
CONVENIENCE RETAIL REIT

PRE-QUOTATION DISCLOSURE

27 July 2017: The following information is required to be provided to ASX Limited for release to the market in connection with the official quotation and conditional and deferred settlement trading of fully paid stapled securities (**Stapled Securities**) in Convenience Retail REIT (ASX: CRR).

Capitalised terms which have not been otherwise defined in this document have the meaning given to them in the product disclosure statement lodged by APN Funds Management Limited (ACN 080 674 479) as responsible entity of Convenience Retail REIT No. 1 (previously named, APN Property Plus Portfolio) (ARSN 101 227 614), Convenience Retail REIT No. 2 (ARSN 619 527 829) and Convenience Retail REIT No. 3 (ARSN 619 527 856) and CRR SaleCo Limited (ACN 619 270 610) with the Australian Securities and Investments Commission on 28 June 2017 (**Offer Document**).

1 Close of the Offer

Convenience Retail REIT confirms that the initial public offering of Stapled Securities in the capital of Convenience Retail REIT (**Offer**) closed on 21 July 2017.

Successful Applicants under the Offer will pay the Offer Price of \$3.00 per Stapled Security, as set out in the Offer Document.

2 Basis of allocation and procedures for determining allocations

The basis of the allocation of Stapled Securities under:

- the Broker Firm Offer is detailed in Section 10.7.4 of the Offer Document; and
- the Cash-Out Facility Offer is detailed in Section 10.8.3 of the Offer Document.

Applicants can determine their precise allocations as follows:

- **Broker Firm Offer:** For Broker Firm Offer participants, the relevant Broker decided how Stapled Securities were allocated amongst their retail clients. Applicants under the Broker Firm Offer can confirm their allocations by contacting their Broker.
- **Institutional Offer and Cash-Out Facility Offer:** The Cash-Out Facility Offer was conducted using a bookbuild process managed by the Bookrunners on 25 July 2017. Investors, including Institutional Investors, were invited to participate in the Cash-Out Facility Offer Bookbuild. The Cash-Out Facility Offer Bookbuild determined a Cash-Out Facility Price of \$3.00 per Stapled Security. No Stapled Securities were offered under the Institutional Offer. Allocations under the Cash-Out Facility Offer were determined by the Issuers in consultation with the Bookrunners. The Bookrunners have advised the Successful Applicants under the Cash-Out Facility Offer of their allocations.

Applicants may make general enquiries regarding the Offer by contacting the Convenience Retail REIT Offer Information Line on 1800 502 914 (toll free within Australia) or +61 1800 502 914 (outside Australia) from 8.30am until 5.30pm (AEST) on business days.

It is the responsibility of each Applicant to confirm their holding before trading in Stapled Securities. Applicants who sell Stapled Securities before they receive an initial holding statement do so at their own risk, even if they have confirmed their firm allocation with their Broker or obtained details of their holding from the Convenience Retail REIT Offer Information Line.

3 Final issue price and number of Stapled Securities

The final Offer Price for all Stapled Securities to be issued under the Offer is \$3.00 per Stapled Security.

The number of Stapled Securities to be allotted to Successful Applicants under each component of the Offer is set out below:

Broker Firm Offer	31,741,723
Cash-Out Facility Offer	12,666,498
Total Stapled Securities issued under the Offer	44,408,221

Following completion of the Offer, there will be a total of 78,920,051 Stapled Securities on issue (which includes 12,131,883 Stapled Securities to be held by APN PG and its related parties and associates).

Convenience Retail REIT confirms that at the time of admission to the official list of the ASX, it will have a free float of at least 20%.

4 Intended issue and despatch date

The intended date for issuing and transferring the Stapled Securities to Successful Applicants under the Offer is Tuesday, 1 August 2017.

The intended date for the despatch of CHESSE allotment notices and issuer sponsored holding statements and any refund of money is Wednesday, 2 August 2017.

It is the responsibility of each Applicant to confirm their holding before trading in Stapled Securities. Applicants who sell Stapled Securities before they receive an initial holding statement do so at their own risk, even if they have confirmed their firm allocation with their Broker or obtained details of their holding from the Convenience Retail REIT Offer Information Line.

5 Indicative distribution schedule

An indicative distribution schedule of the numbers of holders in each class of securities to be quoted will be provided separately.

Based on the Offer Price, there are approximately 1,894 holders of Stapled Securities with parcels of \$2,000 or greater in value.

Accordingly, Convenience Retail REIT confirms that there will be at least 300 securityholders, each having a parcel of Stapled Securities with a value of at least \$2,000.

6 Indicative statement of largest 20 holders

An indicative statement setting out the names of the 20 largest holders of each class of securities to be quoted, including the number and percentage of each class of securities held by those holders, will be provided separately.

7 Conditions for the Conditional Market

The conditions for the conditional market as outlined in the Offer Document and the final date by which each of these conditions must be satisfied as required by ASX Operating Rules – Procedure 3330.1(a)(iii) are:

Condition	Time for satisfaction
Settlement of the Offer under the Offer Management Agreement dated 22 June 2017	Monday, 31 July 2017
The issue of Stapled Securities to Successful Applicants under the Offer	Tuesday, 1 August 2017

8 ASX Corporate Governance Council recommendations

As described in Section 5.4.14 of the Offer Document, the Board's corporate governance framework incorporates the ASX Guidelines. The Board will adopt policies recommended by the ASX Guidelines, including policies that ensure that Convenience Retail REIT meets all applicable disclosure standards in accordance with the Listing Rules. The policies adopted from time to time will be accessible to Stapled Securityholders on Convenience Retail REIT's website, www.creit.com.au.

The Listing Rules require that listed entities disclose the extent of their compliance with the ASX Guidelines and, if an entity does not adopt a particular ASX Guideline because they consider it is inappropriate to do so in their particular circumstances, they must explain why. Accordingly, Convenience Retail REIT's corporate governance statement which records any non-compliance with the ASX Guidelines will be included in its annual report.

It is Convenience Retail REIT's intention that, as at the date of its admission to the official list, it will comply with the recommendations set by the ASX Corporate Governance Council.

9 Investment Management Agreement and Property Management Agreement

Investment Management Agreement – exclusivity

Under the Investment Management Agreement the Manager (Convenience Retail Management Pty Ltd) provides the investment management services to Convenience Retail REIT non-exclusively and the Manager is permitted to furnish investment management services to others and to make recommendations to others which may be the same as or different from those given pursuant to the Investment Management Agreement. Where such investment opportunities are relevant to both the Convenience Retail REIT and others, the Manager must comply with its *Management of Conflicts and Related Party Transactions Policy*.

The Manager is engaged to provide all specified investment management services to the Convenience Retail REIT, however the Investment Management Agreement does not contain a term precluding the Responsible Entity from appointing a third party to provide investment management services.

Investment Management Agreement – powers and discretions

For the purposes of carrying out its duties under the Investment Management Agreement, the Manager is given all the powers of a natural person to deal with the Convenience Retail REIT, subject to the Constitutions or applicable laws, however the Manager must not do anything it or the Responsible Entity is prohibited from doing by the provisions of any constitution of a trust constituting Convenience Retail REIT, or a relevant law and the Manager requires the consent of the Responsible Entity before entering into any agreement or document which is not in accordance with the fund strategy approved by the Responsible Entity. The Responsible Entity is obliged to obtain the Manager's advice in relation to the portfolio and the Responsible Entity must not perform its duties in a manner which is inconsistent with the Manager's duties or any recommendation given by the Manager, except that the Responsible Entity need not act in relation to any recommendation given by the Manager in a number of circumstances including if the recommendation would fetter the responsibility of the Responsible Entity or is inconsistent with the fund strategy or in breach of the constitution of a trust constituting Convenience Retail REIT or a relevant law. The Responsible Entity also remains responsible for determining the financial and operating policies and management of the Convenience Retail REIT.

Investment Management Agreement – amendment

The Investment Management Agreement may be varied by the parties by agreement in writing, without unitholder approval.

Property Management Agreement – exclusivity

Under the Property Management Agreement, the Manager provides property management services to Convenience Retail REIT non-exclusively and the Manager is permitted to furnish property management services to others and to make recommendations to others which may be the same as or different from those given pursuant to the Property Management Agreement.

As described in section 13.7 of the Offer Document, the Manager is engaged to provide property management services, as required by the Responsible Entity from time to time and the Responsible Entity is not precluded from appointing third parties to provide similar property management services. As set out in the Investment Overview section of the Offer Document, Convenience Retail REIT will enter into agreements with third parties (which may include APN PG or wholly owned subsidiaries) to provide other property management and other services to Convenience Retail REIT from time to time.

Property Management Agreement – powers and discretions

As described in section 13.7 of the Offer Document, the Manager is appointed under the Property Management Agreement to perform various services for the Convenience Retail REIT such as property management, financial management, leasing, rent review and project supervision, or such services as otherwise agreed by the Manager and the Responsible Entity. The Property Management Agreement does not give the Manager the power to acquire new assets or dispose of assets of the Convenience Retail REIT.

Property Management Agreement – amendment

The Property Management Agreement may be varied by the parties by agreement in writing, without unitholder approval.

10 Cash-Out Facility Offer Bookbuild

Convenience Retail REIT confirms that, in relation to the funds raised pursuant to the Cash-Out Facility Offer Bookbuild (as described in Section 10.8 of the Offer Document) (the **Bookbuild**):

- the number of Stapled Securities to be issued under the Bookbuild is 12,666,498, and the price at which they will be issued is the Offer Price (\$3.00 per Stapled Security);

- other than APN PG and associated entities, a person or persons who are promoters or related parties of Convenience Retail REIT have not taken up a material number of Stapled Securities under the Bookbuild;
- no concessionary fee or other arrangements have been entered into, which have had the result that the effective issue price paid by some allottees differs materially from the Bookbuild price announced by Convenience Retail REIT;
- no arrangements have been entered into that have had the result that some allottees have received a material benefit for agreeing to participate in the Bookbuild at the Bookbuild price announced by Convenience Retail REIT and which is not received by other allottees; and
- no arrangements have been entered into with associates of Convenience Retail REIT or the bookrunners to avoid a shortfall, or the appearance of a shortfall, in the Bookbuild.

11 Further information

In addition to the documents already described in this announcement, the following documents have been released on the ASX Market Announcements Platform:

- **Offer Document:** Convenience Retail REIT's product disclosure statement, dated 28 June 2017;
- **Top 20:** an indicative top 20 statement;
- **Distribution schedule:** an indicative distribution schedule;
- **Constitutions:** the constitution of Convenience Retail REIT No. 1 (previously APN Property Plus Portfolio), Convenience Retail REIT No. 2 and Convenience Retail REIT No. 3;
- **Annual reports:** the annual reports of APN Property Plus Portfolio (now Convenience Retail REIT No. 1) for the years ended 30 June 2014, 30 June 2015 and 30 June 2016 and the half year accounts for the period ended 31 December 2016;
- **ASX Listing Application:** Convenience Retail REIT's *Appendix 1A ASX Listing Application and Agreement* and *Information Form and Checklist* (including *Annexures IV* and *V*); and
- **Convenience Retail REIT's securities trading policy.**

Applicants seeking further information can contact the Convenience Retail REIT Offer Information Line on 1800 502 914 (toll free within Australia) or +61 1800 502 914 (outside Australia) from 8.30am until 5.30pm (AEST) on business days.



Chantal Churchill
Company Secretary