a form and in a manner approved by the trustee.
- The trustee may refuse to register a transfer (whether voluntarily or by operation of law) of Units without being bound to provide any reason for such refusal.

While the Units are officially quoted, Units may be transferred in any manner permitted by the ASX Settlement Operating Rules of a clearing and settlement facility. The trustee may require before registration of any such transfer that there be provided to the trustee any documents which the ASX Settlement Operating Rules of a clearing and settlement facility require or permit the trustee to require be provided to it to authorise registration. This requirement prevails over any other provision of the Constitution that may be inconsistent with it but it does not permit the trustee to refuse to register a proper transfer made in accordance with the ASX Settlement Operating Rules of a clearing and settlement facility.

Redemptions

While Units are not officially quoted and, a Unitholder may make a redemption request in respect of some or all of their Units in any manner approved by the trustee. While the Primewest Property Fund is Listed and the Units are not stapled, the trustee may, subject to and in accordance with the Corporations Act (including any ASIC relief) and any requirements under the ASX Settlement Operating Rules, purchase Units and cause the Units to be cancelled. While the Primewest Property Fund is Listed and the Units are Stapled, the Trustee and Primewest Group Limited together may, subject to the Corporations Act and the ASX Listing Rules, purchase Securities on the ASX or any other financial market on which the trading of Securities is permitted, and also off-market.

Powers of the trustee

Subject to the constitution, the trustee has all the powers in respect of the trust that it is possible under the law to confer on a trustee and as though it were the absolute owner of the Assets acting in its personal capacity.

The trustee in its capacity as trustee of the Primewest Property Fund has power to:

- · invest in, dispose of or otherwise deal with property and rights in its absolute discretion;
- borrow or raise money whether or not on security of the assets of the trust;
- · incur all types of obligations and liabilities including guarantees;
- enter into an arrangement with a person to underwrite the subscription or purchase of Units, options or financial instruments on such terms as the trustee determines;
- apply for quotation of any Units, options or financial instruments on any exchange where similar instruments are listed and traded; and
- make any choice under the Tax Act and to do such things as is reasonable to enable such a choice to be made and applied by the trust or to operate the trust in accordance with such a choice, including (but not limited to) a choice under Sections 275-115, or 276-20 of the Tax Act.

The trustee may authorise any person to act as its agent or delegate (in the case of a joint appointment, jointly and severally) to hold title to any asset of the Primewest Property Fund, perform any act or exercise any discretion within the trustee's power, including the power to appoint in turn its own agent or delegate.

Meetings

The Trustee may at any time convene a meeting of Unitholders and must do so if the Corporations Act or the ASX Settlement Operating Rules require.

Limitation of liability and indemnity in favour of trustee

Subject to the Corporations Act, the trustee is not liable in contract, tort or otherwise to Unitholders for any loss suffered in any way relating to the Primewest Property Fund.

The trustee is entitled to be indemnified out of the assets of the Primewest Property Fund for any liability incurred by it in properly performing any of its duties in relation to the Primewest Property Fund.

Liability of Unitholders

In the absence of a separate agreement with a Unitholder or creditor, the recourse of the trustee and any creditor of the Primewest Property Fund against a Unitholder in connection with the Primewest Property Fund is limited to the Unitholder's Units and the assets of the Primewest Property Fund.

Fees and expenses

The trustee is entitled to receive remuneration equal to the trustee's reasonable costs in providing its services as trustee for which it is not otherwise reimbursed. All expenses properly incurred by the trustee including, those in connection with the establishment, administration, management and winding up of the trust by the trustee of the Primewest Property Fund, in properly performing its duties are payable or can be reimbursed out of the assets of the Primewest Property Fund. If trustee pays such expenses, then the trustee will, in addition to the remuneration payable to it, be indemnified and will be entitled to be reimbursed out of the assets in respect of such expenses, together with any GST payable in respect of those expenses.

Winding up

On the winding up of the Primewest Property Fund, the trustee must convert the assets of the trust to money, deduct all property costs and liabilities in connection with the trust, including those anticipated in connection with the winding up of the trust, and divide the balance amongst Unitholders in each class in proportion to the number of Units held by them at the date of distribution.

The trustee may commence winding up of the Primewest Property Fund in accordance with the termination or winding up procedures set out in the Primewest Property Fund Constitution on the earliest of:

- the date specified by the trustee as the date of termination of the Primewest Property Fund in a notice given to Unitholders; and
- · the date on which the trust terminates in accordance with the Primewest Property Fund Constitution or by law.

Amendment to Constitution

The Primewest Property Fund Constitution may be amended by special resolution passed at a meeting of Unitholders of the Primewest Property Fund or by the trustee if the trustee reasonably considers the change will not adversely affect Unitholders' rights.

11.3 Stapling Deed

Co-operation

Primewest Group Limited ACN 636 344 137 and Primewest Management Ltd ACN 091 415 833 in its capacity as responsible entity for the Primewest Property Fund are parties to the Stapling Deed. The Stapling Deed provides that the parties must cooperate in respect of all matters necessary to ensure that the Shares and Units are stapled and in respect of all matters relating to the Securities.

Under the Stapling Deed, to the extent permitted by Law, each Party:

- consult and co-operate with the other party in respect of, and to facilitate, all matters relating to the Stapled Securities and must do all things necessary to give effect to the Stapling Deed and to assist the Other Party to enable it to give effect to the Stapling Deed, including ensuring that the parties:
 - co-ordinate disclosures to ASIC, ASX, applicants and Securityholders from time-to-time;
 - where appropriate, adopt consistent accounting policies;
 - where appropriate, adopt consistent valuation policies;
 - co-operate in relation to the calling and holding (either concurrently or, where necessary, consecutively) of meetings of Securityholders;
 - take a consistent approach to all proposed investments and keep each other properly informed in relation to their investment policies, changes to their investment policies, and the identification and acquisition of proposed investments;
 - co-ordinate the announcement and payment of distributions to Securityholders;
 - co-operate and consult with the other party in relation to the conception, announcement, timing and implementation of any proposed re-organisation or other corporate action;
 - consult with the other party before taking any action (or omitting any action) which may materially affect the value of Stapled Securities;
 - co-ordinate any distribution reinvestment plan;
 - maintain the same auditor from time-to-time and agree on any change of auditor so that any change of auditor is implemented at the same time;
 - not propose any amendment to a Constitution without first consulting the other party, and
 - where agreed between the parties, co-operate in relation to the provision by one party of financial accommodation or loans to the other party or to any trust or company, the units or shares in which are wholly owned by the other party, or in relation to the obtaining by one party of any financial accommodation or loan, including entering into or providing any undertaking, covenant, guarantee or indemnity, mortgage, charge, pledge or other security interest with respect to such financial accommodation or loan.

Disclosure of information

Each party agrees to co-operate with the other party to facilitate the operation of the company and the trust as a stapled entity, including as follows:

- Provide and make available to each other all information, documents and records in their possession, as
 may be necessary or desirable to enable the other party to carry out its obligations under the Stapling
 Deed or any other document, at law, or otherwise in relation to the Stapled Securities.
- Co-operate in relation to the preparation of consolidated financial statements which, if applicable
 accounting standards permit, will treat the company and the trust as combined entities. Each party must
 make available to the other party all financial information and provide all assistance in relation to the
 preparation of the accounts relating to Primewest.
- Make available to the other party all information and provide all assistance to enable the provision of and
 make available all information, reports, circulars or other information which are required to be provided
 or disclosed to one or both of the Securityholders, including information as may be necessary to facilitate
 reporting to Securityholders.
- Keep confidential any document or information obtained concerning the affairs or assets of the other party or each Stapled Securityholder and not disclose it other than:
 - with the prior written consent of the other party (which consent shall not be unreasonably withheld or delayed) or the relevant Stapled Securityholder;
 - where it is required to do so by any law or by any authority, or
 - where the document or information has come within the public domain, other than by a breach of the Stapling Deed.
- Give the other, on or before commencement of the winding up of the stapled entity, written notice that the other party is being wound up.

Limitation on provision of financial benefits

The parties are not obligated to enter into any agreement arrangement, document or understanding, or to carry out any transaction or do any matter or things in accordance with (1) A above:

- · unless doing so is in the interests of the Securityholders as a whole;
- where doing so will cause the party to be in breach of, or to default under, any contract, agreement or covenant with any person who is not a party to the Stapling Deed, or
- where doing so will cause the party to be in breach of its fiduciary duties to the Securityholders.

Constitutions to prevail

If there is any inconsistency between the Stapling Deed and the Constitutions, the provisions of the Constitutions apply to the extent of the inconsistency.

Limitation of liability of trustee

The trustee will not be liable to pay or satisfy any of its obligation or liabilities under the Stapling Deed out of any assets held by it personally or in its capacity as trustee of any trust or scheme other than the trust, and will only be liable to pay or satisfy any of its obligations or liabilities under the Stapling Deed out of the trust out of which the trustee is actually indemnified.

11.4 Underwriting Agreement

The Offer is being underwritten by the Lead Manager pursuant to an underwriting agreement, dated 14 October 2019, between the Lead Manager, Primewest Group Limited, Primewest Management Ltd as responsible entity of the Primewest Property Fund and SaleCo (**Underwriting Agreement**). Under the Underwriting Agreement, the Lead Managers have agreed to arrange, manage and underwrite the Offer.

11.4.1 Commissions, fees and expenses

Primewest Group Limited, Primewest Management Ltd as responsible entity of the Primewest Property Fund and SaleCo must pay to the Lead Manager in accordance with the Underwriting Agreement a financial advisory fee of \$1.5 million, a management and book-runner fee equal to 0.5% of the gross proceeds raised under the offer, and an underwriting fee equal to 1.5% of the gross proceeds raised under the Offer. Primewest and SaleCo have agreed to reimburse the Lead Manager for reasonable costs and expenses incurred by the Lead Manager in relation to the Offer. Primewest and SaleCo have authorised the Lead Manager to pay any fees of the Co-Manager or Brokers in relation to the Offer, out of fees payable to them. For the avoidance of doubt, all commissions and fees due to the Co-Manager or Broker will be borne by Primewest or SaleCo (and paid on their behalf by the Lead Manager) and will not be borne by the Lead Manager.

11.4.2 Termination events

The Lead Manager may terminate the Underwriting Agreement, at any time after the date of the Underwriting Agreement and on or before 10.00am on the date for settlement under the Offer by notice to the other parties if any of the following events occur:

- (a) Primewest and SaleCo are unable to issue or transfer the Securities on Allotment (provided the matter preventing such issue or transfer is not remedied within 2 business days or such lesser period as remains before 10am on the date for settlement under the Offer;
- (b) the capital structure or the constitutions of Primewest is altered without the prior consent of the Lead Manager (such consent not to be unreasonably withheld or delayed);
- (c) any member of Primewest is or becomes insolvent;
- (d) Primewest or SaleCo or any of their respective directors or officers engage in any fraudulent conduct or activity in connection with the Offer;
- (e) ASIC issues, or threatens in writing to issue, proceedings or notifies Primewest or SaleCo in writing that it has commenced any investigation in relation to the Offer or Primewest which is not withdrawn within 2 business days or by 10am on the date of settlement under the Offer; or
- (f) the ASX officially determines (which determination is not withdrawn within 2 business days or by 10am on the date for settlement of the Offer) that Primewest will not be admitted to the official list, or that quotation of all of the Securities will not be granted by the ASX.

11.4.3 Termination subject to materiality

The Lead Manager may terminate the Underwriting Agreement, at any time after the date of the Underwriting Agreement and on or before 10:00am on the date for settlement under the Offer by notice to the other parties, if certain events occur and the Lead Manager has reasonable grounds to believe the event: (i) has had or is likely to have a materially adverse effect on the marketing, outcome or success or settlement of the Offer; (ii) has given or would be likely to give rise to a liability for the Lead Manager under any applicable law; or (iii) has given or would be likely to give rise to a contravention by the Lead Manager or the Lead Manager being involved in a contravention of the Corporations Act or any applicable law. Some examples of these events include:

- (a) Primewest or SaleCo are in breach of the Underwriting Agreement or any of their representations or warranties in the agreement are not true or correct when made or taken to be made;
- (b) the S&P/ASX 200 Index (XJO) or the S&P/ASX 200 A-REIT Index (XPK) published by ASX is at any time up to and including the date of Completion at a level that is 10% or more below its level as at 5.00pm on the ASX trading day immediately preceding the date of the agreement and remains so for three consecutive trading days prior to the date for settlement under the Offer;

- (c) ASIC gives certain notices under the Corporations Act in relation to the Offer Materials, the Offer
- (d) the report of the due diligence committee or verification material or any other information supplied by or on behalf of Primewest or SaleCo to the Lead Manager in relation to Primewest or the Offer is or becomes false or misleading or deceptive in a material respect, including by way of omission;
- (e) hostilities not presently existing commence (whether war has been declared or not) or a major escalation in existing hostilities occur (whether war has been declared or not) involving any one or more of Australia, New Zealand, the United States of America, the United Kingdom or the People's Republic of China or a major terrorist act is perpetrated on or in any of those countries or any diplomatic, military, commercial or political establishment of any of those countries;
- (f) Primewest or SaleCo contravene law, their constituent documents, the ASX Listing Rules or any binding document or encumbrance:
- (g) a general moratorium on commercial banking activities in Australia, the United States of America or the United Kingdom is declared by the relevant central banking authority n those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries or trading in securities generally on the ASX, the London Stock Exchange or the New York Stock Exchange is suspended or limited in a material respect on two or more consecutive days; or
- (h) in the reasonable opinion of the Lead Manager, Primewest and SaleCo become required to give a supplementary or replacement Offer Document because a new circumstance has arisen since the Offer Document was lodged that is materially adverse from the point of view of an investor.

11.4.4 Indemnity

Subject to certain exclusions relating to, among other things, negligence, fraud or wilful misconduct by an indemnified party, Primewest and SaleCo agree to keep the Lead Manager and certain affiliated parties indemnified from losses suffered or incurred directly or indirectly arising out of or in connection with the Offer or the Underwriting Agreement.

11.4.5 Conditions, warranties, undertakings and other terms

The Underwriting Agreement contains certain standard representations, warranties and undertakings by Primewest and SaleCo to the Lead Manager (as well as common conditions precedent), including provision of final due diligence reports and sign-offs to the Lead manager, in a form and substance acceptable to the Lead Manager acting reasonably. The representations and warranties given by Primewest and SaleCo include but are not limited to matters such as power and authorisations, compliance with applicable laws and the ASX Listing Rules, financial information, information contained in the Offer Document, the conduct of the Offer and the due diligence process, material contracts and encumbrances.

Primewest and SaleCo provide undertakings under the Underwriting Agreement which include but are not limited to notifications of breach of any obligation, representation or warranty or undertaking or non-satisfaction of any condition given by it under the Underwriting Agreement and that it will not, during the period following the date of the Underwriting Agreement until 30 days after Completion, issue or agree to issue any Securities or other securities without the consent of the Lead Manager (such consent not to be unreasonably withheld or delayed), other than as referred to in the Offer Document or grants or issues under an employee securities or option plan.

11.5 Description of the syndicate

Moelis Australia Advisory Pty Ltd is the Lead Manager, and Shaw and Partners Ltd is the Co-Manager.



12.1 Registration

Primewest Group Limited was registered in Western Australia, Australia on 20 September 2019 as a public company limited by shares.

Primewest Property Fund was established in Western Australia, Australia on 24 September 2019 and registered as a managed investment scheme on 4 October 2019.

12.2 Interests of advisers

Primewest has engaged the following professional advisers in relation to the Offer:

- Moelis Australia Advisory Pty Ltd has acted as Lead Manager, underwriter and financial adviser to the Offer. Primewest has agreed to pay the Lead Manager the fees and expenses described in Section 11.4 for these services;
- Hamilton Locke has acted as Australian legal adviser to Primewest in relation to the Offer. Primewest
 has paid, or agreed to pay, approximately \$200,000 (excluding disbursements and GST) for these
 services up until the Offer Document Date. Further amounts may be paid to Hamilton Locke for other
 work in accordance with its normal time based charges;
- RSM Corporate Australia Pty Ltd has acted as Investigating Accountant in relation to the Offer and has
 prepared the Independent Limited Assurance Report included in Section 9. Primewest has paid, or
 agreed to pay, approximately \$120,000 (excluding disbursements and GST) for these services up until
 the Offer Document Date; and
- RSM Australia Partners has performed work in relation to tax due diligence services for Primewest.
 Primewest has paid, or agreed to pay, approximately \$30,000 (excluding disbursements and GST) for these services up until the Offer Document Date. Further amounts may be paid to RSM Australia Partners in accordance with its normal time based charges.
- PwC has acted as tax structuring adviser to Primewest in relation to the Offer. Primewest has paid, or agreed to pay, approximately \$150,000 (excluding disbursements and GST) for these services up until the Offer Document Date. Further amounts may be paid to PwC in accordance with its normal time based charges.

These amounts, and other costs of the Offer will be paid by Primewest out of funds raised under the Offer or available cash. Further information on the use of proceeds and payment of costs of the Offer is set out in Section 6.2

12.3 Tax status

Primewest operates in various jurisdictions, and is subject to various taxation regimes and tax rates.

12.4 Consents to be named and disclaimers of responsibility

Each of the parties referred to below (each a **Consenting Party**), to the maximum extent permitted by law, expressly disclaims all liabilities in respect of, and makes no representations regarding and takes no responsibility for any statements in or omissions from this Offer Document, other than the reference to its name in the form and context in which it is named and a statement or report included in this Offer Document with its consent as specified below.

Table 12.4: Consenting parties

Name of party	Named as	Reports or statements
Moelis Australia Advisory Pty Ltd	Financial Adviser, Lead Manager and underwriter	Not applicable
Shaw and Partners Ltd	Co-Manager	Not applicable
Hamilton Locke	Legal adviser in respect of the Offer	Not applicable
RSM Corporate Australia Pty Ltd	Investigating Accountant	Investigating Accountant's Report in Section 9
PwC	Taxation adviser	Taxation in Section 10
RSM Australia Partners	Auditor of Primewest Funds Ltd and Primewest Management Ltd for FY19; auditor of PWG Property Pty Ltd, Primewest P/Q Pty Ltd and Primewest (USA) Trust for all periods covered by the Pro Forma Historical Financial Information	Not applicable
Macri Partners	Auditor of Primewest Funds Ltd and Primewest Management Ltd for FY17 and FY18	Not applicable
Automic Pty Ltd	Registry	Not applicable
One Managed Investment Funds Ltd	Custodian	Not applicable

Each of the Consenting Parties has given, and has not, at the time of lodgement of this Offer Document with ASIC, withdrawn its written consent to being named in this Offer Document in the form and context in which it is named, to the inclusion of reports or statements noted next to their names and the references to those reports or statements in the form and context in which they are included in the Offer Document and to the inclusion of other statements in this Offer Document that are based on or referable to statements made in those reports or statements, or which are based on or referable to other statements made by those parties in the form and context in which they are included.

None of the Consenting Parties referred to below has made any statement that is included in the Offer Document or any statement on which a statement made in this Offer Document is based, other than as specified above.

None of the Consenting Parties has authorised or caused the issue of this Offer Document, nor do any of the Consenting Parties make any offer of Securities.

Primewest Management Ltd as responsible entity of the Primewest Property Fund has appointed One Managed Investment Funds Limited under a custody agreement. The Custodian must only act on instructions from Primewest Management Ltd. The Custodian has no supervisory role in relation to the operation of the Primewest Property Fund and has no liability or responsibility to a Securityholder for any act done or omission made in accordance with the custody agreement. The Custodian does not guarantee the return of any capital sums invested or the performance of any obligations.

12.5 Consents to lodgement

The issue of this Offer Document has been authorised by each Director of Primewest Group Limited and Primewest Management Ltd as responsible entity for the Primewest Property Fund.

Each Director has consented to the lodgement of this Offer Document with ASIC and has not withdrawn that consent.

12.6 Litigation and claims

As at the Offer Document Date, so far as the Directors are aware, there is no current or threatened civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature in which Primewest is directly or indirectly concerned which is likely to have a material adverse impact on the business or financial position of Primewest.

12.7 Social, labour, ethical and environmental considerations

Primewest does not take into account labour standards or environmental, social or ethical considerations when selecting, retaining or realising an investment. However, these considerations may be taken into account if they materially affect the value of the investment, though no specific methodology is applied. Environmental factors are addressed as part of normal property due diligence.

12.8 Reporting and disclosure obligations

On Listing, the Securities will be quoted ED securities (short for "enhanced disclosure securities") and Primewest Group Limited and the Primewest Property Fund will be disclosing entities for the purposes of the Corporations Act. As such, Primewest will be subject to regular reporting and disclosure obligations. These obligations require Primewest to notify ASX of information and specified events and matters as they arise. In particular, if either Primewest Group Limited or Primewest Management Ltd as responsible entity for the Primewest Property Fund is or becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the Securities it must immediately tell ASX that information for release to the market. Primewest will also be required to prepare and lodge with ASIC both yearly and half-yearly financial statements accompanied by a directors' declaration and report, and an audit review report. Copies of documents lodged with ASIC may be obtained from, or inspected at, an office of ASIC.

You also have the right to obtain a copy of each annual report, half yearly report and any continuous disclosure notice from Primewest free of charge by contacting the Company Secretary of Primewest at +61 8 9321 7133.

Primewest will also have a website that will provide up-to-date information on Primewest including current Security prices, access to half year and annual reports and Distribution information.

In addition, the Constitutions and the compliance plan (as applicable) of each of Primewest Group Limited and Primewest Property Fund are available for inspection at the offices of Primewest between 8:30am and 5.00pm (Perth time) on business days in Perth, Western Australia.

12.9 Ownership restrictions

The sale and purchase of Securities is regulated by Australian laws that restrict the level of ownership or control by any one person (either alone or in combination with others). This Section 12.9 contains a general description of these laws.

Corporations Act

The takeover provisions in Chapter 6 of the Corporations Act restrict acquisitions of shares in listed companies, unlisted companies with more than 50 members, and units in listed managed investment schemes, if the acquirer's (or another party's) voting power would increase to above 20%, or would increase from a starting point that is above 20% and below 90%, unless certain exceptions apply. The Corporations Act also imposes notification requirements on persons having voting power of 5% or more in Primewest, either themselves or through an associate.

Foreign Acquisitions and Takeovers Act 1975 (Cth) and Australian Government Foreign Investment Policy

Generally, the Foreign Acquisitions and Takeovers Act 1975 (Cth) (FATA) applies to acquisitions of shares or units and voting power in a company of 20% or more by a single foreign person and its associates, or 40% or more by two or more associated foreign persons and their associates, where the acquisition meets a threshold value (which varies by investor type and industry). In addition, the FATA applies to acquisitions of a direct interest in an Australian company by foreign governments and their related entities irrespective of the acquisition value. A "direct interest" is an interest of 10% in the entity but may also include an interest of less than 10% where the investor has entered into business arrangements with the entity or the investor is in a position to influence or participate in the management and control or policy of the entity. There are exemptions which can apply to certain acquisitions.

Where the FATA applies to the acquisition, the acquisition may not occur unless notice of it has been given to the Federal Treasurer and the Federal Treasurer has either notified that there is no objection to the proposed acquisition (with or without conditions) or a statutory period has expired without the Federal Treasurer objecting.

An acquisition to which the FATA applies, may be the subject of a divestment order by the Federal Treasurer unless the process of notification, and either a non-objection notification or expiry of a statutory period without objection, has occurred. Criminal offences and civil penalties can apply to failing to give notification of certain acquisitions, undertaking certain acquisitions without no objection notification or contravening a condition in a no objection notification.

12.10 Taxation considerations specifically applicable to the Employee Offer

12.10.1 Taxation considerations

The offer under the Employee Free Grant will involve Eligible Employees in Australia being offered the opportunity to acquire as a gift, Stapled Securities up to the value of \$1,000 (to the nearest number of whole Stapled Securities (rounded down) calculated at the Offer Price). The following taxation summary addresses the general tax implications of participating in the Employee Offer for Eligible Employees who are, and remain, residents (but not temporary residents) of Australia for tax purposes. There are specific rules regarding temporary residents and for individuals whose residency status changes. These rules need to be considered on a case by case basis and are not considered in this summary. This summary is confined to taxation issues and is only one of the matters that Eligible Employees need to consider when making an investment decision. This summary is general in nature and an Eligible Employee's individual circumstances may affect the taxation implications of an investment. Eligible Employees should seek appropriate independent professional advice that considers the taxation implications in respect of their own specific circumstances before making a decision about their investments. Primewest (or its subsidiaries) and its advisors disclaim all liability to any Eligible Employee or other party for all costs, loss, damage and liability that the Eligible Employee or other party may suffer or incur arising from or relating to or in any way connected with the contents of this summary, the provision of this summary to the Eligible Employee or any other party, or the reliance on this summary by the Eligible Employee or any other party. This summary should be read in conjunction with the relevant plan documentation, including the rules of the Employee Share Acquisition Plan and the letter of offer. This summary does not constitute financial product advice as defined in the Corporations Act.

12.10.2 On allocation of Stapled Securities

Eligible Employees participating in the Employee Offer may be eligible for concessional tax treatment if certain criteria are met. Under the current tax laws, an Eligible Employee can acquire Stapled Securities up to the value of \$1,000 tax-free in relation to the Employee Offer if the following conditions are satisfied:

- the taxable income plus adjustments of the Eligible Employee for the tax year in which Stapled Securities under the Employee Offer are acquired does not exceed \$180,000 (see below for further detail); and
- immediately after acquiring Stapled Securities under the Employee Offer, the Eligible Employee does
 not hold a beneficial interest in more than 10% of the issued capital of Primewest, nor will the Eligible
 Employee be in a position to cast, or control the casting of, more than 10% of the maximum number of
 votes that might be cast at a general meeting of Primewest.

If an Eligible Employee satisfies both of the conditions above, the Eligible Employee may acquire up to \$1,000 of Stapled Securities income tax-free under the Employee Offer. If an Eligible Employee cannot meet both tests, the employee will be assessed on the full market value of Stapled Securities acquired under the Employee Offer, determined at the allocation date. Note, capital gains tax (CGT) may be payable on a disposal of Stapled Securities and any dividends received on Stapled Securities may be subject to income tax – further detail is provided below.

12.10.3 What is taxable income for the purposes of these provisions?

The taxable income plus adjustments is the sum of the following:

- an Eligible Employee's taxable income for the year (including any amount that would be included in your taxable income if you disregarded this section, but not including your assessable First Home Super Saver released amount for the income year);
- reportable fringe benefits total for the year;
- reportable superannuation contributions (if any) for the year; and
- · total net investment loss for the year.

Additional details can be found at www.ato.gov.au.

The taxable income plus adjustments is calculated for the tax year in which Stapled Securities are acquired. It is not possible for Eligible Employees to know their taxable income plus adjustments for the whole financial year at the time they decide whether to participate in the Employee Offer. Accordingly, Eligible Employees will need to estimate their adjusted taxable income to determine the likely tax treatment.

12.10.4 Adjusted taxable income does not exceed \$180,000

If an Eligible Employee's adjusted taxable income is \$180,000 or less, the Eligible Employee can acquire Stapled Securities under the Employee Offer free of income tax, up to a maximum of \$1,000 of Stapled Securities. Any discount over \$1,000 should be included in the Eligible Employee's assessable income.

12.10.5 On disposal of Stapled Securities

Eligible Employees will be subject to CGT on any gain realised on the subsequent sale of Stapled Securities. The gain (or loss) assuming an arm's length disposal, such as a sale in the ordinary course of trading on ASX, is calculated as the difference between the net sale proceeds received and the cost base of the Stapled Securities. The cost base will be equal to the market value of the Stapled Securities at the date of grant (i.e., approximately \$1,000), plus any costs incurred associated with disposal of the Stapled Securities. For individuals, where Stapled Securities have been held for at least 12 months after grant (not including the dates of grant and sale), only 50% of the gain (after deducting any available capital losses) is subject to tax.

If an Eligible Employee sells their Stapled Securities for less than their cost base (assuming an arm's length disposal), then they will realise a capital loss and will not need to pay CGT. A capital loss may only be used to offset current or future year capital gains. All capital gains or losses should be reported in the Eligible Employee's income tax return for the tax year in which the capital gain or loss was made. Tax is payable by the Eligible Employee once their income tax return has been assessed, after filing the tax return for the year in which the gain was realised.

12. ADDITIONAL INFORMATION

12.10.6 Taxation of dividends and distributions

Eligible Employees will need to include in their assessable income the grossed up amount of any dividends received (including franking credits) on their Stapled Securities and any trust distributions. Any franking credits attaching to dividends should be available to reduce the income tax payable, provided the Eligible Employee meets the applicable holding period requirement (generally more than 45 days). The grossed up value of dividend income received should be included in the Eligible Employee's income tax return (and the franking credit claimed as a tax credit) for the tax year in which the dividend payments are received. Tax is payable by the participant once their income tax return has been assessed for the year, after filing the tax return for the year in which the dividends were received.

12.10.7 Reporting and tax withholding

Eligible Employees will need to include the value of their Stapled Securities at grant in their Australian income tax return for the relevant year to enable the Australian Taxation Office (ATO) to calculate whether the participant is entitled to the \$1,000 tax-free concession in relation to their Stapled Securities. The employee will also need to ensure any applicable taxable income, dividend, trust distributions and/or capital gains information (where relevant) is included in their Australian income tax return for the relevant year. Primewest is required to provide Eligible Employees and the ATO with a statement each financial year, containing information on the market value of the Stapled Securities allocated to employees under the Employee Offer. Where an Eligible Employee does not provide their Tax File Number (TFN) to Primewest (or the Share Registry as applicable) tax may be withheld on the value of the Stapled Securities they have acquired and/or dividends and trust distributions received, at the top marginal tax rate of 47% (including the Medicare Levy) to cover the estimated tax liability. No tax withholding is required provided Eligible Employees have provided their TFN.

12.10.8 Stamp duty

No stamp duty will be payable by Eligible Employees on the issue or transfer of Stapled Securities pursuant to the Employee Offer.

12.11 Governing law

This Offer Document and the contracts that arise from the acceptance of the applications and bids under this Offer Document are governed by the law applicable in Western Australia, Australia and each applicant and bidder submits to the exclusive jurisdiction of the courts of Western Australia, Australia.

12.12 Complaints

Primewest has established a procedure for dealing with complaints. If a Securityholder is not satisfied with the conduct of Primewest in performing its obligations a complaint should be initially addressed to:

Complaints Officer Primewest Level 1, 307 Murray Street Perth WA 6000

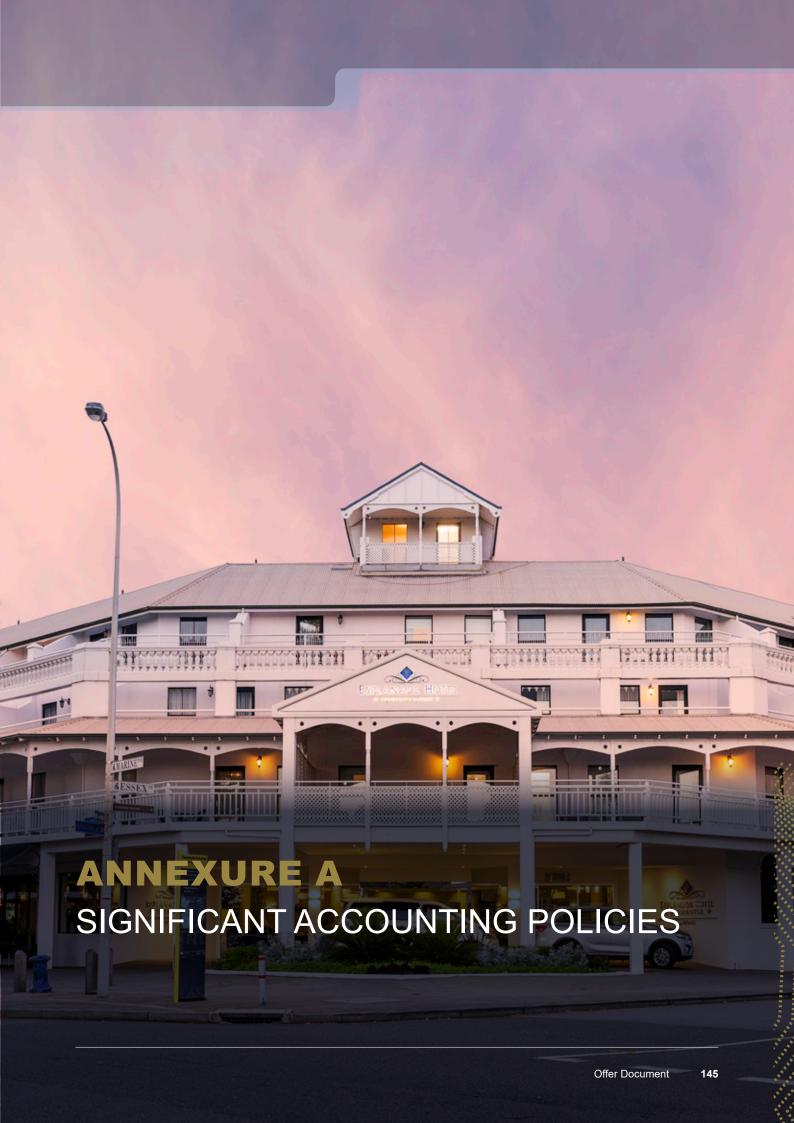
The complaints officer of Primewest will:

- in respect of complaints made by retail clients (as that term is defined in the Corporations Act), comply with the dispute resolution requirements set out in the Corporations Act; or
- in respect of complaints made by a wholesale client (as that term is defined in the Corporations Act), acknowledge the complaint as soon as reasonably practicable and within a further 45 days communicate to the wholesale client its decision in relation to the complaint.

If you are a retail investor (as defined by the Corporations Act) and are not satisfied with Primewest's response, you can refer the matter to the Australian Financial Complaints Authority:

GPO Box 3 Melbourne VIC 3001 Toll Free: 1800 931 678 Email: info@afca.org.au





Basis of Preparation

The Financial Information in this Offer Document has been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of the Financial Information are presented below and have been consistently applied unless stated otherwise.

The Financial Information, except for the cash flow information, has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest \$0.1 million.

Principles of consolidation

The pro forma consolidated financial information incorporates the assets and liabilities of the Company and all of its subsidiaries as at 30 June 2019 and their profit or loss, other comprehensive income and cash flows for all financial years presented. The Company and its subsidiaries are together referred to in this Annexure A as the 'consolidated entity'.

Subsidiaries are all those entities over which the Company has control, directly or indirectly. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Company.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary, together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

New or amended Accounting Standards and Interpretations adopted

AASB 15 Revenue from Contracts with Customers

AASB 15 Revenue from Contracts with Customers is applicable to annual reporting periods beginning on or after 1 January 2019. The consolidated entity has therefore adopted AASB 15 for the financial year commencing 1 July 2019. The Pro Forma Historical Financial Information and the Pro Forma Forecast Financial Information set out in Section 4 of the Offer Document have been prepared in accordance with AASB 15.

AASB 15 provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

AASB 15 introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policy note Revenue and other income below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

AASB 16 Leases

AASB 16 *Leases* is applicable to annual reporting periods beginning on or after 1 January 2019. The consolidated entity has therefore adopted AASB 16 for the financial year commencing 1 July 2019. The Pro Forma Historical Financial Information and the Pro Forma Forecast Financial Information set out in Section 4 of the Offer Document have been prepared in accordance with AASB 16.

AASB 16 replaces AASB 117 'Leases' and for lessees eliminates the classification between operating leases and finance leases. Except for short-term leases (less than 12 months) and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs).

In the earlier period of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (earnings before interest, tax, depreciation and amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments is separately disclosed in financing activities.

For lessor accounting, AASB 16 does not substantially change how a lessor accounts for leases.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option; and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Management rights

Management rights acquired in a business combination are initially measured at fair value and reflect the right to provide asset management services in accordance with the management agreements. Management rights are treated as finite life assets, based on the term of the existing agreement and any further option, to the extent that it is considered more likely than not that the option will be exercised (based on historical experience of renewals). Management rights are amortised on a straight line basis over this period.

Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and Equipment

Plant and equipment is measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining the recoverable amounts.

The cost of fixed assets constructed within the consolidated entity includes the costs of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the consolidated entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets is depreciated over their estimated useful lives to the consolidated entity, commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Table A: Depreciation rates

Class of fixed asset	Depreciation rate
Computer equipment	50% diminishing value
Office furniture	7.5% - 100% diminishing value
Software	7.5% - 100% diminishing value
Leasehold improvements	2.5% - 100% diminishing value

The residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying value is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Income Tax

The income tax expense (or income) for the year comprises current income tax expense (or income) and deferred tax expense (or income).

Current income tax expense charged to profit or loss is the tax payable on taxable income for the current period. Current tax liabilities (or assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year.

Current and deferred income tax expenses (or income) are charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

With respect to non-depreciable items of property, plant and equipment measured at fair value and items of investment property measured at fair value, the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of the asset will be recovered entirely through sale.

When an investment property that is depreciable is held by the consolidated entity in a business model whose objective is to consume substantially all of the economic benefits embodied in the property through use over time (rather than through sale), the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of such property will be recovered entirely through use.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (i) a legally enforceable right of set-off exists; and (ii) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Foreign Currency Transactions and Balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is directly recognised in other comprehensive income; otherwise the exchange difference is recognised in profit or loss.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

Trade and Other Receivables

Trade and other receivables include amounts due from customers for services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and Other Payables

Trade and other payables represent the liability for goods and services received by the consolidated entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amount normally being paid within 30 days of recognition of the liability.

Employee Benefits

Short term employee benefits

Provision is made for the consolidated entity's obligation for short-term employee benefits. Short-term employee benefits are benefits that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries. Short-term employee benefits are measured at the amounts expected to be paid when the obligation is settled.

The consolidated entity's obligations for short-term employee benefits such as wages and salaries are recognised as part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Provision is made for the consolidated entity's long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of expected future payments to be made to employees.

Expected future payments incorporate future wages and salary levels, duration of service and employee departures and are discounted at rates determined by reference to market yields at the end of reporting period on government bonds that have maturity dates which approximate the terms of the obligations. Upon the re-measurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense.

The consolidated entity's obligations for long-term employee benefits are presented as a non-current provision in its statement of financial position, except where the consolidated entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provision.

Provisions

Provisions are recognised when the consolidated entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of the GST recoverable from, or payable to, the ATO is included with other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flow arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers. The net amount of GST paid to the ATO is included in payments to suppliers and employees, within operating cash flows.

Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the consolidated entity.

Key estimates - Impairment

The consolidated entity assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the consolidated entity that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key judgements Employee benefits

For the purpose of measurement, AASB119 *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related services. As the entity expects that all its employees would use all their annual leave entitlements earned during a reporting period within 12 months after the end of the reporting period, the directors consider that obligations for annual leave entitlements satisfy the definition of short-term employee benefits and, therefore, can be measured at the (undiscounted) amounts expected to be paid to employees when the obligations are settled

Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the consolidated entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the consolidated entity commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are recognised as expenses in profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortisation cost is the amount at which the financial asset or liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount, calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense item in profit or loss.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

The consolidated entity does not designate any interests in associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

Financial assets at fair value through profit or loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the consolidated entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses and foreign exchange gains and losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to the asset previously recognised in other comprehensive income is reclassified into profit or loss.

Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the consolidated entity assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the consolidated entity recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Impairment of Assets

At the end of each reporting period, the consolidated entity assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information, including distributions received from associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another accounting standard (e.g. in accordance with the revaluation model in AASB 116 *Property, Plant and Equipment*). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other accounting standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Revenue and Other Income

The consolidated entity recognises revenue as follows:

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the restraining principle are recognised as a refund liability.

All revenue and other income is stated net of the amount of goods and services tax (GST).

Rendering of services

Revenue from a contract to provide asset management, project management, consulting and syndication services is recognised over time as the services are rendered, based on the contractual fees to which the consolidated entity is entitled

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Rental income

Rental income is recognised on a straight-line basis over the lease term. Lease incentives granted are recognised as part of the rental income. Contingent rentals are recognised as income in the period when they are earned.

Other income

Other income is recognised when it is received or when the right to receive payment is established.



ANNEXURE B – CORPORATE STRUCTURE

The following table sets out each subsidiary of Primewest and, in each case, its place of incorporation and the nature of its business. Each company in the Primewest group is 100% owned by Primewest (whether directly or indirectly through one of its wholly owned subsidiaries).

Table B: Corporate Structure

Company name	Place of incorporation	Nature of subsidiary's business
Primewest Group Limited ACN 636 344 137	Australia	Holding company for the group
Primewest Corporate Holdings Pty Ltd ACN 636 344 815	Australia	Intermediary holding company, holding the Primewest corporate trustee entities
Primewest US Holdings Pty Ltd ACN 636 345 143	Australia	Intermediary holding company holding Primewest (USA) Trust
Primewest Management Ltd ACN 091 415 833	Australia	AFSL holder, responsible entity for Primewest Property Fund and operating entity
Primewest Funds Ltd ACN 134 321 216	Australia	AFSL holder and operating entity
PWG Property Pty Ltd ACN 070 128 415	Australia	Operating entity
Primewest P/Q Pty Ltd ACN 620 298 339	Australia	Operating entity
Primewest (USA) Pty Ltd ACN 625 288 931	Australia	Trustee of the Primewest (USA) Trust
Primewest (1 Forrest Place) Pty Ltd ACN 101 337 259	Australia	Corporate trustee entity
Primewest (Hillbert Rd) Pty Ltd ACN 116 644 814	Australia	Corporate trustee entity
Primewest (135 Clayton Street) Pty Ltd ACN 124 512 527	Australia	Corporate trustee entity
Primewest (15 Ogilvie Road) Pty Ltd ACN 126 287 223	Australia	Corporate trustee entity
Primewest (Neerabup) Pty Ltd ACN 116 664 503	Australia	Corporate trustee entity
Primewest (Gauge Circuit) Pty Ltd ACN 118 790 060	Australia	Corporate trustee entity
More Than Meets The Eye Pty Ltd ACN 624 971 302	Australia	Corporate trustee entity
Primewest (307 Murray Street) Pty Ltd ACN 113 243 995	Australia	Corporate trustee entity
Primewest (359 Scarb Beach Rd) Pty Ltd ACN 118 159 890	Australia	Corporate trustee entity

ANNEXURE B – CORPORATE STRUCTURE

Company name	Place of incorporation	Nature of subsidiary's business
Primewest (380 Scarborough Beach Road) Pty Ltd ACN 096 905 510	Australia	Corporate trustee entity
Primewest (380A Scarborough Beach Road) Pty Ltd ACN 101 848 300	Australia	Corporate trustee entity
Primewest (382 Scarborough Beach Road) Pty Ltd ACN 100 873 005	Australia	Corporate trustee entity
Just Across The River Pty Ltd ACN 126 165 713	Australia	Corporate trustee entity
Primewest (384 Scarborough Beach Road) Pty Ltd ACN 098 942 600	Australia	Corporate trustee entity
Primewest (607 Bourke Street) Pty Ltd ACN 090 958 320	Australia	Corporate trustee entity
Primewest (616 St Kilda Road) Pty Ltd ACN 076 476 812	Australia	Corporate trustee entity
Primewest (511 Abernethy Road) Pty Ltd ACN 125 419 963	Australia	Corporate trustee entity
Primewest (Australia Place) Pty Ltd ACN 113 245 220	Australia	Corporate trustee entity
Primewest Enterprises Pty Ltd ACN 075 799 843	Australia	Corporate trustee entity
Amberlee Nominees Pty Ltd ACN 091 709 983	Australia	Corporate trustee entity
Primewest (Wattleup) Pty Ltd ACN 117 550 562	Australia	Corporate trustee entity
Mainriver Holdings Pty Ltd ACN 111 756 266	Australia	Corporate trustee entity
Forrestdale Home Pty Ltd ACN 628 359 375	Australia	Corporate trustee entity
Teewana Farm Pty Ltd ACN 121 917 155	Australia	Corporate trustee entity
Primewest (Lot 4 Davidson Street Kalgoorlie) Pty Ltd ACN 124 866 646	Australia	Corporate trustee entity

ANNEXURE B – CORPORATE STRUCTURE

Company name	Place of incorporation	Nature of subsidiary's business
Primewest (Osborne Park) Pty Ltd ACN 094 055 875	Australia	Corporate trustee entity
Primewest (Melville) Pty Ltd ACN 106 400 613	Australia	Corporate trustee entity
Primewest (Cannington) Pty Ltd ACN 082 311 171	Australia	Corporate trustee entity
Stead Road Pty Ltd ACN 118 159 934	Australia	Corporate trustee entity
Primewest (Northlands) Pty Ltd ACN 094 516 239	Australia	Corporate trustee entity
Primewest (Busselton) Pty Ltd ACN 118 114 588	Australia	Corporate trustee entity
Primewest (Joondalup House) Pty Ltd ACN 117 087 662	Australia	Corporate trustee entity
Primewest (1060 Hay Street) Pty Ltd ACN 071 281 788	Australia	Corporate trustee entity
Riodell Holdings Pty Ltd ACN 079 845 908	Australia	Corporate trustee entity
Primewest (Erskine) Pty Ltd ACN 109 249 845	Australia	Corporate trustee entity
Primewest (Cottesloe Central) Pty Ltd ACN 104 298 946	Australia	Corporate trustee entity
Crestway Nominees Pty Ltd ACN 070 894 932	Australia	Corporate trustee entity



Table C: Glossary

Term	Meaning
AAS	Australian Accounting Standards
AASB	Australian Accounting Standards Board
Adjusted EBITDA	Adjusted EBITDA includes the expenses associated with the leases in Primewest's Sydney and Perth offices which are no longer captured in EBITDA under the revised lease accounting standards (AASB 16)
ASIC	The Australian Securities and Investments Commission
ASX	The Australian Securities Exchange
ASX Listing Rules	The Listing rules of ASX as amended, modified or waived from time to time
ASX Principles	The 4 th edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations
ASX Settlement Operating Rules	The operating rules of ASX Settlement Pty Ltd (ABN 49 008 504 532)
AUM	Assets under management
Board or Board of Directors	The board of directors of Primewest Group Limited and Primewest Management Ltd
Broker Firm Offer	Component of the Offer which is open to persons who have received a firm allocation from their participating Broker and who have a registered address in Australia
CAGR	Compound annual growth rate
Capital expenditure	Expenditure on acquiring, upgrading and improving fixed assets
Closing Date	The date on which the Offer is expected to close, being 1 November 2019
Co-Manager	Shaw and Partners Ltd (AFSL 236048)
Completion or Completion of the Offer	Completion of the transfer and issue of Securities under this Offer Document, expected to be 8 November 2019
Constitutions	The constitution of Primewest Group Limited and the constitution of Primewest Property Fund
Corporate Restructure	The pre-IPO corporate restructure undertaken by Primewest Group Ltd on 1 October 2019, as described in Section 6.1
Corporations Act	Corporations Act 2001 (Cth)
Custodian	The custodian of Primewest Property Fund is One Managed Investment Funds Limited ACN 117 400 987
Directors	Directors of Primewest Group Limited and Primewest Management Ltd
Executive Directors or the Founders	The founding Directors of Primewest, John Bond, David Schwartz and Jim Litis
Distributions	A distribution paid out of Primewest Group Limited and/or Primewest Property Fund
EBIT	Earnings before interest income, interest expense and taxation

Term	Meaning
EBITDA	Earnings before interest income, interest expense, taxation, depreciation and amortisation
Eligible Employee	Eligible employees as described in Section 3.7.1.1
Employee Offer	Component of the Offer which is open to Eligible Employees of Primewest who have received an invitation to participate
Executive Directors or the Founders	John Bond, David Schwartz, Jim Litis
Existing Securities	Securities held by the Securityholders of Primewest immediately prior to Completion, comprising John Bond, David Schwartz, Jim Litis (or entities associated with them) and the Other Existing Securityholders
Existing Securityholders	The Securityholders of Primewest immediately prior to Completion, comprising John Bond, David Schwartz, Jim Litis, Julian Lodge and Adam O'Donoghue (or entities associated with them)
Expiry Date	The date which is 13 months after date of the Original Offer Document
Exposure Period	The seven day period after the date of the Original Offer Document during which no applications may be processed (which period may be extended by up to a further 7 days)
Fee Variation	On Completion of the Offer, an increase in the asset management fees for certain Funds
Financial Information	The financial information relating to Primewest as set out in Section 4
Forecast Financial Information	The financial information defined as Pro Forma Forecast Financial Information in Section 4
Free float market capitalisation	Free float market capitalisation at Completion of the Offer is expected to be 39%. Free float market capitalisation represents the percentage of securities that are not held by the Directors
Fund Investors	Investors in Primewest Funds
Funds	The syndicates and trusts managed by Primewest, each a Fund
FY and financial year	The financial year ended or ending 30 June (as the context requires)
FY17	12 months ended 30 June 2017
FY18	12 months ended 30 June 2018
FY19	12 months ended 30 June 2019
FY20F	12 months ending 30 June 2020 (forecast)
GAV	Gross asset value
Gross proceeds	Gross proceeds of the Offer includes \$85.0 million proceeds to be received by Primewest and \$15.0 million proceeds paid to SaleCo
GST	Goods and services tax
H20	Refers to the respective half year of the 2020 financial year with 1H20 being the first half year and 2H20 being the second half year

Term	Meaning
Historical Financial Information	The financial information defined as Pro Forma Historical Financial Information in Section 4
HY or half year	The six months ended or ending 31 December (as the context requires)
ICR	Indirect cost ratio
IFRS	International Financial Reporting Standards
Institutional Investor	Investors who are: • in Australia a "wholesale client" for the purpose of section 761G of the Corporations Act and who are either a "professional investor" or "sophisticated investor" under sections 708(11) and 708(8) of the Corporations Act; or
	 in certain other jurisdictions, as agreed between the Company and the Lead Manager, to whom offers or invitations in respect of securities can be made without the need for a lodged or registered prospectus or other form of disclosure document or filing with, or approval by, any governmental agency (except one with which the Company is willing, in its absolute discretion, to comply),
	and in either case, provided that such person is not in the United States
Institutional Offer	Component of the Offer which is open to institutional investors who have been invited to participate
Investigating Accountant	RSM Corporate Australia Pty Ltd
Investor	A person considering the Offer
IPO	Initial public offering
IRR	Internal rate of return
Lead Manager	Moelis Australia Advisory Pty Ltd (ABN 72 142 008 446)
LFR	Large format retail
Listing	The admission of Primewest onto the official list of ASX
Managing Director	The managing Director of Primewest
Market capitalisation	Market capitalisation at Completion is determined by multiplying the number of Securities on issue by the Offer Price. Securities may not trade at the Offer Price after Listing. If Securities trade below the Offer Price after Listing, the market capitalisation may be lower
Net tangible assets or NTA	Net tangible assets is net assets after excluding goodwill, any intangible related to the acquisition of management rights, right-to-use assets and the lease liability arising from the application of AASB 16 to leases
NPAT	Net profit after tax
Offer	The offer of 100 million Securities under the Broker Firm Offer, the Primewest Offer, the Employee Offer and the Institutional Offer
Offer Document	This product disclosure statement and prospectus
Offer Document Date	The date of this Offer Document

Term	Meaning
Offer Information Line	Offer Information Line on 1300 943 885 (within Australia) and +61 2 8072 1488 (outside Australia) between 8.30am and 8.00pm (Sydney time) Monday to Friday
Offer Period	The period between the Opening Date (22 October 2019) and the Closing Date (1 November 2019)
Offer Price	The price payable for one Security transferred or issued to Investors under the Offer, being \$1.00
Official List	The official list of ASX of entities that ASX has admitted and not removed from listing
Opening Date	The date on which the Offer will open
Operating Earnings	NPAT adjusted for certain non-cash or one-off expenses
Options	Options that convert to Securities when exercised
Original Offer Document	The product disclosure statement and prospectus dated 14 October 2019 and lodged with ASIC on that date, and which this Offer Document replaces
Other Existing Securityholders	Julian Lodge and Adam O'Donoghue (or entities associated with them)
PDS	This product disclosure statement
Primewest	With effect from implementation of the Stapling Provisions, the newly formed stapled group comprising Primewest Group Limited and Primewest Management Ltd, as responsible entity of Primewest Property Fund, and their controlled entities
Primewest Offer	Component of the Offer which is open to persons who have received an invitation from Primewest to participate in the Primewest Offer
Primewest implied platform value	Primewest implied platform value is calculated by deducting the net tangible assets from the indicative market capitalisation
Primewest implied platform value / Pro Forma Forecast FY20 Adjusted EBITDA	Primewest implied platform value divided by pro forma forecast FY20 Adjusted EBITDA which has been adjusted to include the expenses associated with the leases on Primewest's Sydney and Perth offices which are not captured in EBITDA under AASB 16
Privacy Act	Privacy Act 1988 (Cth)
Pro Forma Forecast Cash Flow Statement	Pro forma consolidated forecast cash flows for FY20, as set out in Section 4.6
Pro Forma Forecast FY20 Adjusted Price Earnings Ratio	Pro Forma Forecast FY20 Adjusted Price Earnings Ratio is market capitalisation at the Offer Price (adjusted to exclude the impact of the net offer proceeds) divided by the FY20 forecast Operating Earnings (adjusted to exclude any interest income earned on the net offer proceeds)
Pro Forma Forecast FY20 Annualised Distribution Yield	From the Completion of the Offer, Primewest targets a dividend per Security of 3.2 cents in FY20. This represents an annualised dividend per Security of 5.0 cents for the period from Completion of the Offer to 30 June 2020. The forecast FY20 annualised distribution yield is calculated as the forecast annualised FY20 dividend per Security divided by the Offer Price
Pro Forma Forecast FY20 Price Earnings Ratio	Pro Forma Forecast FY20 Price Earnings Ratio is the market capitalisation at the Offer Price divided by Operating Earnings

Term	Meaning
Pro Forma Forecast Income Statement	Pro forma consolidated forecast income statement for FY20, as set out in Section 4.4
Pro Forma Historical Cash Flow Statements	Pro forma consolidated historical cash flows for FY17, FY18 and FY19, as set out in Section 4.6
Pro Forma Historical Income Statements	Pro forma consolidated historical income statements for FY17, FY18 and FY19, as set out in Section 4.3
Pro Forma Historical Statement of Financial Position	Pro forma consolidated historical balance sheet as at 30 June 2019, as set out in Section 4.7
PWF	Primewest Funds Ltd
Q20	Refers to the respective quarter of the 2020 financial year, with 1Q20 being the first year quarter, 2Q20 the second, 3Q20 the third and 4Q20 the fourth quarter
Registry	Automic Pty Ltd (ABN 27 152 260 814), the Security registrar for Primewest
Retail Offer	Comprised of the Broker Firm Offer, the Primewest Offer and the Employee Offer
SaleCo	Primewest SaleCo Ltd is a special purpose vehicle which has been established to facilitate the sale of a portion of Securities held by the Existing Securityholders
Securities on issue at Completion	Securities on issue at Completion of the Offer include 238.6 million Securities held by the Existing Securityholders as part of the Corporate Restructure (refer to Section 6.1 for further detail), 25.5 million Securities issued to existing Fund Investors (refer to Section 6.1.1 for further detail), 100.0 million Securities issued as part of the Offer, less 15.0 million Securities transferred to SaleCo (refer to Section 6.1.2 for further detail)
Security	A Security in Primewest comprising of a share in Primewest Group Limited stapled to a unit in Primewest Property Fund
Securityholder	A registered holder of Securities from time to time
Share	A share in Primewest Group Limited
Stapling Deed	The deed under which the relationship between Primewest Group Limited and Primewest Property Fund is set out. Refer to Section 11.3 for further detail
TFN	Tax file number issued by the ATO
Underwriting Agreement	The agreement in relation to underwriting the Offer between Primewest Group Limited, Primewest Management Ltd as responsible entity for the Primewest Property Fund, SaleCo and the Lead Manager described in Section 11.4
Unit	A unit in Primewest Property Fund
US Securities Act	United States Securities Act of 1933, as amended
WALE	Weighted average lease expiry

DIRECTORY

Primewest

Level 1, 307 Murray Street

Perth WA 6000

Financial Adviser, Lead Manager and Underwriter

Moelis Australia Advisory Pty Ltd

Level 27, Governor Phillip Tower

1 Farrer Place

Sydney NSW 2000

Co-Manager

Shaw and Partners Ltd

Level 7, Chifley Tower

2 Chifley Square

Sydney NSW 2000

Legal Adviser

Hamilton Locke

Level 36, Australia Square

264 George Street

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Investigating Accountant

RSM Corporate Australia Pty Ltd

Level 32, Exchange Tower

2 The Esplanade

Perth WA 6000

Tax Adviser

PwC

One International Towers

Watermans Quay

Barangaroo NSW 2000

Auditor

RSM Australia Partners

Level 32, Exchange Tower

2 The Esplanade

Perth WA 6000

Share Registry

Automic Pty Ltd

Level 2, 267 St Georges Terrace

Perth WA 6000

Custodian

One Managed Investment Funds Limited

Level 11, 20 Hunter Street

Sydney NSW 2000

Primewest offer information line

Within Australia 1300 943 885

Outside Australia +61 2 8072 1488

Between 8.30am and 8.00pm (Sydney time)

Monday to Friday

primewest