

Dealt Group

Prospectus and Product Disclosure Statement

Capital Raising: offer of Shares at \$0.50 per Share to raise a maximum of \$93,400,000.

Company: Dealt Limited ABN 66 605 935 153



Responsible Entity: 360 Capital FM Limited (ABN 15 090 664 396, AFSL 221 474)

Trust : Dealt Trust ARSN 646 156 005

Group Investment Manager: 360 Capital Finance Management Pty Limited (ACN 120 282 626)

Financial Adviser: Cambridge Investment Partners (CAR 001279540)

Lead Manager: Shaw and Partners Limited (ABN 24 003 221 583, AFSL 236048)

Co-Manager: Vested Equities Pty Limited (ABN 54 601 621 390, AFSL 478987)

THE GROUP STAPLING DOES NOT REQUIRE AN ADDITIONAL APPLICATION TO BE COMPLETED OR ADDITIONAL MONIES TO BE CONTRIBUTED BY INVESTORS

Important Notices

Purpose of this Offer Document

This Offer Document is dated 18 March 2021 and comprises:

- a Prospectus for the purposes of Chapter 6D of the Corporations Act in relation to the offer to Eligible Investors of Shares at \$0.50 per Share to raise a maximum of \$93,400,000; and
- a Product Disclosure Statement (PDS) for the purposes of Part 7.9 of the Corporations Act in relation to the proposed acquisition of units in the Dealt Trust (Trust), an Australian registered managed investment scheme, by Eligible Investors.

This Offer Document expires as a prospectus on 17 April 2022, 13 months after the date of this Offer Document and no new Stapled Securities will be issued after that date.

Company

Dealt Limited (formerly Velocity Property Group) ABN 66 605 935 153 is the issuer of Shares and the issuer of this Prospectus. Shares issued under this Prospectus will be issued by the Company on the terms and conditions set out in this Prospectus.

Responsible Entity

360 Capital FM Limited ABN 15 090 664 396 (AFSL No. 221474) (the Responsible Entity) is the responsible entity of the Trust and is the issuer of Units and the issuer of this PDS. Units transferred under this PDS will be transferred by the Responsible Entity on the terms and conditions set out in this PDS.

ASIC and ASX

A copy of this Offer Document will be lodged with ASIC and the ASX. Neither ASIC nor the ASX nor any of their officers takes any responsibility for the content of this Offer Document. The fact that the ASX may re-admit the Company and the Trust to its Official List and quote Stapled Securities is not to be taken in any way as an indication of the merits of the Company, the Trust, the Group, the Capital Raising or the subsequent Group Stapling.

Exposure Period

Pursuant to the Corporations Act, this Offer Document is subject to an exposure period of seven days from the date of lodgement of this Offer Document with ASIC, which may be extended by ASIC by a further period of seven days. This period (and extension) is referred to in this Offer Document as the 'Exposure Period'. The Exposure Period enables this Offer Document to be examined by market participants prior to the raising of funds.

The Company is prohibited from issuing Shares in connection with the Capital Raising during the exposure period and the Responsible Entity is prohibited from carrying out the Stapling during the exposure period.

No cooling off rights

No cooling-off rights apply to a subscription for Shares under the Capital Raising. This means that an investor cannot withdraw an Application once it has been accepted.

No cooling-off rights apply to Shareholders in connection with the Unit Distribution.

Obtaining a copy of this Offer Document

A paper copy of this Offer Document is available free of charge to any person in Australia before the closing date of the Capital Raising by calling the Share Registry – Boardroom Pty Limited on 1300 737 760 (within Australia) or +61 2 9290 9600 (from outside Australia) between the hours of 8:30 am and 5:30pm Monday to Friday AEST (excluding public holidays).

An electronic copy of this Offer Document may be accessed at www.dealtgroup.com.au. If you access the electronic version of this Offer Document, you should ensure that you download and read the entire Offer Document.

Not investment advice

The information in this Offer Document is not financial product or investment advice. This Offer Document has been prepared without reference to your individual investment objectives, financial situation or particular needs.

Before deciding to invest in the Dealt Group, you should read this Offer Document in its entirety. You should take into account all risk factors referred to in this Offer Document (including those in section 6) and consider whether acquiring Stapled Securities represents an appropriate investment in view of your personal circumstances. You should carefully consider your particular investment objectives, financial circumstances and investment needs (including financial and taxation issues) and you should seek advice from your professional adviser before deciding whether to invest. You should consider the risk factors that could affect the financial performance of the Dealt Group. There is no guarantee that the Stapled Securities offered under this Offer Document will provide a return on capital, lead to payment of distributions or that there will be any increase in the value of the Stapled Securities. If you wish to apply for Shares and receive Units you must do so using the Application Form.

Forward-looking statements

This Offer Document contains certain forward-looking statements which are not based solely on historical facts but are rather based on the Company's or Responsible Entity's, as applicable, current expectations about future events and results.

These forward-looking statements are subject to inherent risks, uncertainties and assumptions, and may be affected by a variety of known and unknown risks, variables and other factors, many of which are beyond the control of the Company or Responsible Entity, as applicable, and which could cause actual events or results to differ materially from the expectations, events, results, values, performance or achievements expressed or implied in any forward-looking statement. Deviations are both normal and to be expected in such forward-looking statements.

The past performance of the Company or the Trust, as applicable, is no guarantee of future performance of the Group.

Except to the extent required by law, none of the Company, the Directors, any subsidiary of the Company, the Responsible Entity, its directors, any subsidiary of the Responsible Entity or their respective officers or employees, any person named in this Offer Document with their consent or any person involved in the preparation of this Offer Document, makes any representation, warranty, assurance or guarantee (express or implied) as to the accuracy or likelihood of fulfilment of any forward-looking statement, or any events, results, values, performance or

achievements expressed or implied in any forward-looking statement. Accordingly, you are cautioned not to place undue reliance on any forward-looking statements. The forward-looking statements in this Offer Document reflect views held only as at the date of this Offer Document.

No guarantee of capital or investment returns

The Stapled Securities are subject to investment risk including loss of income or principal invested. No person (including the Company, the Responsible Entity, the Group Investment Manager, the Group, the Lead Manager or any of their associates), gives any guarantee or assurance as to the performance of the Stapled Securities, any return on the Stapled Securities or the repayment of capital invested. Neither 360 Capital nor its other subsidiaries guarantee performance by the Company or the Responsible Entity of its obligations as the Responsible Entity and are not responsible for any information in this Offer Document.

Application Form

Applications for the Shares and to receive Units under this Offer Document may only be made via the electronic Application Form attached to the electronic version of this Offer Document, available at www.dealtoffer.com.au. The Corporations Act prohibits any person from passing the Application Form on to another person unless it is attached to a hard copy of the Offer Document or the complete and unaltered electronic version of the Offer Document.

Electronic Copy

This Offer Document will be available and may be viewed online at www.dealtgroup.com.au. The information on the website does not form part of this Offer Document.

The offer pursuant to this Offer Document is available to persons receiving an electronic version of this Offer Document within Australia, New Zealand, Singapore and Malaysia.

Applications for Shares and to receive Units may only be made via the electronic Application Form attached to the electronic version of this Offer Document available at www.dealtgroup.com.au.

Shares to which this Offer Document relates will only be issued on receipt of an Application Form issued together with the Offer Document.

Application for listing and quotation

The Company has re-applied for the Company to be admitted to the Official List of the ASX and quotation of the Shares and the Responsible Entity has applied for the Trust to be admitted to the Official List of the ASX and for quotation of the Units (as stapled to the Shares and traded as Stapled Securities).

Up to date information

The Company and Responsible Entity will issue or procure the issue of a supplementary document to this Offer Document if the Company or Responsible Entity becomes aware of any of the following between the date of this Offer Document and the date the Stapled Securities are quoted on the ASX:

- a material statement in the Offer Document is misleading or deceptive;
- a material omission from the Offer Document;
- there has been a significant change affecting a matter included in this Offer Document; or

- a significant new circumstance has arisen which would have been required to be included in the Offer Document if it had been known at the date of this Offer Document.

However, if the change will not be materially adverse, a supplementary document may not be issued. Updated information that is not materially adverse may change from time to time and will be made available to you on www.dealtgroup.com.au and/or the ASX announcements platform. A paper copy of any updated information is available free on request. You can also call the Share Registry – Boardroom Pty Limited on 1300 737 760 (callers in Australia) or +61 2 9290 9600 (callers outside Australia) between 8:30 am and 5:30 pm AEDT on Business Days.

In accordance with its obligations under the Corporations Act, the Company and Responsible Entity may issue a supplementary Prospectus and PDS to supplement any relevant information not disclosed in this Offer Document. You should read any supplementary disclosures made in conjunction with this Offer Document prior to making any investment decision.

Warning for overseas investors

The contents of this Offer Document are governed by Australian law.

There may be substantial differences in how securities are regulated under Australian law and the laws of other jurisdictions.

The rights, remedies and compensation arrangements available to overseas investors in Australian securities may differ from the rights, remedies, and compensation arrangements for overseas securities.

Both the Australian and any overseas securities regulators may have enforcement responsibilities in relation to the Capital Raising. If you need to make a complaint about this Offer Document, please contact the securities regulator of the relevant jurisdiction. The Australian and any overseas regulators will seek to work together to settle your complaint.

The taxation treatment of Australian securities may be substantially different for overseas securities.

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

The currency for the Stapled Securities is Australian dollars. The value of the securities in any other currency will go up or down according to changes in the exchange rate between Australian dollars and any other relevant currency. These changes may be significant. If you expect the Stapled Securities to pay any amounts in a currency that is not Australian dollars you may incur significant fees in having the funds converted to that currency, for example, in having the funds credited to a bank account in Singapore in Singapore dollars.

If you wish to trade the Stapled Securities on the ASX, you will have to make arrangements for an ASX participant to sell the Stapled Securities on your behalf. The way in which the ASX market operates, the regulation of participants in that market, and the information available to you about the securities markets that operate in Australia may be different than for any overseas securities exchange operators.

The dispute resolution process described in this Offer Document is only available in Australia and New Zealand and is not available in other jurisdictions.

The Capital Raising and offer to acquire units in the Trust is being made to investors whose registered address is in Australia, New Zealand, Singapore or Malaysia as follows:

- in respect of the offer to Australia and New Zealand residents, the Capital Raising is generally available to those investors;
- in respect of the offer to Singapore investors, the Capital Raising is available to certain persons who are “Accredited Investors” or “Institutional Investors” and to others to whom an offer can be made under applicable security laws;
- in respect of the offer to Malaysia investors, the General Offer is open to sophisticated investors via a Malaysian licensed broker or investment bank and the Priority Offer is also open to Shareholders that are Malaysian residents,

(collectively, **Eligible Investors**).

The Capital Raising and offer to acquire units in the Trust is not being made to investors who are not Eligible Investors (**Ineligible Investors**).

This Offer Document has been prepared in compliance with Australian law and is not an information memorandum, investment statement, prospectus or product disclosure statement under any foreign law and has not been registered, filed with, or approved by any regulatory authority (other than ASIC). It may not contain all the information that an investment statement, prospectus or product disclosure statement under any foreign law is required to contain. It is a term of the Capital Raising that any offer of securities to the public in any foreign jurisdiction is made in compliance with the laws of Australia and any code, rules and requirements relating to the offer that apply in Australia.

Shareholders resident in jurisdictions outside of Australia

The contents of this Offer Document have not been reviewed by any governmental or regulatory authority outside of Australia. You are advised to exercise caution in relation to the Capital Raising. If you are in doubt about any contents of this Offer Document, you should obtain independent professional advice.

No offer where offer would be illegal

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 Shares or Units in any jurisdiction outside Australia and New Zealand. The distribution of this Offer Document outside Australia and New Zealand may be restricted by law and persons who come into possession of this Offer Document outside Australia and New Zealand should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities law.

Rights and obligations attached to the Shares and Units

Shares and Units issued under the Capital Raising and Group Stapling will be fully paid and rank equally with existing Shares and Units from allotment, including in respect of dividends and distributions, as applicable.

Details of the rights and obligations attached to the Shares and Units issued under the Capital Raising and Group Stapling are

summarised in section 10.4 and 10.5, respectively and set out in the Company Constitution and Trust Constitution. A copy of each of the Company Constitution and Trust Constitution is available, free of charge, on request from the Company and Responsible Entity.

Defined terms

Unless otherwise indicated, all references to Sections are references to Sections of this Offer Document.

Capitalised terms and certain abbreviations used in this Offer Document are defined in the Glossary in Section 11.

Unless the contrary intention appears, the context requires otherwise or words are defined in Section 11, words and phrases in this Offer Document have the same meaning and interpretation as in the Corporations Act.

Enquiries

If you are in any doubt as to how to deal with this Offer Document, you should consult with your professional adviser. If you have any questions about the Capital Raising, please call the Share Registry – Boardroom Pty Limited on 1300 737 760 (callers in Australia) or +61 2 9290 9600 (callers outside Australia) between 8:30 am and 5:00 pm AEDT on Business Days.

New Zealand Investors

Important Additional Information

If you are a New Zealand Stapled Securityholder, the Company and the Responsible Entity is required to provide the following additional information to you under New Zealand law.

Warning Statement

1. This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Cth) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.
2. This Offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.
3. There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.
4. The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.
5. Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.
6. The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

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

Additional Warning Statement: Currency Exchange Risk

1. The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.
2. If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

Additional Warning Statement: Trading on a Financial Product Market

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



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Important Dates

| Event | Date (2021) |
|---|-------------------------------|
| Offer Document lodged with ASIC | 18 March |
| Capital Raising Record Date | 18 March |
| Priority Offer, 360 Capital Offer, General Offer and Broker Firm Offer opens | 29 March |
| Priority Offer and 360 Capital Offer closes | 5:00pm (AEST) 29 April |
| General Offer and Broker Firm Offer closes | 5:00pm (AEST) 6 May |
| DvP Settlement Date | 13 May |
| Issue of Shares under the Capital Raising | 14 May |
| Completion of Business Acquisitions | 14 May |
| Capital Reduction Record Date | 10:00am (AEST) 17 May |
| Deferred settlement trading commences in Stapled Securities | 18 May |
| Admission of Trust to the Official List | |
| Effective date for distribution of Units and Stapling Last day of trading of Stapled Securities on a deferred settlement basis | 18 May |
| Expected dispatch of holding statements | 19 May |
| Commencement of normal trading of Stapled Securities | 19 May |

Notes:

All dates in the above timetable are indicative only. Any changes to the above timetable will be announced through ASX and notified on the Company's website at <https://www.dealtgroup.com.au>. Any such change will be taken to amend this Offer Document accordingly. All references to time in this Offer Document are references to AEDT or AEST (as applicable). The Company and the Responsible Entity each reserves the right to vary the dates and times set out above subject to the Corporations Act and other applicable laws and to give effect to any requirements of the ASX.

Chair's Letter

Dear Shareholders and Investors,

On behalf of the boards of Dealt Limited and 360 Capital FM Limited, we are pleased to invite you to become a Stapled Securityholder and invest in Dealt Group, comprised of Dealt Limited (the Company) and Dealt Trust (the Trust). If you are an existing shareholder of Dealt Limited (formerly Velocity Property Group), or an investor in 360 Capital Group or its managed funds, you will receive priority in any allocation for this opportunity.

On 17 February 2021, the Company received overwhelming approval from Shareholders who voted to undertake a Restructure and Recapitalisation of the Company.

Dealt Group is now seeking to raise a maximum of \$93,400,000 at \$0.50 per Share and a minimum of \$28,400,000. The 360 Capital Group will retain a long-term co-investment of up to 16.1%* of Dealt Group, dependant on the size of raising achieved.

Tighter regulatory constraints and consistent strong demand for credit, has seen a gradual contraction of the major banks and the emergence of private, non-bank lenders to fill the gap and provide alternative lending sources for borrowers. This trend is expected to continue, creating attractive opportunities for Dealt Group to broker, lend and manage Commercial Real Estate (CRE) loans.

If the Minimum Subscription Condition is satisfied, the Company will own two fee earning businesses – an online (CRE) brokerage business, dealt and a funds management business which will originate and manage CRE loans on behalf of third-party investors.

dealt has recently been established as one of Australia's first real time CRE finance marketplaces to assist borrowers secure non-bank finance. Its specialised applications have been developed by property industry experts and enable borrowers and lenders to assess eight different loan types as detailed below:

- Development/Construction funding
- Land Subdivision
- Mezzanine or Preferred Equity
- Site Finance
- Residual Stock Loans
- Self-Managed Superfund Loans
- Bridging Finance
- Commercial Investment Loans

It is proposed that the Company will build the funds management business that will source third party capital and have the flexibility to invest in commercial real estate debt from senior to mezzanine and enhanced loan structures.

It is also proposed that the Trust will invest in a diversified portfolio of secured CRE loans across Australia and New Zealand. The Trust will invest predominantly in the following types of CRE loans:

- Residual Stock Loans (completed residential apartments and townhouses)
- Income Producing Investment Properties
- Development Construction Loans
- Site Finance

An investment in the Dealt Group offers Stapled Securityholders:

- Target Return of 6% p.a.
- Regular income, with distributions intended to be paid monthly on deployed funds from 30 September 2021.
- Proposed exposure to a diversified portfolio of well secured CRE loans throughout metropolitan Australia and New Zealand.
- Technology Enabled Real Estate. Dealt Group will own dealt, an online brokerage/lending platform with scalability offshore.

- Defensive investment through the Group Investment Manager's selection process, policies, and risk protocols to seek to minimise capital volatility.
- Potential enhanced returns through the growth of the online brokerage business and a funds management business that will manage CRE loan investments throughout Australia and New Zealand.

It is anticipated the Trust will take approximately six months to fully deploy the capital raised into a diversified portfolio of CRE loans.

The Responsible Entity of the Trust is a wholly owned subsidiary of the 360 Capital Group, an ASX-listed alternative asset management and funds management group concentrating on strategic and active investment management of alternative and real assets. As at the date of this Offer Document, the 360 Capital Group has a market capitalisation of approximately \$200 million and manages listed and unlisted funds on behalf of investors.

The Group Investment Manager is headed up by James Quigley who brings more than 25 years' experience in real estate investment, funds management and transactions across Australia. James has significant experience managing funds both unlisted and listed delivering strong returns for investors and originating and executing transactions across all real estate asset classes. James has a track record across a well-diversified range of national and international property and private equity real estate groups. Prior to joining the 360 Capital Group, James spent time at Fortius Funds Management, LaSalle Investment Management, Morgan Stanley Real Estate Investing, Mirvac and Lend Lease.

This Offer Document contains important information and should be read prior to investing in the Group. You should read this Offer Document carefully and in its entirety, including Section 8, which sets out fees and other costs associated with investing in the Group; and Section 6, which sets out potential risks associated with investing in the Group. In addition, we recommend that you seek relevant professional advice before making a decision to apply for Shares and receive Units.

Thank you for your consideration of this opportunity to invest in the Group. We look forward to welcoming you as a Stapled Securityholder of the Group.

Yours sincerely,



David van Aanholt
Independent Chair
360 Capital FM Limited



Peter Lewis
Independent Chair
Dealt Limited

* Assumes capital raise of \$35 million.

Key Capital Raising Details¹

| | |
|--|---|
| ASX Code | DET |
| Offer Price per Share | \$0.50 |
| Maximum number of Shares available under the Capital Raising | 186,800,000 |
| Maximum Subscription | \$93,400,000 |
| Minimum number of Shares available under the Capital Raising | 56,800,000 |
| Minimum Subscription | \$28,400,000 |
| Minimum Subscription Condition | Applications under the Capital Raising will only be accepted if the Minimum Subscription is achieved ² . |
| Existing Market Capitalisation of the Company | \$6,264,465 |
| Market Capitalisation of the Company at completion of the Capital Raising ³ | \$105,694,968 |
| Pro forma NAV per Share ⁴ (Maximum Raise) | \$0.49 |
| Pro forma NAV per share ⁵ (Minimum Raise) | \$0.51 |

¹ Refer to section 7 for important information relating to the Group's pro-forma balance sheet, including the relevant assumptions and sensitivities. Section 6 sets out some of the key risks of investing in the Group.

² The Company retains the discretion whether to carry out the Capital Raising.

³ \$0.50 per Share assuming the maximum number of Shares are issued under the Capital Raising, plus Shares issued for the acquisition of AMF and DSS, plus current shares already on issue.

⁴ Assuming the maximum number of Shares are issued under the Capital Raising, plus shares issued for the acquisition of AMF and DSS, plus current shares already on issue.

⁵ Assuming the minimum number of Shares are issued under the Capital Raising, plus shares issued for the acquisition of AMF and DSS, plus current shares already on issue.

Key Stapling Details

| | |
|---|---------------|
| ASX Code | DET |
| Issue price per Unit if the Maximum Subscription is achieved ⁶ | \$0.35 |
| Issue price per Unit if the Maximum Subscription is achieved ⁷ | \$0.25 |
| Total number of Units to be issued under the Group Stapling if the Maximum Subscription is achieved | 211,389,937 |
| Total number of Units to be issued under the Group Stapling if the Minimum Subscription is achieved | 81,389,937 |
| Market capitalisation of the Group at completion of the Group Stapling if the Maximum Subscription is achieved ⁸ | \$105,694,968 |
| Market capitalisation of the Group at completion of the Group Stapling if the Minimum Subscription is achieved ⁹ | \$40,694,968 |
| Pro forma NTA per Stapled Security ¹⁰ (Maximum Raise) | \$0.49 |
| Pro forma NTA per Stapled Security ¹¹ (Minimum Raise) | \$0.51 |

How to Invest

Applications for Shares and to receive Units can only be made by completing and lodging an Application Form enclosed with, attached to or otherwise accompanying this Offer Document with the Registry. Instructions on how to apply for Shares and receive Units are set out in section 5 of this Offer Document.

⁶ Assuming the Company capitalising the Trust with cash of \$75,000,000.

⁷ Assuming the Company capitalising the Trust with cash of \$20,000,000.

⁸ \$0.50 per Stapled Security assuming the maximum number of Shares are issued under the Capital Raising, plus Shares issued for the acquisition of AMF and DSS, plus current Shares already on issue.

⁹ \$0.50 per Stapled Security assuming the minimum number of Shares are issued under the Capital Raising, plus Shares issued for the acquisition of AMF and DSS, plus current Shares already on issue.

¹⁰ Assuming the maximum number of Shares are issued under the Capital Raising, plus Shares issued for the acquisition of AMF and DSS, plus current Shares already on issue.

¹¹ Assuming the minimum number of Shares are issued under the Capital Raising, plus Shares issued for the acquisition of AMF and DSS, plus current Shares already on issue.



01

Overview of the Capital Raising and Group Stapling

The following table summarises the key features and provides an overview of the Capital Raising and Group Stapling. The information set out in this section is intended to be a summary only and should be read in conjunction with the more detailed information appearing elsewhere in the Offer Document. To find the more detailed information refer to the relevant section in the Offer Document as noted in the table.

| Feature | Summary | Section(s) in Offer Document |
|-----------------------|---------|------------------------------|
| Group Overview | | |

What is the Group?

The Group will be a stapled entity comprised of Dealt Limited ABN 66 605 935 153 and Dealt Trust ARSN 646 156 005, a registered managed investment scheme.

See section 3.4

It is intended that the Dealt Group will trade on the ASX as a stapled entity under the ticker DET.

Who is the issuer of this Offer Document?

Dealt Limited in respect of the Prospectus.
360 Capital FM Limited, the responsible entity of the Trust, in respect of the PDS.

See Important Notices section.

What will be the structure of the Group?

The stapled Group, (to be called “Dealt Group”) will be created, consisting of the Company (“Dealt Limited”) and the Trust (“Dealt Trust”).

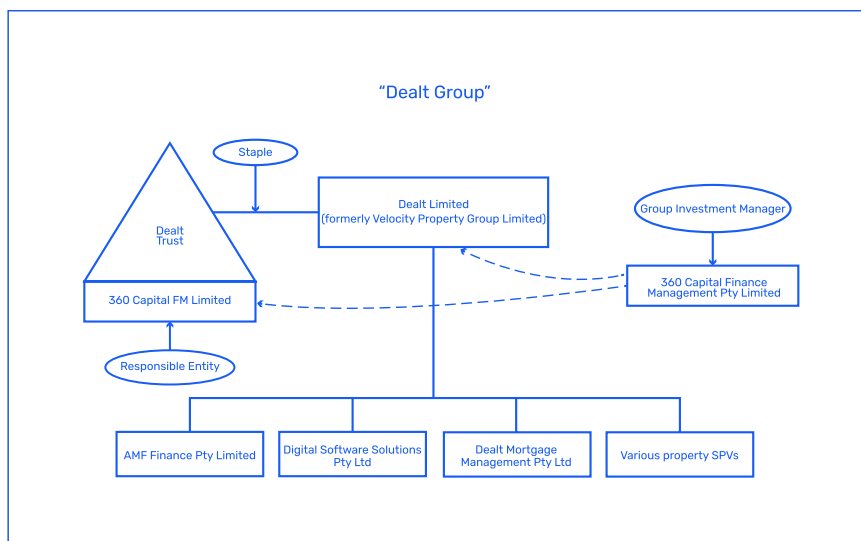
See section 3.4.

A “stapled entity” or “stapled group” refers to a type of investment structure that is comprised of two or more entities:

- a unit trust, like the Trust, which holds passive investments and is treated as a flowthrough trust for tax purposes and so does not pay tax itself on income to which investors are entitled, subject to certain required tax withholdings (mainly deducted from distributions paid to non-resident Unitholders); and
- a company which carries on an active business.

Units in the unit trust and shares in the companies are “stapled” together and trade as one security on the ASX.

The diagram below illustrates the new structure of the Dealt Group after the Group Stapling is implemented.



What approvals are required?

The Capital Raising, the Group Stapling and subsequent implementation of the Group investment strategy were approved at a meeting of Shareholders of the Company at the Extraordinary General Meeting held on 17 February 2021. No further approvals are required.

N/A

What is the Group's objective?

The proposed investment objective of the Group is to generate a Target Return to investors of 6% per annum (net of fees, costs and taxes incurred by the Group), paid monthly.

See section 3.1.

What is the Group's proposed investment strategy?

After the Stapling Date, the Group's proposed investment strategy is to:

See section 3.2

- 1) Generate fee income from a recently established CRE loan origination and brokerage business. Specifically, dealt has been established as one of Australia's first real time CRE finance marketplaces to assist borrowers secure non-bank finance. Its specialised applications have been developed by property industry experts and enable borrowers and lenders to assess eight different loan types as detailed below:

- Development/Construction funding
- Land Subdivision
- Mezzanine or Preferred Equity
- Site Finance
- Residual Stock Loans
- Self Managed Superfund Loans
- Bridging Finance
- Commercial Investment Loans

is a highly scalable platform launched in Australia with the opportunity to introduce to offshore markets including New Zealand and the USA.

- 2) Drive secure income returns through the development of a diversified portfolio of secured commercial real estate loans across Australia and New Zealand; and
- 3) Build a funds management platform that will source third party capital and have the flexibility to invest in commercial real estate debt from senior to mezzanine and enhanced loan structures.

What is the Company's current portfolio?

| Type | Remaining Stock | Gross Realisable Value |
|-----------------------|-----------------|------------------------|
| Residual Stock | 9 | \$15,451,250 |
| Investment Properties | 10 | \$5,954,659 |
| Development Sites | 1 | \$2,320,000 |
| Total | 20 | \$23,725,909 |

See section 3.13.

From the stock listed above there are unconditional contracts totalling \$3,345,000 for residual stock and for the remaining development sites value of \$2,320,000. Settlement for these contracts are due in April 2021 & May 2021 respectively.

| | | |
|---|--|----------------------------------|
| What is the Group's proposed portfolio? | <p>After the Stapling Date, the Group's proposed investment strategy is to:</p> <ul style="list-style-type: none"> (a) debt advisory and brokerage; (b) lending; and (c) funds management. | See section 3.1. |
| What are the key risks associated with an investment in the Group? | <p>There are certain risks that could impact the Group.</p> <p>These include risks specific to the proposed investment strategy like credit default risk and interest rate risk, risks specific to the Group like dependence on key personnel and liquidity and other general investment risks.</p> | See Section 6. |
| What are the tax implications of an investment in the Group? | <p>Ernst & Young provided a Taxation Report which is set out in Annexure A. This Taxation Report provides a general summary of the Australian tax implications for Australian resident Shareholders regarding the Restructure and Recapitalisation Proposal. This is not advice and each Shareholder should seek independent advice.</p> <p>The Company has obtained a Class Ruling from the ATO confirming certain taxation implications for Shareholders, including confirmation that the distribution of Units should be treated as a return of capital for tax purposes.</p> | See the Taxation Report. |
| What is the Group's valuation policy? | The Group will value its net assets on a half yearly basis as at 30 June and 31 December in accordance with Australian Accounting Standards and regulatory requirements. | See section 3.12(c). |
| What are the distribution and dividend policies? | <p>After the Stapling Date, for distributions from the Trust, it is intended that distributions will be paid monthly commencing from month ending 30 September 2021.</p> <p>After the Stapling Date, for dividends from the Company, the Board will determine when any dividends are declared taking into account current year earnings, trading outlook and capital requirements.</p> <p>The Company Constitution and the Trust Constitution each allow for distribution reinvestment arrangements, however these are currently not in effect.</p> | See section 3.12(a) |
| What will be the gearing and hedging policies of the Group? | <p>The Group may enter into financing facilities with banks which it will use to finance commercial real estate loans to borrowers secured by registered mortgages.</p> <p>Gearing of the Group is not expected to exceed 40% of the Group's assets.</p> <p>Hedging activities may be undertaken from time to time as deemed appropriate. The Group will not enter into derivative products for speculative purposes.</p> | See section 3.12(h) and 3.12(k). |

| | | |
|---|--|------------------------|
| Liquidity | While the Group is listed, Stapled Securities are not able to be redeemed or withdrawn except under a withdrawal offer or a buy back of Stapled Securities which satisfies the Constitutions, the Corporations Act and the ASX Listing Rules. | See section 3.12(d) |
| What are the governance arrangements for the Group and who will be responsible for them? | The Board and the Responsible Entity Board have established governance arrangements to ensure that the Group is effectively managed in a manner that is properly focused on its investment objective and the interests of Stapled Security holders as well as conforming to regulatory and ethical requirements. | See section 3.5 and 9. |
| Fees and expenses | <p>Under the Trust Constitution, the Responsible Entity will be entitled to receive a management fee of up to 0.65% p.a. of the gross asset value of the Trust for performing its role as the responsible entity of the Trust and be reimbursed for costs incurred in the proper performance of its duties. However, the Responsible Entity will only be paid 0.05% for so long as the Group Investment Manager is appointed under the Group Investment Management Agreement. The Responsible Entity will exercise its right to be reimbursed costs incurred in the proper performance of its duties.</p> <p>The Group Investment Manager will be paid a fee of 0.60% per annum of the gross asset value of the Trust pursuant to an investment management agreement (Group Investment Management Agreement).</p> | See section 8. |

Responsible Entity and 360 Capital

| | | |
|---------------------------------|--|------------------|
| Responsible Entity | <p>360 Capital FM Limited ABN 15 090 664 396 (AFSL No. 221474) (the Responsible Entity) will be appointed as the responsible entity of the Trust.</p> <p>The Responsible Entity is a member of the 360 Capital Group.</p> | See section 3.8. |
| Group Investment Manager | <p>It is proposed that the Company and the Responsible Entity will enter into an investment management agreement with 360 Capital Finance Management Pty Limited (Group Investment Manager).</p> <p>The Group Investment Manager is a member of the 360 Capital Group.</p> <p>The Group Investment Manager will provide ongoing asset management and fund administration services to the Group.</p> | See section 3.4. |
| Who is 360 Capital? | <p>360 Capital is an ASX-listed (ASX: TGP) investment and funds management group that manages eight listed and unlisted investment vehicles and has funds under management in excess of \$400m on behalf of over 9,500 investors. As at the date of this PDS, 360 Capital has a market capitalisation of approximately \$200m and over \$112m of co-investments in the funds it manages.</p> <p>The 360 Capital senior management team has an average of over 20 years' experience across the Australian real estate, corporate finance and fund management sectors.</p> | See section 3.8. |

Will any related party have an interest in the Group or the Capital Raising?

The ongoing management of the Trust's assets may involve a number of related party transactions

See section 10.15.

In summary:

- the AMF Related Party Vendors and the DSS Related Party Vendors will respectively sell their AMF Sale Shares and their DSS Sale Shares to the Company;
- the Company will issue 6,000,000 Shares to the AMF Related Party Vendors and 7,200,000 Shares to the DSS Related Party Vendors in accordance with the AMF Share Sale Agreement and the DSS Share Sale Agreement (as applicable);
- the Responsible Entity (which is a member of the 360 Capital Group) has been appointed as responsible entity of the Trust;
- the Company and the Responsible Entity as responsible entity of the Trust, as a result of the stapling arrangements between the Company and the Trust, will have an ongoing relationship that will be governed by the Corporations Act, ASX Listing Rules, the respective constitutions of the Company and the Trust and the Stapling Deed;
- the Company and the Responsible Entity will have an ongoing relationship with the Group Investment Manager (which is a member of the 360 Capital Group);
- Cambridge Investment Partners (which is a member of the 360 Capital Group) has been appointed as financial adviser and will receive a fee for the capital raising;
- as at the date of this Offer Document, TGP TOT JV Pty Limited (the 360 Capital Shareholder) holds 19.99% of the issued Shares. The Company understands that the 360 Capital Shareholder will not participate in the Capital Raising. It is expected that if the Capital Raising achieves the Minimum Subscription, the 360 Capital Shareholder's voting power in Stapled Securities will reduce to 16.1% and, if the Capital Raising achieves the Maximum Subscription, the 360 Capital Shareholder voting power in Stapled Securities will be diluted to 6.2%;
- Tony Pitt is a non-executive Director of the Company and is also a director of the Responsible Entity and Managing Director and substantial security holder of 360 Capital Group; and shareholder of Digital Software Solutions Pty Limited;
- James Storey is a non-executive Director of the Company and is also Head of Real Assets at 360 Capital Group and shareholder of Digital Software Solutions Pty Limited; and
- The Group may enter into a joint venture with PMG which is 50% owned by 360 Capital REIT (and which is a member of the 360 Capital Group).

The Board believes that, whilst certain of the matters identified above may constitute related party transactions, the relevant terms are reasonable in the circumstances as the relevant persons have been dealing at arm's length and hence these matters do not require approval under Chapter 2E of the Corporations Act.

Overview of the Capital Raising

What is the Capital Raising?

The Capital Raising is the offer of Shares to raise a maximum of \$93,400,000 at \$0.50 per Share.

Is there a Minimum Subscription Condition?

Applications under the Capital Raising will only be accepted if the Minimum Subscription of \$28,400,000 is achieved.¹²

¹² The Company retains the discretion whether to carry out the Capital Raising.

| | | |
|--|---|------------------|
| Group Stapling | <p>If the Capital Raising achieves the Minimum Subscription, the Company will capitalise the Trust and will make an in-specie distribution to each registered holder of Shares of one Unit for every one Share held by the holder on the Capital Reduction Record Date. Shareholders will not be required to pay any consideration for the Units, as the Company will make an appropriate Capital Reduction to reflect the distributions.</p> <p>On completion of the Group Stapling, Shareholders will hold Stapled Securities, each comprising of one Share and one Unit.</p> | See section 5.2 |
| How will the proceeds of the Capital Raising be used? | <p>The proceeds of the Offer will be applied to:</p> <ul style="list-style-type: none"> • fund the cash consideration for the Business Acquisitions; • repay the Company's existing external borrowings; • fund the new investment strategy; and • fund the costs of the Capital Raising and other costs associated with the restructure of the Company to become part of a stapled Group. | See section 5.6 |
| How is the Capital Raising structured and who will participate? | <p>The Capital Raising is proposed to be structured as follows:</p> <ul style="list-style-type: none"> • Priority Offer; • 360 Capital Offer • General Offer; and • Broker Firm Offer. | See section 5.4 |
| What is the impact of the Capital Raising on the Company? | <p>The effect of the Capital Raising on the financial position of the Company is detailed in section 5.</p> | See section 5.7 |
| Can the Capital Raising be withdrawn? | <p>Yes, the Company reserves the right to withdraw all or parts of the Capital Raising or close it early.</p> <p>If the Capital Raising is withdrawn, the Company will refund all Application Monies in full, without interest. You cannot withdraw your Application once it is accepted.</p> | See section 5.16 |
| What is the minimum application? | <p>The minimum application under the Capital Raising is \$2,000 and increments of \$500 thereafter.</p> <p>The Company reserves the right to accept Applications for lesser amounts and to aggregate Applications it believes may have been made by the same Applicant.</p> | See section 5.11 |
| What is the allocation policy? | <p>The Company has absolute discretion regarding the allocation of Shares to Applicants under the Capital Raising and may reject an Application, or allocate fewer Shares than applied for, in its absolute discretion.</p> | See section 5.9 |

| | | |
|---|--|--------------------|
| Can I sell my Shares? | <p>It is expected that Shares issued and stapled to Units under the Capital Raising will trade on 19 May 2021, on a normal settlement basis as Stapled Securities.</p> <p>It is the responsibility of Applicants to confirm their allocation of Stapled Securities prior to trading.</p> <p>A Stapled Securityholder who sells their Shares before they receive their holding statements does so at their own risk.</p> | See section 5.9 |
| How can I apply for Shares? | Details of how to apply for Shares and receive Units are set out in section 5. | See section 5 |
| When will I know if my Application has been accepted? | Holding statements confirming your allocation under the Capital Raising are expected to be dispatched on or around 19 May 2021. | See section 3.4(d) |
| What are the fees and costs associated with the Capital Raising? | The total cash expenses in connection with the Capital Raising and Group Stapling (including legal, accounting, taxation, advisory and listing fees) were approximately \$1,913,000 (if the Minimum Subscription is achieved) to \$3,946,000 (if the Maximum Subscription is achieved) (net of recoverable GST). | See section 8.4. |
| Who is the Financial Adviser to the Capital Raising? | <p>The Company has appointed Cambridge Investment Partners Pty Limited as Financial Adviser.</p> <p>Under the engagement terms with Cambridge Investment Partners the Company has agreed to pay a financial advisory fee of 1.0% of the amount raised by the Company under the Capital Raising.</p> | 3.8(c) |
| Who is the Lead Manager to the Capital Raising? | <p>The Group has appointed Shaw and Partners Limited as Lead Manager.</p> <p>Under the engagement terms with the Lead Manager the Group has agreed to pay a management fee of 1.00% of the amount raised from the Capital Raising and a selling fee of 1.5% of the amount raised from the Capital Raising.</p> | 10.8 |
| Who is the co-manager to the Capital Raising? | Separately, the Lead Manager has appointed Vested Securities Pty Limited to act as co-manager to the Capital Raising. | N/A |
| Is there any brokerage commission or stamp duty payable by Applicants? | <p>No brokerage, commission or stamp duty is payable by Applicants who apply for Shares and to receive Units using an Application Form.</p> <p>If you buy or sell Stapled Securities on ASX, you may have to pay brokerage and other transaction costs. Under current legislation, there is no stamp duty payable on the sale or purchase of securities on ASX provided that no investor (together with any related or associated persons or other persons in an associated transaction for the purposes of stamp duty law) holds 90% or more of the securities.</p> | See section 5.18. |

| | | |
|--------------------------------------|--|------------------|
| Who is the offer made to? | <p>The Capital Raising and offer to acquire units in the Trust is being made to investors whose registered address is in Australia, New Zealand, Singapore or Malaysia as follows:</p> <ul style="list-style-type: none"> • in respect of the offer to Australia and New Zealand residents, the Capital Raising is generally available to those investors; • in respect of the offer to Singapore investors, the Capital Raising is available to certain persons who are “Accredited Investors” or “Institutional Investors” and to others to whom an offer can be made under applicable security laws; • in respect of the offer to Malaysia investors, the General Offer is open to sophisticated investors via a Malaysian licensed broker or investment bank and the Priority Offer is also open to Shareholders that are Malaysian residents. <p>The offer to acquire Shares and Units is not being made to Shareholders whose registered address is not in Australia, New Zealand, Singapore or Malaysia (Ineligible Foreign Shareholders).</p> | See section 10.3 |
| Are there cooling off rights? | <p>There is no cooling-off period in respect of the Capital Raising or the Unit Distribution.</p> <p>If the Minimum Subscription Condition is met all Shareholders who are a Shareholder at the Capital Reduction Record Date will receive Units which will be stapled to Shares to form Stapled Securities.</p> | See section 5.16 |

Other Information

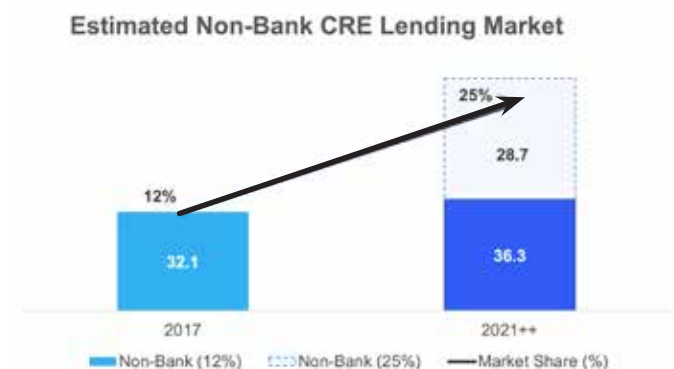
| | | |
|---|--|--------------------|
| Where can I find out further information about the Capital Raising | <p>Further information about the Company and the Trust is available in electronic form from the Company website: www.dealtgroup.com.au.</p> | See section 10.21 |
| What procedures are in place to deal with Complaints? | <p>The Company and Responsible Entity have in place a dispute resolution process to assess and respond to customer concerns as quickly and efficiently as possible.</p> | See section 10.19. |



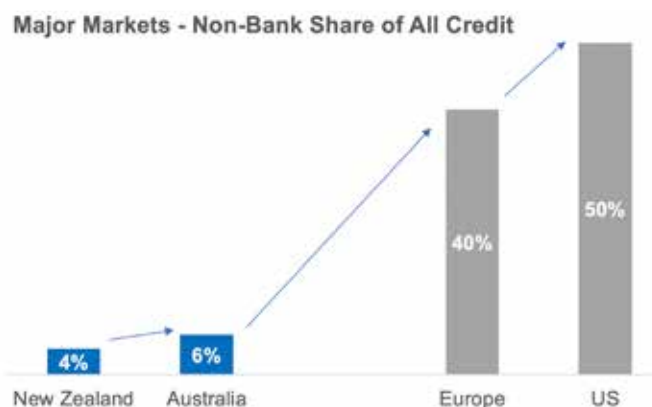
02

Market/industry overview

The total Australian Commercial Real Estate (CRE) debt market has grown by a compound average of 4.5% per annum over the past 10 years. In 2017 the Reserve Bank of Australia estimated the non-bank CRE lending market was \$32 billion or 12% of all Authorised Deposit Taking (ADI) CRE exposures. Since that time, capital restraints imposed on ADI's and business selection decisions by major banks have resulted in the growth of non-bank lending in Australia. The Group Investment Manager estimates that the non-bank CRE Lending Market will grow to be approximately 20% to 25% of the total CRE lending market which equates to a market size of approximately \$65 billion, based on the latest ADI CRE exposure statistics.



In New Zealand, stricter capital requirements imposed by the Royal Bank of New Zealand over the past two years are expected to accelerate the non-bank lending market in New Zealand. By way of comparison the total non-bank share of all credit in Europe and the USA is approximately 40% and 50% respectively versus Australia at 6% currently and New Zealand at 4%.



Detailed below is an extract from a market overview of the Commercial Real Estate Debt Market prepared by BondAdviser.

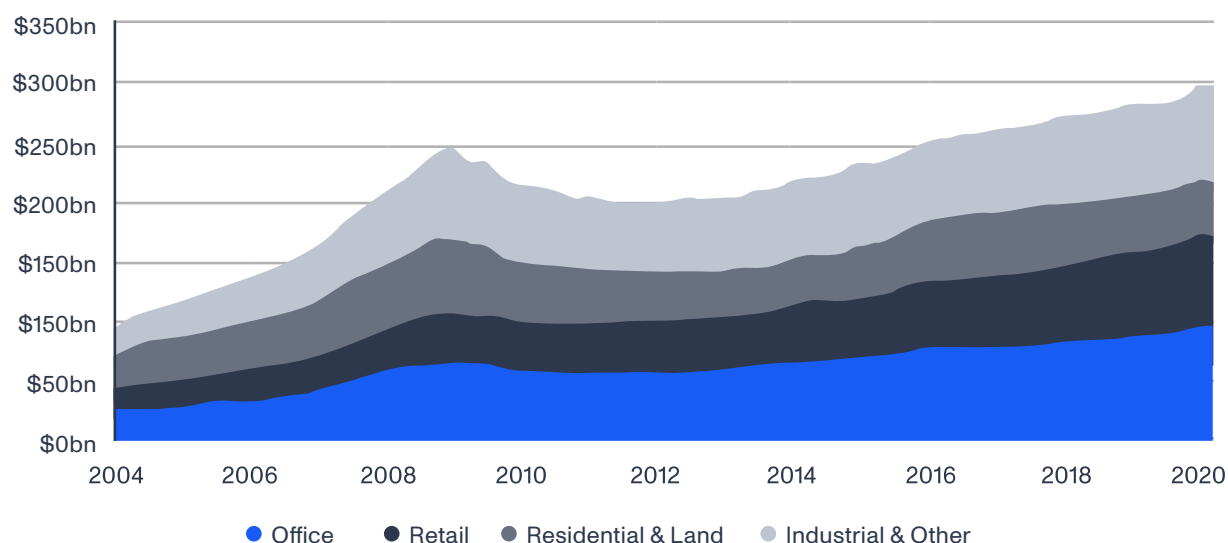
(a) The Australian private debt market

The Australian private debt market is one of the largest and more diverse domestic asset classes in Australia and is growing into an institutional asset class. For decades, traditional major banks dominated the domestic corporate loan landscape (70-80%) on account of greater, easier access and availability of credit. Tighter regulatory constraints and consistent strong demand for credit, has seen a gradual contraction of the major banks monopoly and the emergence of private, non-bank lenders to fill the gap and provide diversification.

The market's increased activity and prevalence in recent years is due to its unique risk profile by way of secured first mortgage, floating rate, corporate credit which coincides with ideal positioning within both the interest rate and credit cycles.

A major and specialised subset of the Australian private debt sector is the CRE loan market, which represents circa a fifth of the aggregate corporate loan book of the domestic banking system (domestic ADIs). CRE debt funding revolves around a particular commercial property asset (rather than a company) which can vary in terms of stages of development and improvements, seniority, geography and use of the underlying asset (Figure 1).

Figure 1 - ADI CRE Exposure by Sector



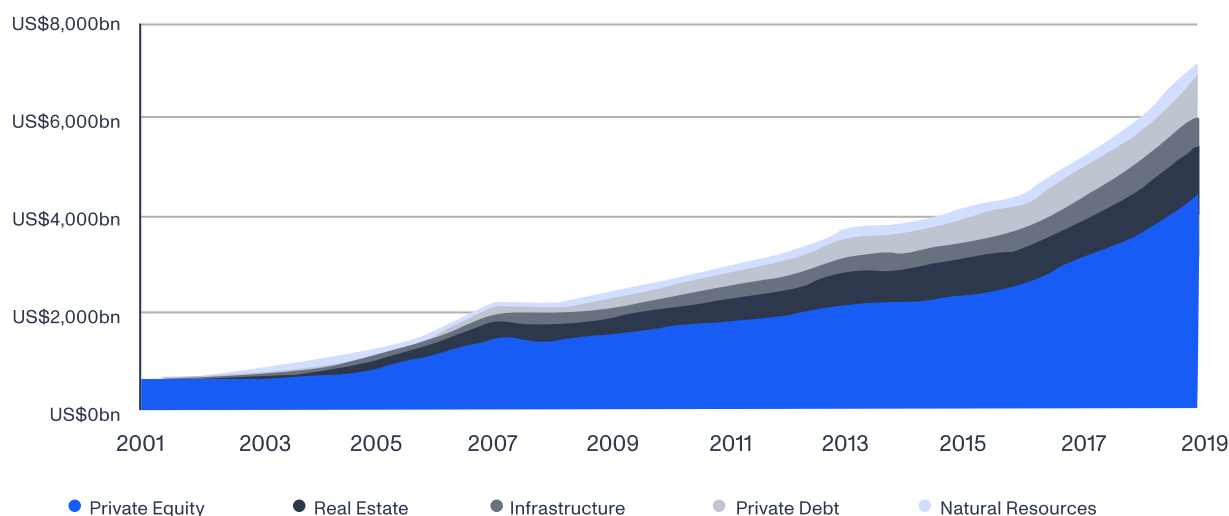
Source: BondAdvisor, Prequin Pro

Therefore, significant experience is required to operate within the market to ensure loan origination, robust risk and credit assessment and loan monitoring to prevent capital losses. Australian banks found this out the hard way when loose lending practices, elevated leverage and deteriorating economic conditions resulted in significant impairments to CRE loan books during the global financial crisis (GFC).

CRE lending has been proven to generate lucrative returns with limited capital volatility if risk is appropriately managed, as demonstrated by many non-bank CRE lenders, some of whom have been operating for over 20 years. The direct and indirect (funds) purchase of CRE has been a popular investment strategy for decades. While the broader asset class will always remain cyclical, the risk profile of CRE debt has substantially improved in the past decade.

Worldwide institutional investment has grown substantially to US\$845 billion (Figure 2) as investors have sought out income alternatives in a historically low interest-rate environment.

Figure 2 = Global alternative assets under management



Source: BondAdviser, Prequin Pro

Note: To avoid double counting of available and unrealised value, funds of funds and secondaries are excluded.

In the private debt market, lending is generally undertaken on a direct basis between lender and borrower, as bilateral loans. These loans can be tailored to suit the underlying borrower's situation. This contrasts with syndicated loans, where multiple banks will lend to a single borrower to divide risk exposure. Due to the structuring of bilateral loans, they are relatively more illiquid compared to syndicated loans as they generally involve a buy-and-hold strategy and commitment of 12 to 24 months.

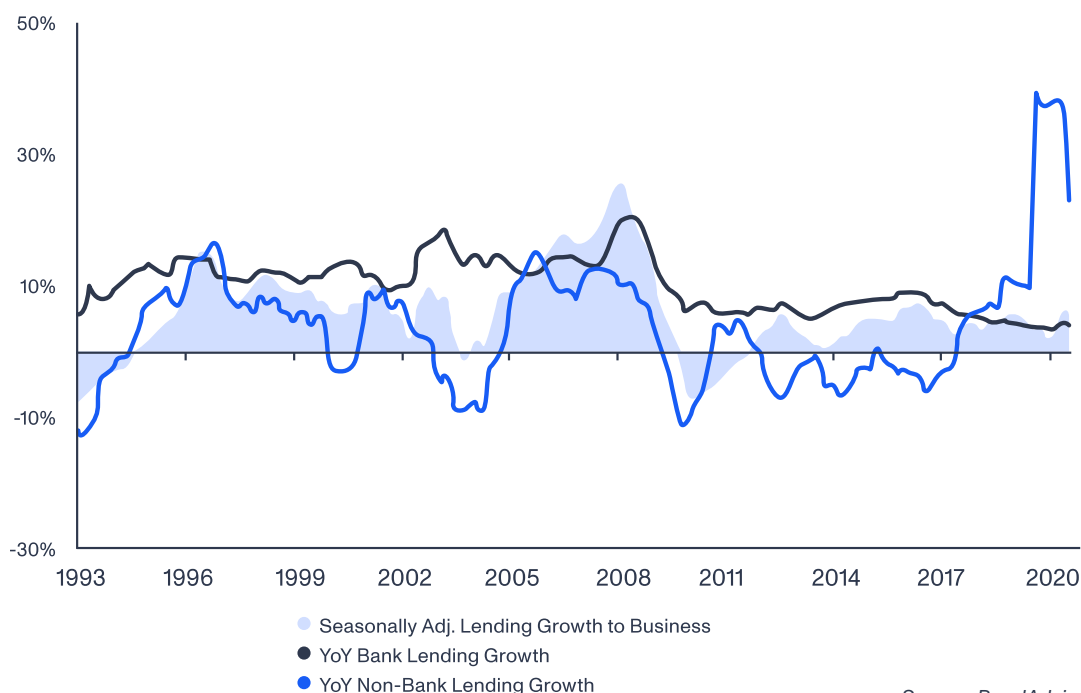
These private loans will generally be made to smaller borrowers (the middle-market) with loans typically less than A\$100 million. While some of Australia's largest buildings will involve loan syndication, most domestic CRE financing arrangements are conducted on a bilateral basis, especially given the unique circumstances and attributes of CRE assets.

| | Bilateral Loans | Syndicated Loans |
|-------------------------------|---|---|
| Loan Size | \$2-\$100 million | >\$100 million |
| No. of Lenders | Single: loans are made on a one-on-one basis with a single borrower and a lender. | Multiple: Multiple banks will form a 'syndicate' and collectively lend to a single borrower. |
| Public Information | Lower: Bilateral contracts are highly confidential with the terms generally giving the lender significant non-public information about the borrower. | Higher: As syndicated loans typically involve large public companies, there is some public disclosure with collection from a number of self-reported data vendors. |
| Covenants | Due to risk concentration for the lender and usually bespoke requirements of the borrower, bilateral agreements tend to have more robust covenant packages. | As syndicated loans are generally made to the largest borrowers and for common purposes, contracts typically have a greater degree of standardisation and less restrictive covenant packages. |
| Credit Spread | Higher: Bilateral loans are usually made to smaller and relatively riskier borrowers. As a result, lenders will usually require a greater risk premium. | Lower: Syndicated loans are usually made to larger and relatively less risky borrowers. As a result, lenders will usually require a lower risk premium. |
| Liquidity | Lower: As there is less standardisation and only a single borrower, bilateral loans have a very limited secondary market. | Higher: Syndicated loans have some degree of liquidity either between syndicate participants or other large banks. |
| Non-Bank Participation | Higher: Due to the attractive risk profile which can be tailored to the lender, confidentiality of agreements and lower capital requirements, there is a greater participation from non-bank lenders. | Lower: Banks usually offer loans at competitive rates due to additional ancillary attached to a particular borrower (bank accounts, hedging) making the return profile of syndicated loans unattractive to non-bank lenders. Greater capital requirements also impose a barrier to entry. |
| Fee Structure | Although the all-in cost of funding may be higher, bilateral agreements are usually subject to a limited number of fees. | Syndicated loans typically involve syndication fees and agent / arranger fees. However, the all-in cost of funding will generally still be lower due to smaller capital spread. |

Source: BondAdvisor

Historically, this participation has been cyclical with the domestic corporate loan landscape remaining a major bank-dominated market with APRA figures indicating that the majors represent 70-80% of all domestic corporate lending. As illustrated in the below table from 2017 until early 2020 non-bank lending experienced strong growth and substantially outperformed bank lending on a growth basis.

Figure 3 - shows Australian Corporate Lending Growth

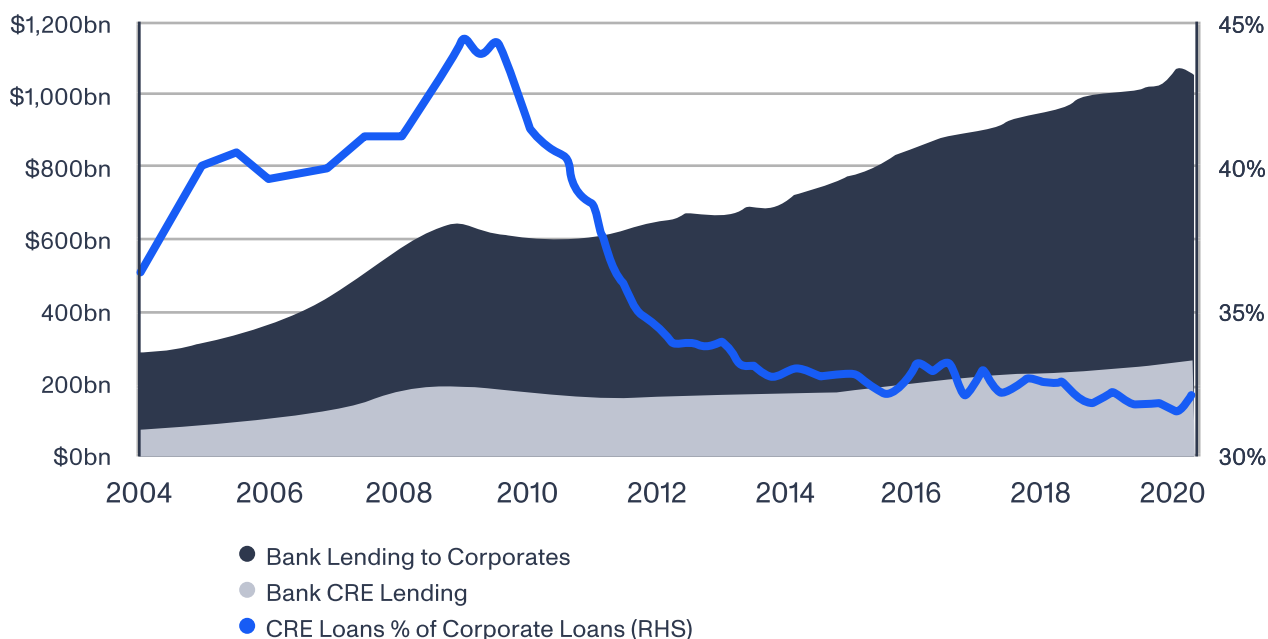


Source: BondAdvisor, RBA

CRE lending, is a specialised, yet major component of the middle-market corporate loan universe where lenders participate in the development of new or established real estate across office, industrial, retail or residential developments. In addition to this development-based lending is residual stock lending which involves a developer as they sell left-over apartment stock, is an increasingly important aspect of the CRE market at this point in the cycle.

The total domestic CRE exposure is estimated to be ~A\$300 billion according to APRA, demonstrating the size and breath of the market. As the next figure illustrates, this exposure has proportionally declined within the corporate loan books of banks, highlighting the inverse trend seen across the broader Australian private debt market.

Figure 4 shows Australian Banking System Domestic CRE Exposure

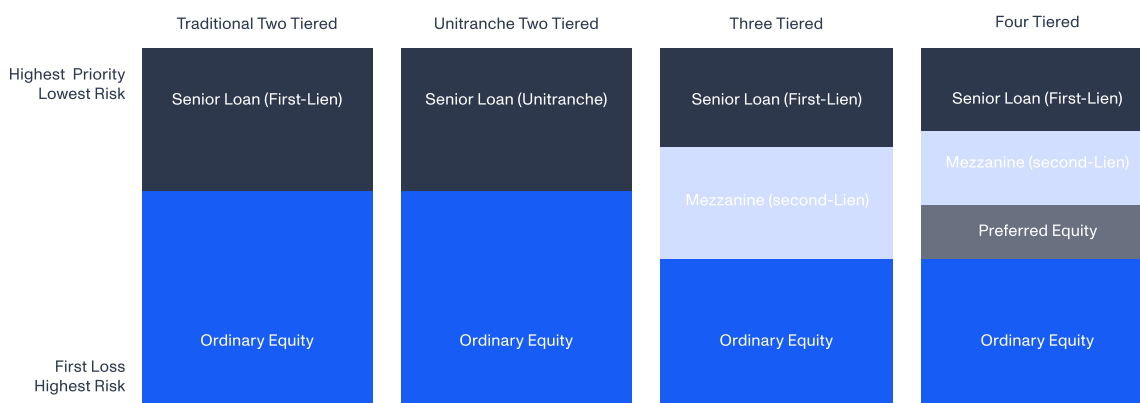


Source: BondAdviser, APRA

(b) Seniority and the capital structure

Commercial property assets are generally financed from a mix of debt and equity capital structures with loans secured to the underlying real estate/project. Within each class, investors can be subordinated depending on the specific funding composition of the underlying asset. Equity forms the residual value of the asset once the debt is subtracted from its market value. A first lien loan is a type of senior debt where debt holders have the highest priority claims to the collateral of the loan in the event of default. Claims on the collateral of second-lien loans (also known as mezzanine financing) rank behind claims of first-lien loans. Due to the implied risk in a wind-up scenario, second-lien loans usually price at a premium to first-lien loans. As both obligation types are typically structured as secured arrangements, CRE loans almost always rank ahead of other investors in the capital structure.

Capital structure examples:



Source: BondAdviser, APRA

The credit quality of an asset will usually be represented by the loan-to-value ratio (LVR) which describes the proportion of debt used to fund an asset or other project- specific measures. The debt value advanced should reflect the borrower's credit risk and will be contingent on many factors such as facility size, term, equity buffer, credit risk (and associated covenant package), purpose, the demand / supply dynamics of the market (business credit availability, alternative funding sources), liquidity and can also be linked to certain conditions (credit deterioration or prepayment triggers).

Material shifts in the perceived credit risk of the borrower from the loan's credit spread will impact capital value and can be driven by many factors summarised below.

| | |
|---------------------------------|---|
| Qualitative Factors | <ul style="list-style-type: none"> • Macro environment • Property conditions • Management • Alternate uses • Geographic area |
| Quantitative Factors | <ul style="list-style-type: none"> • Credit spreads • Default probability • Recovery rates • Credit metrics • Covenant package • Property valuation • Cost-to-Complete |
| Profitability | <ul style="list-style-type: none"> • Interest rate • Other fees • Undrawn portion • Fixed / floating |
| Facility Characteristics | <ul style="list-style-type: none"> • Collateral • Loan term • Size |
| Market Factors | <ul style="list-style-type: none"> • Demand / supply • Reference rates • Banking • Regulation • Alternative capital sources • Refinancing • Economic conditions |

(c) CRE funding structure examples:

| | Investment / Residual Stock | Development |
|------------------------|--|--|
| Asset Base | Established single assets such as commercial office, industrial, retail or portfolios of completed residential apartments or townhouses. | Unestablished single assets. |
| Funding Structure | Senior (30-60%), Equity (40-70%). | Senior (30-50%), Mezzanine (0-20%), Equity (30-50%). |
| Security | Secured against established assets. | Secured against underlying land, borrower's assets or project. |
| Funding Use | Senior debt is used to fund the acquisition of the asset, with the remainder utilised for redevelopment. | Funding facilitates initial purchase of site, with progressive drawdown as the development progresses. |
| Primary Covenants | LVR and ICR. | Cost-to-Complete and Debt Service tests. |
| Debt Repayment | Asset rental stream, settlements or refinancing. | Pre-sales, settlements, deposits, refinancing or asset sales. |
| Yield / Risk / Control | Lower. | Higher. |

(d) The opportunity

Due to regulatory restraints and market conditions outlined above, the Group expects market conditions to continue to remain conducive for debt instruments secured by commercial real estate.

Notwithstanding the dislocation in the credit market and current COVID-19 pandemic, Australia remains an attractive investment proposition as evidenced by a long history of economic growth, population growth fuelling future credit growth and safe investment harbour as one of the six safest investment destinations globally according to Dun & Bradstreet.

It is proposed that the Group will source, provide and manage real estate loans across all major Australian and New Zealand metropolitan markets that are aligned to opportunities that demonstrate the following rationale:

- underlying real estate assets supported by strong fundamentals;
- thorough due diligence and rigorous stress testing of borrower project feasibilities;
- detailed review of borrower track record and financial position; and
- application of appropriate risk mitigation strategies.

03

Details of
the Group
Investment
Objectives

3.1 Proposed investment objectives

The Group's investment objective is to achieve a target return of 6% per annum (net of fees, costs and taxes incurred by the Group), paid monthly (Target Return). Stapled Securityholders should note that the Target Return is an objective of the Group and is not guaranteed and there is a risk that the Target Return may not be achieved.

It is anticipated it will take approximately 6 months to deploy capital in a diversified portfolio of CRE loans in order to achieve and annualised 6% per annum return.

The Group will look to achieve the Target Return by becoming a diversified business that will specialise in Commercial Real Estate (CRE) Debt Brokerage and Advisory, Lending and Funds Management.

Dealt Group

Multiple Revenue Streams delivering income and growth



*Estimated breakdown of earnings assuming the maximum Capital Raise of \$93.4 million.

3.2 Investment strategy

The investment strategy is to originate and source mortgage loans collateralised by high-quality CRE assets that are owned, operated, and developed by experienced and well-capitalised sponsors and located in liquid markets with strong underlying fundamentals. The Group would also consider investing in mezzanine loans, preferred equity and other debt-oriented instruments with these characteristics.

It is proposed that the Group will have three business lines:

(a) Brokerage and Debt Advisory - dealt and AMF Finance

Subject to achieving the Minimum Subscription, the Company will acquire two loan origination businesses – Digital Software Solutions Pty Ltd (DSS) trading as dealt and AMF Finance Pty Limited (AMF)



Background

Founded in May 2018, Digital Software Solutions Pty Limited trading as dealt was established with the sole purpose of creating an online solution for loan brokerage, underwriting, negotiation, and execution of CRE loans. Several online brokerage platforms have been established for the residential mortgage market, however there are few platforms for the CRE markets.

dealt receives brokerage fees for introducing borrowers to lenders. dealt currently has a panel of 68 approved lenders to introduce loan transactions. Prior to being accepted as an approved lender, the lender is required to agree to the terms and conditions of the platform.

The three co-founders, James Storey, Tony Pitt and Glenn Butterworth, are all executives of 360 Capital Group and combined have over 50 years of experience in all forms of real estate including residential and commercial investment and development. In their roles as Head of Real Assets, Managing Director and Chief Financial Officer they have been involved in reviewing over \$3 billion and writing over \$220 million of non-bank real estate credit transactions during the preceding four years. The co-founders have deep networks across the Australasian property sector including equity and debt providers.

dealt has been designed by the co-founders drawing on their extensive experience as property investors, borrowers, and lenders. The online marketplace is one of the first in Australia to have online calculation engines which accurately assess loan calculations enabling lenders to provide pricing and terms to borrowers in a standardised format. The time taken to prepare credit papers which lenders require to assess loans is reduced significantly thereby helping borrowers obtain funding proposals much more quickly.

Development of the initial prototype commenced in October 2018 with Talos LLC engaged in January 2019 to develop the online application. dealt raised seed capital in June 2019 from 360 Capital Group to complete development. dealt was successfully launched in early 2020.

Who owns the Intellectual Property?

The co-founders identified a lack of sophistication, consistency and transparency in underwriting real estate credit particularly in the non-bank sector. dealt capitalised on the rise of alternative lenders and the growing funding gap left by traditional banks within the Australian market. Whilst online lending solutions proliferate in the residential mortgage and small business lending sector there are no solutions for the more complex and less homogenous areas of CRE development and investment financing.

All intellectual property is solely owned by dealt.

Recent Partnerships

In September 2020, dealt secured an investment from Amyn Gillani, CEO and Founder of Talos Digital LLC and mentor at WeWork Labs and the Founder Institute. The investment was for \$400,000 or 10.0% of the ordinary equity in dealt. As part of this investment, services were provided in kind for future development of the application and to secure the support of Amyn in expanding DSS's reach into the Americas.

In March 2021 dealt agreed terms to pursue a partnership with developmentready.com.au, a leading commercial real estate listing site which will drive qualified leads directly to dealt's sales funnel.

Fee Model

dealt runs a two-tier pricing model subject to the type of loan scenario and input required from DSS's broker team.

| Basic | Premium |
|---------------------------------------|---|
| 0.2% of the Facility Limit | 0.2% to 1.0% of the Facility Limit |
| Limited intervention by dealt Brokers | Deal mandated and structured by dealt Brokers |

Details of the terms of the acquisition of dealt is set out in the NOM/EM/PDS.

AMF Finance Pty Ltd (AMF)

Background

A significant number of debt brokerage businesses have been established in recent years to cater for the growing demand from borrowers to source competitive CRE loans from banks and non-bank lenders. These businesses charge a fee for introducing a borrower to a lender which is paid at financial settlement of the loan. The brokerage fee is typically paid by the borrower and is often included in the amount borrowed.

AMF was established in 2017 in response to the changing dynamics and tighter regulatory environment within the Australian real estate finance market. With the growth of non-bank lenders a market opportunity arose to establish a sophisticated CRE debt origination/brokerage business.

AMF's CRE debt origination/brokerage business has generated transactions across the capital stack for various property asset classes including but not limited to multi dwelling residential, accommodation, childcare, over 55s seniors living, medical centres and office. Transactions have included:

- structured finance;
- bridging investment finance;
- senior commercial development finance; and
- mezzanine commercial property finance.

The AMF team are highly experienced real estate professionals with experience in both debt and equity investing. The combined experience and private lending market knowledge of the team and the streamlined processes facilitate fast communication and decisions between borrowers and lenders.

A key member of the AMF team is AMF Director, James Storey. James is Head of Real Assets for 360 Capital Group and a Director of the Company. James has been instrumental in the establishment of both AMF and dealt. James utilised his extensive experience as a real estate equity investor and borrower to ensure AMF is user friendly and adds value to those clients that use the business.

Comprehensive Data Base

AMF is a business that has a comprehensive data base of over 2,700 finance brokers, developers and market participants who receive regular updates and correspondence. AMF has a strong online presence via an active LinkedIn page and website showcasing past and current deals. AMF tracks every development approval submitted to keep up to date with market activity and potential new developer relationships and private lending transactions. From time to time, AMF sponsors mortgage broking conferences and attends real estate and property development information seminars and workshops and networking events. The company has an introducer/referrer incentivisation program and facilitates on-line applications. AMF utilises standardised loan documentation which can facilitate financial close within 2-6 weeks subject to the status of the valuation report and nature of the loan.

AMF will continue to benefit from a comprehensive digital marketing strategy which has generated significant deal flow and market awareness. The business is scalable and well positioned to continue its growth journey.

Fee Model

AMF is set up to receive both application fees and brokerage fees. Once the Dealt Group is relisted, AMF will receive application fees for originating loans for the Trust and for any fund or mandates managed by the fund management arm of the business. This income will flow through to the Company within the stapled structure. When a loan is introduced by a third-party broker the application fees are reduced slightly as detailed below.

| Direct | Broker Referred |
|---|---|
| 1.50% to 2.50% + GST of the Facility Limit | 1.0% to 1.50% + GST of the Facility Limit |
| Relates to instances where there is a direct relationship between AMF and the Developer/Borrower, with no intermediary party. | Relates to instances where the transaction is introduced by either a broker/advisor/intermediary who has the relationship with the Developer/Borrower |

Details of the terms of the acquisition of AMF is set out in the NOM/EM/PDS.

AMF has successfully originated \$220 million of loans over the past 4 years as shown below.

Originate. 4-year track record in CRE lending

Dealt platform key differentiator to scale and accessing new markets



445

deals screened for the four years ending June 2020

15.57%

Terms issued of total deals reviewed

2.11%

of loans reviewed, reach settlement



Following the relisting of Dealt Group in May 2021 it is intended to bring the operations of AMF and dealt together under the one brand – dealt. dealt will provide the full services of the combined businesses and will be in a strong position to grow quickly and increase market share.

The Group may acquire similar origination businesses to help consolidate this strong position. Over time this part of the business has potential to contribute meaningfully to EBITDA in addition to providing a major source of suitable investment opportunities for the rest of the Group.

(b) Lending

It is proposed that the Group will provide registered CRE mortgage financing to a diversified pool of developers and investors throughout the metropolitan markets of Australia and New Zealand. The Group will invest in loans to quality assets and projects in proven locations, matched with appropriate exit strategies.

It is expected that loan investments will target the following investment criteria:

(i) Loan Profile

Assuming the Maximum Subscription is achieved and the Group enters into a finance facility to provide for an additional \$100,000,000, it is contemplated that total lending capacity will be \$165,000,000 to \$175,000,000 (noting that the Company will capitalise the Trust with between \$65,000,000 and \$75,000,000 if the Maximum Subscription is achieved):

- o minimum loan principal of \$5,000,000 per transaction;
- o maximum loan principal of up to \$35,000,000 per transaction;
- o maximum single borrower exposure of \$35,000,000; and
- o terms ranging from 12 months to a maximum of 5 years.

(ii) Loan-To-Value Ratio (LTV) and Loan-To-Cost Ratio (LTC)

- o first mortgage secured positions up to a maximum LTV ratio of 75% for any individual loan investment;
- o aggregate loan portfolio will target a portfolio LTV ratio of 70%; and
- o for construction loans – a maximum LTC of 80% and LTV of 70%.

(iii) Location

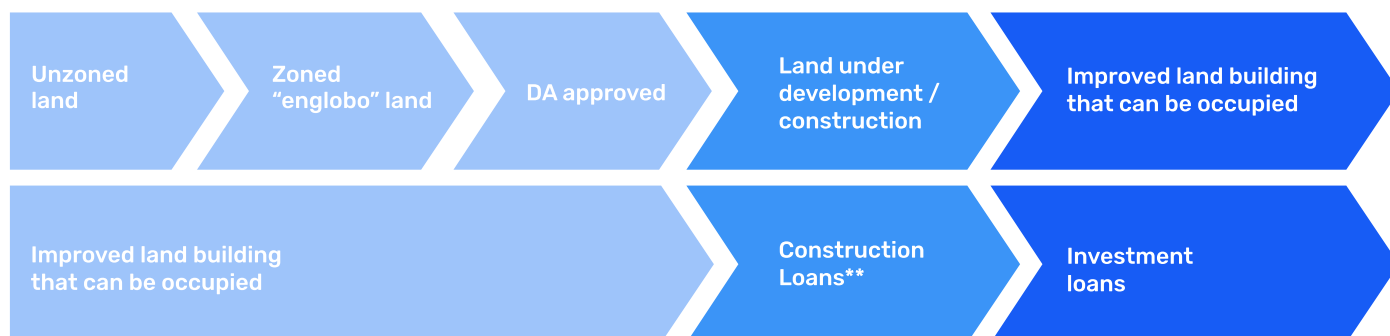
- o All Australian and New Zealand CBD and metropolitan markets and a small number of regional cities with a population of 200,000 or greater.

(iv)

Loan Types

- o Residual Stock Loans (These loans are typically for recently completed residential apartments and townhouses in developments which have reached practical completion and occupation certificates and individual titles have been issued. Developers will utilise these loans to repay the construction loan or release some equity from the unsold apartments or townhouses. The loans typically have a term of 12 months to 2 years and enable the developer to conduct an orderly sell down of the remaining apartments or townhouses).
- o Income producing investment properties (This could include office, retail, industrial and other commercial investment properties).
- o Development construction loans.
- o Site Loans. This could include both sites with existing development approvals and land with the potential to secure development approvals for future redevelopment.
- o The table below shows the various different loans.

Typical Land Real Estate Lifestyle



* Development Application (DA) approved land refers to land that has received a permit for development

** Note that after construction is complete, real estate can either be held for investment or on-sold

(v) Borrowers

- o Reputable borrowers with sound track records, financial capacity, asset and / or project specific expertise and experienced management teams.

Capital Group has a team of approximately 30 people, many of whom have extensive experience in real estate funds management and real estate debt and equity investing. The real estate team within 360 Capital Group has over 80 years combined experience.

Over the past four years 360 Capital Group and its managed funds have invested over \$220 million in CRE loans which have delivered an average IRR of 15% to investors.

(vi) Covenants

- o Financial covenants package and non-financial covenants including financial statements, insurance, valuations and other certified external reports as are appropriate.

The Group Investment Manager has an extensive network throughout the sector which will help secure third party investors to invest in CRE debt Investments.

(c) Funds Management

It is proposed that this part of the business will seek to raise capital from third party investors via individual syndicates, club structures and institutional and high net worth mandates. The Group will charge investment management fees to these investors for originating and managing CRE loan investments. The funds will have flexible investment parameters that will be targeted to the third-party investor's preferences for risk and return. The business may also earn performance fees for delivering returns above pre-agreed benchmarks.

The funds management business will work alongside the Group's debt advisory and brokerage businesses, AMF and dealt (described further in section (a) above), to source suitable loans for investment.

The funds management business will structure CRE debt investments across all real estate asset classes.

The funds management business will work alongside the Group debt advisory and brokerage businesses, AMF and DSS (described further in section (a) above), to source suitable loans for investment.

Benefitting from a strong track record developed over 15 years of operation the Group Investment Manager will utilise its existing broad network of investors and industry participants to source third party capital and mandates to invest across all forms of real estate loans.

The Group Investment Manager, 360 Capital Finance Management Pty Limited is a part of the 360 Capital Group. 360

Sample investors include:

- Australian Superannuation Funds
- Family Offices
- Local and International Investment Banks
- Global Private Equity Investors
- Foreign Institutional Investors and Sovereign Wealth Funds

Dealt Group Residual Stock Fund

Background

Resulting from the COVID-19 pandemic and other market conditions during 2020, 360 Capital Group identified that there was significant residential supply currently under construction across Australian capital cities which was coinciding with reduced consumer sentiment and tightening in residential (consumer) mortgage lending, a dynamic which resulted in a significant number of developments reaching completion with no immediate purchasers.

This created an opportunity to provide registered first mortgage financing to completed residential apartment and townhouse stock at conservative Loan to Value ratios and superior risk adjusted returns.

These loans are typically for recently completed residential apartments and townhouses in developments which have reached practical completion and occupation certificates and individual titles have been issued. Developers will utilise these loans to repay the construction loan or release some equity from the unsold apartments or townhouses. The loans typically have a term of 12 months to 2 years and enable the developer to conduct an orderly sell down of the remaining apartments or townhouses.

Accordingly, in October 2020, 360 Capital Group launched the Dealt Group Residual Stock Fund (DGRSF) as an unlisted, closed ended 3-year mortgage fund investing in a diversified portfolio of well secured, senior loans to completed, individually titled residential apartment and townhouses throughout Australian metropolitan markets. The DGRSF is open to retail and wholesale investors targeting a 6.00% p.a. paid as monthly distributions from lending activities.

Key features of the DGRSF

360 Capital FM Limited as the responsible entity for DGRSF is seeking to raise up to \$50 million through the issue of units at an initial offer price of \$1.00 per unit.

The product disclosure statement for the DGRSF is available upon request.

RSF Investment Manager

The DGRSF has appointed AMF as investment manager of the DGRSF under the terms of an investment management agreement. Under that agreement AMF will be entitled to receive a fee of 0.60% per annum plus GST of deployed capital.

If the Minimum Subscription Condition is satisfied, when the Company acquires AMF it will, indirectly, acquire the management rights in relation to the DGRSF.

Separately, the Group may invest directly into DGRSF to assist establishment of the fund and originate "seed loans."

Funds Management joint venture with PMG – New Zealand

On 19 February 2021, 360 Capital Active REIT, managed by the Responsible Entity 360 Capital FM Limited, announced it has acquired a 50% interest in PMG, a New Zealand based, diversified commercial real estate funds management business. PMG manages five unlisted funds and three single-property syndicates, with 42 properties.

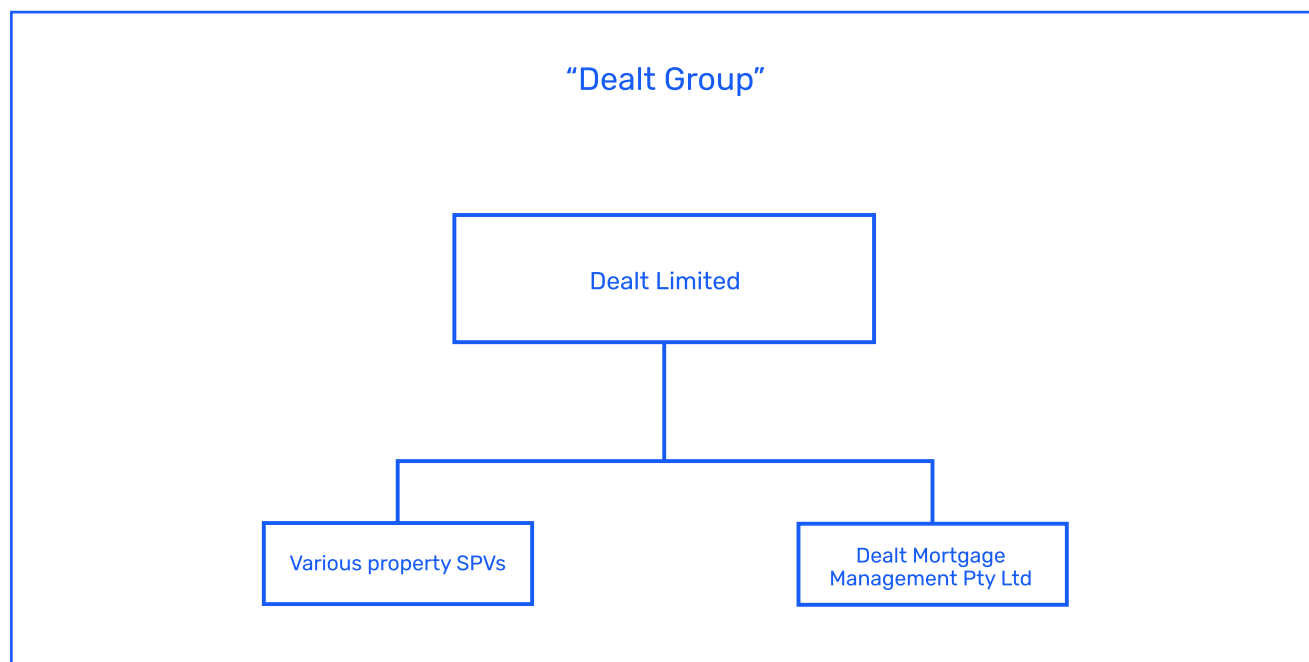
PMG Group was established in 1992 and has a significant distribution capability and network. PMG Group has grown funds under management from NZ \$294.4m to NZ\$665.7m over four years.

AMF has entered into a non-binding memorandum of understanding in respect of a proposed 50/50 joint venture with PMG for the purpose of establishing a funds management company that will raise syndicates and funds to invest in CRE loans throughout the major metropolitan markets of New Zealand. It is proposed that the joint venture will be responsible for sourcing suitable CRE loan investments, raising third party capital and managing the loans.

If the Minimum Subscription Condition is satisfied and the Company acquires AMF, the Group intends to complete negotiation and documentation of the proposed joint venture arrangements by December 2021. If this occurs, it is intended that the joint venture would establish the first fund by December 2021.

3.3 Current structure

The Group is currently structured as a company structure.
The diagram below illustrates the current structure:



3.4 Proposed new structure

(a) General

It is proposed that the stapled Group (to be called "Dealt Group") will be created, consisting of the Company ("Dealt Limited") and the Trust ("Dealt Trust").

The stapled structure is proposed in response to the different activities that are proposed to be undertaken by the Group and provides an effective way to separate the passive income activities and the business income activities in the most efficient structure.

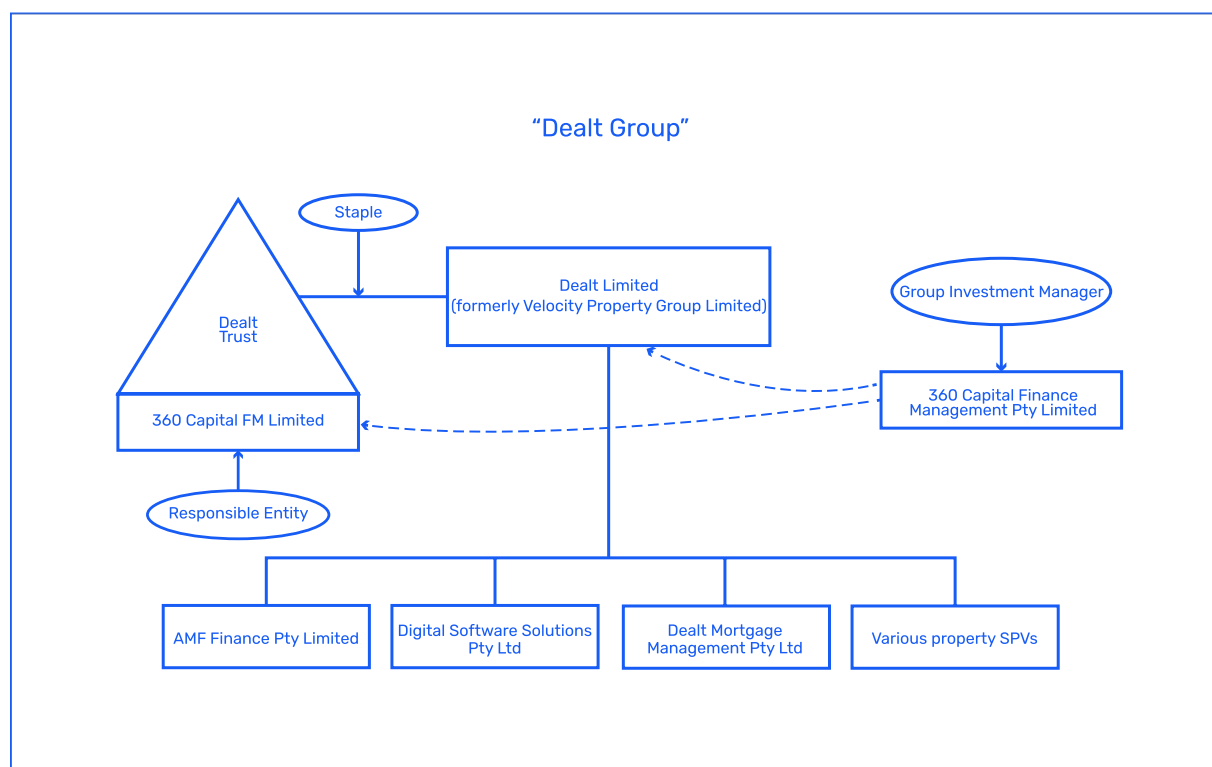
The Company, which was previously used for conducting real estate development activities, will continue to sell down existing development assets over the near term in the existing structure until they have been fully realised.

The Trust is being created for the purposes of providing new capital for investments in real estate loan products. The Trust will be a managed investment scheme with an external responsible entity (being the Responsible Entity). This structure will also be used to invest into other managed investment schemes alongside 3rd party capital investing into real estate loan assets. These structures are widely used and market accepted structures and familiar to many investors in this sector.

It is also proposed that the Company and the Responsible Entity will enter into a Group Investment Management Agreement with 360 Capital Finance Management Pty Limited (Group Investment Manager). The Group Investment Manager is a member of the 360 Capital Group (see further details about the 360 Capital Group below at section 3.8(b) below. The Group Investment Manager will have a dedicated resource from the 360 Capital Group, James Quigley, whose

responsibility will be to look after the interests of the Group. James will not have responsibility for the day to day management of any other fund in the 360 Capital Group. Please see section 3.9(a) for James' bio which demonstrates his extensive experience as a real estate fund manager. A detailed summary of the proposed Group Investment Management Agreement is set out in section 10.7.

The diagram below illustrates the proposed new structure:



The stapled structure will enable stapled unitholders to potentially benefit from multiple income sources from the three different business lines. Significantly, all loan application fees and all loan brokerage fees where dealt originates the loan will stay within the Group. This will provide a key point of difference to several other listed debt Trusts' which only receive the interest income from loan investments. Furthermore, the growth over time of the Funds Management and Loan Brokerage and Advisory businesses will provide the potential for growth in revenue and profit of the Group. This may provide investors the opportunity to benefit from capital growth of their stapled securities in addition to receiving the monthly income distributions.

(b) What is a "stapled entity"

A "stapled entity" or "stapled group" refers to a type of investment structure that is comprised of two or more entities:

- a unit trust, like the Trust, which holds passive investments and is treated as a flowthrough trust for tax purposes and so does not pay tax itself on income to which investors are entitled, subject to certain required tax withholdings (mainly deducted from distributions paid to non-resident Unitholders); and
- a company which carries on an active business.

Units in the unit trust and shares in the companies are "stapled" together and trade as one security on the ASX.

A stapled structure generally allows distributions from underlying passive property fund investments held by the stapled unit trust to be directly distributed to securityholders (subject to any required tax withholdings). The stapled company is taxed at the prevailing company tax rate.

(c) Establishment of the Trust and the Capital Reduction

To establish the new Group, the Company has established the Trust with nominal capital and appointed the Responsible Entity to be the responsible entity of Trust under the terms of the Trust Constitution.

As at the date of this Offer Document, all of the Units in the Trust are owned by the Company and the Trust has been registered as a managed investment scheme under the Corporations Act.

If the Capital Raising achieves the Maximum Subscription, the Company will capitalise the Trust with cash raised from the Capital Raising to within the ranges of \$65,000,000 to \$75,000,000. After this the Trust will have issued to the Company in total approximately 211,389,937 Units which is equal to the total number of Shares on issue, in return for the Company paying the Trust approximately \$65,000,000 to \$75,000,000 by way of subscription for the Units.

If the Capital Raising achieves the Minimum Subscription, the Company will capitalise the Trust with cash raised from the Capital Raising to within the ranges of \$15,000,000 to \$20,000,000. After this the Trust will have issued to the Company in total approximately 81,389,937 Units which is equal to the total number of Shares on issue, in return for the Company paying the Trust approximately \$15,000,000 to \$20,000,000 by way of subscription for the Units.

The Company proposes to then make an in-specie distribution to each registered holder of Shares of one Unit for every one Share held by the holder on the Capital Reduction Record Date.

The Unit Distribution will be made to Shareholders (other than Ineligible Foreign Shareholders) on a pro rata (1:1) basis by way of an equal capital reduction under section 256C of the Corporations Act.

Shareholders will not be required to pay any consideration for the Units, as the Company will make an appropriate Capital Reduction to reflect the distributions.

The Units to be distributed are valued at approximately \$0.31 to \$0.35 (calculated based on the Capital Raising achieving the Maximum Subscription) or at approximately \$0.18 to \$0.25 (calculated based on the Capital Raising achieving the Minimum Subscription). The net economic impact of the Group Stapling on the value of an investment by a Shareholder will be neutral (note the specific tax implications in the Taxation Report in Annexure A. This is because although Shareholders will receive Units, the value of each Unit will cause a corresponding reduction in the value of a Share

It is currently intended that the record date for determining entitlements to receive the Units pursuant to the Unit Distribution will be 10:00am AEST on 17 May 2021 (Capital Reduction Record Date). Any changes to the timetable outlined above will be announced to the ASX.

On completion of the Group Stapling, Shareholders will hold Stapled Securities, each comprising of one Share and one Unit. These two securities will be quoted and traded together as a Stapled Security on the ASX under the name of Dealt Group.

(d) Timetable

The indicative timetable for the Capital Reduction is:

| Event | Date |
|--|-----------------------------|
| Capital Reduction Record Date | 17 May 2021 at 10:00am AEST |
| Deferred settlement trading commences in Stapled Securities | 18 May 2021 |
| Admission of Trust to the Official List | |
| Effective date for distribution of Units and Stapling | 18 May 2021 |
| Last day of trading of Stapled Securities on a deferred settlement basis | |
| Completion of dispatch of holding statements | 19 May 2021 |
| Commencement of normal trading of Stapled Securities | 19 May 2021 |

These times and dates are indicative only and may change.

3.5 Governance of the new Group

The Responsible Entity Board and the Board are not the same and accordingly each has their own corporate governance and compliance obligations under the Corporations Act and the Listing Rules. Each of the Trust and the Company has its own constitution which sets out the rights and obligations of each respective entity and the unitholders (in the case of the Trust) and shareholders (in the case of the Company).

Notwithstanding this, the Group has created a governance framework in line with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (ASX Recommendations). This includes various corporate governance policies designed to promote the responsible management and conduct of the Group.

Both the Responsible Entity Board and the Board will be responsible for ensuring that the Trust and the Company is properly managed to protect and enhance Stapled Securityholder interests, and that the Group and personnel operate in an appropriate environment of corporate governance.

The Board will have overall responsibility for the corporate governance of the Group, including approval and monitoring of key strategic objectives and performance goals. The Board will monitor the financial position and performance of the Group, oversee its business strategy and ultimately be responsible for approving the Group's strategic goals. The Board is integral to the determination of appropriate corporate governance arrangements for the Group and to the continual monitoring of those arrangements.

Further details on the Group's compliance with the ASX Recommendations are set out in section 9.

The Group's policies, codes and charters relevant to corporate governance are located on 360 Capital Groups website at www.360capital.com.au/about-us/corporate-governance/.

3.6 Roles and responsibilities

In addition to the corporate governance of the Group, as a stapled structure the Responsible Entity Board and the Board have agreed the delineation of responsibility for the day to day operation and management of the Group.

As noted above, the Responsible Entity and the Company will enter into the Group Investment Management Agreement with the Group Investment Manager pursuant to which the Group Investment Manager will provide certain investment management services to the Group.

As between the Responsible Entity Board, the Board and the Group Investment Manager, the following matrix broadly identifies how the responsibility for the day to day operation and management of the Group has been allocated:

| Task | Company – responsibilities of the Board | Trust – responsibilities of the Responsible Entity Board | Group Investment Manager |
|---|---|--|--|
| General | All matters which are required to be executed by the Company or any subsidiary of the Company | All matters which are required to be executed by the Trust or any subsidiary of the Trust | |
| Strategy | <ul style="list-style-type: none"> Setting the strategic direction of the Group (including AMF and DSS) Preparing and approving all budgets for the Group Approving all acquisitions and divestments | Approving and monitoring all balance sheet investments and investments made on behalf of third-party funds and mandates | Assisting the Board in developing the strategy for the Group including preparing recommendations and evaluating acquisitions and divestments. |
| Committees | Will form an Audit Risk and Compliance Committee and a Credit Committee | | |
| Financial management and reporting | <ul style="list-style-type: none"> Preparing all statutory financial statements, reports and providing final sign off in relation to the same Preparing results announcements and presentations | Providing input as required in relation to the financial statements and reports etc. prepared by the Board | Assisting the Board with the preparation of all financial management and reporting matters together with all announcements and presentations |
| Communications and marketing | All investor relations dealings and liaison with ASX and ASIC | Provide input as required in relation to marketing communications | Assisting the Board with the preparation of all marketing and investor relations materials |
| Compliance and risk management | All corporate governance matters | Responding on corporate governance matters relating to the Trust and input in relation to quarterly compliance reports | Monitoring adherence to compliance plans and assisting with compliance reporting |
| Capital management | <ul style="list-style-type: none"> Approving capital allocation across the Group Capital management initiatives including capital raising/ buy backs etc. | Approving capital management matters as they relate to the Trust | Assisting with development of strategies for capital management and recommendations. Sourcing and negotiating finance facilities and advising on capital raisings and restructures |
| Transactions | <p>Source and manage all new loans (via AMF and DSS) including preparing recommendations to the Credit Committee.</p> <p>Providing investment management services (via AMF) to SPV trusts with third-party capital</p> | <p>Approving all loan investments and divestments for the Trust and third-party funds.</p> <p>Acting as responsible entity (or trustee as necessary) for any SPV Trusts established with third-party capital</p> | Initiating new investment funds, 3rd party mandates and raising capital |
| Operations | Overall day to day management of the Group | Monitoring the performance and activities of the Group Investment Manager | |

3.7 Investment process

An overview of the proposed process in relation to implementing the investment strategy of the Group (being the origination, lending and follow on management of loans) is set out below:

- AMF or DSS will 'originate' a loan in relation to a potential borrower (New Loan).
- AMF will review the New Loan with the Group Investment Manager and the Group Investment Manager will submit a paper to the Credit Committee (Credit Paper).

- The Credit Committee will review the Credit Paper including the relevant terms of the loan as proposed and set out in the Credit Paper. The Credit Committee may endorse the New Loan on the terms set out in the Credit Paper or may decline to endorse the New Loan. The Credit Committee may work with the Group Investment Manager to finalise terms of the New Loan and provide a subsequent endorsement.
- Following review by the Credit Committee, the Group Investment Manager will prepare a recommendation to the Responsible Entity Board in relation to the New Loan.
- The Responsible Entity Board will consider each recommendation from the Group Investment Manager and will make the final decision whether or not to proceed with a New Loan.
- Once a New Loan has been executed, AMF will commence managing the New Loan.

3.8 Information about the Responsible Entity, 360 Capital Group and Cambridge Investment Partners

(a) 360 Capital FM Limited

The Responsible Entity, 360 Capital FM Limited, is wholly owned by the 360 Capital Group and holds an AFSL (AFSL 221 474) issued by ASIC which authorises it to act as responsible entity of the Trust.

While the Responsible Entity is a member of the 360 Capital Group, it has an independent board which comprises a majority of directors which are independent of the 360 Capital Group.

As a wholly owned subsidiary of 360 Capital Group, the Responsible Entity is reliant on 360 Capital Group for access to adequate resources, including directors, management, staff, functional support (such as company secretarial, responsible managers, legal, compliance and risk, finance) and financial resources. 360 Capital Group has made such resources available to the Responsible Entity.

Please see section 3.9(b) for biographies of the board of the Responsible Entity.

(b) 360 Capital Group

360 Capital Group is an ASX-listed (ASX: TGP), investment and funds management group concentrating on strategic investment and active management of alternative assets. As at the date of this Offer Document, the 360 Capital Group has a market capitalisation of approximately \$200 million and manages listed and unlisted funds on behalf of investors.

360 Capital Group's senior management team has an average of 20 years' experience across the Australian real estate, banking, finance and funds management sectors.

360 Capital is approximately 34% owned by the directors and management team of 360 Capital.

(c) Cambridge Investment Partners

The Company has appointed Cambridge Investment Partners as financial adviser in relation to the Capital Raising.

Cambridge Investment Partners is a corporate advisory firm providing distribution capabilities to investment managers. Established in 2019 as a wholly owned subsidiary of 360 Capital Group, Cambridge Investment Partners collaborates with investment managers to provide advice and assistance into how to market, communicate and distribute listed and unlisted products. Cambridge Investment Partners leverages relationships across multiple channels including research houses, independent financial advisers, banks, stockbrokers, wealth management firms, investment platforms, family offices and consultants growing capital in order to bring investment opportunities to investors.

Under the engagement terms with Cambridge Investment Partners the Company has agreed, subject to obtaining Shareholder approval, to pay Cambridge Investment Partners a financial advisory fee of 1.0% of the amount raised by the Company under the Capital Raising (the Financial Advisory Fee).

3.9 Key people

(a) Company Board

Peter Lewis

Non-executive Chair

Peter Lewis is the Chair of McGrath Ltd, a director of the ABC, Pump Group Australia, Pocko Holdings Pty Limited (trading as BoozeBud), a member of the Advisory Board for Anacacia Capital and an advisor for Gravity Media Group. He previously held board and advisory positions with 360 Capital ANI Management, Capitol Health Limited, International Grammar School Sydney, TXA Australia Pty Ltd, Norwest Productions Pty Ltd, Australian News Channel Pty Ltd, B Digital Ltd, Vividwireless Pty Ltd, and Yahoo 7 Australia. He has extensive experience in financial management and has been the CFO of Seven Network Ltd, Seven Group Holdings Ltd, Seven Media Group, and Seven West Media Ltd.

Peter is a Fellow of the Institute of Chartered Accountants in Australia, a member of the Australian Society of Certified Practising Accountants, and a Fellow of the Governance Institute of Australia.

Tony Pitt

Non-executive Director

Tony is a founding Director of 360 Capital Group and has worked in the property and property funds management industries for over 20 years. As Managing Director, Tony is responsible for the Group's investments, strategic direction and overall Group strategy. He has overseen the IPO on the ASX of three AREITs since 2012 as well as the creation of various unlisted funds, undertaken various corporate acquisitions and disposals, mergers and acquisitions and the ASX listing of 360 Capital Group. Tony is a non-executive director of PMG Funds (New Zealand)

Tony has formerly held numerous senior roles and directorships at Mirvac Group, James Fielding Group and Paladin Australia. He also held positions at Jones Lang LaSalle and CB Richard Ellis. He graduated from Curtin University with a Bachelor of Commerce (Property), has a Graduate Diploma in Applied Finance and Investment from the Financial Services Institute of Australasia.

James Storey

Non-executive Director

James has 15 years' experience in real estate funds management with significant experience investing across debt, equity and corporate transactions. James was the Fund Manager of the 360 Capital Office Fund (ASX: TOF) and 360 Capital Industrial Fund (ASX: TIX) with a combined gross assets of over A\$1.1b and is currently the Head of Real Assets and Fund Manager of 360 Capital REIT (ASX:TOT). James is a non-executive director of PMG Funds (New Zealand).

Prior to his tenure at 360 Capital, James held the role of Investment Manager at Brookfield Office Properties, Senior Analyst at Valad Property Group and worked for Ernst & Young within its Transaction Advisory Services team.

James has a Bachelor of Business (Property Economics) from the University of Western Sydney and a graduate certificate of applied finance and investment. He is also a licensed real estate agent and qualified valuer.

Philip Raff

Company Management

Philip was appointed a founding director of the Company in 2015 and drove the ASX Listing in 2016. Between 2013 and 2015 he was instrumental in funding several private developments. This was preceded by a 20 year career in the IT industry implementing large IT Deployments and driving the associated Business Transformation for Gateway, IBM and Lenovo.

Philip has a Bachelor of Business Degree in Accounting from Central Queensland University and worked in a Chartered Accounting firm for several years before entering the IT industry. Philip is a licensed Real Estate Agent in Singapore, where he lives with his wife and three children. He is also Treasurer of his daughters' gymnastics club.

Phillip Young

Chief Financial Officer and Company Secretary

Phillip joined the Group in July 2016 as Chief Financial Officer and was appointed Company Secretary in August 2016. Prior to joining the Group, Phillip spent 13 years at Findex (formerly Crowe Horwath), a national mid-tier accounting firm. Phillip is a member of the Chartered Accountants of Australia & New Zealand and the Governance Institute of Australia.

Phillip holds a Bachelor of Business in Accounting and Information Systems from Central Queensland University as well as a Graduate Diploma of Chartered Accounting. He is also a current member of the Urban Development Institute of Australia (UDIA) Qld finance and taxation committee.

(b) Board of Directors of Responsible Entity

The board of the Responsible Entity are responsible for the management of the operations of the Trust. While the Responsible Entity delegates investment management services to other entities, it retains ultimate responsibility for these functions. The board of the Responsible Entity is comprised of four Directors, three of whom are independent non-executive Directors, including the Chairman. The biographies of the board members are set out below:

David Van Aanholt

Non-executive Chairman

David has over 30 years' experience in the property and funds management industry. Prior to establishing his own property group in 2007, David worked for the ASX listed Goodman Group where he was the Chief Executive Officer (Asia Pacific) and was responsible for Goodman's operations in Australia, New Zealand, Hong Kong and Singapore. Prior to working for Goodman David held senior roles at Paladin Australia and CDH Properties (acquired by KPMG). David holds a Bachelor of Business (Land Economy), a Post Graduate Diploma in Management, a Masters in Business Administration and he is a Fellow of the Australian Property Institute.

David is a non-executive Director and Chair of Kennard's Self Storage Group and a Councillor at the University of New England where he sits on the Audit and Risk, Finance and Infrastructure, Innovation and Remuneration Committees.

Tony Pitt

Managing Director

See section 3.9(a).

John Ballhausen

Non-executive Director

John is a financial services professional with over 35 years' experience. He is a founder of Quay Business Services Limited providing trustee and responsible entity services to fund managers. He is also a non-executive director of Arctic Intelligence.

John founded Rimcorp Property Limited and became its Managing Director. In 2008, Rimcorp was successfully sold with approximately \$100 million in funds under management spread over four registered property schemes. Before 2002 John held the position of Chief Investment Officer with HIH Insurance, with responsibility for more than \$3 billion of investments across fixed interest, equities and property asset classes. John has a Bachelor of Commerce from the University of NSW, is a Fellow of the Financial Services Institute of Australasia and a Graduate of the Australian Institute of Directors.

Andrew Moffat

Non-executive Director

Andrew has in excess of 23 years of corporate and investment banking experience, including serving as a director of Equity Capital markets and Advisory for BNP Paribas Equities (Australia) Limited. Andrew is the sole principal of Cowoso Capital Pty Ltd, a company providing corporate advisory services. Andrew is also a Director of Pacific Star Network Limited and a Director of ICP Funding Pty Ltd. His past public company directorships include Rubik Financial limited, Keybridge Capital Limited, CCK Financial Solutions Limited, itX Group Limited and Infomedia Limited.

(c) Responsible Entity Senior Management

Glenn Butterworth

Chief Financial Officer and Joint Company Secretary

Glenn is a key executive within the business and is responsible for all 360 Capital's financial management activities. Glenn has over 25 years' experience and joined 360 Capital from Mirvac Group where he spent 11 years, most recently as Financial Controller of the Mirvac's Investment Division where he was responsible for Mirvac Property Trust, listed and wholesale managed funds

and partnership structures and has a wealth of transactional and financial management experience. Glenn was appointed joint Company Secretary on 11 December 2019. Glenn is a non-executive director of PMG Funds (New Zealand)

Glenn is a Chartered Accountant and holds a Bachelor of Commerce and commenced his career as an accountant at Deloitte.

James Storey
Head of Real Assets
See section 3.9(a)

Kim Child
General Counsel and Joint Company Secretary

Kim joined the Group and was appointed Company Secretary of 360 Capital Group in August 2020 having previously worked with the Group in private practice.

Kim has over 10 years of legal experience and has practiced corporate law in London and Sydney including at top tier firms Clayton Utz and King & Wood Mallesons. Kim has gained experience advising investors, asset and fund managers, financial institutions and listed and unlisted entities on strategic transactions in the corporate real estate sector. Kim holds a Bachelor of Laws and is qualified to practice in both New South Wales and the UK.

(d) Group Investment Manager

James Quigley
Fund Manager

James has more than 25 years' experience in real estate investment, funds management and transactions across Australia. James has significant experience managing funds both unlisted and listed delivering strong returns for investors and originating and executing transactions across all real estate asset classes. James has a track record across a well-diversified range of national and international property and private equity real estate groups.

Prior to joining the 360 Capital Group, James spent time at Fortius Funds Management, LaSalle Investment Management, Morgan Stanley Real Estate Investing, Mirvac and Lend Lease. James holds a Bachelor of Applied Science in Property Resource Management from the South Australian Institute of Technology and a Graduate Diploma in Applied Finance and Investments from the Financial Services Institute of Australia.

(e) AMF

Genevieve Naughton
Investment Manager

Genevieve has over 8 years' experience across real estate development and construction finance, loan origination and financial planning. Prior to her current role, Genevieve was Risk and Compliance manager at Lambert Capital, a family office located in Melbourne. Genevieve has a Bachelor of Business majoring in Economics and Finance at RMIT University and an advanced diploma in Financial Planning.

James Collins
Investment Manager

James has 6 years of global real estate debt experience spread

across both London and Sydney at Magnolia Capital Group, Octopus Real Estate Debt (UK based investment fund) and Westpac Banking Corporation. James has been directly involved in the origination of over c.\$1B of commercial real estate debt transactions, specialising in development and acquisition finance. James has a focus on client interaction and the origination of new opportunities for investment. James holds a Bachelor of Business degree majoring in Accounting and Economics from the University of Technology, Sydney (UTS) and is currently completing a Masters of Real Estate Investment at UTS.

3.10 Changes to Board Management

The Board is presently comprised of Peter Lewis, Tony Pitt, James Storey and Philip Raff.

Peter Lewis was appointed as a director of the Company on 2 November 2020 and was elected chair.

Separately in relation to the management team of the Company, it is proposed that Philip Raff will retire as Managing Director and become a non-executive Director. Phillip Young will continue as Chief Financial Officer and Company Secretary.

The Board will have responsibility for setting the strategic direction of the Group and Group activities and profitability.

The Board will assess and approve acquisitions and divestments of Group businesses and be responsible for approving key company hires.

The Board will be responsible for overseeing the capital structure of the Group and maintaining prudent gearing levels.

Please see section 3.9 for biographies of the Board and its management team.

3.11 Executive Incentive Plan

If the Capital Raising achieves the Minimum Subscription, the Group proposes to adopt an Executive Incentive Plan (Executive Incentive Plan).

The Group is committed to maintaining a remuneration strategy which is designed to attract, retain and motivate appropriately qualified and experienced senior executives. Key principles in developing the remuneration structure and levels include the creation of longer term securityholder value, alignment with securityholder interests, market competitiveness, recognition of individual performance and experience and group performance.

The Group reviews its remuneration policies and practices on an ongoing basis in order to ensure that they are consistent with its strategic goals and human resources objectives and to ensure that they are designed to enhance corporate and individual performance.

The proposed Executive Incentive Plan and is designed to:

- assist with the attraction and retention of executives, senior managers and employees;
- continue to motivate and drive performance at both the individual and corporate level; and
- strengthen the alignment between employee and securityholder interests.

It is proposed to issue Stapled Securities under the Executive Incentive Plan to employees of the Group. It is estimated a total of 389,800 Stapled Securities will be issued in the first year to current and future employees. The maximum number of Stapled Securities proposed to be issued under the Executive Incentive Plan following the approval is no more than 1,169,400.

3.12 Additional Group information

Further details in respect of the Group are set out below.

(a) Distribution policy

It is intended that Trust distributions be paid monthly, though this policy remains at the discretion of the Responsible Entity. Correspondence will be made to investors via ASX announcements. The first distribution is expected to occur month end September 2021. Distributions are not intended to be paid out of borrowings.

(b) Dividend Policy

After the Stapling Date, for dividends from the Company, the Board will determine when any dividends are declared taking into account current year earnings, trading outlook and capital requirements.

(c) Valuation policy

The Group will value its net assets on a half yearly basis as at 30 June and 31 December in accordance with Australian Accounting Standards and regulatory requirements.

In respect of assets it owns and controls, using a framework that is consistent with best market practices, the Group intends to engage an external valuation firm to undertake an independent valuation of the assets at least once in each two-year period.

In respect of assets it does not entirely own (including where it has a shareholding or unitholding in an investment vehicle), the valuation policies in respect of those assets will be subject to the valuation policies of those investment vehicles which may be outside the control of the Trust.

(d) Liquidity and withdrawals

While the Group is listed, Stapled Securities are not able to be redeemed or withdrawn except under a withdrawal offer or a buy back of Stapled Securities which satisfies the Constitution, the Corporations Act and the ASX Listing Rules.

It is expected, subject to the Group's admission to the Official List and the quotation of the Units on the ASX, that Stapled Securities will commence trading on the ASX on or about 19 May 2021 on a deferred settlement basis. Stapled Securities may be sold on the ASX by Stapled Securityholders instructing their stockbroker.

(e) Capital Management

The Group will periodically review the capital structure of the Group and, where considered appropriate and together with the Board, undertake capital management initiatives in respect of the Group which may involve the issue of other Stapled Securities (through bonus options issues, placement, pro-rata issues, etc.) or the buy back of Stapled Securities.

(f) Changes to Investment Strategy

It is expected that the Group's investment strategy will be implemented as detailed in this Offer Document. The Company and the Responsible Entity reserves the right to change the Group's investment strategy should it be in the best interests of Stapled Securityholders, subject to any approval it may require under the ASX Listing Rules.

(g) Fees

Refer to section 8 for a summary of the fees applicable.

(h) Hedging

Foreign Currency Risk Hedging Policy

The Group may be exposed to foreign currency risk arising from investment in non-AUD denominated assets. This means that a portion of distribution income attributable to the Group may fluctuate in line with a change in AUD/global exchange rates. To the extent possible, corresponding debt will be taken out in the same currency of the asset to manage foreign currency risk. The Group may enter into derivatives to facilitate foreign currency hedging to manage AUD/global exchange rate risk. The Group will not enter into derivative products for speculative purposes. The Group will always ensure that it will have sufficient cash to meet any derivative obligations.

Interest Rate Risk Hedging Policy

The Group may have exposure to interest rate risk, as the Group may take on debt which is set on a floating benchmark rate plus a margin. This means that a portion of distribution income attributable to the Group may fluctuate in line with a change in interest rates.

The Group may enter into derivatives to facilitate interest rate hedging, to hedge the underlying floating rate risk arising from distribution income. The Group will not enter into derivative products for speculative purposes. The Group will always ensure that it will have sufficient cash to meet any derivative obligations.

(i) Reporting to Stapled Securityholders

For accounting and reporting purposes, the Group will operate on a financial year basis, with a year end of 30 June. The Group will formally report to Stapled Securityholders on a half yearly basis as at 30 June and 31 December.

(j) Denomination

The Group will be Australian dollar denominated.

(k) Borrowings

It is proposed that the Group may enter into financing facilities with local and offshore banks which it will then use to finance senior commercial real estate loans to borrowers secured by registered first mortgages.

For this purpose, the Group has executed a term sheet with a major European Bank (Lender) for a debt facility. It is currently proposed to use this facility for the purpose of financing completed and subdivided residential dwellings in metropolitan markets with a population of greater than 200,000 (residual stock loans).

The Lender has commenced due diligence with the aim of executing all documentation by June 2021.

Key terms of the proposed debt facility are detailed below:

| Parties | |
|------------------------------|---|
| Borrower | A special purpose trust established and wholly owned by the Responsible entity as responsible entity of the Trust |
| Lender | European Bank |
| Structure of facility | It is proposed that the Lender will issue loan notes to the Borrower (Senior Notes). |
| Key Terms | |
| Purpose | The Borrower will use the proceeds of the issuance of Senior Notes to acquire Eligible Loans (defined below) to be made by the Borrower and to pay any fees and expenses in respect of the facility. |
| Eligible Loans | <p>An initial portfolio of existing first ranking residential mortgage loans, secured against the Eligible Properties (defined below), which meet the eligibility criteria (Portfolio).</p> <p>Additional loans which meet the Eligibility Criteria may be added to the Portfolio with the prior approval of the Lender.</p> |
| Eligible Properties | Completed, subdivided, residential stock available for sale, which secures the Eligible Loans and meets the eligibility criteria. |
| Senior Note Limit | Up to A\$100,000,000 or as otherwise agreed between the Borrower and the Lender |
| Senior Advance Rate | <p>In respect of each Eligible Loan or Eligible Property, the amount that the Borrower will apply from the proceeds of the issuance of Senior Notes is the lesser of:</p> <ol style="list-style-type: none"> 1) 50% of the principal balance of the Eligible Loan; 2) 35% of the market value of the Eligible Property as per the initial independent valuation (excluding any GST) as or as per otherwise agreed by the Lender. |
| Maturity | 36 months from financial close or as otherwise agreed with the Lender. |
| Redraw | The Bank will offer a redraw facility with drawdowns permitted against additional Eligible Loans to be included in the Portfolio, provided that following the drawdown the aggregate Senior Notes outstanding will not exceed the Senior Note Limit and the Senior Notes outstanding in respect of the Eligible Loan will not exceed the Advance Rate and in all cases with the prior approval of the Lender. |
| Security | |
| Ranking and Security | <p>First ranking senior security package shall be in a form and substance satisfactory to the Lender, including but not limited to:</p> <ol style="list-style-type: none"> 1) First ranking security over all of the assets and undertaking of the Borrower (which will include the first ranking benefit of any and all security provided to the Borrower in respect of the Eligible Loans); 2) Bank account deed giving security over all the Borrower's bank accounts; and 3) Acceptable inter-creditor terms. |
| Covenants & Undertakings | |
| Financial Covenants | <ol style="list-style-type: none"> 1) Eligible Property loan to valuation ratio (Eligible Property LTV) equal to or less than 40% calculated as the weighted average of the loan to valuation ratio for each Eligible Property based on the principal balance of the Eligible Loan to the latest Independent Valuation of the Eligible Property (excluding any GST); and 2) Portfolio loan to valuation ratio (Portfolio LTV) equal to or less than 55% calculated as the ratio of the outstanding Senior Notes to the outstanding aggregate principal balance of all Eligible Loans in the Portfolio. Where an Eligible Loan has defaulted, it will be included in the Portfolio LTV calculation with the principal balance to be based on its market value, as agreed with the Lender. <p>Compliance with the Eligible Property LTV covenant and Portfolio LTV covenant (each an LTV covenant) is required at all times, to be tested monthly and on each Drawdown.</p> |

The above summary is indicative of the proposed terms of financing facilities that the Group may enter into to finance senior loans. The final terms of any financing facilities may vary from that described above.

The Group has held preliminary discussions with other major offshore banks for the purpose of entering into finance facilities for loans other than residual stock loans. These loans could include commercial investment loans and development construction loans.

The Group's debt borrowings is not expected to exceed 40% of the Group's asset value.

3.13 Disposal of Current Business

It is intended that the Company will dispose of its current residential property development business and residential investment assets.

As at the date of this Offer Document, the Group has interests in the following project and development sites

| Type | Remaining Stock | Gross Realisable Value |
|-----------------------|-----------------|------------------------|
| Residual Stock | 9 | \$15,451,250 |
| Investment Properties | 10 | \$5,954,659 |
| Development Sites | 1 | \$2,320,000 |
| Total | 20 | \$23,725,909 |

From the stock listed above, the Group has exchanged unconditional contracts totalling \$3,345,000 for residual stock and for the remaining development sites value of \$2,320,000. Settlement for these contracts are due in April 2021 and May 2021.

Residual stock

Whilst not immune to the impact of COVID-19 the Group has managed to maintain sales momentum of its luxury, owner occupied projects. This has included 17 settlements of completed lots across the ONE Bulimba Riverfront, Ellerslie Residences and Parque on Oxford portfolio during the second half of FY20 for a gross value of approximately \$25.4m and a further 12 in the first half of FY21 for a gross value of approximately \$19.2m. Based on current marketing plans, the remaining residual stock is expected to sell in the current financial year.

Investment properties

The investment property portfolio is being prepared for sale and a comprehensive marketing campaign is planned to commence in the 2021 calendar year.

Development sites

Since the decision was made to dispose of the development sites there has been strong interest from several parties. The remaining site at Burleigh Heads is under contract, is unconditional and is expected to settle in late March 2021.



04

Implementation
of the Capital
Raising and the
Group Stapling

4.1 Background

On 23 December 2020, a NOM/EM/PDS was issued for a meeting of the Shareholders of the Company to consider and vote on the Restructure and Recapitalisation Proposal as described in that NOM/EM/PDS.

On 17 February 2021, Shareholders passed all of the Resolutions put to the meeting in relation to the Restructure and Recapitalisation Proposal.

Accordingly, subject to the Minimum Subscription Condition, the Group Stapling will be carried out and the Group will trade on the ASX as a stapled entity⁸.

It is expected that the Shares will continue to be suspended from quotation until the Company has completed the Capital Raising and implemented the Group Stapling and re-complied with Chapters 1 and 2 of the ASX Listing Rules, including by satisfaction of ASX's conditions precedent to reinstatement.

If the Minimum Subscription Condition is not achieved, the Company will not become part of a stapled group. In such circumstances the Company may request that ASX lift the suspension of trading in its securities. Any lifting of the suspension will be subject to demonstrating to ASX that the level of the Company's operations are sufficient to warrant the continued quotation of the Company's securities. The Board will then undertake a further review to assess the various options available to the Company to maximise value for all Shareholders. This may include an orderly sale of the Company or its assets and ultimately winding up, or exploration of a possible takeover.

4.2 Summary of transaction steps

The table below summarises the steps to implement the Capital Raising and Group Stapling.

| Step | Description | Further information |
|--|--|-----------------------------------|
| Group Overview | | |
| Undertake Capital Raising | The Company will undertake the Capital Raising to raise up to \$93,400,000 (the Maximum Subscription). | See section 5 for further details |
| Implement new investment strategy | If the Capital Raising achieves a minimum subscription of \$28,400,000 (the Minimum Subscription), the Company will implement a new investment strategy to focus on commercial real estate debt including lending, origination and investment management. | See sections 3.1 and 3.2 |
| Complete Business Acquisitions | <p>If the Minimum Subscription Condition is satisfied, the Company will complete the acquisition of two loan origination businesses (AMF Finance Pty Limited and Digital Software Solutions Pty Ltd).</p> <p>As part of the acquisition of AMF Finance Pty Limited the Company will also acquire the management rights in relation to Dealt Group Residual Stock Fund, of which AMF Finance Pty Limited is the investment manager.</p> | See section 3.2(a) |

⁸ The ASX has absolute discretion in deciding whether or not to re-admit the Company to the Official List and to quote its securities.

Implement a Stapled structure

If the Minimum Subscription Condition is satisfied, the Company will be restructured as a stapled group (to be called the “**Dealt Group**”) by:

- the Company capitalising the Trust with cash to within the ranges of approximately \$15,000,000 to \$20,000,000 (if only the Minimum Subscription is achieved) or \$65,000,000 to \$75,000,000 (if the Maximum Subscription is achieved);
- the Company making an equal return of capital to Shareholders as at the Capital Reduction Record Date by way of an in-specie distribution of all the units in Trust, pro rata to their shareholding in the Company (Capital Reduction); and
- stapling the shares in each of the Company and the units in the trust on a 1:1 basis to be listed on the ASX and trading as Stapled Securities.

Section 3.4(c)

Changes to board and management

If the Minimum Subscription Condition is satisfied, the new Group will make certain changes to the management and directors of the Company and related employee incentive arrangements.

See sections 3.10, 3.11 and 3.12

Obtain new debt funding

If the Minimum Subscription Condition is satisfied, the new Group may enter into new debt facilities to fund the Group's investment strategy.

See section 3.12(k).

Dispose of current business

If the Minimum Subscription Condition is satisfied, the Company will dispose of its current residential property development business, which comprises selling all remaining developed apartments and townhouses, a development site and ten residential investment units.

See section 3.13



05

Capital Raising

5.1 General

The Company proposes to undertake the Capital Raising to raise up to \$93,400,000 (Maximum Subscription) at an issue price of \$0.50 per Share on the terms of this Offer Document by offering 186,800,000 Shares.

The minimum subscription proposed for the Capital Raising is \$28,400,000 (Minimum Subscription).

5.2 Group Stapling

If the Capital Raising achieves the Maximum Subscription, the Company will capitalise the Trust with cash raised from the Capital Raising to within the ranges of \$65,000,000 to \$75,000,000.

If the Capital Raising achieves the Minimum Subscription, the Company will capitalise the Trust with cash raised from the Capital Raising to within the ranges of \$15,000,000 to \$20,000,000.

The Company proposes to then make an in-specie distribution to each registered holder of Shares of one Unit for every one Share held by the holder on the Capital Reduction Record Date.

The Unit Distribution will be made to Shareholders (other than Ineligible Foreign Shareholders) on a pro rata (1:1) basis by way of an equal capital reduction under section 256C of the Corporations Act.

Shareholders will not be required to pay any consideration for the Units, as the Company will make an appropriate Capital Reduction to reflect the distributions.

It is currently intended that the record date for determining entitlements to receive the Units pursuant to the Unit Distribution will be 10:00am AEST on 17 May 2021 (Capital Reduction Record Date). Any changes to the timetable outlined above will be announced to the ASX.

On completion of the Group Stapling, Shareholders will hold Stapled Securities, each comprising of one Share and one Unit. These two securities will be quoted and traded together as a Stapled Security on the ASX under the name of Dealt Group.

5.3 Minimum Subscription Condition

Applications under the Capital Raising will only be accepted if the Minimum Subscription is achieved.

5.4 Structure of the Capital Raising

The Capital Raising is proposed to be structured as follows:

- **Priority Offer:** this offer will be open to Shareholders who hold Shares at the Capital Raising Record Date and who have a registered address in Australia or New Zealand. This offer will also be open to Shareholders who holds Shares at the Capital Raising Record Date and who have a registered address in, Singapore or Malaysia subject to certain restrictions to be detailed in the Offer Document.
- **360 Capital Offer:** this offer will be open to persons who hold securities in 360 Capital Group Limited (ASX: TGP), 360 Capital REIT (ASX: TOT), Global Data Centre Group (ASX: GDC)

or 360 Capital Enhanced Income Fund (ASX:TCF) as at the Capital Raising Record Date who have a registered address in Australia or New Zealand;

- **General Offer:** this offer will be open to Retail Clients or Wholesale Clients who have a registered address in Australia or New Zealand. This offer will also be open to Wholesale Clients who have a registered address in, Singapore or Malaysia; and
- **Broker Firm Offer:** this offer will be is open to Retail Clients or Wholesale Clients who have a registered address in Australia or New Zealand who have received a firm allocation from their broker.

If the Minimum Subscription is not obtained, the Company will not be stapled to the Trust and the proposed Group strategy will not be implemented.

5.5 Timetable

The indicative timetable for the Capital Raising is:

| Event | Date (2021) |
|---|------------------------|
| This Offer Document filed with ASIC | 18 March |
| Capital Raising Record Date | 18 March |
| Capital Raising offer period commences | 29 March |
| Priority Offer and 360 Capital Offer closes | 5:00pm (AEST) 29 April |
| General Offer and Broker Firm Offer closes | 5:00pm (AEST) 6 May |
| Issue of Shares under Capital Raising | Friday 14 May |

These times and dates are indicative only and may change.

5.6 Use of funds

Funds raised from the Capital Raising will be used for the following purposes.

- (a) to fund the cash consideration for the Business Acquisitions;
- (b) to repay the Company's existing external borrowings;
- (c) to fund the new investment strategy; and
- (d) to fund the costs of the Company restructure and the Capital Raising.

The table below summarises the application of funds

| | | | \$M |
|-----------------------------|--|--------------|-------------|
| Minimum Subscription | Application of Funds | Total | 28.4 |
| | Repay debt facilities | | 10.0 |
| | Business Acquisitions (cash component) | | 0.4 |
| | Offer Costs | | 1.8 |
| | Investment Management Initiatives | | 5.0 |
| | Working Capital & Balance Sheet Lending Capacity | | 11.2 |
| | Total Application of Funds | | 28.4 |
| Maximum Subscription | Application of Funds | Total | 93.4 |
| | Repay debt facilities | | 16.0 |
| | Business Acquisitions (cash component) | | 0.4 |
| | Offer costs | | 3.8 |
| | Investment Management Initiatives | | 32.0 |
| | Working Capital & Balance Sheet Lending Capacity | | 41.1 |
| | Total Application of Funds | | 93.4 |

Investment Management Initiatives includes fund management initiatives where the investment manager may invest directly into a fund managed by the Group in order to establish the fund and originate “seed” loans. This could include, but is not limited to any proposed investment by the Group in the DGRSF as outlined in Section 3.2(c).

The Group will on completion of the Capital Raising have sufficient working capital to carry out its objectives as stated in this Offer Document.

5.7 Impact of Capital Raising - Control

The 360 Capital Shareholder currently owns Shares in the Company representing 19.9% ownership of the existing Shares, which is in line with 360 Capital Group’s philosophy of long-term co-investment alongside Unitholders.

At completion of the Capital Raising, it is expected that 360 Capital Shareholder holding will be diluted to approximately 16.1% (assuming the Minimum Subscription is raised under the Capital Raising) or 6.2% (assuming that the Maximum Subscription is raised under the Capital Raising). This number may change based on the amount raised under the Capital Raising.

5.8 Is the Capital Raising underwritten?

The Capital Raising is not underwritten.

5.9 Allocation policy

The allocation of Shares between the Priority Offer, the 360 Capital Offer, General Offer and Broker Offer will be determined by the Company having regard to factors including:

- desire to foster a stable Share register over the long term;
- desire for a liquid and informed trading market for the Shares;
- overall level of demand for Shares between each such offer; and
- any other factors that the Company considers appropriate

The Company has absolute discretion regarding the allocation of Shares to Applicants in the Capital Raising and may reject an Application, or allocate fewer Shares than applied for, in its absolute discretion.

5.10 How to apply for Shares

(a) How to apply under the Priority Offer or the 360 Capital Offer

Applicants under the Priority Offer or the 360 Capital Offer can apply online at www.dealtgroup.com.au by using their personalised investor code and submit an application and pay their Application Monies by BPAY. Alternatively, Applicants can request their personalised investor code by calling the Share Registry – Boardroom Pty Limited on 1300 737 760 (within Australia) or +61 2 9290 9600 (from outside Australia) between the hours of 8:30 am and 5:30 pm AEST on Business Days.

(b) How to apply under the Broker Firm Offer

The Broker Offer is open to Australian and New Zealand resident investors who have a registered address in Australia and New Zealand and have received a firm allocation from their Broker. If you have been offered a firm allocation by a Broker, you will be treated as a Broker Offer Applicant in respect of that allocation. If you have received an allocation of Shares from your Broker and wish to apply for Shares under the Broker Offer, you should contact your Broker for information about how to submit your Application Form and for payment instructions. Application Forms must be completed in accordance with the instructions given to you by your Broker.

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 5:00 pm (AEST) on 6 May 2021 or any earlier closing date as determined by your Broker. Applicants under the Broker Offer must send their Application Forms to their Broker and not to the Registry

(c) How to apply under the General Offer

To make an investment in Shares under the General Offer, you must complete the online Application Form at www.dealtgroup.com.au and pay your Application Monies by BPAY.

The Company's decision as to the number of Shares to be allocated to you will be final.

Applications will only be accepted online. Mail and in person applications will not be accepted.

5.11 Minimum and Maximum Application

The Minimum Application for the Offer is \$2,000 and in increments of at least \$500 thereafter. There is no maximum number of Shares that may be applied for under the Capital Raising although the Company may scale back Applications in its absolute discretion.

5.12 Existing and proposed capital structure

The proposed capital structure of the Group on a pre and post basis following completion of the Capital Raising and the issue of all Shares and Units contemplated by this Offer Document is set out below.

| | Minimum Subscription | Maximum Subscription |
|---|----------------------|----------------------|
| Shares currently on issue | 11,389,937 | 11,389,937 |
| New Shares to be issued at \$0.50 each under the Capital Raising including Shares issued in relation to the Business Acquisitions | 70,000,000 | 200,000,000 |
| Total Shares on issue on completion of Capital Raising and Business Acquisitions | 81,389,937 | 211,389,937 |
| Total Stapled Securities on issue on completion of the Unit Distribution | 81,389,937 | 211,389,937 |

The Company also has on issue 7,142,857 options at an exercise price of \$1.40 per share issued to 360 Capital REIT (a listed stapled entity comprising 360 Capital Active REIT ARSN 602 303 613 and 360 Capital Passive REIT ARSN 602 304 432) (ASX:TOT).

Other than the securities described above, the Company does not have on issue any other types of equity or debt securities.

Following completion of the Capital Raising and Group Stapling, the percentage of Stapled Securities which will be able to be traded on the ASX (excluding any Stapled Securities which are subject to a restriction on trading and the Stapled Securities held by the Related Party Vendors, Philip Raff and the 360 Capital Shareholder) will be greater than 20% of the number of Stapled Securities on issue.

Following completion of the Capital Raising and Group Stapling the reconciliation of the ownership is detailed below:

| Ownership Table | Pre-Raise | | | Post Minimum Raise | | | Post Maximum Raise | | |
|--|-----------|------------|---------|--------------------|------------|---------|--------------------|------------|---------|
| | \$m | mill units | % | \$m | mill units | % | \$m | mill units | % |
| Current Shareholders | 4 | 8.1 | 70.80% | 4 | 8.1 | 9.90% | 4 | 8.1 | 3.80% |
| 360 Capital Entities and Associates ¹ | 1.1 | 2.3 | 20.00% | 6.5 | 13.1 | 16.10% | 6.5 | 13.1 | 6.20% |
| Directors | 0.5 | 1.1 | 9.20% | 0.5 | 1.1 | 1.30% | 0.5 | 1.1 | 0.50% |
| Founder of DSS | | | | 1.2 | 2.4 | 2.90% | 1.2 | 2.4 | 1.10% |
| New Equity | | | | 28.4 | 56.8 | 69.80% | 93.4 | 186.8 | 88.40% |
| Total Sources | 5.7 | 11.4 | 100.00% | 40.7 | 81.4 | 100.00% | 105.7 | 211.4 | 100.00% |

Notes: 1. Includes 360 Capital Group, 360 Capital REIT and Tony Pitt

5.13 Foreign Persons

The Capital Raising and offer to acquire units in the Trust is being made to investors whose registered address is in Australia, New Zealand, Singapore or Malaysia as follows:

- (a) in respect of the offer to Australia and New Zealand residents, the Capital Raising is generally available to those investors;
- (b) in respect of the offer to Singapore investors, the Capital Raising is available to certain persons who are "Accredited Investors" or "Institutional Investors" and to others to whom an offer can be made under applicable security laws;
- (c) in respect of the offer to Malaysia investors, the General Offer is open to sophisticated investors via a Malaysian licensed broker or investment bank and the Priority Offer is also open to Shareholders that are Malaysian residents.

The Offer Document and the accompanying Application Form do 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. By submitting an Application Form and/or paying or transferring Application Monies, you represent and warrant that there has been no breach of such laws.

The distribution of this Offer Document outside of Australia or New Zealand may be restricted by law and persons who come into possession of it should seek advice and observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities laws. The Company and the Responsible Entity disclaims all liabilities to such a person.

Warranties made on acceptance of the Offer by completing and returning the Application Form and paying the Application Monies, you will be deemed to have acknowledged, agreed, represented and warranted that you, and each person on whose behalf you are acting:

- acknowledge that you have fully read and understood both this Offer Document and the Application Form in their entirety and you acknowledge the matters and make the warranties and representations and agreements contained in this Offer Document and the Application Form;
- agree to be bound by the terms of the Capital Raising, the provisions of this Offer Document and the Company Constitution and the Trust Constitution;
- authorise the Company and the Responsible Entity to register you as the holder(s) of the Shares and Units allotted to you, as applicable;
- declare that all details and statements in the Application Form are complete and accurate;
- declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Application Form;
- acknowledge that once the Company receives your Application Form and/or any payment of Application Monies, you may not withdraw your Application or Application Monies except as allowed by law;
- agree to apply for and be issued up to the number of Shares specified in the Application Form, or for which you have submitted payment of any Application Monies;
- authorise the Company, the Registry and their respective officers or agents to do anything on your behalf necessary for Shares to be issued to you, including to act on instructions of the Registry and to use the contact details set out in your Application Form;
- acknowledge that the information contained in this Offer Document and the Application Form is not investment advice or financial product advice, nor has this information been prepared taking into account your investment objectives, financial circumstances or particular needs or circumstances. You acknowledge that this Offer Document and the

Application Form is not a recommendation that Shares or Stapled Securities are suitable for you given your investment objectives, financial situation or particular needs;

- acknowledge that this Offer Document may not contain all of the information that you may require in order to assess an investment in the Group and is given in the context of the Group's ongoing continuous disclosure announcements to ASX;
- acknowledge the summary of the key risks in section 6 of the Offer Document and that investments in the Group are subject to risk;
- acknowledge that none of the Company, Responsible Entity, or their respective related bodies corporate, affiliates or respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantee the performance of the Group nor do they guarantee the repayment of capital from the Group;
- authorise the Company to correct any errors in your Application Form or other form provided by you;
- represent and warrant that the law of any place does not prohibit you from being given this Offer Document and the Application Form, nor does it prohibit you from making an application for Shares and are eligible under all applicable laws to receive this Offer Document without any lodgement, filing, registration or qualification. By completing and returning the Application Form and paying the Application Monies, you will also be deemed to have acknowledged, agreed, represented and warranted on your own behalf and on behalf of each person on whose account you are acting that you are eligible to participate in the Capital Raising and:
- you are not in the United States and you are not acting on behalf of a person in the United States and are not otherwise a person to whom it would be illegal to make an offer of or issue of Shares under the Capital Raising and under any applicable laws and regulations;
- you understand and acknowledge that the Shares have not been, nor will be, registered under the Securities Act or the securities laws of any state or other jurisdiction in the United States, or in any other jurisdiction outside Australia and New Zealand. Accordingly, the Shares may not be offered or sold to, persons in the United States or any jurisdiction other than Australia and New Zealand;
- you and each person on whose account you are acting have not and will not send this Offer Document or Application Form or any other materials relating to the Capital Raising to any person in the United States;
- if in the future you decide to sell or otherwise transfer the Shares, you will only do so by transacting on the ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States; and
- if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Application Form is not in the United States, and you have not sent this Offer Document, the Application Form or any information relating to the Capital Raising to any such person in the United States.

5.14 What are the tax implications of the Group Stapling?

Ernst & Young have provided a general summary of the Australian tax implications for Australian resident Shareholders regarding the Capital Raise in the Taxation Report in Annexure A.

This is not advice and each Shareholder should seek independent advice.

The Company has obtained a class ruling for the benefit of Shareholders. The class ruling confirms that, amongst other things, the income tax treatment for Shareholders is as discussed in the Taxation Report.

5.15 ASX approval

The re-admission of the Company and the admission of the Trust to the Official List and the re-quotation of the Shares and the quotation of the Units is subject to approval by the ASX.

The Company has re-applied for the Company to be admitted to the Official List of the ASX and quotation of the Shares and the Responsible Entity has applied for the Trust and for quotation of the Units (as stapled to the Shares and traded as Stapled Securities).

ASX reserves the right to remove one or more entities with stapled 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 or entities.

It is expected that normal trading on the ASX will commence in relation to the Stapled Securities on 19 May 2021. The Company and Responsible Entity will have no responsibility and disclaims all liability (to the maximum extent permitted by law, including for negligence) to persons who trade Stapled Securities before they are quoted on the ASX or before they receive their confirmation of issue, whether on the basis of confirmation of the allocation provided by the Company, Responsible Entity, the Unit Registry or otherwise.

If the ASX do not grant permission for quotation of the Shares and the Units within three months of the date of this Offer Document, all Application Monies will be refunded without interest as soon as possible.

5.16 Withdrawals

You cannot withdraw your application once it has been accepted. The Company reserves the right to withdraw the Capital Raising at any time before the issue of Shares, in which case the Company will refund any Application Monies already received in accordance with the Corporations Act and will do so without interest being payable to Applicants.

5.17 Is there a cooling-off period?

There is no cooling-off period in respect of the Capital Raising or the Unit Distribution.

If the Minimum Subscription Condition is met all Shareholders who are a Shareholder at the Capital Reduction Record Date will receive Units which will be stapled to Shares to form Stapled Securities.

5.18 Discretion

The Board retains a discretion on whether to proceed with the Capital Raising. The Board may resolve not to proceed should market conditions or other factors cause the Directors to believe that proceeding would not be in the best interests of the Shareholders. Additionally, the Company reserves the right to:

- close the Capital Raising or any part of it early;
- extend the Capital Raising or any part of it;
- accept late Applications either generally or in particular cases;
- reject any Application; and
- allocate any Applicant fewer Shares than applied for in their Application.

5.19 Brokerage, Commission and Stamp Duty

No brokerage, commission or stamp duty is payable by Applicants who apply for Shares under the Capital Raising. Investors who buy or sell Shares on the ASX may be subject to brokerage and other transaction costs. Under current legislation, there is no stamp duty payable on the sale or purchase of Shares quoted on the ASX provided that no investor (together with any related or associated persons or any other persons in an associated transaction, for the purposes of stamp duty law) holds 90% or more of the interests in the Company.



06

Material business risks

This section focuses on the major risks that could impact the Group assuming that the Capital Raising proceeds as intended together with the risks associated with investment in the Group.

It does not purport to be an exhaustive list of every risk that may be associated with an investment in the Group now or in the future. The consequences associated with each risk are partially or completely outside the control of the Company and the Responsible Entity and, if they were to eventuate, may adversely affect the future operating performance of, and the value of an investment in, the Group.

Before applying for Shares, you should satisfy yourself that you have a sufficient understanding of the risks described in this section having regard to your own investment objectives, financial circumstances and taxation position. If you do not understand any part of this Offer Document you should seek advice from your broker, solicitor, accountant, tax adviser or other independent and qualified professional adviser before deciding whether to invest in the Group.

6.1 Risks specific to the proposed investment strategy

(a) Credit default risk

There are various factors which could adversely impact the ability of credit counterparties that have borrowed funds, to fulfil their payment obligations or which may cause other events of default. These include but are not limited to changes in financial and other market conditions, interest rates, government regulations or other policies, the macro-economic environment, changes in law and taxation, natural disasters, terrorism, social unrest and civil disturbances.

As a result, borrowers may not fulfil their payment or other obligations in full, or at all, and/or may cause, or fail to rectify, other events of default under the loan. The Group may, in these circumstances, suffer from reduced income and therefore have a reduced ability to pay distributions, as well as be required to exercise any contractual rights of enforcement that it has against the borrower, in order to recover its investment. As such, there is no guarantee that the Group will be able to recover its investment, which may adversely impact an investment in the Group.

(b) Interest rate risk

As a lender of debt facilities, the Group may be exposed to fluctuations in interest rates. Central bank interest rates (RBA cash rate and RBNZ cash rate) are correlated to base rates, which are used as a basis to price corporate loans. Accordingly, any movement in interest rates may have an adverse effect on the Group's financial performance and position.

(c) Early repayment risk

The Group will have exposure to private credit investments with a range of maturities, and it is possible that any of these facilities may be repaid earlier than anticipated. The extent of borrowers prepaying or refinancing their debt facilities, whether contractual or at their election, may be subject to general market conditions, borrower financial capacity amongst other factors, which may result in early repayment of principal, resulting in a lower return to the Group than originally forecast.

(d) Risk of non-performing loans (NPLs)

Loan investments made by the Group may become non-performing for a variety of reasons, including non-payment of principal or interest, as well as non-financial breaches by borrower. Such NPLs may require a substantial amount of workout negotiations and/or restructuring which may entail, among other things, substantial irrecoverable costs, a substantial reduction in the interest paid, a substantial write-down of the principal of the loan and/or a substantial change in the terms, conditions and covenants. However, even if a restructure of the NPL were to be successfully accomplished, there is potential risk that, upon maturity replacement "take-out" financing will not be available. It is possible that the Group may find it necessary or desirable to pursue (either itself or through the appropriate counterparty) enforcement of an underlying security. Any enforcement process can be lengthy and expensive, which could have a material negative impact on the Group's anticipated return.

(e) Subordination risk

Certain subordinate or mezzanine investments to which the Group may have exposure to, could typically be subordinated to or rank behind other senior credit providers. The ability of the Group as a provider of such loans, to influence the borrower especially during periods of financial distress or following insolvency, is likely to be substantially less than that of senior creditors. In many cases, the remedies available in relation to breach of loan terms, including the ability to foreclose on any collateral securing such loan investments, will be subject to the rights of any senior lenders and contractual inter-creditor provisions.

In addition, certain subordinated loans which the Group may have exposure to, may not be protected by financial covenants. As a result, the Group may not be able to take the steps necessary to protect its investments in a timely manner or at all, which could reduce Investor distribution payments and/or returns.

If the Group is wound-up, Stapled Securityholders will rank behind secured and unsecured creditors of the Group. If there is a shortfall of funds on winding-up, there may be a risk that Stapled Securityholders will receive less than the NTA per Stapled Security.

(f) Covenant risk

Covenants are often put in place by lenders to protect themselves from borrowers defaulting on their obligations due to financial underperformance. Where lending markets become competitive between credit providers, the level of covenant reporting in loan documents may be significantly reduced or not provided at all. Such loans are referred to as "covenant lite".

The private real estate loans to which the Group could have exposure, may be made on such terms, which can carry more risk to the lender than traditional loans. As a result, the Group may be exposed to a greater level of risk, which could adversely impact investment performance.

(g) Implementation of investment strategy

There is no guarantee that the implementation of the investment strategy will yield the target annual return. In addition, until the Group is fully invested, the Group may not meet the investment target and the portfolio may not satisfy the indicative investment strategy, including diversification.

6.2 Risks specific to the Group

(a) Dependence on key personnel

The Company and the Responsible Entity depend on the skills and experience of its staff and employees. With only a small number of employees, it is essential that appropriately skilled staff be available in sufficient numbers. The Company and the Responsible Entity require staff to have a variety of skills and expertise, some of which may be considered niche specialties in which there are limited practitioners available for recruitment. While the Company and the Responsible Entity has initiatives to mitigate this risk, the loss of key staff may have a negative impact on the Group Investment Manager. The loss of key staff to a competitor may amplify this impact.

(b) Dilution

Potential capital raisings undertaken in future by the Group, may dilute the holdings of Stapled Securityholders.

(c) Distributions may vary

The ability of the Group to pay distributions is dependent upon the Group having sufficient cash resources and distributable income. Amongst other matters, variances in the costs of operating the Group may affect the level of income available for distribution, as well as the timing of distributions. As the Group's investment mandate is opportunistic and not definitive, it is not possible to quantify income and capital returns of any new investments.

(d) Liquidity risk

Investors should be aware there are certain risks associated with Stapled Securities being listed on the ASX. There can be no guarantee that an active market will develop, or liquidity will be maintained, and the number of potential buyers or sellers of the Stapled Securities on the ASX at any given time may vary. This may increase the volatility of the market price of the Stapled Securities and therefore affect the market price at which holders are able to buy or sell Stapled Securities. Stapled Securityholders who wish to sell their Stapled Securities may be unable to do so at a price acceptable to them. The market price of the Stapled Securities could trade on the ASX at a discount to NTA per Stapled Security.

(e) General fundamental exposures

Underlying risks in investments may include changes in Australian and international economic conditions, inflation, changes in interest rates, changes in equity market conditions, environmental concerns, regulatory/compliance issues, geopolitical instability or changes in investor sentiment.

(f) No operating performance history of the Group

The Group proposed investment strategy is a newly formed entity with no financial, operating or performance history. The information in this Offer Document about the investment objective of the Group are not projections nor the result of any simulated future performance. There is a risk the Group's investment objective will not be achieved.

(g) Availability of suitable investment opportunities

The performance of the Group is to a large extent dependent on the ability of the senior management team within the Company and the Responsible Entity to identify and source suitable investment opportunities. Such opportunities are subject to market conditions and other factors outside the control of the senior management team. Failure of the Company or the Responsible Entity to identify, source and enter into suitable investments will adversely affect returns available to the Group.

(h) Competitive landscape and action of others

The Group will operate in a competitive landscape alongside other issuers of private credit strategies with competing product offerings and geographic presence. In addition, the Group may face competition from new entrants into the private credit market from competitors that may have significant advantages including greater name recognition, longer operating history, lower operating costs, pre-existing relationships with current or potential customers and greater financial, marketing and other resources.

If competitor product offerings are perceived to be superior to the Group's, or competitors are able to offer more competitive offers, the Group may lose existing or potential customers, which may materially adverse the performance of the Group.

(i) Due diligence on investments

Some investments by the Group may be made based on limited due diligence conducted only in respect of publicly available information. This may increase the risk of individual investments and could lead to material adverse effects on the performance of the Group.

(j) Currency and exchange rate risk

The Group may invest an amount of capital in foreign currency denominated assets. Investing in foreign currency denominated assets poses additional risks. The performance of foreign currency denominated assets can be adversely affected by the different political, regulatory and economic environments in countries where the investments are made, and fluctuations in foreign currency exchange rates may also adversely affect the value of foreign currency denominated assets. Furthermore, adverse political, economic, legal and tax, or social conditions in international markets may affect the value of the Group's investments. Deriving income in overseas jurisdictions and returning that income to Australia may also give rise to tax inefficiencies and tax charges.

(k) Leverage and cash management risk

The Group is targeting a maximum loan to value ratio of 70% of gross asset value. The Group has executed a term sheet with a major European Bank for a debt facility for the purpose of lending to residual stock. The Group's use of borrowing's will create certain additional risks which can increase the potential loss to Stapled Securityholders.

Where the Group borrows money to support its investment activity, and in the event the Group is not able to repay its finance provider, the Group may be required to forfeit its assets in order

to repay the debt owed. Further, where the Group offers draw down facilities, and it does not have the cash available to meet its obligations, the Group may be required to fund such shortfall by either borrowing or selling the loan in the secondary market (which may be at a loss to the market value of the loan). This situation may arise where the Group experiences defaults in the portfolio or fails to manage its cash appropriately.

(l) Regulatory environment

The Group may be exposed to changes in regulations and legislation in domestic and foreign markets which it participates including but not limited to accounting, investments and taxation. Any of these changes may adversely impact either the Group, the Group's investments or an investment in the Group.

(m) Valuation risk

The value of the portfolio may be determined based on valuations. Given the Group's investment strategy, the Group may have exposure to debt investments and securities where publicly accessible market values may not be available, and the Company or the Responsible Entity will have to rely on internal policies and procedures and their reasonable judgement to determine the fair value of such investments. No assurance can be given to the value determined by the Company or the Responsible Entity and its affiliates or third-party administrators, will represent the value that will be realised by the Group.

(n) Conflicts of interest risk

The Responsible Entity is also the responsible entity of other funds and clients not described in this Offer Document. While the Responsible Entity has implemented policies and procedures to identify and mitigate conflicts of interest, it is possible that the Responsible Entity may, in the course of its business, have potential conflicts of interest which may not be managed effectively and may be detrimental to the Group and its Stapled Securityholders. These conflicts could include the Responsible Entity having to decide which clients and funds it allocates investment opportunities to. In order to manage this conflict, the Responsible Entity has a policy of allocating opportunities between those funds and clients for which the opportunity is considered appropriate and among such clients and funds proportional to their available capital for that opportunity. Please refer to section 9.1 for further information regarding the Responsible Entity's Conflicts Policy.

6.3 General investment risks

(a) Price fluctuation

The market price of Stapled Securities will fluctuate due to numerous factors including general movements in interest rates, the Australian and international general investment markets, economic conditions, global geo-political events and hostilities, investor perceptions and other factors that may affect the Group's financial performance and position.

(b) Bribery, corruption, or other improper acts

The Company, the Responsible Entity or the Group may incur fines or penalties, damage to its reputation or suffer other adverse

consequences, if its directors, officers, employees, consultants, agents, service providers or business partners (as applicable) violate, or are alleged to have violated, anti-bribery and corruption laws in any of the jurisdictions in which it operates.

Each of the Company, the Responsible Entity or the Group cannot guarantee that its internal policies and controls will be effective in each case, to ensure that it is protected from reckless or criminal acts committed by its directors, officers, employees, consultants, agents, service providers or Group partners (as applicable) that would violate Australian laws or the laws of any other country in which the Company, the Responsible Entity or the Group operate.

Any such improper actions could subject the Company, the Responsible Entity or the Group to civil or criminal investigations in Australia or overseas, could lead to substantial civil or criminal monetary and non-monetary penalties, and could damage the reputation of the Company, the Responsible Entity or the Group. Even the allegation or appearance of improper or illegal actions could damage the reputation of the Company, the Responsible Entity or the Group and result in significant expenditures in investigating and responding to such actions and may in turn have an adverse effect on future financial performance and position.

(c) Litigation

In the ordinary course of operations, the Company, the Responsible Entity or the Group may be involved in disputes and possible litigation. These may include but are not limited to, disputes in relation to contractual obligations and any legal claims or third-party losses. It is possible that a material or costly dispute, or litigation could affect the value of the assets or expected income of the Group, which may have an adverse effect on an investment in the Group.

(d) Legal and regulatory matters

There is the risk that changes in any law, regulation or government policy affecting the Group's operations (which may or may not have a retrospective effect) will have an effect on the asset portfolio and/or the Group's performance. This may include changes to taxation regimes.

(e) Forward-looking statements

There can be no guarantee that the assumptions and contingencies on which the forward-looking statements, opinions and estimates are based will ultimately prove to be valid or accurate. The forward-looking statements, opinions and estimates depend on various factors, many of which are outside the control of the Company and the Responsible Entity.

(f) Tax rules

There may be tax implications for Stapled Securityholders arising from investing in the Group, the receipt of distributions (if any) and capital returns from the Group, and on any disposal of Stapled Securities. In addition, an investment in the Stapled Securities involves tax considerations that may differ for each Stapled Securityholder.

Tax law is complex and is subject to regular change. Changes in tax law, including various proposed but as yet not enacted changes in tax law may adversely impact the Group's future

financial performance and position. Resulting changes in tax arrangements in addition, future changes to other laws and regulations or accounting standards, which apply to the Group from time to time, could materially adversely affect the Group's future financial performance and position.

(g) No guarantee in respect of investment

The above list of risk factors should not be taken as an exhaustive list of the risks faced by the Group or by investors in the Group. The above factors, and others not specifically referred to above, may materially affect the financial performance or position of the Group and the value of the Stapled Securities. The Stapled Securities carry no guarantee in respect of profitability, dividends, return of capital or the price at which they may trade on the ASX. Furthermore, there is no guarantee that the Stapled Securities will remain continuously quoted on the ASX, which could impact the ability of prospective Stapled Securityholders to sell their Stapled Securities.



07

Financial
information

7.1 Introduction

The section contains a summary of the financial information of the Group, which includes:

- (a) the unaudited pro forma statement of financial position as at the date of this Offer Document (Pro Forma Financial Information) (see section 7.2);
- (b) Directors' material assumptions used in the preparation of the Pro Forma Financial Information (see section 7.3);
- (c) capital structure of the Group on implementation of the Group Stapling (see section 7.4);
- (d) pro forma cash of the Group on implementation of the Group Stapling (see section 7.5); and
- (e) significant accounting policies of the Group (see section 7.6).

The Pro Forma Financial Information, as defined above, has been reviewed by BDO Corporate Finance (East Coast) Pty Ltd 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 Annexure B. Readers should note the scope and limitations of the report.

The information in this section should also be read in conjunction with the risk factors set out in section 6 and other information contained in this Offer Document.

7.2 Pro Forma Financial Information

The Pro Forma Financial Information set out below is unaudited and has been prepared to illustrate the financial position of the Group following completion of the implementation of the Group Stapling as if such events had occurred as at the date of this Offer Document.

The Pro Forma Financial Information is intended to be illustrative only and will not reflect the actual position and balances as at the date of this Offer Document or at the date of implementation of the Group Stapling.

The Pro Forma Historical Financial Information has been prepared in accordance with the principles and significant accounting policies set out in section 7.6.

Tables 1 & 2 below highlight the pro forma statement of financial position if the Maximum Subscription is achieved from the Capital Raising.

Table 1: Summary Statutory Historical Statement of Financial Position and Pro Forma Historical Statement of Financial Position as at 31 December 2020 under the Maximum Offer Scenario.

| Reviewed | | | | | | Pro Forma | Pro Forma Stapled Group | |
|---|------------|-----------|-----------------------------------|---------------------------------------|---------------------------------|-----------|-------------------------|-----------------|
| \$'000s | Notes | 31-Dec-20 | VP7 material movement adjustments | VP7 Pro forma balance sheet 31-Dec-20 | Impact of the Offer Adjustments | 31-Dec-20 | Company 31-Dec-20 | Trust 31-Dec-20 |
| Assets | | | | | | | | |
| Cash and cash equivalents | 1, 2, 3, 4 | 3,109 | 6,518 | 9,627 | 41,459 | 51,086 | 8,086 | 43,000 |
| Trade and other receivables | - | 137 | - | 137 | 211 | 349 | 349 | - |
| Inventories | 3 | 27,518 | (17,949) | 9,568 | - | 9,568 | 9,568 | - |
| Other | - | 406 | (193) | 213 | - | 213 | 213 | - |
| Total current assets | | 31,171 | (11,625) | 19,546 | 41,670 | 61,216 | 18,216 | 43,000 |
| | | | | | | | | |
| Investment properties | - | 5,955 | - | 5,955 | - | 5,955 | 5,955 | - |
| Property, plant and equipment | - | 11 | - | 11 | - | 11 | 11 | - |
| Equity Accounted Investments | 6 | - | - | - | 32,000 | 32,000 | - | 32,000 |
| Goodwill | 4 | - | - | - | 5,321 | 5,321 | 5,321 | - |
| Intangibles | 5 | 37 | - | 37 | 1,121 | 1,158 | 1,158 | - |
| Total non-current assets | | 6,003 | - | 6,003 | 38,442 | 44,444 | 12,444 | 32,000 |
| | | | | | | | | |
| Total assets | | 37,173 | (11,625) | 25,549 | 80,112 | 105,661 | 30,661 | 75,000 |
| | | | | | | | | |
| Liabilities | | | | | | | | |
| Trade and other payables | - | 1,296 | - | 1,296 | (371) | 925 | 925 | - |
| Borrowings | 1, 3 | 14,164 | (3,607) | 10,557 | (10,557) | - | - | - |
| Income tax | - | 433 | - | 433 | 3 | 436 | 436 | - |
| Employee benefits | - | 61 | - | 61 | - | 61 | 61 | - |
| Redeemable preference shares | 3 | - | - | - | - | - | - | - |
| Total current liabilities | | 15,954 | (3,607) | 12,346 | (10,925) | 1,421 | 1,421 | - |
| | | | | | | | | |
| Borrowings | 1 | 14,258 | (8,795) | 5,464 | (5,464) | - | - | - |
| Deferred tax | - | - | - | - | (122) | (122) | (122) | - |
| Total non-current liabilities | | 14,258 | (8,795) | 5,464 | (5,586) | (122) | (122) | - |
| | | | | | | | | |
| Total liabilities | | 30,212 | (12,402) | 17,810 | (16,511) | 1,299 | 1,299 | - |
| | | | | | | | | |
| Net assets | | 6,961 | 777 | 7,739 | 96,623 | 104,362 | 29,362 | 75,000 |
| | | | | | | | | |
| Equity | | | | | | | | |
| Issued capital | 1, 4 | 15,951 | - | 15,951 | 96,405 | 112,356 | 37,356 | 75,000 |
| Reserves | - | 473 | - | 473 | - | 473 | 473 | - |
| Retained profits / (accumulated losses) | - | (10,096) | 1,411 | (8,685) | 218 | (8,467) | (8,467) | - |
| Non-controlling interest | 3 | 634 | (634) | - | - | - | - | - |
| Total equity | | 6,961 | 777 | 7,739 | 96,623 | 104,362 | 29,362 | 75,000 |

Table 2: Detailed Statutory Historical Statement of Financial Position and Pro Forma Historical Statement of Financial Position as at 31 December 2020 under the Maximum Offer Scenario.

| Reviewed | | | Pro Forma Adjustments | | | | | | | Pro Forma Stapled Group |
|---|------------|---------------|-----------------------|----------------------|---|----------------------|--------------------|--------------------------|---|----------------------------------|
| \$'000s | Notes | 31-Dec-20 | Capital Raise | Transaction Costs | Investment Management Initiatives | Dealt acquisition | AMF acquisition | Repayment of VP7 debt | Material Transactions post 31 Dec 2020 | 31-Dec-20 |
| Assets | | | | | | | | | | |
| Cash and cash equivalents | 1, 2, 3, 4 | 3,109 | 93,400 | (3,837) | (32,000) | (395) | 311 | (16,020) | 6,518 | 51,086 |
| Trade and other receivables | | 137 | - | - | - | 203 | 9 | - | - | 349 |
| Inventories | 3 | 27,518 | - | - | - | - | - | - | (17,949) | 9,568 |
| Other | | 406 | - | - | - | - | - | - | (193) | 213 |
| Total current assets | | 31,171 | 93,400 | (3,837) | (32,000) | (192) | 320 | (16,020) | (11,625) | 61,216 |
| Investment properties | | 5,955 | - | - | - | - | - | - | - | 5,955 |
| Property, plant and equipment | | 11 | - | - | - | - | - | - | - | 11 |
| Equity Accounted Investments | 6 | - | - | - | 32,000 | - | - | - | - | 32,000 |
| Goodwill | 4 | - | - | - | - | 2,610 | 2,711 | - | - | 5,321 |
| Intangibles | 5 | 37 | - | - | - | 1,121 | - | - | - | 1,158 |
| Total non-current assets | | 6,003 | - | - | 32,000 | 3,731 | 2,711 | - | - | 44,444 |
| Total assets | | 37,173 | 93,400 | (3,837) | - | 3,538 | 3,031 | (16,020) | (11,625) | 105,661 |
| Liabilities | | | | | | | | | | |
| Trade and other payables | | 1,296 | - | (460) | - | 35 | 54 | - | - | 925 |
| Borrowings | 1, 3 | 14,164 | - | - | - | - | - | (10,557) | (3,607) | - |
| Income tax | | 433 | - | - | - | - | 3 | - | - | 436 |
| Employee benefits | | 61 | - | - | - | - | - | - | - | 61 |
| Redeemable preference shares | 3 | - | - | - | - | - | - | - | - | - |
| Total current liabilities | | 15,954 | - | (460) | - | 35 | 57 | (10,557) | (3,607) | 1,421 |
| Borrowings | 1 | 14,258 | - | - | - | - | - | (5,464) | (8,795) | - |
| Deferred tax | | - | - | - | - | (97) | (26) | - | - | (122) |
| Total non-current liabilities | | 14,258 | - | - | - | (97) | (26) | (5,464) | (8,795) | (122) |
| Total liabilities | | 30,212 | - | (460) | - | (62) | 31 | (16,020) | (12,402) | 1,299 |
| Net assets | | 6,961 | 93,400 | (3,377) | - | 3,600 | 3,000 | - | 777 | 104,362 |
| Equity | | | | | | | | | | |
| Issued capital | 1, 4 | 15,951 | 93,400 | (3,595) | - | 3,600 | 3,000 | - | - | 112,356 |
| Reserves | | 473 | - | - | - | - | - | - | - | 473 |
| Retained profits / (accumulated losses) | | (10,096) | - | 218 | - | - | - | - | 1,411 | (8,467) |
| Non-controlling interest | 3 | 634 | - | - | - | - | - | - | (634) | - |
| Total equity | | 6,961 | 93,400 | (3,377) | - | 3,600 | 3,000 | - | 777 | 104,362 |

Notes:

1. The impact of the offer is summarised below:

| | |
|--|-------------------|
| Capital Raising proceeds (excluding the Shares valued at \$6,600,000 to be issued to fund part of the consideration for the Business Acquisitions) | 93,400,000 |
| Costs of the Restructure and Recapitalisation Proposal | (3,836,825) |
| Net Capital Raising proceeds | 89,563,175 |

To be allocated as follows:

| | |
|--|-------------------|
| Debt reduction | 16,020,415 |
| Equity accounted investments | 32,000,000 |
| Business Acquisitions (cash component) | 400,000 |
| Working capital and balance sheet lending capacity | 41,142,760 |
| Total | 89,563,175 |

Of the \$3,836,825 costs of the Restructure and Recapitalisation Proposal, \$3,594,502 is allocated to share capital. This represents financial advisor fees, lead manager fees and a portion of legal and accounting fees. Consequently, share capital will be reduced by this amount.

Of the \$16,020,415 debt reduction, \$10,000,000 relates to the note facility funded by 360 Capital Group entities. The balance of \$6,020,415 relates to various bank facilities secured by the Group's trading stock and/or investment properties.

2. DSS & AMF held cash balances at 31 December 2020 of \$5,122 & \$311,053 respectively.

3. The Company's material trading activities (i.e. property acquisitions and sales) post 31 December 2020 are summarised below:

| | |
|--|-------------|
| Increase in cash and cash equivalents | 6,518,176 |
| Reduction in inventory | 17,949,386 |
| Reduction in other current assets | 193,337 |
| Repayments of borrowings | 12,401,933 |
| Repayment of non-controlling interests | 633,980 |
| Retained losses/(profits) | (1,411,366) |

Since 31 December 2020, the Company has unconditional contracts for the sale of 4 apartments at ONE Bulimba Riverfront, 2 townhouses at Parque on Oxford and the Burleigh Heads development site which is scheduled to settle before the end of the 2021 financial year.

No conditional sale contracts have been included in the pro forma financial statements. Refer to section 7.3 for additional information on these contracts.

4. Goodwill represents the excess of the consideration paid for the shares in DSS and AMF of \$4,000,000 and \$3,000,000 respectively above their net assets acquired. \$400,000 of the total DSS consideration is being paid in cash (to a US based Shareholder in Dealt) with the balance to be settled by Shares in the Company.

5. Intangibles represents software, patents and trademark costs incurred by DSS for the establishment of the online platform for origination, underwriting, negotiation and execution of commercial real estate debt deals.

6. Equity accounted investments includes fund management initiatives where the investment manager may invest directly into a fund managed by the Group in order to establish the fund and originate "seed" loans. This could include, but is not limited to any proposed investment by the Group in the DGRSF as outlined in Section 3.2(c).

Tables 3 & 4 below highlight the pro forma statement of financial position if the Minimum Subscription is achieved under the Capital Raising.

Table 3: Summary Statutory Historical Statement of Financial Position and Pro Forma Historical Statement of Financial Position as at 31 December 2020 under the Minimum Offer Scenario.

| | | Reviewed | | | | Pro Forma | Pro Forma Stapled Group | |
|---|-------------|-----------|-----------------------------------|---------------------------------------|---------------------------------|-----------|-------------------------|-----------------|
| \$'000s | Notes | 31-Dec-20 | VP7 material movement adjustments | VP7 Pro Forma balance sheet 31-Dec-20 | Impact of the Offer Adjustments | 31-Dec-20 | Company 31-Dec-20 | Trust 31-Dec-20 |
| Assets | | | | | | | | |
| Cash and cash equivalents | 7, 8, 9, 10 | 3,109 | 6,518 | 9,627 | 11,512 | 21,140 | 6,140 | 15,000 |
| Trade and other receivables | - | 137 | - | 137 | 211 | 349 | 349 | - |
| Inventories | 9 | 27,518 | (17,949) | 9,568 | - | 9,568 | 9,568 | - |
| Other | - | 406 | (193) | 213 | - | 213 | 213 | - |
| Total current assets | | 31,171 | (11,625) | 19,546 | 11,723 | 31,270 | 16,270 | 15,000 |
| | | | | | | | | |
| Investment properties | - | 5,955 | - | 5,955 | - | 5,955 | 5,955 | - |
| Property, plant and equipment | - | 11 | - | 11 | - | 11 | 11 | - |
| Equity Accounted Investments | 12 | - | - | 0 | 5,000 | 5,000 | 0 | 5,000 |
| Goodwill | 10 | - | - | 0 | 5,321 | 5,321 | 5,321 | - |
| Intangibles | 11 | 37 | - | 37 | 1,121 | 1,158 | 1,158 | - |
| Total non-current assets | | 6,003 | - | 6,003 | 11,442 | 17,444 | 12,444 | 5,000 |
| | | | | | | | | |
| Total assets | | 37,173 | (11,625) | 25,549 | 23,165 | 48,714 | 28,714 | 20,000 |
| | | | | | | | | |
| Liabilities | | | | | | | | |
| Trade and other payables | | 1,296 | 1,296 | 1,296 | (397) | 949 | 949 | - |
| Borrowings | 7, 9 | 14,164 | (3,607) | 10,557 | (10,000) | 557 | 557 | - |
| Income tax | - | 433 | - | 433 | 3 | 436 | 436 | - |
| Employee benefits | - | 61 | - | 61 | - | 61 | 61 | - |
| Redeemable preference shares | 9 | - | - | - | - | - | - | - |
| Total current liabilities | | 15,954 | (3,607) | 12,346 | (10,344) | 2,002 | 2,002 | - |
| | | | | | | | | |
| Borrowings | 7 | 14,258 | (8,795) | 5,464 | - | 5,464 | 5,464 | - |
| Deferred tax | - | - | - | - | (122) | (122) | (122) | - |
| Total non-current liabilities | | 14,258 | (8,795) | 5,464 | (122) | 5,341 | 5,341 | - |
| | | | | | | | | |
| Total liabilities | | 30,212 | (12,402) | 17,810 | (10,467) | 7,343 | 7,343 | - |
| | | | | | | | | |
| Net assets | | 6,961 | 777 | 7,739 | 33,632 | 41,370 | 21,370 | 20,000 |
| | | | | | | | | |
| Equity | | | | | | | | |
| Issued capital | 7, 10 | 15,951 | - | 15,951 | 33,401 | 49,352 | 29,352 | 20,000 |
| Reserves | - | 473 | - | 473 | - | 473 | 473 | - |
| Retained profits / (accumulated losses) | - | (10,096) | 1,411 | (8,685) | 231 | (8,454) | (8,454) | - |
| Non-controlling interest | 9 | 634 | (634) | - | - | - | - | - |
| Total equity | | 6,961 | 777 | 7,739 | 33,632 | 41,370 | 21,370 | 20,000 |

Table 4: Detailed Statutory Historical Statement of Financial Position and Pro Forma Historical Statement of Financial Position as at 31 December 2020 under the Minimum Offer Scenario.

| Reviewed | | | Pro Forma Adjustments | | | | | | | Pro Forma Stapled Group |
|---|-------------|---------------|-----------------------|----------------------|---|----------------------|--------------------|--|---|----------------------------------|
| \$'000s | Notes | 31-Dec-20 | Capital Raise | Transaction Costs | Investment Management Initiatives | Dealt acquisition | AMF acquisition | Repayment of 360 Capital Group Debt | Material Transactions post 31 Dec 2020 | 31-Dec-20 |
| Assets | | | | | | | | | | |
| Cash and cash equivalents | 7, 8, 9, 10 | 3,109 | 28,400 | (1,804) | (5,000) | (395) | 311 | (10,000) | 6,518 | 21,140 |
| Trade and other receivables | | 137 | - | - | - | 203 | 9 | - | - | 349 |
| Inventories | 9 | 27,518 | - | - | - | - | - | - | (17,949) | 9,568 |
| Other | | 406 | - | - | - | - | - | - | (193) | 213 |
| Total current assets | | 31,171 | 28,400 | (1,804) | (5,000) | (192) | 320 | (10,000) | (11,625) | 31,270 |
| Investment properties | | 5,955 | - | - | - | - | - | - | - | 5,955 |
| Property, plant and equipment | | 11 | - | - | - | - | - | - | - | 11 |
| Equity Accounted Investments | 12 | - | - | - | 5,000 | - | - | - | - | 5,000 |
| Goodwill | 10 | - | - | - | - | 2,610 | 2,711 | - | - | 5,321 |
| Intangibles | 11 | 37 | - | - | - | 1,121 | - | - | - | 1,158 |
| Total non-current assets | | 6,003 | - | - | 5,000 | 3,731 | 2,711 | - | - | 17,444 |
| Total assets | | 37,173 | 28,400 | (1,804) | - | 3,538 | 3,031 | (10,000) | (11,625) | 48,714 |
| Liabilities | | | | | | | | | | |
| Trade and other payables | | 1,296 | - | (436) | - | 35 | 54 | - | - | 949 |
| Borrowings | 7, 9 | 14,164 | - | - | - | - | - | (10,000) | (3,607) | 557 |
| Income tax | | 433 | - | - | - | - | 3 | - | - | 436 |
| Employee benefits | | 61 | - | - | - | - | - | - | - | 61 |
| Redeemable preference shares | 9 | - | - | - | - | - | - | - | - | - |
| Total current liabilities | | 15,954 | - | (436) | - | 35 | 57 | (10,000) | (3,607) | 2,002 |
| Borrowings | 7 | 14,258 | - | - | - | - | - | - | (8,795) | 5,464 |
| Deferred tax | | - | - | - | - | (97) | (26) | - | - | (122) |
| Total non-current liabilities | | 14,258 | - | - | - | (97) | (26) | - | (8,795) | 5,341 |
| Total liabilities | | 30,212 | - | (436) | - | (62) | 31 | (10,000) | (12,402) | 7,343 |
| Net assets | | 6,961 | 28,400 | (1,368) | - | 3,600 | 3,000 | - | 777 | 41,370 |
| Equity | | | | | | | | | | |
| Issued capital | 7, 10 | 15,951 | 28,400 | (1,599) | - | 3,600 | 3,000 | - | - | 49,352 |
| Reserves | | 473 | - | - | - | - | - | - | - | 473 |
| Retained profits / (accumulated losses) | | (10,096) | - | 231 | - | - | - | - | 1,411 | (8,454) |
| Non-controlling interest | 9 | 634 | - | - | - | - | - | - | (634) | - |
| Total equity | | 6,961 | 28,400 | (1,368) | - | 3,600 | 3,000 | - | 777 | 41,370 |

Notes

7. The impact of the offer is summarised below:

| | |
|--|-------------------|
| Capital Raising proceeds (excluding the Shares valued at \$6,600,000 to be issued to fund part of the consideration for the Business Acquisitions) | 28,400,000 |
| Costs of the Restructure and Recapitalisation Proposal | (1,803,947) |
| Net Capital Raising proceeds | 26,596,053 |
| Net Capital Raising proceeds | |
| To be allocated as follows: | |
| Debt reduction | 10,000,000 |
| Equity accounted investments | 5,000,000 |
| Business Acquisitions (cash component) | 400,000 |
| Working capital and balance sheet lending capacity | 11,196,053 |
| Total | 26,596,053 |

Of the \$1,803,947 costs of the Restructure and Recapitalisation Proposal, \$1,598,894 is allocated to share capital. This represents financial advisor fees, lead manager fees, underwriting fees and a portion of legal and accounting fees. Consequently, share capital will be reduced by this amount.

Of the \$10,000,000 debt reduction, this solely relates to the note facility funded by 360 Capital Group entities.

8. DSS & AMF held cash balances at 31 December 2020 of \$5,122 & \$311,053 respectively.

9. The Company's material trading activities (i.e. property acquisitions and sales) post 31 December 2020 are summarised below:

| | |
|--|-------------|
| Increase in cash and cash equivalents | 6,518,176 |
| Reduction in inventory | 17,949,386 |
| Reduction in property, plant & equipment | 193,337 |
| Repayments of borrowings | 12,401,933 |
| Repayment of non-controlling interests | 633,980 |
| Retained losses/(profits) | (1,411,366) |

Since 31 December 2020, the Company has unconditional contracts for the sale of 4 apartments at ONE Bulimba Riverfront, 2 townhouses at Parque on Oxford and the Burleigh Heads development site which is scheduled to settle before the end of the 2021 financial year.

No conditional sale contracts have been included in the pro forma financial statements. Refer to section 7.3 for additional information on these contracts.

10. Goodwill represents the excess of the consideration paid for the shares in DSS and AMF of \$4,000,000 and \$3,000,000 respectively above their net assets acquired. \$400,000 of the total DSS consideration is being paid in cash (to a US based Shareholder in DSS) with the balance being settled by Shares in the Company.

11. Intangibles represents software, patents and trademark costs incurred by DSS for the establishment of the online platform for origination, underwriting, negotiation and execution of commercial real estate debt deals.

12. Equity accounted investments includes fund management initiatives where the investment manager may invest directly into a fund managed by the Group in order to establish the fund and originate "seed" loans. This could include, but is not limited to any proposed investment by the Group in the DGRSF as outlined in Section 3.2(c).

7.3 Directors' material assumptions in the preparation of the Pro Forma Financial Information

The Pro Forma Financial Information has been prepared by the Directors on the basis of the following assumptions:

1. Net realisable value of inventory:

Inventory is measured at the lower of costs or net realisable value. Independent third-party valuations were conducted in November 2020 across the Company's trading stock that resulted in adjustments to the net realisable value of inventory of \$453,686 for the half year ended 31 December 2020.

As at the date of this Offer Document, the Directors have considered these valuations and based on current market assessments and sales rates have formed the opinion that no further adjustments to the fair value of inventory are required.

2. Fair value of investment properties:

The basis of the valuation of investment properties is fair value (less selling costs and GST if applicable). Independent third-party valuations of the Company's investment property portfolio were carried out in June 2020.

As at the date of this Offer Document, the Directors have considered these valuations and based on current market assessments have formed the opinion that no further material adjustments to investment properties are required.

3. Acquisition of dealt and AMF

After thorough due diligence by the Company's management team, the acquisition of dealt and AMF by the Company was conducted at arm's length and on commercial terms.

The net impact of the acquisition of dealt and AMF has been adjusted. As a result of the acquisition closing so close to the Offer date and without complete financial information, a purchase price allocation has not been completed for the acquisition of dealt and AMF. When preparing the Pro Forma Financial Information, the Company has allocated the purchase price to the book values of dealt and AMF's assets and liabilities with the excess being applied to goodwill. The Company will undertake a full evaluation of the identifiable intangible assets acquired within 12 months of the acquisition date, in accordance with IFRS 3 Business Combinations.

4. Fair value of intangibles

The Directors have assessed the fair value of the intangibles acquired through the acquisition of DSS to be the cost recorded on DSS's balance sheet as at 31 December 2020 being \$1,120,905.

5. Conditional sale contracts not included in pro forma financial information.

A conditional contract has been executed for the sale of an apartment at ONE Bulimba Riverfront and a townhouse at Parque on Oxford. As these contracts are highly conditional, the Directors have not included the material financial impacts of these contracts in the pro forma financial information presented.

7.4 Pro Forma capital structure

Set out below is the anticipated capital structure of the Group on the implementation of the Group Stapling:

| | Minimum Subscription | Maximum Subscription |
|---|----------------------|----------------------|
| Shares currently on issue | 11,389,937 | 11,389,937 |
| New shares to be issued under the Capital Raising including Shares issued in respect of the Business Acquisitions | 70,000,000 | 200,000,000 |
| Total Shares on issue on completion | 81,389,937 | 211,389,937 |

7.5 Pro forma cash

Set out below is a reconciliation of the pro forma cash balance:

| | Minimum Subscription | Maximum Subscription |
|---|----------------------|----------------------|
| Reviewed 31 December 2020 Balance | 3,109,125 | 3,109,125 |
| Proposed Capital Raising proceeds (excluding Shares valued at \$6,600,000 to be issued to fund part of the consideration for the Business Acquisitions) | 28,400,000 | 93,400,000 |
| Transaction costs incurred | (1,803,947) | (3,836,825) |
| DSS cash balance acquired | 5,122 | 5,122 |
| AMF cash balance acquired | 311,053 | 311,053 |
| Equity accounted investments | (5,000,000) | (32,000,000) |
| Business Acquisitions (cash component) | (400,000) | (400,000) |
| Repayment of debt | (10,000,000) | (16,020,415) |
| Material transactions post 31 December 2020 | 6,518,176 | 6,518,176 |
| 31 December 2020 pro forma balance | 21,139,529 | 51,086,236 |

7.6 Significant accounting policies

A summary of significant accounting policies that have been adopted in the preparation of the unaudited Pro Forma Financial Information set out in section 7.2, and which will be applied prospectively in the preparation of the financial statements of the Group for the financial year ending 30 June each year, is set out as follows.

Basis of preparation

The Pro Forma Financial Information has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit entities. The financial information also complies with the International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB'). The Pro Forma Financial Information is presented in an abbreviated form and does not contain all the disclosures, statements or comparative information required by the Australian Accounting Standards applicable to general purpose financial reports prepared in accordance with the Corporations Act.

The Pro Forma Financial Information has been prepared under the historical cost convention, except for, where applicable, the revaluation of investment properties or trading stock net realisable value when this value is lower than cost.

The preparation of the Pro Forma Financial Information requires the use of certain critical accounting estimates and for management to exercise its judgement in the process of applying the Company's accounting policies.

The accounting policies have been consistently applied throughout this Offer Document.

Revenue recognition

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for transferring goods or services to a customer. Revenues are recognised net of the amount of associated GST unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of revenue.

Sale of properties

For each contract with a customer, the Group, 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.

This recognition is considered to be at settlement for the sale of the properties.

Cash and cash equivalents

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

Inventories accounting policy

Trading stock is measured at the lower of cost or net realisable value. Development costs include land, the costs of acquiring the land, consultants, holding and finance costs incurred from when the land is acquired until the project is fully developed and sold. These costs are recognised as an expense in the period in which revenue is generated through the settlement of a project or sale of a property.

Deposits paid for the committed acquisition of trading stock are classified as trading stock.

Net realisable value of inventory

Net realisable value is based on the estimated selling price in the ordinary course of business (net of selling costs and GST). This assessment reflects current market assessments and previous experience. It is also based on management's intentions in the planned manner of the disposal of the asset, either through development and sale or disposal as is. The Company periodically assesses whether trading stock is held at the lower of cost or net realisable value with an estimate made at least at each reporting date. To assist with making the net realisable value estimate,

independent third-party valuation reports will be commissioned where appropriate. Where the carrying amount of trading stock exceeds the net realisable value, a write-down to reduce its value to net realisable value is recorded.

Investment Properties

Investment properties principally comprise of freehold land and buildings held for long-term rental and capital appreciation that are not occupied by the Company. Investment properties are initially recognised at cost, including transaction costs, and are subsequently remeasured annually at fair value. Movements in fair value are recognised directly to profit or loss.

Investment properties are derecognised when disposed of or when there is no future economic benefit expected.

Investment properties also include properties under construction for future use as investment properties. When an investment property is developed, costs include the cost of construction incurred up to the point where the asset is complete, which is the point at which it is capable of being operated as intended. Until completion, these are carried at the lower of fair value or cost. Transfers are made to investment properties when and only when there is a change in use, evidenced by ending of owner occupation or a change of intention to hold the property for long-term rental and capital appreciation which is usually accompanied with an operating lease to another party.

Transfers are made from investment properties when, and only when there is a change in use evidenced by commencement of owner-occupation or commencement of development with a view to sale.

Upon completion or acquisition, thereafter the basis of the valuation of investment properties is fair value (less selling costs and any GST if applicable). Valuations are based on current prices in an active market for similar properties of the same location and condition, subject to similar leases and takes into consideration rental yields or returns on investment.

Property, Plant and Equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

| | |
|---------------------|------------|
| Buildings | 40 years |
| Plant and equipment | 3-15 years |
| Office equipment | 1-10 years |

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date. An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Business combination

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

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 gain 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.

Equity Accounted Investment

The Group measures all equity investments at fair value. Changes in the fair value of equity investments are recognised in net gains/ (losses) in profit or loss.

Distributions from such investments are recognised in profit or loss when the Group's right to receive payments is established. Any transaction costs of equity investments are expensed in profit or loss.

Trade and other payable

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current. Where borrowings are required to be repaid out of specific property settlements,

which are not available for redraw, the borrowings are classified as current to the extent settlements are projected to occur within 12 months from reporting date.

Issued Capital

Ordinary shares are classified as equity.

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and comparison, where applicable, with external sources of data.



08

Fees and other costs

8.1 Consumer advisory warning

The Corporations Act requires the following standard consumer advisory warning in disclosure documents. The information in the consumer advisory warning is standard across documents and is not specific to the Group

| DID YOU KNOW? | TO FIND OUT MORE |
|---|---|
| <p>Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.</p> <p>For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100 000 to \$80 000).</p> <p>You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.</p> <p>Your employer may be able to negotiate to pay lower administration fees. Ask the fund or your financial adviser.</p> | <p>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.</p> |

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

Taxes are discussed in Annexure A.

Unless stated otherwise, all fees and costs set out in this Section 8 are expressed inclusive of GST, less the maximum reduced input tax credits claimable by the Group.

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

| Group | | |
|---|---------------------|-------------------|
| Type of fee or cost | Amount ¹ | How and when paid |
| Fees when your money moves in or out of the managed investment product | | |
| Establishment fee The fee to open your investment | Nil | Not applicable |
| Contribution fee The fee on each amount contributed to your investment | Nil | Not applicable |
| Withdrawal fee The fee on each amount you take out of your investment | Nil | Not applicable |

¹Including GST less any reduced input tax credit, as applicable

| | | |
|--|-----|----------------|
| Withdrawal fee The fee on each amount you take out of your investment | Nil | Not applicable |
| Exit fee The fee to close your investment | Nil | Not applicable |

Management costs

| | | |
|---|--|--|
| The fees and costs for managing your investment | <p>Responsible Entity Management Fee</p> <p>The Responsible Entity is entitled to receive a management fee for acting as the responsible entity of the Trust equal to 0.65% of the gross asset value of the Trust. However, the Responsible Entity will only be paid 0.05% for so long as the Group Investment Manager is appointed under the Group Investment Management Agreement. The Responsible Entity is indemnified and is entitled to be reimbursed out of the assets of the Trust for all expenses incurred in relation to the proper performance of its duties or exercise of its powers (estimated as approximately \$10,000 per annum if the Minimum Subscription is achieved under the Capital Raising or \$35,000 per annum if the Maximum Subscription is achieved under the Capital Raising. This is equal to 0.03% of the net asset value of the Group under both scenarios at the date of the Unit Distribution).</p> <p>Group Investment Manager Management Fee</p> <p>The Group Investment Manager is entitled to receive a management fee equal to 0.60% of the gross asset value of the Trust (estimated as approximately \$120,000 per annum if the Minimum Subscription is achieved under the Capital Raising or \$420,000 per annum if the Maximum Subscription is achieved under the Capital Raising. This is equal to 0.30% of the net asset value of the Group at the date of the Unit Distribution if the Minimum Subscription is achieved or 0.41% of the net asset value of the Group if the Maximum Subscription is achieved).</p> | <p>Payable within 5 business days of the end of month, out of the Trust's income and assets.</p> <p>Expenses are reimbursable to the Responsible Entity from the Trust's income and assets as and when incurred.</p> <p>Payable quarterly in advance out of the Trust's income and assets.</p> |
|---|--|--|

Service fees

| | | |
|--|-----|----------------|
| Switching fee The fee for changing investment options | Nil | Not applicable |
|--|-----|----------------|

8.3 Example of annual fees and costs for the Group

The following table gives an example of how the fees and costs in the Group can affect your investment over a one year period. You should use this table to compare this product with other managed investment products. All amounts are exclusive of GST.

| Trust | | |
|--|--|--|
| Type of fee or cost | Amount | Balance of \$50,000 with a contribution of \$5,000 during the year |
| Contribution fees | Nil | Not applicable |
| Plus Management costs | | For every \$50,000 you have in the Group, you will be charged the following amounts during the year: |
| Management fees comprising the Responsible Entity Management Fee and Group Investment Manager Management Fee | 0.65% of the gross asset value of the Trust. | \$155 if the Minimum Subscription is achieved or \$240 if the Maximum Subscription is achieved. |

| | | |
|---------------------------------|---|--|
| Operating expenses of the Group | 5.38% per annum if the Minimum Subscription is achieved or 2.13% per annum if the Maximum Subscription is achieved of the net asset value of the Group (estimated at approximately \$2.2 million per annum) | \$2,690 if the Minimum Subscription is achieved or \$1,065 if the Maximum Subscription is achieved |
| Equals cost of the Group | | If you had an investment of \$50,000 at the beginning of the year, you would have been charged \$2,850 (if the Minimum Subscription is achieved) or \$1,305 (if the Maximum Subscription is achieved). |

8.4 Additional explanation of fees and costs

Reimbursement of expenses

To the extent permitted by the Corporations Act, the Responsible Entity is entitled to recover all costs and expenses it incurs in the proper performance of its duties as responsible entity of the Trust, including in relation to the establishment, registration, operation, administration and management of the Trust including:

- complying with any law, the ASX Listing Rules and any of the requirements of ASIC;
- the identification, acquisition, realisation, insurance, valuation, custody, management, supervision, repair, maintenance, receipt, collection or distribution of or other dealing with assets of the Trust;
- obtaining and servicing of financial accommodation (including bank fees, interest, expenses, charges and borrowing costs);
- appointing or otherwise engaging any agent, delegate, advisory, developer, development manager, development advisory, real estate agent, marketing agent, administrator or other person (including an associate) for any purpose in connection with the Trust;
- underwriting of any subscriptions for or purchase of Units including fees and indemnity amounts and amounts which may become payable because of a breach (except for negligence, fraud or breach of trust) of the underwriting contract by the responsible entity;
- keeping the financial records relating to the Trust, and keeping, preparing, distributing and/or lodging the accounts relating to the Trust and complying with any obligations with respect to the accounts relating to the Trust and any audit of those accounts;
- the termination of the Trust and winding up of the Trust; and
- the implementation of any proposal or any restructuring or listing of the Trust.

The Responsible Entity estimates that it will incur costs of managing and administering the Trust (exclusive of its management fee) of approximately \$471,871 per annum which is equal to 0.6% of the Trust's gross asset value or 0.5% of the net assets of the Group if the Maximum Subscription is achieved at the date of the Unit Distribution. This is an estimate only and the actual expenses incurred by the Responsible Entity may differ. These costs are included in the estimated \$2.2 million operating expense of the Group mentioned in the previous table.

The Responsible Entity is entitled to recover all such expenses from the assets or income of the Trust, including any amounts payable to a member of the Company. Any amounts paid to members of the Group and/or Group will be under arrangements that are on an arm's length basis where the fees are in accordance with market rates for the relevant services provided.

Taxes

For information in relation to the taxation implications associated with an investment in the Group please see the Taxation Report in Annexure A.

Costs borne by the Group

The Company has paid or will pay approximately \$1.9m (if the Minimum Subscription is achieved) to \$3.9m (if the Maximum Subscription is achieved) in estimated fees for advisers and consultants. Please refer to section 10.8 for a breakdown of the costs paid to specific advisers and consultants up to the date of this Offer Document.

These costs are one-off in nature and are proposed to be paid by the Company from the funds raised by the Capital Raising. For further information, see Offer Cost below.

Fee changes

The amounts charged to reimburse the Responsible Entity for the costs of operating the Trust may vary. For example, the allocation of human and other resources in the Group will depend on whether asset opportunities are being pursued for the Trust. The Responsible Entity may charge more or less than the estimated operating expenses shown in the table above but any such reallocation of the cost burden within the Group according to need will not affect the returns of Stapled Securityholders.

The Responsible Entity may not increase the fees payable to it above the amounts set out in the Trust Constitution without a special resolution of holders of Stapled Securities first having varied the Trust Constitution. A special resolution requires 75% of the votes (by value) cast on the resolution being in favour of it.

Operating Expenses

The Company will incur operating expenses in carrying out its active loan origination and fund management businesses, including:

- wages and superannuation to key management personnel and administration staff;
- directors fees;
- professional and compliance fees (audit, accounting, taxation, registry and listing fees);
- legal
- sales & marketing;
- insurances; and
- website costs

It is estimated that the Company will incur expenses of approximately 1.7% of the net assets of the Group if the Maximum Subscription is achieved. These costs are paid for by the Group when they are incurred. These costs are not charged directly to Stapled Securityholders, however, these costs are an additional cost to the Stapled Securityholders as they are deducted from the income or assets of the Group.

Offer costs

The Group has paid one off costs associated with the Restructure and Recapitalisation Proposal. The total cash expenses in connection with the Restructure and Recapitalisation Proposal (including legal, accounting, taxation, advisory and listing fees) were approximately \$1.9m (if the Minimum Subscription is achieved) to \$3.9m (if the Maximum Subscription is achieved) (net of recoverable GST). For the avoidance of doubt, these costs are one off and are proposed to be paid for out of the funds raised by the Capital Raising and therefore have not been included in the ongoing expenses in section 8.2 or the example in section 8.3. These one off costs equate to 4.6% (if the Minimum Subscription is achieved) to 3.8% (if the Maximum Subscription is achieved) of the net asset value of the Group. The dollar value of these net costs based on an average account balance of \$50,000 is \$2,300 (if the Minimum Subscription is achieved) to \$1,900 (if the Maximum Subscription is achieved) (**Offer Costs**).



09

Corporate
governance and
Group policies

9.1 General

Each of the Board and the Responsible Entity Board have their own respective corporate governance and compliance obligations in relation to the Company and the Trust respectively under the Corporations Act and the ASX Listing Rules.

Responsibility for the Group's overall corporate governance will, however, rest with the Board.

The Group will adopt a governance framework, including relevant internal controls, risk management processes and corporate governance policies and practices, which it believes are appropriate for the Group's business and which are designed to promote the responsible management and conduct of the Group. Under the Group Investment Management Agreement, the Group Investment Manager will assist the Board in relation to compliance by the Company and the Trust with all relevant laws, including the ASX Listing Rules and the Corporations Act.

In putting in place practices and procedures for the governance of the Group, the Board and the Responsible Entity Board considered a number of key matters with particular focus on:

| Issue | How this has been considered and addressed |
|--|--|
| Potential conflicts of duty and interest | <p>The Responsible Entity and the Group Investment Manager are both members of the 360 Capital Group. Appropriate protocols are already in place between the Responsible Entity and the Group Investment Manager to manage potential conflicts which may arise.</p> <p>To assess the related party aspects of the Restructure and Recapitalisation Proposal and its relative advantages and disadvantages, the Board established an Independent Board Committee with members who are not associated with 360 Capital Group.</p> <p>It is also noted that the Responsible Entity Board is largely comprised of independent directors and is different to the Board.</p> |
| Different governance protocols | <p>Both 360 Capital Group (of which the Responsible Entity is a member) and the Company have adopted the 4th edition of the ASX Corporate Governance Council Principles and Recommendations (ASX Principles). Accordingly, the Board and the Responsible Entity Board are already aligned in their reporting practices.</p> <p>Notwithstanding this, the boards have reviewed their reporting practices and it is proposed that the Company will adopt the protocols of the 360 Capital Group to ensure that the Group will be fully aligned in its standards of corporate governance.</p> |

9.2 Corporate governance policies

As noted above, both the 360 Capital Group, of which the Responsible Entity and the Group Investment Manager is a member, and the Company have adopted and report in a manner that is consistent with the 4th edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

It is proposed that the policies and charters that will be adopted by the Group will be underpinned by the policies and charters adopted generally by the 360 Capital Group all of which can be found on the 360 Capital Group website here: www.360capital.com.au/about-us/corporate-governance/.

These policies and charters have all been prepared with regard to the ASX Corporate Governance Principles and Recommendations.

- **Code of Conduct** – This policy will set out the standards of

ethical behaviours and integrity that the Group expects of its officers and employees.

- **Continuous Disclosure** – The Group will need to comply with the continuous disclosure requirements of the ASX Listing Rules and the Corporations Act to ensure that it discloses to the ASX any information concerning the Group which is not generally available and which a reasonable person would expect to have a material effect on the price or value of the Stapled Securities.

This policy will set out procedures and measures which are designed to ensure that the Group complies with its continuous disclosure obligations.

- **Risk Framework** – This framework is designed to assist the Group to identify, evaluate, monitor and manage risks affecting its business.

- **Securities Trading Policy** – This policy is designed to maintain investor confidence in the integrity of Group's internal controls and procedures and in particular to provide guidance to directors, executives and any employees on avoiding any conflicts of interest or breaches of insider trading laws.
- **Communications Policy** – This policy sets out the practices which will be adopted to ensure effective and efficient communication with investors.
- **Diversity Policy** – This policy sets out objectives for achieving diversity amongst directors, executives and employees.
- **Compliance Plan** – Sets out the procedures for compliance with the Corporations Act and the Trust Constitution. This plan will be overseen by the Responsible Entity Board with relevant input from the Board and compliance with it will be audited annually.
- **Compliance Committee**
The Responsible Entity Board comprises a majority of independent members (in accordance with 601JA of the Corporations Act). Accordingly, there is no Compliance Committee. The Responsible Entity Board considers breaches arising during the course of the operation of the Trust, any audit issues raised, and reports of managers, key employees and service providers throughout the reporting year. Provision is made in the Responsible Entity Board's ordinary meeting agenda for the consideration of critical compliance and risk management issues as they arise. Standard compliance and risk management reporting to the Responsible Entity Board occurs on a quarterly basis, generally in February, June, August and November of each year.

9.3 Compliance with ASX Corporate Governance Principles and Recommendations

In accordance with ASX Listing Rule 4.10.3 and Guidance Note 9, set out below are the ASX Corporate Governance Council's eight principals of corporate governance and the extent to which the Group will seek to comply with the recommendations for each.

Principle 1: Lay solid foundations for management and oversight

Roles and responsibilities of the board

The business of the Company will be managed under the direction of the Board comprising Mr Peter Lewis, Mr Tony Pitt, Mr James Storey and Mr Philip Raff.

The business of the Trust will be managed under the direction of the Responsible Entity Board comprising Mr David van Aanholt, Mr Tony Pitt, Mr John Ballhausen, and Mr Andrew Moffat.

Each of the Board and the Responsible Entity Board will meet independently of each other on a regular basis and each is required to discuss pertinent business developments and issues and including a review of the operations and performance of the Company and the Trust (respectively).

Provision is made at each regular meeting for the consideration of critical compliance and risk management issues as they arise in relation to the relevant entity, and, at the meetings of the Board, generally as they relate to the Group.

The conduct of the Board will be governed by the Constitution of the Company, the Corporations Act and the 360 Capital Board Charter.

The conduct of the Responsible Entity Board will be governed by the Trust Constitution, the constitution of the Responsible Entity, the Corporations Act and the 360 Capital Board Charter.

Pursuant to the 360 Capital Board Charter, each of the Board and the Responsible Entity Board must ensure that the investment strategy of the Company and the Trust (respectively) is aligned with the expectations of Stapled Securityholders and that the Group is effectively managed in a manner that is properly focused on its investment strategy as well as conforming to regulatory and ethical requirements.

The primary objectives of the Board will be to:

- set and review the strategic direction of the Group;
- approve and monitor key budgets, business plans, financial statements and financial policies;
- approve all material transactions (noting that the Responsible Entity Board will be responsible for approving all loan investments);
- establish, promote and maintain proper processes and controls to maintain the integrity of financial accounting, financial records and reporting;
- develop and implement key corporate policies, procedures and controls as necessary to ensure appropriate standards of accountability, risk management, and corporate governance and responsibility;
- ensure that Stapled Securityholders receive high quality, relevant, and accurate information in a timely manner; and
- determine and adopt distribution policies.

The Responsible Entity Board must provide assistance to the Board to ensure that the Responsible Entity complies with all of the objectives in so far as they relate to the Trust and the Group. The Responsible Entity Board is also responsible for monitoring compliance with its AFSL and other rules and regulations, in respect of its management of the Trust.

Delegation of authority

The day to day activities of the Group are formally delegated by the Board and the Responsible Entity Board to the Group Chief Financial Officer and the Group Investment Manager.

The Board and the Responsible Entity Board's role is to monitor and measure these activities.

The Group may establish (and delegate powers to) Committees to assist carrying out functions effectively and efficiently. A charter will be adopted for each such Committee setting out the scope of its responsibility and relevant administrative and procedural arrangements.

Performance Reviews

The performance of all Directors of the Board and management of the Group are reviewed and assessed each year by the Board.

Separately, as the Responsible Entity Board is responsible for the operation of a number of other listed, registered and unregistered

funds, the Responsible Entity has its own selection process in relation to its directors. Responsibility for this has been delegated to a Nomination and Remuneration Committee established by the Responsible Entity Board.

Diversity

A Diversity Policy has been adopted which includes measurable objectives for achieving diversity and to assess annually the objectives and its progress towards those objectives. The Diversity Policy can be viewed at <http://360capital.com.au/about-us/corporate-governance/>

Principle 2: Structure the board to be effective and add value

Section 3.9 sets out full details of all of the directors of the Board and the Responsible Entity Board.

The directors of the Board and the Responsible Entity Board possess a range of skills which, as a group, enable the Board and the Responsible Entity Board to discharge their obligations respectively in relation to the Company and the Trust and as a Group.

The following table summarises the key skills:

| Key Skills / Experience: | |
|---------------------------------------|--------------------------------------|
| Financial Acumen | Governance and Regulatory Compliance |
| ASX Listed Entity Experience | Debt and Equity Markets |
| Industry Experience | Strategy Development |
| Funds Management / Financial Services | Investor Relations |
| Risk Management | Leadership and Communication |

To date, the Board has not established a nomination committee to facilitate the process of the appointment and reappointment of directors to the Board. The Board believes a separate nomination committee would not bring any additional efficiencies, transparency, focus or independent judgement needed on decisions regarding the composition of the Board. To enable the Board to discharge its duties and responsibilities effectively, at least once a year the Board will discuss matters regarding but not limited to:

- board succession planning generally;
- induction and continuing professional development programs for directors;
- the appointment and re-election of directors; and
- the process for recruiting a new director, including evaluating the appropriate balance of skills, knowledge, experience, independence and diversity.

The directors of the Responsible Entity Board have established a Nomination and Remuneration Committee, comprising of two non-executive, independent directors as well as one executive director. The Chairman of the Committee is an independent director. The Committee oversees the nomination and remuneration of directors and senior executives, including succession planning generally and reviewing board composition

to ensure an appropriate mix of skill, knowledge, experience, independence and diversity. The Committee is also responsible for the induction of new directors as well as identifying and if deemed necessary implementing appropriate professional development opportunities for directors to help develop and maintain directors' skills and knowledge needed to perform their role as directors effectively. Current Committee composition comprises Mr Andrew Moffat (Chair), and Mr Tony Pitt. The Nomination and Remuneration Committee Charter can be found at <http://360capital.com.au/about-us/corporate-governance/> with two meetings held during the year attended by all Committee members. Details of each director's relevant skills, experience and expertise are set out at <http://www.360capital.com.au/about-us/the-group-board/>.

Principle 3: Instil a culture of acting lawfully, ethically and responsibly

The Group will aspire to act lawfully, ethically and responsibly in accordance with the highest standards of honesty, integrity and fairness at all times.

The Group has adopted a number of policies, procedures and guidelines aimed at ensuring that anyone who is employed by or works in the Group complies with a set of guiding principles, consistent with the above values:

- Code of Conduct; this policy sets out minimum acceptable standards of behaviour.
- Whistle-blower Policy; this policy identifies an intolerance of any corrupt, illegal or other undesirable conduct by staff including the victimisation of any individual who intends to report or has reported such conduct as a protected disclosure in accordance with the policy.
- Anti-bribery Policy; this policy prohibits staff from engaging in activity that constitutes bribery or corruption, and provides guidelines as to what constitutes bribery or corruption and outlines reporting processes and procedures which ensure that breaches are escalated to the Board's immediate attention if and as required.

The above policies can be found at <http://360capital.com.au/about-us/corporate-governance/>.

Principle 4: Safeguard integrity of corporate reports

The Group recognises the critical importance of accurate and timely reporting of financial information, performance and management of risk. Each of the Board and the Responsible Entity Board have established their own audit and risk committees which assist in fulfilling their duties in this respect.

The audit and risk committee established by the Board will also be responsible for the activities of the Group including:

- monitoring the establishment of an appropriate internal control framework, including information systems and its operation and considering enhancements;
- assessing corporate risk (including economic, environmental and social sustainability risks) and compliance with internal controls;
- reviewing reports on the adequacy of insurance coverage;
- monitoring compliance with relevant legislation and regulatory requirements (including continuous disclosure obligations);

- reviewing the nomination, performance and independence of the external auditors, including recommendations for the appointment or removal of any external auditor and the rotation of the audit engagement partner;
- any proposal for the external auditor to provide non-audit services and whether it might compromise the independence of the external auditor;
- reviewing financial statements and other financial information distributed externally and otherwise provide a true and fair view of the financial position and performance of the Group;
- reviewing management processes supporting external reporting, including the appropriateness of the accounting judgements of choices made by management in preparing the financial reports and statements; and
- preparing and recommending for approval by the Board, the corporate governance statement for inclusion in the annual report or any other public document.

Prior to the Board approving any financial statements in relation to the Group, the Chief Financial Officer of the Company will provide a declaration that, in their opinion, the financial records for that entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Principle 5: Make timely and balanced disclosure

ASX continuous disclosure requirements are included in the Communications and ASX Disclosure Policy and the Continuous Disclosure Policy.

The policies reflect the Group's commitment to ensuring that all material information is immediately notified to the ASX for dissemination to the market in accordance with the continuous disclosure requirements of the Corporations Act and the ASX Listing Rules. The policies also set out the relevant procedures for internal updating.

The Communications and ASX Disclosure Policy and Continuous Disclosure Policy are available on the website at <http://360capital.com.au/about-us/corporate-governance/>.

Principle 6: Respect the rights of securityholders

The fundamentals underpinning the corporate governance ethos within the Group are that Stapled Securityholders should be able to hold management to account for the Group's performance.

The Group will engage with its Stapled Securityholders to provide them with appropriate information and facilities to allow them to exercise their rights as securityholders effectively.

The Board is committed to ensuring securityholders receive clear, concise and effective information on a timely basis and facilitates the delivery of financial services disclosures through existing and emerging electronic means.

As previously noted the Group has adopted a Communications and ASX Disclosure Policy.

Principle 7: Recognise and manage risk

As stated previously each Board has established an Audit and Risk Committee. Please refer to Principle 4 for further details.

The Group also has a Risk Management Program which outlines the process for identifying, monitoring and mitigating risks as well as generic sources of risk.

The Group is committed to acting responsibly and ethically and operating their businesses in a manner that is sustainable.

Principle 8: Remunerate fairly and responsibly

As previously stated, 360 Capital Group has established a Nomination and Remuneration Committee. Please refer to Principle 2 for further details on the Nomination and Remuneration Committee.

Remuneration of the Responsible Entity is included in the Trust's Constitution. The Responsible Entity is entitled to claim asset management fees, reimbursement for all expenses reasonably and properly incurred in relation to the Trust or in performing its obligations under the Constitution, and acquisition and disposal fees.

As noted at Principle 2, the Company does not have a remuneration committee at present. Executive and key management personnel remuneration and other terms of employment are reviewed annually, having regard to performance goals set at the start of the year, independent advice and industry market comparison reports.



10

Additional information

10.1 ASIC Relief

To facilitate the Capital Raising and the Group Stapling as contemplated by this Offer Document, the Company and the Responsible Entity have received from ASIC the following modifications to and exemptions from the operation of the Corporations Act as it applies to the Group:

- Stapling relief (sections 601FC(1)(c), 601FC(1)(e), 601FD(1)(c), 601FD(1)(d), 601FD(1)(e) and 601FE(1)) - relief to enable the Responsible Entity to consider the interests of Stapled Securityholders as a whole (rather than their interest solely as members of the Trust);
- Related party relief (section 601LC) - modification or exemption to allow the Responsible Entity to provide financial benefits out of Trust property to other entities within the Group and their subsidiaries while Stapling arrangements are in place;
- Financial Services Guide relief (section 941A) - relief from the requirement for the Responsible Entity to prepare a Financial Service Guide and give it to Shareholders who are retail clients;
- Licensing relief (section 911A) - relief in respect of the requirements for the Company to hold an Australian Financial Services Licence;
- Foreign holder relief (section 601QA(1)(a)): relief from the requirement for the Responsible Entity to treat foreign holders equally in respect of the Stapling; and
- Secondary sale relief (sections 707(3) and 707(4): modification to allow the on-sale of any of Shares issued to the Related Party Vendors on completion of the Business Acquisitions where the sale occurs within 12 months after they are issued.

10.2 ASX Waivers and Confirmations

To facilitate the Capital Raising and the Group Stapling as contemplated by this Offer Document and the admission of the Trust to the Official List of the ASX, the Responsible Entity has applied for the following waivers and confirmations from the ASX:

- ASX Listing Rule 1.4.7 - a waiver of the requirement for this Offer Document to contain a statement that the Trust has not raised any capital for the three months before the date of issue of this Offer Document and will not need to raise any capital for three months after the date of issue of this Offer Document;
- ASX Listing Rule 2.1 Condition 2 - a waiver on the condition that the issue price of a Share and a Unit must each be at least \$0.20;
- ASX Listing Rule 6.24, item 1 of appendix 6A - a waiver to the extent necessary to allow the Trust to advise the ASX of an estimated distribution rate at the time required by item 1 of Appendix 6A and the actual rate be given to the ASX as soon as it becomes known;

- ASX Listing Rule 8.10 - a waiver to the extent necessary to permit the board of the Responsible Entity to refuse to register a transfer of a Unit, if it is not accompanied by a corresponding transfer of the other relevant stapled security;
- ASX Listing Rule 10.1 - a waiver to the extent necessary to permit the transfer of substantial assets between and within the Group on terms that are not arm's length and without the prior approval of Stapled Securityholders; and
- ASX Listing Rules 3.20 and 7.40 - confirmation in respect of the timetable requirements set out in those rules, and whether the proposed timetable is satisfactory.

10.3 Ineligible Foreign Shareholders

The Responsible Entity has obtained relief from the requirements of section 601FC(1)(d) of the Corporations Act in relation to the treatment of Shareholders whose registered address, as at the Capital Reduction Record Date, is not in Australia, Singapore or Malaysia (**Ineligible Foreign Shareholders**).

Where the Responsible Entity considers that it would be unreasonable for it to make an offer to acquire Units to an Ineligible Foreign Shareholder, it may transfer such Units to the Nominee.

Upon Group Stapling, the Nominee will sell the Stapled Securities that would have been held by the Ineligible Foreign Shareholder. The Nominee is required to sell the Stapled Securities on-market in the ordinary course of trading on the ASX as soon as reasonably practicable, but no later than 30 Business Days following the commencement of ordinary trading in Stapled Securities on the ASX. The Nominee must remit the proceeds from any such sale to the Ineligible Foreign Shareholder as soon as reasonably practicable after receipt by of the sale proceeds (rounded to the nearest cent) after deducting any applicable fees, brokerage, tax and other expenses. In respect of Ineligible Foreign Shareholders with a small holding of Stapled Securities, these costs may represent a significant amount of the current market value of your holding.

10.4 Company Constitution

This section contains a summary of the Company Constitution. This is not an exhaustive summary or definitive statement of the rights and liabilities attaching to Shares.

| Term | Summary |
|-------------------------------------|---|
| Dividends | The Board may from time to time resolve to pay dividends to Shareholders and fix the amount of the dividend, the timing for determining entitlements to the dividend and the timing and method of payment. Shareholders will be entitled to participate in any dividends according to their rights and interests. |
| Buy back of Shares and cancellation | Subject to the ASX Listing Rules, the Corporations Act and any applicable ASIC instrument, the Company may effect a buy back of Shares (whether on market or not) on any terms and at any times it determines. |
| Board discretion | The Board may determine that the method of payment by the Company of a dividend or a return of capital, a buy back or otherwise, may include any or all of the payment of cash, the issue of new shares or other securities and the transfer of assets (including shares or other financial products in another body corporate or trust). The Board may authorise any person to act as agent and attorney for the shareholders to do all things necessary (including execute any document and agree to be a member of another company, trust or entity) to effect any such transfer of assets. |
| Board | The minimum number of Directors that may comprise the Board is three and the maximum is ten. The Company may pass a resolution varying that number but the minimum must not be less than three. Directors are elected at annual general meetings of the Company. Retirement will occur on a rotational basis so that no Director (excluding the Managing Director) holds office without re-election beyond the third annual general meeting following the meeting at which the Director was last elected. The Directors may also appoint a Director to fill a casual vacancy on the Board or in addition to the Directors, who will then hold office until the end of the next annual general meeting of the Company. |
| Board decisions | Resolutions arising at a meeting of the Board will be decided by a majority of votes of the Directors present at the meeting and entitled to vote on the matter. In the case of an equality of votes on a resolution, the chairperson of the meeting has a casting vote. |
| Non-executive Director remuneration | Non-executive Directors are entitled to such remuneration as determined by the Directors but which must not exceed in aggregate the maximum amount determined by Shareholders at a general meeting. |
| Indemnity | The Company, to the extent permitted by law, indemnifies each Director against any liability incurred by that Director as an officer of the Company including for legal costs incurred by the Director associated with proceedings relating to liability of that Director. The Company may, to the extent permitted by law, pay the premium on a policy of insurance in respect of a person who is or has been an officer or auditor of the Company. |
| Meetings | The rights of Shareholders to requisition, attend and vote at meetings are generally as prescribed by the Corporations Act and ASX Listing Rules except as modified by the Company Constitution. |
| Small holdings | The Company may in its discretion from time to time sell or buy back any Share held by a Shareholder which comprise less than a Marketable Parcel (as that term is defined in the ASX Listing Rules) as notified by the Company Entity to Shareholders from time to time without request by the Shareholder. The Company Entity must notify the Shareholder in writing of its intention to sell or buy back Shares. The Company will not sell or redeem the relevant Shares: (i) before the expiry of 6 weeks from the date of the notice given; or (ii) if, within the 6 weeks allowed, the Shareholder advises the Company that the Unitholder wishes to retain the Shares. |

| | |
|--|---|
| Winding-up | If the Company is wound up, Shareholders will be entitled to participate in any surplus assets of the Company according to their rights and interests. |
| Ineligible Foreign Shareholders | Provision to give effect to the treatment of Ineligible Foreign Shareholders as described in section 10.3. |
| Power to staple | Stapling commences on the date that the directors of the Company and the Responsible Entity determine as being the date on which the Stapling becomes effective and the Company announces the date on the ASX's announcement platform. |
| Stapling ratio | While Stapling applies, ordinary shares are to be Stapled to the attached securities in the ratio of one ordinary share to one of each category of attached securities. In the Company Constitution, attached securities are defined as each unit, share or other security in a stapled entity to which an ordinary share in the Company is attached. |
| Stapling Provisions paramount | If there is any inconsistency between any provision of a constitution relating to Stapling and any other provision, the provision relating to Stapling prevails. |
| Reasonable endeavours | The Company must use reasonable endeavours to procure that if the stapled securities are and continue to be officially quoted by the ASX as one joint security, the stapled securities are dealt with in a manner consistent with the provisions relating to stapled securities in the Trust Constitution. |
| Cessation of Stapling | Stapling ceases when the Board declares Stapling ceases to apply to some or all ordinary shares, and such cessation is approved by a special resolution of Stapled Securityholders. It also ceases when: (i) the Company and the Responsible Entity agree to unstapling the securities; (ii) the Company is wound up; (iii) the attached securities cease for any reason to be transferable with ordinary shares; or (iv) the law prohibits Stapling, |
| Allocation of issue price of a share in a stapled security | Unless otherwise determined by the Company and the stapled entities or the responsible entity of the stapled entities, the issue price must be allocated in proportion to the net assets (adjusted for the net market value of its investments) of the Company and each other stapled entity at the relevant date. |
| Conduct of stapled entities | To the maximum extent permitted by law, the Company must cooperate with each stapled entity in everything relating to the stapling of the securities, including, for example: (i) compliance with ASX Listing Rules; (ii) disclosure; (iii) accounting, investment and valuation policies; (iv) meetings; (v) new issues and redemptions; (vi) distributions and re-investments; (vii) partly paid securities; and (viii) reporting. |
| Dealings | There must be no dealing or disposition of any kind in relation to an ordinary share unless there is also an identical dealing or disposition by the same parties with each attached security in a stapled entity to which that ordinary share is Stapled. |
| Offers of ordinary shares | The Company must not offer ordinary shares for subscription or sale unless: (i) it also offers, or procures that offers are made of, at the same time and to the same person, the same number of attached security in each stapled entity for subscription or sale; and (ii) the offer is on condition that the offeree may not accept the offer unless the offeree also accepts the offer for attached securities in each stapled entity. |
| Reorganisations | The Company must not consolidate, subdivide, cancel or reorganise ordinary shares unless at the same time there is a corresponding consolidation, subdivision, cancellation or reorganisation of the attached securities in each other stapled entity. |

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| Issue price | A stapled security may be issued or redeemed for a price calculated by aggregating the price for the issue or redemption of an ordinary share in the particular circumstances fixed by the Company Constitution with the price for issue or redemption or buy back of an attached security in each stapled entity in those circumstances fixed by their constitutions. Alternatively, subject to the Corporations Act, the Company may keep valuation records and financial records for the stapled entities as an economic entity and may use the net asset value of the economic entity to calculate the issue price or redemption price of a stapled security |
| Regard to interests of holders in stapled entities | In exercising its powers or discretions or performing its functions under the Company Constitution, the Company may take into account the interests of holders of attached securities in stapled entities other than in the Company and exercise its powers and discretions or perform its functions even though to do so would be for the benefit of those persons and not for the direct benefit of Shareholders. |
| Indemnity and remuneration | If the responsible entity of a stapled entity is entitled to indemnity, to reimbursement or to payment of remuneration under the constitution of that stapled entity, the Company may provide indemnity, reimbursement or payment to the responsible entity of that stapled entity out of the Company's assets. |
| Guarantees | The Company may in connection with the Stapling or the relationship created by the Stapling give any guarantee or indemnity or become liable for the payment of money or the performance of any contract or other obligation by any person including any stapled entity or the responsible entity of any stapled entity. |
| Modification | Whilst Stapling applies, the consent of the stapled entities must be obtained to any modification to the Company Constitution which directly affects the terms on which ordinary shares are Stapled or removes any restriction on the transfer of an ordinary share if that restriction also exists for the attached securities unless that restriction is simultaneously removed for all attached securities. |
| Stapled Securities Register | The Directors must maintain or cause to be maintained a stapled security register of holders of ordinary shares which records the names of the shareholders, the number of ordinary shares held and the number of each category of attached securities held by the Shareholders to which each Shareholder's ordinary shares are stapled and any additional information required by the ASX Listing Rules or determined from time to time by the Directors. |

10.5 Rights and liabilities attaching to Units

The Units have been issued as fully paid and will rank equally for distributions and other rights from the date of issue.

Since the Units will be transferred to Shareholders pursuant to the Unit Distribution (respectively), no monetary liability attaches to them.

The rights and liabilities attaching to Units are determined by the Trust Constitution, applicable law and the ASX Listing Rules.

This section contains a summary of the rights and liabilities attaching to Units under the Trust Constitution and the Corporations Act. In the absence of any amendment to the Trust Constitution or changes in applicable law or the ASX Listing Rules, these rights and liabilities will attach to the Units. This is not an exhaustive summary or definitive statement of the rights and liabilities attaching to Units.

| Term | Summary |
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| Trust | <p>The Trust is a managed investment scheme registered with ASIC and the main rules governing its operation are set out in the Trust Constitution. The Corporations Act (subject to the relief given by ASIC as referred to in Section 12.2), the ASX Listing Rules (subject to the waivers given by ASX as referred to in Section 12.5) and the general law of trusts are also relevant to the rights and obligations of the Responsible Entity and Unitholders. The main provisions of the Trust Constitution that deal with the respective rights and obligations of Unitholders and the Responsible Entity are summarised below.</p> |
| Units | <p>The beneficial interest in the Trust is divided into a changeable number of units. Each Unit confers on its holder an undivided interest in the Trust. It confers an interest in the Trust's assets as a whole and not an interest in any particular asset.</p> <p>Subject to the law and to the ASX Listing Rules, the Responsible Entity may allot and issue unissued Units (including in different classes) to any person, on any terms (including as to fees) at any time and in any numbers and having attached thereto such preferred, deferred or other rights, restrictions and obligations as the Responsible Entity thinks fit in its absolute discretion and further with power to classify or reclassify or designate or redesignate the same in any manner which the Responsible Entity thinks fit (including into classes or into a different class). The Responsible Entity may, in its absolute discretion, accept or reject all or part of an application for Units without giving any reason.</p> |

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| Issue price | <p>The Trust Constitution contains provisions regarding the calculation of the issue price of Units and also has provisions relevant to Stapled Securities.</p> |
| | <p>Generally while Stapled Securities are officially quoted, Units will be issued at an issue price as follows:</p> <ul style="list-style-type: none"> • in the case of a proportionate offer to investors, subject to the ASX Listing Rules and any applicable ASIC relief, the Responsible Entity may issue Units at a price that is up to 50% less than the issue price otherwise determined; • in the case of a reinvestment of distributions, the Responsible Entity may issue Units at a price that is up to 50% less than the issue price otherwise determined; • subject to the Corporations Act, the ASX Listing Rules and any applicable ASIC instrument, the Responsible Entity may issue Units at a price determined by the Responsible Entity including determining the issue price by reference to a specified formula set out in a document other than in the Trust Constitution; • subject to: (i) any rights, obligations and restrictions attaching to any particular Units; (ii) the clauses dealing with issue price above; and (iii) the stapling provisions dealing with the issue price, a Unit may be issued at a price determined by the Responsible Entity provided the aggregate of the issue price of the Unit and the issue price of a unit, share or other security in each stapled entity to which that Unit is Stapled is equal to the market price for the Stapled Securities. <p>The issue price of a Stapled Security will be determined by:</p> <ul style="list-style-type: none"> • aggregating the price for the issue of a Unit in the particular circumstances fixed by the Trust Constitution with the price for the issue of a Share in the circumstances fixed by the Company Constitution; or • alternatively, subject to the Corporations Act, the Responsible Entity may keep valuation records and financial records for the stapled entities as an economic entity and may use the net asset value of the economic entity to calculate the issue price or redemption price of a stapled security instead of aggregating the values of units, shares or other securities comprising a stapled security. |
| Allocation of proceeds of issue | <p>The Responsible Entity may apply money received for the issue of Stapled Securities to the stapled entities in proportion to the net asset value of the Trust assets and the net asset value of, or the value of the units, shares or other securities in the stapled entities worked out under their constitutions, or may apportion the receipts or payments between the stapled entities as the Responsible Entity thinks fit.</p> |
| Issue price of a Unit as part of a Stapled Security | <p>The allocation of the issue price of a Stapled Security between the Unit and a share, unit or other security in each stapled entity will be determined as follows:</p> <ul style="list-style-type: none"> • the Responsible Entity and the stapled entity or the responsible entity of each other stapled entity may determine what part of the issue price of the Stapled Security is to be allocated to the Unit and to the unit, share or other security in each stapled entity; and • unless otherwise determined by the Responsible Entity and the stapled entity or the responsible entity of the stapled entities, the issue price must be allocated in proportion to the net assets (adjusted for the net market value of its investments) of the Trust and each other stapled entity at the relevant date. |
| Distributions | <p>Subject to the rights attaching to any particular Unit, Unitholders are generally entitled to share in distributions out of the Trust in proportion to the number of Units they hold.</p> <p>The Responsible Entity may allow Unitholders to reinvest some or all of any distribution to acquire Units.</p> <p>The Responsible Entity may at any time also distribute capital of the Trust to Unitholders pro rata according to the number of Units they hold. Such distributions may be in the form of cash, cheque, direct deposit or property or additional Units.</p> |

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| Redemption | Unitholders do not have any right to have their Units redeemed. |
| Buy back of Units and cancellation | Subject to the ASX Listing Rules, the Corporations Act and any applicable ASIC instrument, the Responsible Entity may effect a buy back of Units by purchasing Units (whether on market or not) on any terms and at any times it determines. |
| Transfer of Stapled Securities | Subject to the rules applicable while the Trust is admitted to an uncertificated trading system and to their terms of issue, Stapled Securities may be transferred by whatever written transfer form the Responsible Entity may require from time to time. Except as permitted by the ASX Listing Rules, a Unitholder must not dispose of "restricted securities" (as defined in the ASX Listing Rules) during the applicable restriction period. |
| Meetings | <p>The rights of Unitholders to requisition, attend and vote at meetings are generally as prescribed by the Corporations Act and ASX Listing Rules except as modified by the Trust Constitution.</p> <p>The Responsible Entity may convene a meeting of Unitholders or Unitholders of a class at any time and may determine the time and place and the manner in which the meeting will be conducted.</p> |
| Unitholder's liability | <p>Except as expressly provided for in the Trust Constitution and subject to any contrary agreement with a Unitholder, if there are insufficient assets in the Trust to meet the liabilities of the Responsible Entity in relation to the Trust, a Unitholder does not have to make up the difference or indemnify or make a payment to the Responsible Entity or any of its creditors. A Unitholder's liability is limited to the unpaid part (if any) of the issue price of its units. A Unitholder has no liability to the creditors of the Responsible Entity.</p> <p>Notwithstanding any other provision in the Trust Constitution (whether express or implied) each Unitholder and former Unitholder indemnifies the Responsible Entity (both on its own account and on account of the Trust) for:</p> <ul style="list-style-type: none"> • any unpaid amounts due by the Unitholder or former Unitholder on any basis (including under the Trust Constitution, pursuant to the Trust's disclosure document, or pursuant to the Corporations Act) to the Responsible Entity (either on its own account or on account of the Trust); and • any tax or expense in relation to or referable to a Unitholder or former Unitholder (or the Responsible Entity's estimate of it) that is incurred by the Responsible Entity or that the Responsible Entity reasonably expects to incur, including where that tax or expense is incurred as a consequence of an action or omission of, or which is requested by, or otherwise arises as a result of an attribute of the Unitholder or former Unitholder. |
| Powers | In addition to its powers arising under the Trust Constitution and by law, the Responsible Entity has all the powers in respect of the Trust that it is possible to confer on a natural person or corporation by law and as though it were the absolute and beneficial owner of the entirety of the assets of the Trust acting in its personal capacity. Subject to the Corporations Act, the Responsible Entity may appoint, engage or replace delegates, sub-agents, agents, attorneys, sub-attorneys, custodians, nominees or otherwise engage any person to hold title to any asset of the Trust or to exercise or perform any of its duties, powers, discretions, and obligations in connection with the Trust. |

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| <p>Rights, limitation of liability and indemnity of the Responsible Entity</p> | <p>Subject to the law and the ASX Listing Rules, the Responsible Entity and any one or more its associates may at any time hold Units and deal with itself in any capacity, including but without limitation subscribing for, purchasing, holding or otherwise dealing with Units.</p> <p>Without limiting its liability under the Corporations Act or other relevant laws, if the Responsible Entity acts without actual fraud or gross negligence or wilful default, the Responsible Entity is not liable in contract, tort, under statute or otherwise to Unitholders for any loss suffered in any way relating to the Trust and will not be liable to Unitholders to any greater extent than the extent to which it is entitled to be and is indemnified for such liabilities out of the Trust's assets.</p> <p>In addition to any other rights of indemnity or reimbursement which it may have under the Trust Constitution or at law, the Responsible Entity is indemnified and is entitled to be reimbursed out of the Trust's assets for all liabilities and losses incurred by it in relation to the proper performance of its duties in relation to the operation, administration and management of the Trust or otherwise in connection with the Trust. This right of indemnity and reimbursement shall continue in favour of the Responsible Entity after it has ceased to be responsible entity of the Trust.</p> |
| <p>The Responsible Entity's fees and expenses</p> | <p>The Responsible Entity is entitled to be paid management fees from the assets of the Trust as described in clause 14.3 of the Trust Constitution. In addition to any other rights to indemnity or reimbursement which it may have under the Trust Constitution or at law, the Responsible Entity is indemnified and entitled to be paid or reimbursed from the assets of the Trust for all expenses incurred in relation to the proper performance of its duties or exercise of its powers.</p> |
| <p>Termination and winding up</p> | <p>The Trust terminates on the earlier of:</p> <ul style="list-style-type: none"> • the day before 80 years after the Trust was established; • the date specified by the Responsible Entity as the date the Trust is to terminate in a notice given to Unitholders; • the Unitholders fix a date of termination, or resolve to terminate the Trust, by a resolution that has been passed at a meeting on a poll by a special resolution; and • the occurrence of an event requiring the winding up of the Trust under a provision of the Corporations Act or of any other applicable law. <p>If the Trust has been terminated then, subject to any court orders or directions to the Responsible Entity, the following provisions will apply:</p> <ul style="list-style-type: none"> • the Responsible Entity must give to each Unitholder notice of the termination and of its intention to wind up the Trust; • no units may be issued or redeemed; • subject to the Trust Constitution, the Responsible Entity will as soon as reasonably practicable after giving the notice under paragraph (a) above realise all of the Trust assets in such a manner as the Responsible Entity considers appropriate and pay, discharge or provide for (which provision may be made for such period of time as the Responsible Entity thinks fit) all liabilities (whether actual, contingent or prospective) and all expenses of or in connection with the Trust including those anticipated in connection with the winding up of the Trust; and • the net proceeds of realisation and all other cash forming part of the Trust assets will be distributed to the Unitholders in proportion to the number of units held by them at the date of the distribution. |
| <p>Amendment</p> | <p>While the Trust is registered, the Trust Constitution may be modified, repealed or replaced in accordance with the Corporations Act. While the Trust is not registered, the Responsible Entity may amend the Trust Constitution by supplemental deed.</p> |

Stapling

The Responsible Entity may declare by written notice that Units are Stapled to any securities in one or more other stapled entities.

While Stapling applies, a Unit is Stapled to a Share (together comprising a Stapled Security) and there must be no dealing or disposition of any kind in relation to a Unit unless there is an identical dealing or disposition by the same parties with each Share to which the Unit is Stapled. The Responsible Entity must not consolidate, subdivide, cancel or reorganise Units unless at the same time there is a corresponding consolidation, subdivision, cancellation or reorganisation of the Shares.

In exercising its powers or discretions or performing its functions under the Trust Constitution or in relation to the Trust, the Responsible Entity may as it sees fit:

- take into account the interests of holders of units, share or other securities in stapled entities other than in the Trust; and
- exercise its powers and discretions or perform its functions even though to do so would be for the benefit of those persons and not for the direct benefit of Unitholders.

The Responsible Entity may in connection with the Stapling or the relationship created by the Stapling give any guarantee or indemnity or become liable for the payment of money or the performance of any contract or other obligation by any person including any stapled entity or the responsible entity of any stapled entity.

To the extent permitted by law, the Responsible Entity must cooperate with each stapled entity or the responsible entity of each stapled entity in everything relating to the stapled securities. This includes, for example, the Responsible Entity ensuring the Trust and stapled entities: (i) comply with the ASX Listing Rules; (ii) adopt consistent accounting, investment and valuation policies; (iii) hold Unitholders' meetings concurrently or where necessary consecutively; (iv) agree on the terms and timing of all new issues, buy backs, bonus and rights issues, placements and redemptions; (v) coordinate the announcement and payment of distributions; (vi) coordinate all distribution or dividend reinvestment plans; and (vii) report to Unitholders consistently and at the same times.

Unstapling

The Responsible Entity may by written notice declare that Stapling ceases to apply to some or all of the Units. Unitholders may, by special resolution, determine that Stapling will cease to apply to some or all of the Units.

In addition, Stapling will automatically cease to apply to all Units if:

- the Trust is terminated by winding up;
- the units, shares or other securities in any stapled entity to which the Units are stapled cease for any reason to be transferable only with Units; or
- the law prohibits the Stapling.

If Stapling ceases to apply to a Unit, the clauses in the Trust Constitution which provide the consequences of Stapling cease to operate in respect of that Unit. If Stapling ceases to apply to all Units, the Responsible Entity must do everything reasonably necessary to give effect to the cessation of Stapling including:

- amending any records of the managed investment scheme;
- transferring any property or paying any tax; and
- giving directions or consents to the Company.

Small holdings

The Responsible Entity may in its discretion from time to time sell or redeem any Units held by a Unitholder which comprise less than a Marketable Parcel (as that term is defined in the ASX Listing Rules) as notified by the Responsible Entity to Unitholders from time to time without request by the Unitholder. The Responsible Entity must notify the Unitholder in writing of its intention to sell or redeem Units. The Responsible Entity will not sell or redeem the relevant Units: (i) before the expiry of 6 weeks from the date of the notice given; or (ii) if, within the 6 weeks allowed, the Unitholder advises The Responsible Entity that the Unitholder wishes to retain the Units.

10.6 The Stapling Deed

The Company and the Responsible Entity will enter into a Stapling Deed which will provide that, from the Stapling Date, the Company and the Responsible Entity as the responsible entity of the Trust must cooperate in respect of the Stapling of the Shares to the Units.

A summary of the material terms of the proposed Stapling Deed are set out below.

| Term | Summary |
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| Stapling Date | The Stapling Date means the date as determined by the Group on which Stapling becomes effective, and is announced by the Company on the ASX's announcement platform, being the date on which the Shares become Stapled to the Units. |
| Transfers | A transfer of Shares or Units in any of the Dealt Group Entities can only be completed if it is accompanied by a transfer of an equal number of Units or Shares in the other Group Entity. |
| Issue, repurchase or redemption | Any issue, repurchase or redemption of Shares or Units by a Group Entity will be matched by an issue, repurchase or redemption of an equal number of Units or Shares in the other Group Entity. |
| Co-ordination | The parties must co-ordinate their statutory disclosures, adopt consistent accounting and valuation policies, maintain the same auditor, maintain common directors, and agree on the timing and terms of new issues, bonus and rights issues, placements, redemption and buy backs of Stapled Securities. |
| Regard to the interests of Stapled Securityholders | While Stapling applies, the parties may, in exercising any power of discretion, have regard to the interests of Stapled Securityholders as a whole and not only to the interests of Shareholders or Unitholders (as the case may be) considered separately. |
| Financial benefits | While Stapling applies, each party may if called upon by the other party, procure that it and any of its controlled entities extend financial benefits to each other, including by way of lending money, giving guarantees or engaging in joint borrowing. |
| Consolidations, subdivisions or reorganisations | While Stapling applies, no party may consolidate, subdivide, cancel or reorganise their respective securities unless at the same time there is a corresponding consolidation, subdivision, cancellation or reorganisation of the attached securities in each other stapled entity. |
| Issue price of a Stapled Security | The parties agree on what part of the amount payable for the issue, redemption or buy back of (or option to subscribe for) a Stapled Security is to represent the price payable for the issue, redemption or buy back (or option to subscribe) for each of the Units and Shares comprising the Stapled Security. Unless otherwise determined by the Company and the Responsible Entity, this is done on the basis of the relative net asset values of the Unit and Share components of the Stapled Security agreed between the parties prior to the issue, redemption or buy back or granting of the Stapled Security or option. |
| Single entity | <p>An investment in a Stapled Security will operate like an investment in a single coordinated entity and specifically:</p> <ul style="list-style-type: none">• Stapled Securities will trade together as one security on the ASX and will not be able to be traded or dealt with separately;• Stapled Securityholders will receive combined reports for the Group; and• subject to a distribution being made, Stapled Securityholders will receive a combined distribution and dividend payment each half year. |

10.7 Group Investment Management Agreement

The Company and the Responsible Entity propose to appoint the Group Investment Manager on an exclusive basis, to be the manager of the Group under the terms of a Group Investment Management Agreement (**Group Investment Management Agreement**).

Under the proposed Group Investment Management Agreement, the Company and the Responsible Entity are jointly and severally liable for their respective obligations, including the payment of fees and expenses to the Group Investment Manager.

A summary of the material terms of the Group Investment Management Agreement are set out below.

| Term | Summary |
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| Services | <p>The services include:</p> <ul style="list-style-type: none">• implementing the investment strategy as varied from time to time by the Company and the Responsible Entity;• providing overall investment strategy, including market analysis, including economic fundamentals and capital market dynamics in relevant markets;• evaluating investment performance, including:<ul style="list-style-type: none">- the performance of each asset relative to the market outlook;- reviewing and making recommendations in relation to acquisitions, hold and exit strategies;- reviewing the potential for improving net operating income and asset value;- preparing any recommendations which are aimed at optimising the return on, and increasing the value of, the Group; and- balancing overall risks and returns; and.- reviewing investment strategies and making evaluations and recommendations of investment opportunities;• considering, undertaking due diligence and recommending potential investment opportunities presented to the Company and the Responsible Entity; and• providing services in relation to a proposed acquisition or disposal by the Company and the Responsible Entity of an interest in assets, including:<ul style="list-style-type: none">- reviewing market conditions and making recommendations in relation to the acquisition or disposal (as relevant);- providing an objective and detailed review of any third party offer to sell or purchase an interest in assets (as relevant); and- proposing a structure for the transaction and a marketing plan for the acquisition or sale (as relevant). |

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| Term | <p>The initial term of the Group Investment Management Agreement is ten years.</p> <p>Securityholders may, by special resolution, remove the Group Investment Manager by written notice in any of the following circumstances:</p> <ul style="list-style-type: none"> • gross negligence that has a material adverse effect on the Group or which constitutes wilful misconduct, fraud or bad faith of the relevant entity in connection with its obligations under the relevant investment document; • insolvency of the relevant entity; or • unremedied material breach of a provision of the relevant investment document, by the relevant entity, which is not remedied that causes a material adverse effect on the Group (each a Cause Event provided the Securityholders have, by special resolution, approved a replacement. <p>In all other circumstances, following the expiry of the 10th anniversary of the date of the agreement, the Responsible Entity may remove the Group Investment Manager on six months' notice.</p> |
| Fees | <p>The Group Investment Manager will be entitled to a management fee of 0.60% per annum (exclusive of GST) of the gross asset value of the Trust, payable quarterly in advance.</p> |
| Expense recovery | <p>The Group Investment Manager is entitled to recover all taxes, costs charges and expenses properly incurred in connection with it carrying out its functions under the Group Investment Management Agreement, including in connection with the investment and management of the assets of the Group.</p> |
| Powers and discretions | <p>In carrying out its functions under the Group Investment Management Agreement, the Group Investment Manager has the powers of a natural person to deal with the assets of the Fund.</p> |
| Effect on termination | <p>In circumstances where the Group Investment Manager has been removed other than for a Cause Event, or the Responsible Entity has terminated the Group Investment Management Agreement, the following must be paid:</p> <ul style="list-style-type: none"> • any accrued (as at the date of removal) and unpaid fees and other monies payable to the Company, the Responsible Entity or the Group Investment Manager (as the case may be); • an amount equal to management fees for an 18 month period must be paid; and • all charges and expenses incurred in enacting a handover to a replacement. <p>In circumstances where the Group Investment Manager has been removed for a Cause Event, the following must be paid:</p> <ul style="list-style-type: none"> • any accrued (as at the date of removal) and unpaid fees and other monies payable to the Company, the Responsible Entity or the Group Investment Manager (as the case may be); • an amount equal to management fees for a 6 month period must be paid; and • all charges and expenses incurred in enacting a handover to a replacement. |

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| Indemnity | <p>The Company and the Responsible Entity will indemnify the Group Investment Manager for any loss it suffers in connection with the proper performance by it under the Group Investment Management Agreement.</p> <p>The Group Investment Manager will indemnify the Company and the Responsible for any loss arising as a result of its default.</p> |
| Conflicts | The Group Investment Manager may provide services to other entities in conflict with its obligations under the Group Investment Management Agreement. However, the Group Investment Manager must maintain policies and procedures for the purposes of managing any such potential conflicts. |
| Retirement | The Group Investment Manager may retire on 60 days' notice to the Company and the Responsible Entity. |
| Amendment | Subject to the ASX Listing Rules and any relevant laws, the Investment Management may be amended by the written agreement between the Company, the Responsible Entity and the Group Investment Manager. |

10.8 Lead Manager Agreement

The Company and the Responsible Entity have entered into an Lead Manager Agreement with the Lead Manager with respect to the management of the Capital Raising. Under the Lead Manager Agreement, the Lead Manager have agreed to amongst other things, use their reasonable endeavours to procure Applications under the Capital Raising.

The Lead Manager will be entitled to the following fees set out in the Lead Manager Agreement:

- (a) a management fee of 1.00% (plus GST) of the proceeds from the Capital Raising; and
- (b) a selling fee of 1.5% of the proceeds from the Capital Raising.

The Lead Manager will be responsible for fees and expenses to any co-manager or broker (if applicable), to be agreed with and appointed by the Lead Manager.

The Lead Manager will be reimbursed by Group for all reasonable expenses (including any applicable GST) incurred by the Lead Manager in connection with the Lead Manager Agreement, this Offer Document and the Capital Raising.

10.9 The Company is a disclosing entity

The Company is a listed disclosing entity for the purposes of the Corporations Act and, therefore, it is subject to regular reporting and disclosure obligations.

Specifically, like all listed entities, the Company is required to continuously disclose to the market any information of which it is aware that a reasonable person would expect to have a material effect on the price or the value of Shares.

Copies of documents lodged with ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, an ASIC office.

The Company will provide a copy of each of the following documents, free of charge, to any person on request during the Offer Period:

- the most recent annual financial statements lodged with ASIC by the Company for the year ended 30 June 2020;
- any half year financial report lodged with ASIC after the lodgement of the above annual report and before the date of the Offer Document; and
- all continuous disclosure notices given by the Company after the lodgement of its annual financial statements with ASIC for the year ended 30 June 2021.

Requests for free copies of these documents may be made by contacting the Share Registry – Boardroom Pty Limited on 1300 737 760 (callers in Australia) or +61 2 9290 9600 (callers outside Australia) between 8:30 am and 5:00 pm AEDT on Business Days.

In addition, copies of all documents lodged with the ASX in relation to the Company can be inspected at the registered office of the Company during normal business hours. The Company's website at www.dealtgroup.com.au also includes a wide range of information on the Company (including copies of the above documents) and its activities.

Upon admission to the Official List, the Trust will be a listed disclosing entity for the purposes of the Corporations Act and subject to regular reporting and disclosure obligations including the continuous disclosure obligations.

10.10 CHESS and holding statements

The Group will apply to participate in CHESS and, in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules, will maintain an electronic issuer sponsored sub register and an electronic CHESS sub register.

Following the Stapling of the Stapled Securities, Stapled Securityholders will receive an initial statement of holding (similar to a bank account statement) that sets out the number of Stapled Securities that they hold.

This statement will also provide details of a Stapled Securityholder's Holder Identification Number (**HIN**) in the case of a holding on the CHES sub register, or Securityholder Reference Number (**SRN**) in the case of a holding on the issuer sponsored sub register. Stapled Securityholders will be required to quote their HIN or SRN, as appropriate, in all dealings with a stockbroker or the Registry.

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

10.11 Litigation and claims

As far as the Board and the Responsible Entity Board is aware, there are no current or threatened civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature in which the Group is directly or indirectly concerned which are likely to have a material adverse effect on the business or financial position of the Group.

10.12 Interests of the Directors, the Responsible Entity directors, experts and advisers

The Company has appointed legal, accounting, tax and financial advisers to assist it in connection with the Capital Raise and Group Stapling. Each adviser is entitled to receive their professional fees in accordance with either time-based or fixed fee basis.

Other than as set out below or elsewhere in this Offer Document, no:

- director of the Company or the director or the Responsible Entity;
- person named in this Offer Document as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Offer Document; or
- promoter of the Company or the Trust,

has, or had within 2 years before the date of this Offer Document, any interest in:

- the formation or promotion of the Company or the Trust;
- any property acquired or proposed to be acquired by the Company or the Trust in connection with its formation or promotion or in connection with the Capital Raising; or
- the Unit Distribution and Group Stapling; and

no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of those persons as an inducement to become, or to qualify as, a Responsible Entity director or otherwise for services rendered by him or her in connection with the formation or promotion of the Trust or the Capital Raising.

Clayton Utz has acted as legal advisor to the Company. The Company has paid or agreed to pay approximately \$253,500 (plus GST) for these services to the date of this Offer Document. Further amounts may be paid to Clayton Utz in accordance with its agreed fee arrangements.

Ernst & Young has provided taxation advice to the Company in connection with the Restructure and Recapitalisation Proposal and prepared the Taxation Report along with preparation and lodgement of the class ruling with the ATO. The Company has agreed to pay approximately \$100,000 (plus GST) for these services to the date of this Offer Document. Further amounts may be paid to Ernst & Young in accordance with its agreed fee arrangements.

BDO Corporate Finance (East Coast) has prepared the Independent Limited Assurance Report. The Company has agreed to pay approximately \$50,000 (plus GST) for these services to the date of this Offer Document. Further amounts may be paid to BDO Corporate Finance (East Coast) in accordance with its agreed fee arrangements.

Cambridge Investment Partners Pty Ltd have been appointed as Financial Adviser. The Company has agreed to pay a financial advisory fee of 1.00% of the amount raised from the Capital Raising. Further amounts may be paid to the Financial Adviser in accordance with its agreed fee arrangements.

Shaw and Partners Limited have been appointed as Lead Manager with respect to the Capital Raising. The Company has agreed to pay (a) a management fee of 1.00% (plus GST) of the proceeds from the Capital Raising and (b) a selling fee of 1.5% of the proceeds from the Capital Raising for these services.

Set out below is a table which indicates the Shares held by the Directors (or their associates) as at the date of preparation of this Offer Document:

| Director | Number of Shares |
|--------------|---|
| Peter Lewis | 0 |
| Tony Pitt | 0 |
| James Storey | 0 |
| Philip Raff | 1,051,177 |
| | Philip Raff also has a beneficial interest in 5,715 Shares registered in the name of KR Williams Pty Ltd atf KR Williams Super Fund |

The 360 Capital Shareholder is an associate of Tony Pitt and James Storey and holds 2,276,766 Shares.

10.13 Consents

Each of the parties named in the table below as a consenting party:

- has given and has not, before the date of this Offer Document, withdrawn its written consent to be named in this Offer Document in the form and context in which it is named;
- has given and has not, before the date of this Offer Document, withdrawn its written consent to the inclusion of their respective statements and reports (where applicable) noted next to their names below, and the references to those statements and reports in the form and context in which they are included in this Offer Document;

- does not make, or purport to make, any statement in this Offer Document other than those statements referred to below in respect of that party's name (and consented to by that party); and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any statements in or omissions from this Offer Document.

| Consenting party | | Comments |
|---|---|--|
| Clayton Utz | Named in the Corporate Directory as Legal Adviser to the Company. | Clayton Utz makes no statements in this Offer Document and no statement is included in this Offer Document based on any statement made by Clayton Utz. |
| Shaw and Partners Limited | Named in the Corporate Directory as Lead Manager | Shaw and Partners Limited makes no statements in this Offer Document and no statement is included in this Offer Document based on any statement made by Shaw and Partners Limited |
| Ernst & Young | Named in the Corporate Directory as Tax Adviser to the Company. | The Taxation Report relates to tax consequences of Restructure |
| BDO Corporate Finance (East Coast) | Investigating Accountant | The Independent Limited Assurance Report relates to the Pro Forma Financial Information. |
| Crowe Audit Australia | The Company's auditor. | Crowe makes no statements in this Offer Document and no statement is included in this Offer Document based on any statement made by Crowe Audit Australia (other than references to financial statements having been audited). |
| Boardroom Pty Limited | Named in the Corporate Directory as the share registry for the Company. | Boardroom Pty Limited has had no involvement in the preparation of this Offer Document other than consenting to being named as Share Registrar. |
| BondAdviser | Named in Section 2 as the provider of research information. | Bondadviser has had no involvement in the preparation of this Offer Document other than consenting to being named as providing research material. |

Other than as disclosed above, none of these firms and companies has caused or authorised the issue of this Offer Document or have in any way been involved in the Capital Raising.

10.14 Labour standards and environmental, social or ethical considerations

The Responsible Entity as responsible entity of the Trust does not directly take labour standards or environmental, social or ethical considerations into account for the purpose of selecting, retaining or realisation of investments for the Trust. However, sometimes these matters do indirectly affect the economic factors upon which investment decisions are based.

10.15 Related party transactions

The ongoing management of the Trust's assets may involve a number of related party transactions

In summary:

- the AMF Related Party Vendors and the DSS Related Party Vendors will respectively sell their AMF Sale Shares and their DSS Sale Shares to the Company - see the NOM/EM/PDS for further information;
- the Company will issue 6,000,000 Shares to the AMF Related Party Vendors and 7,200,000 Shares to the DSS Related Party Vendors in accordance with the AMF Share Sale Agreement and the DSS Share Sale Agreement (as applicable) - see the NOM/EM/PDS for further information;
- the Responsible Entity (which is a member of the 360 Capital Group) has been appointed as responsible entity of the Trust - see the NOM/EM/PDS for further information;
- the Company and the Responsible Entity as responsible entity of the Trust, as a result of the stapling arrangements between the Company and the Trust, will have an ongoing relationship that will be governed by the Corporations Act, ASX Listing Rules, the respective constitutions of the Company and the Trust and the Stapling Deed - see sections 10.4, 10.5 and 10.6 for further information;
- the Company and the Responsible Entity will have an ongoing relationship with the Group Investment Manager (which is a member of the 360 Capital Group) - see section 10.7 for further information;
- Cambridge Investment Partners (which is a member of the 360 Capital Group) has been appointed as financial adviser - see section 3.8(c) for further information;
- as at the date of this Offer Document, the 360 Capital Shareholder holds 19.99% of the issued Shares. The Company understands that the 360 Capital Shareholder will not participate in the Capital Raising. It is expected that if the Capital Raising achieves the Minimum Subscription, the 360 Capital Shareholder's voting power in Stapled Securities will reduce to 16.1% and, if the Capital Raising achieves the Maximum Subscription, the 360 Capital Shareholder voting power in Stapled Securities will be diluted to 6.2%;
- as set out in section 3.9, Tony Pitt is a non-executive Director of the Company and is also a director of the Responsible Entity and Managing Director of 360 Capital Group;
- as set out in section 3.9, James Storey is a non-executive Director of the Company and is also Head of Real Assets at 360 Capital Group; and
- The Group may enter into a joint venture with PMG which is 50% owned by 360 Capital REIT (and which is a member of the 360 Capital Group).

The Board believes that, whilst certain of the matters identified above may constitute related party transactions, the relevant terms are reasonable in the circumstances as the relevant persons have been dealing at arm's length and hence these matters do not require approval under Chapter 2E of the Corporations Act.

10.16 FATCA

The Foreign Account Tax Compliance Act (FATCA) is a United States (US) tax law which was enacted in 2010 for the purpose of improving tax information reporting regarding US persons in respect of their offshore investments to the United States Internal Revenue Service (IRS).

On 28 April 2014, an Inter-Government Agreement (IGA) was signed between Australia and the US to facilitate the implementation of FATCA by Australian financial institutions. As a result, the Trust have been registered with the IRS as a Reporting Australian Financial Institution for FATCA purposes.

In order to comply with FATCA requirements, the Responsible Entity:

- may require investors to provide certain information regarding their identification and will undertake certain due diligence procedures with respect to investors of the Trust to determine their status for FATCA reporting purposes. This information may be required at the time the Unit Distribution is made or at any time after the Stapled Securities have been issued; and
- will report annually to the IRS, via the ATO, in relation to relevant investors' financial information required by the ATO (if any) in respect of any investment in the Trust.

Accordingly, by participating in the Unit Distribution, prospective Stapled Securityholders agree to provide the Responsible Entity with certain identification and related information in order to enable it to comply with its obligations in connection with the FATCA.

Given that the Units are being distributed to existing Shareholders, the Company already possesses the information required to comply with FATCA requirements and will provide this information to the Responsible Entity as needed in accordance with the New Company Constitution and Trust Constitution.

10.17 AML and CTF

The Responsible Entity is bound by laws about the prevention of money laundering and the financing of terrorism, including the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) (AML/CTF Act or AML/CTF Rules). By participating in the Unit Distribution you agree:

- to provide to the Responsible Entity any information or documents which the Responsible Entity reasonably requests to be provided in order to comply with the AML/CTF Act or AML/CTF Rules. Information requested may include, identification checks and procedures, including, in relation to an individual investor's name, address and date of birth and for an investor that is a company, details of its directors and beneficial shareholders; and
- to the extent permitted by law, if the Responsible Entity forms the view (in its reasonable opinion), that they are required to disclose information in order to comply with the AML/CTF Act or AML/CTF Rules, such disclosure will not be a breach of any obligation or duty the Responsible Entity owes to investors and the Responsible Entity will not incur any liability to any investor in respect to such disclosure.

10.18 Personal information

In participating in the Unit Distribution, you are providing information to the Responsible Entity through the Registry that may be personal information for the purposes of the Privacy Act 1988 (Cth).

The Responsible Entity and the Registry on each of their behalf, collect, hold, use and disclose that personal information in order to service your needs as an investor, provide facilities and services that you request, inform you about other products and services offered by the Responsible Entity or other entities in the Group, carry out appropriate administration and as otherwise required or authorised by law.

Your personal information may also be disclosed to and used by the Responsible Entity and other members of the Group for any of the above purposes.

If you do not consent to the Responsible Entity's use of your personal information, the Responsible Entity will not be able to administer your Stapled Security holding and/or inform you about other products and services offered by the Responsible Entity or other entities in the Group.

Your personal information may also be disclosed to the Responsible Entity's agents and service providers involved with the administration of the Trust on the basis that they deal with such information in accordance with their respective privacy policies. These entities may be located outside Australia where your personal information may not receive the same level of protection as that afforded under Australian law. This may include Canada, India, New Zealand, The Philippines, The United Kingdom and the United States of America. For this reason, the Responsible Entity will not take further steps to ensure that the overseas recipients do not breach the Australian Privacy Principles under the Privacy Act 1988 (Cth) in relation to any personal information disclosed to overseas recipients. The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be shared are:

- printers and other companies for the purpose of preparation and distribution of statements and for handling mail;
- market research companies for the purpose of analysing the Trust's investor base and for product development and planning; and
- legal and accounting firms, auditors, contractors, consultants and other advisers for the purpose of administering, and advising on, the Stapled Securities and for associated actions.

Your personal information may also be disclosed to regulators or other government agencies (including ASIC and the ATO), and the public by way of public registers maintained by regulators or other bodies.

Under the Privacy Act 1988 (Cth), you may request access to your personal information held by (or on behalf of) the Responsible Entity. You may be required to pay a reasonable charge to the Registry in order to access your personal information. You can request access to your personal information by contacting:

The Privacy Officer
360 Capital FM Limited
Level 8, 56 Pitt Street
Sydney NSW 2000

If any of your information is not correct or has changed, you may request it to be corrected.

You may also make a complaint regarding the handling of your personal information by the Responsible Entity or the Registry. The Responsible Entity privacy policy contains information regarding the exercise of such rights in relation to access, correction and complaints. They also contain information about dealing with complaints. You can obtain a copy of the Responsible Entity privacy policy on request.

10.19 Dispute resolution

The Company and the Responsible Entity have in place a dispute resolution process to assess and respond to customer concerns as quickly and efficiently as possible.

If you have a complaint about a product or service offered by the Company or the Responsible Entity please contact the Investor Relations Team on 1300 082 130 (free call from within Australia) or +61 2 8016 2884 (from outside Australia) or email investor.relations@360capital.com.au. They will either try to resolve your complaint or put you in contact with someone who is better placed to resolve the complaint.

You may also write to the Company or the Responsible Entity at:

The Complaints Officer
360 Capital FM Limited
GPO Box 5483
Sydney NSW 2001

Please provide the details and reason for your complaint. The Company or the Responsible Entity will acknowledge the complaint in writing as soon as practicable and in any event within 14 days from receipt and report back to you as soon as practicable and in any event no more than 45 days after receipt.

The Financial Ombudsman Service Limited (FOS) provides an independent complaints resolution scheme approved by ASIC. If you are dissatisfied with the Company or the Responsible Entity's response to your complaint, you may contact the FOS. The FOS's contact details are:

Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001
(Australia)
Telephone: For consumers: 1800 367 287
For international callers: +61 3 9613 7366
Email: info@fos.org.au

Please note that a complaint must first be submitted to Dealt's or the Responsible Entity's complaints handling process before it can be referred to the FOS.

10.20 Lodgement with ASIC

The Company has lodged with ASIC a copy of this Offer Document in accordance with section 718 of the Corporations Act.

The Responsible Entity has lodged with ASIC a copy of this Offer Document in accordance with section 1015B of the Corporations Act.

10.21 Further information

Further information about the Company and the Trust is available in electronic form from the Company website: www.dealtgroup.com.au

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Glossary

In this Offer Document, the following terms have the meanings shown.

| | |
|----------------------------------|--|
| 360 Capital | 360 Capital Group Limited ACN 113 569 136 (ASX: TGP). |
| 360 Capital Shareholder | TGP TOT JV Pty Limited ACN 618 476 681. |
| AEDT | Australian Eastern Daylight Time. |
| AEST | Australian Eastern Standard Time. |
| AMF | AMF Finance Pty Limited ACN 120 390 749. |
| AMF Share Sale Agreement | The Share Sale Agreement dated 23 December 2020 to acquire all of the shares in AMF held by the AMF Sellers. |
| AMF Related Party Vendors | 360 Capital FM Limited ACN 090 664 396 and 360 Capital Property Limited ACN 146 484 433. |
| AMF Sale Shares | All of the shares in AMF. |
| AMF Sellers | 360 Capital FM Limited ACN 090 664 396 and 360 Capital Property Limited ACN 146 484 433. |
| Applicant | An application to subscribe for Shares and to receive Units under the Capital Raising, made by an Applicant using an Application Form. |
| Application | An application to subscribe for Shares and to receive Units under the Capital Raising, made by an Application Form. |
| Application Form | The paper and electronic application form enclosed with, attached to or accompanying this Offer Document. |
| Application Monies | Monies paid by an Applicant in respect of their subscription for Shares in the Company. |
| APRA | Australian Prudential Regulation Authority. |
| ASIC | Australian Securities and Investments Commission. |
| ASX | ASX Limited as operator of the Australian Securities Exchange or the Australian Securities Exchange, as the context requires. |
| ASX Listing Rules | The official Listing Rules of the ASX. |
| ATO | The Australian Taxation Office. |
| Board | The board of directors of the Company. |
| Business Acquisitions | The acquisitions of AMF and DSS. |

| | |
|--------------------------------------|---|
| Business Day | A business day for the purposes of the ASX Listing Rules. |
| Cambridge Investment Partners | Cambridge Investment Partners Pty Limited ACN 637 415 402. |
| Capital Raising | The capital raising described in section 5. |
| Capital Raising Record Date | The date in the Important Dates section. |
| Capital Reduction | The equal reduction of capital by the Company proposed to be satisfied by the Unit Distribution described in section 3.4(c). |
| Capital Reduction Record Date | The date in the Important Dates section. |
| Company | Dealt Limited (formerly Velocity Property Group Limited) ABN 66 605 935 153. |
| CHES | Clearing House Electronic Sub-register System. |
| Corporations Act | The Corporations Act 2001 (Cth). |
| Company Constitution | The current constitution of the Company. |
| dealt | Digital Software Solutions Pty Ltd |
| Dealt Group | The Group |
| Development Loans | Loans for the purpose of funding the construction of residential or commercial development projects The directors of the Company. |
| DGRSF | The Dealt Group Residual Stock Fund |
| Directors | The directors of the Company. |
| Dollars or \$ | Australian dollars. |
| DSS | Digital Software Solutions Pty Ltd. |
| DSS Share Sale Agreement | The Share Sale Agreement dated 23 December 2020 to acquire all of the shares in DSS held by the DSS Sellers. |
| DSS Related Party Vendors | TT Investments Pty Limited ACN 098 158 028, Hold Co Pty. Ltd ACN 164 508 178, Glenn Butterworth and 360 Capital Property Limited ACN 146 484 433. |
| DSS Sale Shares | All of the shares in DSS. |
| DSS Sellers | TT Investments Pty Limited ACN 098 158 028, Hold Co Pty. Ltd ACN 164 508 178, Glenn Butterworth, 360 Capital Property Limited ACN 146 484 433 and Amyn Gillani. |

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| EGM | The Extraordinary General Meeting of Shareholders convened to consider the resolutions as detailed in the NOM/EM/PDS. |
| Eligible Investors | The meaning given on page 5. |
| Group Entity | The Company or the Trust. |
| Financial Advisory Fee | The meaning given in section 3.8(c). |
| Group | (a) Prior to Stapling Date, the Company and its subsidiaries; and (b) after the Stapling Date, the stapled group consisting of the Company and the Trust (and their respective subsidiaries). |
| Group Investment Manager | 360 Capital Finance Management Pty Limited ACN 120 282 626. |
| Group Investment Management Agreement | The investment management agreement to be entered into between the Company, the Responsible Entity and the Group Investment Manager as the described in 10.7 |
| Group Stapling | Means the stapling of the Shares to the Units on the Stapling Date and as contemplated by this Offer Document. |
| HIN | Holder Identification Number. |
| Independent Expert | BDO Corporate Finance (East Coast) Pty Ltd ACN 050 038 170. |
| Ineligible Foreign Shareholder | A person registered as the holder of Shares on the date of the EGM whose registered address is not in Australia, Singapore or Malaysia. |
| Ineligible Investors | The meaning given on page 5. |
| Lead Manager | Shaw and Partners Limited |
| LTC | Loan-To-Cost Ratio |
| LTV | Loan-To-Value Ratio |
| Maximum Subscription | The meaning given in section 5.1. |
| Minimum Subscription | The meaning given in section 5.1. |
| Minimum Subscription Condition | The Capital Raising achieving the Minimum Subscription. |
| NOM/EM/PDS | Notice of an Extraordinary General Meeting, Explanatory Memorandum and Product Disclosure Statement issued by the Company and the Responsible Entity dated 23 December 2020. |
| Nominee | A nominee appointed by the Company and the Responsible Entity to sell the Stapled Securities on behalf of Ineligible Foreign Shareholders in accordance with section 10.3. |
| NTA | Net tangible assets. |

| | |
|--|--|
| Offer Costs | The meaning given in section 8.4. |
| Offer Document | This Prospectus and Product Disclosure Statement. |
| Official List | The Official List of the ASX. |
| PDS | This Product Disclosure Statement in respect of the proposed acquisition of units in the Trust by Eligible Investors. |
| Pro Forma Financial Information | The unaudited pro forma statement of financial position as at the date of this Offer Document (see section 7.2) |
| Prospectus | This Prospectus in respect of the proposed issuance of Shares under the Capital Raising. |
| Proxy Form | The Proxy Form enclosed with this Offer Document that can be used by Shareholders to appoint a proxy for the EGM. |
| Registry | Boardroom Pty Limited ACN 003 209 836. |
| Related Party Vendors | The meaning given in the NOM/EM/PDS. |
| Residual Stock Loans | Loans to completed, individually titled residential apartments and townhouses. |
| Responsible Entity | 360 Capital FM Limited ABN 15 090 664 396 (AFSL No. 221474) which is the responsible entity of the Trust. |
| Responsible Entity Board | The board of directors of the Responsible Entity. |
| Restructure and Recapitalisation Proposal | The proposal described in the NOM/EM/PDS to repurpose the Company. |
| Share | An ordinary fully paid share in the Company. |
| Stapled/Stapling | In the case of a Share and Unit and, the "stapling" of them together so that none of them may be dealt with without the other being dealt with in an identical manner and at the same time and with such restriction on dealing being denoted on the register of each stapled entity in which the securities are on issue. |
| Stapled Security | A stapled security in the Group consisting of a Share and a Unit. |
| Stapled Securityholder | The holder of a Stapled Security. |
| Stapling Date | The date on which the Company declares by an announcement to the ASX as being the date on which the Shares become Stapled to the Units. |
| Stapling Deed | The deed to be entered into between the Company and the Responsible Entity concerning the Stapling of the Shares and the Units. |
| Target Return | The meaning given in section 3.1. |
| Trust | The Dealt Trust ARSN 646 156 005 established by the Trust Constitution. |

| | |
|---------------------------|---|
| Trust Constitution | The constitution of the Trust dated 13 November 2020. |
| Shareholder | The holder of a Share. |
| Unit | An ordinary fully paid unit in the Trust. |
| Unit Distribution | The in specie distribution of Units to Shareholders on a 1:1 basis. |
| Unitholder | The holder of a Unit. |

Corporate Directory

Company Directors

Peter Lewis
 Tony Pitt
 Phillip Raff
 James Storey

Responsible Entity Directors

David van Aanholt
 Andrew Moffat
 John Ballhausen
 Graham Lenzner (retiring on 31 March 2021)
 Tony Pitt

Company Secretary

Phillip Young

Responsible Entity Company Secretary

Kim Child

Company Principal and Registered Office

Level 14, 167 Eagle Street
 Brisbane, Qld, 4000

Responsible Entity Principal and Registered Office

Level 8, 56 Pitt Street
 Sydney, NSW 2000

Tax Adviser

Ernst & Young

Legal Adviser

Clayton Utz

Auditors

Crowe Audit Australia

Share Registrar

Boardroom Pty Limited

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Annexure A

Taxation Report

The Directors
Dealt Limited
Level 14
167 Eagle Street
BRISBANE QLD 4000

16 March 2021

The Directors
360 Capital FM Limited
As Responsible Entity of the Dealt Trust
Level 8
56 Pitt Street
SYDNEY NSW 2000

Taxation Report

Dear Directors

This report has been prepared at the request of Dealt Limited ("**Company**") and 360 Capital FM Limited as Responsible Entity of the Dealt Trust ("**Trust**") for inclusion in Appendix A of the Prospectus and Product Disclosure Statement ("**PDS**") to be dated on or about 16 March 2021 for Shareholders in relation to the Restructure and Recapitalisation Proposal ("**Proposal**").

This report provides information of a general nature only, in relation to the Australian income tax implications relating to the acceptance of the Proposal for Australian resident individual Shareholders who hold their Shares on capital account. This report does not address the consequences that may arise if Shareholders hold their Shares as trading stock, on revenue account or if the Taxation of Financial Arrangement provisions apply in respect of a Shareholders' Shares. The information contained in this report is based on the taxation law, established interpretations of legislation, applicable case law and published Australian Taxation Office ("ATO") statements of administrative practice as at the date of this report. It is not intended to be an authoritative or complete statement of the law applicable to the particular circumstances of every registered Shareholder.

Australian Income Tax Legislation may be amended at any time and therefore the taxation consequences discussed in this report may alter if there is a change in the taxation law after the date of this report. We have not been retained nor are we obliged to monitor or update the information in this report for any future legislative changes which may affect the correctness of the information after the date of this report.

The taxation consequences for a particular Shareholder may vary depending on their own specific circumstances. Accordingly, the information contained in this report, being of a general nature only, does not constitute taxation advice and cannot be relied upon as such. We disclaim all liability to any Shareholder for all costs, loss, damage and liability that the Shareholder may suffer or incur arising from or relating to the contents of our report or the provision of our report to the Shareholder or the reliance on our report by the Shareholder.

Shareholders should seek appropriate independent professional taxation advice that considers the taxation implications of the Proposal to their own specific circumstances.

This report is confined to income taxation issues which are only one part of the many matters that Shareholders need to consider when making a decision about their investments. Under the *Corporations Act 2001*, this advice is not required to be provided to Shareholders by a holder of an Australian Financial Services License (“AFSL”). Before making a decision about their investments, Shareholders should consider taking advice from a holder of an AFSL.

Capitalised terms used in this report have the same meaning as those in the Glossary in section 13 of the EM, unless otherwise defined.

Class Ruling

The Company has made an application for a class ruling with the Australian Taxation Office (“ATO”) which addresses some of the tax consequences of the Proposal. A copy of the ruling will be made available on the Company website once issued by the ATO. Although it is not anticipated to be the case, when the binding class ruling is issued by the ATO, it is possible that it may express a view that is contrary to that which is set out below.

Background

Details of the Proposal are set out in the PDS and are therefore not repeated in detail here. Terms of the Proposal will mean Shareholders who participate in the Proposal will ultimately acquire Units in the newly established Trust, following which the Units will be stapled to the Shares to form a stapled security (to be called the “Dealt Group”).

Expected Australian income tax considerations

Capital Raising via issuance of new securities

Cost base of new Shares

As a result of the capital raise, the cost base (or reduced cost base) of the Shares will include the money paid in acquiring each Share (including any incidental costs incurred on acquisition).

Income tax consequences of the acquisition of AMF and DSS

The Company’s acquisition of AMF Finance Pty Ltd and Digital Software Solutions Pty Ltd under the Proposal should not give rise to any immediate Australian tax consequences for Shareholders.

Return of capital by way of an *in-specie* distribution

As part of the Proposal, the Company will be restructured as a stapled group. We understand that the restructure will be undertaken in the following manner:

- ▶ The Company will establish the Trust and 360 Capital FM Limited will be appointed as the Responsible Entity of the Trust;
- ▶ The Company will capitalise the Trust with cash to within the ranges of approximately \$15,000,000 to \$20,000,000 if only the Minimum Subscription is raised or \$65,000,000 to \$75,000,000 if the maximum Capital Raising is achieved;

- ▶ The Company will return capital to all Shareholders as at the Capital Reduction Record Date by way of an *in-specie* distribution of all the Units in the Trust, pro rata to their security holding in the Company; and
- ▶ The Shares in the Company and Units in the Trust will be stapled together on a 1:1 basis forming a new stapled security to be listed on the ASX (to be named: Dealt Group).

The Company's return of capital by way of an *in-specie* distribution of Units in the Trust should constitute a payment made in respect of the Shares held for CGT purposes. Where the payment includes the giving of property (i.e., Units in the Trust), the amount of the payment should be deemed to be the market value of the property given.

The capital return by way of an *in-specie* distribution may result in the following potential tax consequences for participating Shareholders:

- ▶ If the capital return is less than the cost base of the Shares at the date the *in-specie* distribution is made, the cost base and reduced cost base of the Shares will be reduced (but not below nil) by the amount of the Capital Reduction amount. Further, a Shareholder cannot make a capital loss from the *in-specie* distribution; or
- ▶ If the amount of the Capital Reduction amount is more than the cost base of the Share, the Shareholder will make a capital gain. The amount of the capital gain is equal to that excess. If a Shareholder makes a capital gain, the cost base of the Share should be reduced to nil. Shareholders who are individuals, complying superannuation funds or trusts (conditions apply) who have held their Shares for at least 12 months before their disposal may be entitled to the CGT discount to the extent there is a net capital gain for the income year.

Non-resident Shareholders

Based on our enquiries, it should be accepted that the underlying value of the Company is principally derived from Australian real property. Consequently, only participating Shareholders that are not Australian residents for tax purposes and that own membership interests equal to or greater than 10% of Shares (either at the time of the buy-back or within a 12 month period during the 2 years preceding the buy-back) on an associate inclusive basis should be subject to Australian CGT on a capital gain that arises from the Capital Reduction by way of the *in-specie* distribution.

Cost base of Units acquired in the Trust

Each Unit acquired under the proposed Capital Reduction is taken to be acquired at the time of the return of capital. Broadly, the cost base of each Unit received by participating Shareholders will be its market value at the time of the return of capital. We have been advised that the Company will make information available on its website to assist Shareholders in determining the relevant market value of each Unit shortly after the Capital Reduction Date.

Income tax consequences of stapling each Share to a Unit

Following the Capital Reduction, a Shareholder will hold two CGT assets; the original Share (with an adjusted cost base as a result of the return of capital) and the Unit (with a market value cost base as set-out above).

Subsequently, each Share will be stapled to a Unit. After the stapling, the Shares and Units will be traded jointly as “Dealt Group” securities. The stapling should not result in any immediate Australian income tax consequences for Shareholders.

Each Share and Unit should continue to be treated as separate CGT assets under Australian Income Tax Legislation.

On-going distributions paid on Stapled Securities

If the Proposal proceeds, Stapled Securityholders may in future receive trust distributions from the Trust and/or dividends in respect of their Shares.

Trust distributions where the Trust qualifies as an AMIT

We understand that the Responsible Entity intends to elect for the Attribution Managed Investment Trust (AMIT) regime to apply to the Trust. This regime will continue to apply, subject to the Trust continuing to satisfy the eligibility requirements.

The AMIT provisions contain rules that will impact the taxation treatment of the Trust. The Trust should not generally be liable for income tax where the Responsible Entity properly attributes all of the Trust's taxable income and tax offsets on a fair and reasonable basis to Unitholders each financial year.

Australian resident Unitholders should include in their assessable income for each year, the share of the Trust Components that are attributed to them, even if this amount is not paid in cash. The tax payable (if any) depends on the Unitholders individual tax profile and applicable tax rate.

Attributed amounts may be comprised of income, such as interest and gains from the realisation of investments. Where the Trust has losses, those losses are quarantined in the Trust and may not be passed on to Unitholders.

Each year Unitholders will be sent a tax statement, being an AMIT Member Annual Statement (AMMA Statement) that will indicate the amount which has been attributed to a Unitholder, its components and other relevant tax information.

The cost base of a Unitholders Units may be increased or decreased in certain situations such as where the cash distribution is less than or more than certain components attributed to Unitholders each year. The amount of any increase or decrease will be provided on the AMMA statement. Where the Trust attributes taxable amounts to Unitholders that are not paid in cash an upwards cost base adjustment can arise, whilst a cost base reduction arises where cash exceeds the attributed taxable components. Further, where a Unitholder's cost base is reduced to nil, further reductions in the cost base will be taken to be a capital gain for the Unitholder.

Trust distributions where the Trust does not qualify as an AMIT

Where the Trust does not satisfy the eligibility requirements to be an AMIT, the Trust should not be liable to Australian income tax on its net income provided the Unitholders are made presently entitled to the income of the Trust each year. Rather Unitholders will include their share of the net income of the Trust in their assessable income in the year in which they become presently entitled to their share of the income of the Trust.

Each year Unitholders will be sent an annual distribution statement that will indicate their share of the net income, its components and other relevant tax information.

Receipt of dividends

If the Company pays a dividend, Australian resident Shareholders will be required to include the amount of any dividends received in their assessable income when paid.

The precise tax consequences arising from the receipt of the dividend will vary depending on the nature of the Shareholder. Subject to our comments below, Australian resident individual Shareholders (and other Shareholders) may be required to gross up dividends included in their assessable income for any attached franking credits and may be entitled to a tax offset equal to the franking credit. Excess franking credits (that is, where franking offsets exceed income tax payable) may give rise to tax refunds for certain Shareholders.

Under Australian Income Tax Legislation, an Australian resident individual Shareholder must be a “qualified person” in order to be entitled to a tax offset in respect of the franked dividends received. The requirements of the qualified person test are complex and require, in broad terms, for the Shareholder to hold the shares or an interest in the shares at risk for a continuous period of 45 days during the relevant qualification period before being required to gross up the dividend to include the attached franking credit in their assessable income or becoming entitled to a tax offset. Shareholders should obtain their own advice based on their specific circumstances to confirm that they are entitled to the benefit of any tax offset in respect of any franked dividends received from the Company.

Tax File Numbers and Australian Business Numbers

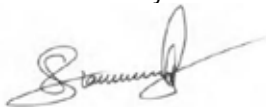
Shareholders are not required by law to provide a Tax File Number (“TFN”), however, if a TFN is not quoted, or no appropriate TFN exemption information is provided, tax is required to be withheld from any income distribution entitlement or unfranked dividend at the highest marginal tax rate plus Medicare levy (currently 47%).

An entity that makes their investment in the Dealt Group in the course of an enterprise carried on by it may quote their Australian Business Number rather than a TFN.

Goods and Services Tax (“GST”)

The acquisition of Stapled Securities as contemplated under the Proposal should not attract GST.

Yours faithfully



George Stamoulos
Partner – Tax

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Annexure B

Independent Limited
Assurance Report

The Directors
Dealt Limited
Level 14/167 Eagle Street
BRISBANE QLD 4000

16 March 2021

Dear Directors

Independent Limited Assurance Report

INTRODUCTION

BDO Corporate Finance (East Coast) Pty Ltd (**BDO**) has been engaged by Dealt Limited (**Dealt**) or the **Company**) to prepare this Independent Limited Assurance Report (**Report**) for inclusion in a prospectus proposed to be issued for the purposes of Chapter 7 of the Corporations Act, in relation to the issue of shares in Dealt, on or about March 2021 (**Prospectus**).

Unless stated otherwise in this Report, expressions defined in the Prospectus have the same meaning in this Report.

This Report has been prepared for inclusion in the Prospectus. We disclaim any assumption of responsibility for any reliance on this Report or on the financial information to which it relates for any purpose other than that for which it was prepared.

SCOPE

You have requested BDO to perform a limited assurance engagement in relation to the financial information described below and disclosed in the Prospectus.

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

SCOPE OF REVIEW OF THE PRO FORMA HISTORICAL FINANCIAL INFORMATION

You have requested BDO review the following pro forma historical financial information included in the Prospectus:

- the pro forma historical statement of financial position as at 31 December 2020; and
- associated details of the pro forma adjustments,

together the **Pro Forma Historical Financial Information**.

The Pro Forma Historical Financial Information has been derived from the statutory historical financial information of Dealt, after adjusting for the effects of pro forma adjustments described in Section 7 of the Prospectus. The stated basis of preparation is the event(s) or transaction(s) to which the pro forma adjustments relate, as described in Section 7 of the Prospectus, as if those event(s) or transaction(s) had occurred as at 31 December 2020. Due to its nature, the Pro Forma Historical Financial Information does not represent the company's actual or prospective financial position.

Directors' Responsibility

The directors of Dealt are responsible for the preparation of the Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the statutory historical financial information and included in the Pro Forma Historical Financial Information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of the Pro Forma Historical Financial Information that are free from material misstatement, whether due to fraud or error.

Our Responsibility

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

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with AAS 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 financial information.

Review statement on the 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 described in Section 7 of the Prospectus, and comprising the statement of financial position at 31 December 2020 and adjusted for the effects of pro forma adjustments, is not presented fairly in all material respects in accordance with the stated basis of preparation as described in Section 7 of the Prospectus.

SUBSEQUENT EVENTS

Apart from the matters dealt with in this Report, and having regard to the scope of this Report and the information provided by the Directors, to the best of our knowledge and belief no material transaction(s) or event(s) outside of the ordinary business of Dealt not described in the Prospectus, has come to our attention that would require comment on, or adjustment to, the information referred to in our Report or that would cause such information to be misleading or deceptive.

INDEPENDENCE

BDO is a member of BDO International Ltd. BDO does not have any interest in the outcome of the Prospectus other than in connection with the preparation of this Report and participation in due diligence procedures, for which professional fees will be received. From time to time, BDO provides Dealt with certain other professional services for which normal professional fees are received.

GENERAL ADVICE WARNING

This Report has been prepared, and included in the Prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to be a substitute for professional advice and potential investors should not make specific investment

decisions in reliance on the information contained in this Report. Before acting or relying on any information, potential investors should consider whether it is appropriate for their objectives, financial situation or needs.

Without modifying our conclusions, we draw attention to Section 7 of the Prospectus, which describes the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

BDO has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included. At the date of this Report this consent has not been withdrawn. However, BDO has not authorised the issue of the Prospectus. Accordingly, BDO makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from the Prospectus.

FINANCIAL SERVICES GUIDE

Our Financial Services Guide follows this Report. This guide is designed to assist retail clients in their use of any general financial product advice in our Report.

Yours faithfully

BDO CORPORATE FINANCE (EAST COAST) PTY LTD

A handwritten signature in black ink, appearing to read 'S. Stevens', with a long horizontal flourish extending to the right.

Sebastian Stevens
Director

FINANCIAL SERVICES GUIDE

Dated: 16 March 2021

This Financial Services Guide (FSG) helps you decide whether to use any of the financial services offered by BDO Corporate Finance (East Coast) Pty Ltd (**BDO Corporate Finance, we, us, our**).

The FSG includes information about:

- Who we are and how we can be contacted;
- The services we are authorised to provide under our Australian Financial Services Licence, Licence No: 247420
- Remuneration that we and/or our staff and any associates receive in connection with the financial services
- Any relevant associations or relationships we have
- Our complaints handling procedures and how you may access them.

FINANCIAL SERVICES WE ARE LICENSED TO PROVIDE

We hold an Australian Financial Services Licence which authorises us to provide financial product advice to retail and wholesale clients about securities and certain derivatives (limited to old law securities, options contracts and warrants). We can also arrange for customers to deal in securities, in some circumstances. Whilst we are authorised to provide personal and general advice to retail and wholesale clients, we only provide *general* advice to retail clients.

Any general advice we provide is provided on our own behalf, as a financial services licensee.

GENERAL FINANCIAL PRODUCT ADVICE

Our general advice is typically included in written reports. In those reports, we provide general financial product advice that is prepared without taking into account your personal objectives, financial situation or needs. You should consider the appropriateness of the 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.

FEES, COMMISSIONS AND OTHER BENEFITS THAT WE MAY RECEIVE

We charge fees for providing reports. These fees are negotiated and agreed to with the person who engages us to provide the report. Fees will be agreed on an hourly basis or as a fixed amount depending on the terms of the agreement. In this instance, the Company has agreed to pay us approximately \$65,000 for preparing the Report.

Except for the fees referred to above, neither BDO Corporate Finance, 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 general advice.

All our employees receive a salary. Our employees are eligible for bonuses based on overall company performance but not directly in connection with any engagement for the provision of a report.

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

BDO Corporate Finance is a member firm of the BDO network in Australia, a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International). The general financial product advice in our report is provided by BDO Corporate Finance and not by BDO or its related entities. BDO and its related entities provide services primarily in the areas of audit, tax, consulting and financial advisory services.

We do not have any formal associations or relationships with any entities that are issuers of financial products. However, you should note that we and BDO (and its related entities) might from time to time provide professional services to financial product issuers in the ordinary course of 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. Complaints can be in writing, addressed to the Complaints Officer, BDO Corporate Finance, Level 11, 1 Margaret St, Sydney NSW 2001 or by telephone or email, using the contact details at the top of this FSG.

When we receive a 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

If a complaint relating to general advice to a retail client is 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 independent company that has been established to impartially resolve disputes between consumers and participating financial services providers.

BDO Corporate Finance is a member of AFCA (Member Number 11843).

Further details about AFCA are available at the AFCA website www.afca.org.au or by contacting them directly via the details set out below.

Australian Financial Complaints Authority
GPO Box 3
MELBOURNE VIC 3001
Toll free: 1800 931 678
Email: info@afca.org.au

COMPENSATION ARRANGEMENTS

BDO Corporate Finance and its related entities hold Professional Indemnity insurance for the purpose of compensating retail clients for loss or damage suffered because of breaches of relevant obligations by BDO Corporate Finance or its representatives under Chapter 7 of the Corporations Act 2001. These arrangements and the level of cover held by BDO Corporate Finance satisfy the requirements of section 912B of the Corporations Act 2001.

CONTACT DETAILS

You may provide us with instructions using the details set out at the top of this FSG or by emailing - cf.ecp@bdo.com.au



www.dealtgroup.com.au