

## ASX Announcement

6 December 2019

### Pre-Quotation Disclosure

The following information is required to be provided to ASX Limited (**ASX**) for release to the market in connection with the admission of Elanor Commercial Property Fund (a stapled entity comprising Elanor Funds Management Limited (ABN 39 125 903 031) (**Responsible Entity**) as responsible entity for Elanor Commercial Property Fund I (ARSN 636 623 099) (**ECPF I**) and Elanor Commercial Property Fund II (ARSN 636 623 517)) (**ECPF II**) (together **ECF**) to the official list of ASX and the quotation of stapled securities in ECF (**Securities**), comprising units in ECPF I and ECPF II, on a deferred settlement basis.

Capitalised terms which have not been otherwise defined in this document have the meaning given to them in the product disclosure statement lodged by ECF with the Australian Securities and Investments Commission on 6 November 2019 (**PDS**).

#### 1. Basis of allocation and procedures for determining allocations

The basis for allocation of Securities under the Offer and the procedures by which Applicants can determine their precise allocations is set out below:

- (a) **Institutional Offer:** Allocations to Institutional Investors were determined by agreement between the Responsible Entity and the Joint Lead Managers prior to the lodgement of the PDS with ASIC. Successful Applicants under the Institutional Offer have been advised of their allocations.
- (b) **Broker Firm Offer:** The allocation of Securities to Brokers was determined by Joint Lead Managers and the Responsible Entity. It was a matter for the Brokers as to how they allocated Securities amongst their eligible clients. Applicants under the Broker Firm Offer can confirm their allocation of Securities by contacting their Broker.
- (c) **Elanor Offer:** The allocation of Securities under the Elanor Offer was determined by the Responsible Entity in consultation with the Joint Lead Managers, with priority given to applicants from Eligible Existing Investors over other Applicants. Applicants under the Elanor Offer have been advised of their allocations.

Applicants can also call the Offer Information Line on 1800 773 382 (within Australia) from 9.00am until 5.00pm (Sydney time) Monday to Friday.

*It is the responsibility of each person who trades in Securities to confirm their holding before trading in Securities. If you sell Securities before receiving a holding statement, you do so at your own risk (even if you obtained details of your holding from the Offer Information Line or confirmed your allocation through a Broker).*

**2. Number of Securities issued under the Offer**

The number of Securities allocated and issued under each part of the Offer is as follows:

Offer component	Number of Securities
Institutional Offer	77,987,192
Broker Firm Offer	20,742,050
Elanor Offer	40,173,671
<b>Total Securities Issued</b>	<b>138,902,913</b>

**3. Despatch date**

The date for despatch of:

- (a) in relation to all holdings on the CHESS sub-register, a notice from ECF under ASX Settlement Operating Rule 8.9.1;
- (b) in relation to all other holdings, issuer sponsored holding statements; and
- (c) any refund money,

will be Monday, 9 December 2019.

**4. Implementation Deed**

The Responsible Entity confirms that each of the following have been completed pursuant to the Implementation Deed:

- (a) payment of a final pre-Offer distribution to Existing Investors;
- (b) completion of the redemption of 16,062,641 Securities from Existing Investors;
- (c) completion of the consolidation of existing Securities;
- (d) completion of the acquisition of the minority interest in the WorkZone West asset; and
- (e) repayment of the existing Debt Facility.

**5. Capital structure**

ECF's capital structure as at Completion is set out as follows:

Class	Number
Stapled Securities	204,400,000

## 6. Waiver of ASX Listing Rules

ASX has granted ECF a waiver from:

- (a) Listing Rule 1.1 condition 8 to the extent necessary that there need not be the minimum number of holders of securities with a value of at least \$2,000 in each of ECPF I and ECPF II, on condition that each ordinary fully paid unit in ECPF I is stapled to a fully paid unit in ECPF II to form the Securities, and there is at least the minimum number of holders of securities, each holding a parcel of Securities with a value of at least \$2,000;
- (b) Listing Rule 1.1 condition 9 to the extent necessary not to require each of ECPF I and ECPF II to comply with Listing Rule 1.3, on condition that each ordinary fully paid unit in ECPF I is stapled to a fully paid unit in ECPF II to form the Securities and ECF satisfies either of the tests in that Listing Rule;
- (c) Listing Rule 2.1 condition 2 to the extent necessary not to require the issue or sale price of units in ECPF I and units in ECPF II separately to be at least 20 cents in cash, on condition that each ordinary fully paid unit in ECPF I is stapled to a fully paid unit in ECPF II to form the Securities, and each Security has an issue or sale price of at least 20 cents;
- (d) Listing Rule 6.24 in respect of clause 1 of Appendix 6A to the extent necessary that the rate of a distribution need not be advised to ASX when the distribution record date attaching to that distribution is announced, on condition that an estimated distribution rate is advised to ASX at the time of the announcement and the actual rate is advised to ASX as soon as it becomes known;
- (e) Listing Rule 8.10 to the extent necessary to permit the Responsible Entity as trustee of ECPF I and ECPF II to refuse to register a transfer of a unit in ECPF I if it is not accompanied by a transfer of a unit in ECPF II, or vice versa;
- (f) Listing Rule 10.1 to the extent necessary to allow the transfer of substantial assets between ECPF I and ECPF II, on condition that each ordinary fully paid unit in ECPF I is stapled to a fully paid unit in ECPF II to form the Securities, and the Responsible Entity as trustee of ECPF I and ECPF II does not issue any other equity securities that are not stapled to corresponding securities of the other entity of ECF; and
- (g) Listing Rules 7.1 and 10.11 to the extent necessary to permit ECF to issue Securities to the Responsible Entity as trustee of ECPF I and ECPF II in satisfaction of payment of any management or performance fees or expenses payable as responsible entity under the constitutions of ECPF I and ECPF II, or to Elanor Asset Services Pty Limited (or its nominee) (**Manager**) in satisfaction of payment of any management or performance fees payable under the Investment Management Agreement, without obtaining Securityholder approval, subject to the following conditions:
  - (i) ECF makes full disclosure to any person who may subscribe for units under an offer document or product disclosure statement of the provisions which provide for the periodic issue of Securities in lieu of

payment of any management and/or performance fees or expenses payable to the Responsible Entity or Manager (the **Provisions**);

- (ii) a completed Appendix 3B is lodged for release to the market for each issue of Securities pursuant to the Provisions;
- (iii) the Securities are issued in accordance with the Provisions;
- (iv) details of the Securities issued in lieu of management or performance fees or expenses are disclosed in ECF's annual report each year in which units are issued; and
- (v) Securityholder approval is sought every third year for the issue of Securities in lieu of any management and/or performance fees or expenses payable to the Responsible Entity under the constitutions of ECPF I and ECPF II, or to the Manager under the Investment Management Agreement.

#### 7. **ASX reservation of right**

ASX reserves the right (but without limiting its absolute discretion) to remove either or both of ECPF I and ECPF II from the official list of ASX if any of the units in ECPF I and ECPF II comprising the Securities cease to be stapled together or any equity securities are issued by ECPF I or ECPF II which are not stapled to equivalent securities in the other entity.

#### 8. **Investment Management Agreement**

Section 13.6 of the PDS contains a summary of the key terms of the Investment Management Agreement. The following sets out additional information in respect of the Investment Management Agreement:

Item	Summary
How ECF proposes to manage its assets or business after the agreement expires or is terminated before its scheduled expiry	<p>The Investment Management Agreement will commence from allotment (expected 6 December 2019) for an initial term of 10 years and is automatically extended for successive five year terms unless terminated by either the Responsible Entity or the Manager with at least 12 months prior notice.</p> <p>In the event the Investment Management Agreement is terminated before its scheduled expiry or otherwise expires, the Responsible Entity has sufficient internal resources to provide the investment management services or it will otherwise appoint an appropriately qualified external investment management service provider to act as investment manager.</p>
A summary of any provisions that allow the consideration to be paid or provided by the Responsible Entity to the	There are no specific provisions relating to the review or variation of consideration to be paid or provided by the Responsible Entity to the Manager under the Investment Manager Agreement; however, the

Item	Summary
<p>Manager under the Investment Management Agreement to be reviewed or varied over the term</p>	<p>Investment Management Agreement may be amended in writing and signed by or on behalf of the parties.</p>
<p>The procedures for making any amendments to the management agreement</p>	<p>The Investment Management Agreement may only be amended if it is in writing and signed by or on behalf of the parties.</p>
<p>Whether security holder approval is required, or will be sought, for any material amendment to the management agreement</p>	<p>The Responsible Entity has provided an undertaking to ASX dated 6 December 2019 that it will obtain the approval of Securityholders under an ordinary resolution for any material changes to the Investment Management Agreement or provide for any material amendments to be conditional on this approval. A material amendment to the Investment Management Agreement is an amendment that would reasonably be likely or expected to have a material effect on the price or value of the Securities.</p>
<p>What processes will be in place to manage the potential conflicts if the Manager proposes to the Responsible Entity that it acquire assets from, or dispose of assets to, the Manager or an associate of the Manager</p>	<p>The Manager has established a Conflicts of Interest Policy dated 16 October 2016 for the prevention and management of conflicts, as required under the Investment Management Agreement (<b>Conflict of Interests Policy</b>).</p> <p>Under the Conflicts of Interest Policy Schedule 2 Item 5 the EFML Responsible Managers would ensure that the assets in question would be properly valued and arm's length agreements entered into.</p> <p>External solicitors to be used and other independent advice may be sought.</p> <p>Compliance Officer would add this to the Conflicts and Related Party Register.</p> <p>Board approval to be sought if CEO, COO and CFO believe relevant.</p>
<p>Any provisions triggered by a change of control of the Responsible Entity or the Manager</p>	<p>The Investment Management Agreement may be terminated:</p> <ul style="list-style-type: none"> <li>• by the Responsible Entity with 90 days' notice to the Manager, if there is a Change of Control; or</li> <li>• immediately by the Manager, if there is a Change of Control without the prior written approval of the Manager</li> </ul> <p>On the date a Change of Control occurs, the Manager:</p> <ul style="list-style-type: none"> <li>• becomes entitled to immediate payment of all deferred Performance Fees; and</li> </ul>

Item	Summary
	<ul style="list-style-type: none"> <li>• is entitled to payment of a Performance Fee for the relevant Performance period up to and including the day of the Change of Control event.</li> </ul> <p><b>Change of Control</b> means:</p> <p>(a) a change in a person having or a person gaining:</p> <ul style="list-style-type: none"> <li>(i) control of the ability to remove the Responsible Entity;</li> <li>(ii) control of the composition of the Board;</li> <li>(iii) control of more than half the voting rights attaching to shares in the Responsible Entity; or</li> <li>(iv) control of more than half the issued shares of the Trustee;</li> </ul> <p>(b) a change in a person having or a person gaining:</p> <ul style="list-style-type: none"> <li>(i) control of more than half the voting rights attaching to the Securities; or</li> <li>(ii) control of more than half the Securities;</li> </ul> <p>(c) the Responsible Entity ceases to be the trustee of ECPF I or ECPF II (as applicable) or ceasing to be sole trustee of the ECPF I or ECPF II (as applicable) unless the replacement or additional trustee is a member of the Elanor Investors Group; and</p> <p>(d) the winding up of ECF being commenced for any reason, including as a result of:</p> <ul style="list-style-type: none"> <li>(i) Securityholders resolving to wind up ECF; or</li> <li>(ii) the Responsible Entity ceasing to be authorised under the Constitutions or at law, to own the assets of ECF in its name or to perform its obligations under the Investment Management Agreement provided that the circumstances giving rise to the Responsible Entity ceasing to be authorised at law is not due to a breach by the Responsible Entity of any relevant laws or rules or regulations made under any relevant laws (as amended from time to time).</li> </ul>
<p>Any option, pre-emptive right, right of first refusal or other right the Manager may have to acquire any of the assets under management</p>	<p>The Manager does not have any option, pre-emptive right, right of first refusal or other right to acquire any of the assets under management.</p>

Item	Summary
Any material right of indemnity or exclusion from liability the Manager may have under the Investment Management Agreement	The Responsible Entity indemnifies the Manager (and its associates) against any direct expenses (including legal expenses on a full indemnity basis) reasonably incurred by or in connection with the Manager's activities on behalf of the Responsible Entity or a member of the ECF group in the performance of the Manager's duties and obligations pursuant to the Investment Management Agreement except to the extent any expense is caused by the gross negligence, fraud, wilful misconduct, or dishonesty of the Manager (or its associates).

## 9. Institutional Bookbuild

The Responsible entity confirms that in relation to the funds raised pursuant to the institutional bookbuild under the Institutional Offer (**Institutional Bookbuild**):

- (a) the number of Securities allocated under the Institutional Bookbuild is 77,987,192 at a price of \$1.25 per Security;
- (b) 23,167,028 Securities have been allocated to ENN, a related party, under the Elanor Offer. No other promoters or related parties have taken up a material number of Securities;
- (c) no concessionary fee or other arrangements have been entered into which have had the result that the effective transfer price paid by some allottees differs materially from the Institutional Bookbuild price announced by ECF;
- (d) no arrangements have been entered into which have had the result that some allottees receive a material benefit for agreeing to participate in the Institutional Bookbuild at the Institutional Bookbuild price announced by ECF and which is not received by other allottees; and
- (e) no arrangements have been entered into with associates of ECF or the bookrunner to avoid a shortfall, or the appearance of a shortfall, in the Institutional Bookbuild.

Authorised by the Board

Paul Bedbrook  
Non-Executive Director and Chairman