

IRONGATE

Scheme Booklet

VOTE IN FAVOUR

In relation to the proposed acquisition of Irongate Group by Charter Hall PGGM Industrial Partnership No. 2 (CHPIP) through all IPF I Units being transferred to CHPIP and all IPF II Units being transferred to Charter Hall Holdings Pty Limited (CHPIP Nominee), by way of trust schemes.

The IAP RE Directors unanimously recommend that you **VOTE IN FAVOUR** of the Proposal, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Proposal is fair and reasonable to, and therefore in the best interests of, IAP Securityholders.

The Independent Expert has concluded that the Proposal is fair and reasonable to, and therefore in the best interests of, IAP Securityholders.

The Scheme Meetings are scheduled to be held online at 5:00 pm (Sydney time) / 9:00 am (Johannesburg time) on Wednesday, 29 June 2022.

This Scheme Booklet is important and requires your prompt attention. You should read it in its entirety, and consider its contents carefully, before deciding whether or not to vote in favour of the Proposal. If you are in any doubt about what you should do, you should consult with your financial, legal, taxation or other professional adviser.

Financial Advisers



Legal Advisers



If you have any questions in relation to this Scheme Booklet or the Proposal and hold your IAP Securities on the Australian Register, please contact the IAP Securityholder Information Line on 1300 620 419 (within Australia) or +613 9415 4314 (outside Australia), Monday to Friday (excluding public holidays) between 8:30 am and 5:00 pm (Sydney time). IAP Securityholders holding IAP Securities on the South African Register should direct their queries to their broker or CSDP.

Important notices

General

This Scheme Booklet is important and requires your prompt attention. You should read it in its entirety, and consider its contents carefully, before making any decision as to how to vote at the Scheme Meetings. If you have sold all of your IAP Securities, please ignore this Scheme Booklet.

If you are in any doubt about what you should do, you should consult with your financial, legal, taxation or other professional adviser.

Purpose of this document

This Scheme Booklet has been prepared for IAP Securityholders in connection with the Scheme Meetings to be held on Wednesday, 29 June 2022 in relation to the Proposal. The Proposal involves the acquisition of the Irongate Group by CHPIP through all IPF I Units being transferred to CHPIP and all IPF II Units being transferred to the CHPIP Nominee. If the Proposal is successful, prior to implementation IPF I Units and IPF II Units will be de-stapled to facilitate these transfers.

Section 2.2 sets out the reasons why you should vote in favour of the Proposal and Section 2.3 sets out the reasons why you may wish to vote against the Proposal.

The purpose of this Scheme Booklet is to provide IAP Securityholders with information about the Proposal and with information that is prescribed or otherwise which the IAP Directors believe to be material to deciding whether or not to approve the Proposal Resolutions detailed in the Notice of Meeting in Annexure A.

This Scheme Booklet does not constitute an offer to IAP Securityholders, or a solicitation of an offer from IAP Securityholders, in any jurisdiction.

A copy of this Scheme Booklet has been provided to ASIC, ASX and JSE. None of ASIC, ASX nor JSE, nor their officers, take any responsibility for the contents of this Scheme Booklet.

Responsible entity

IAP RE is the responsible entity of IPF I and IPF II. IPF I and IPF II are managed investment schemes registered under Chapter 5C of the Corporations Act.

Unless the context otherwise requires in this Scheme Booklet, a reference to IAP RE is a reference to it in its capacity as responsible entity of each of IPF I and IPF II.

Defined terms and abbreviations

Capitalised terms and abbreviations used in this Scheme Booklet are defined in the Glossary in Section 9.

No investment advice

The information contained in this Scheme Booklet does not constitute, and should not be taken as, financial product advice. This Scheme Booklet has been prepared without reference to the investment objectives, financial and taxation situation or particular needs of any IAP Securityholder or any other person.

The IAP Directors encourage you to seek independent financial and taxation advice before making any investment decision and any decision as to whether or not to vote in favour of the Proposal.

It is important that you read this Scheme Booklet in its entirety before making a decision on whether or not to vote in favour of the Proposal. In particular, it is important that you consider the reasons to vote for and against the Proposal, as set out in Sections 2.2 and 2.3 of this Scheme Booklet, and the views of the Independent Expert set out in the Independent Expert's Report contained in Annexure B. If you are in doubt as to the course you should follow, you should consult your financial, legal, taxation or other professional adviser.

Your investment in IAP Securities is subject to investment and other risks, including possible loss of income and principal invested. IAP RE gives no guarantee or assurance as to the performance of IAP, the IAP Securities or the repayment of capital. Past performance is not indicative of future performance.

Foreign jurisdictions

The release, publication or distribution of this Scheme Booklet in jurisdictions other than Australia and South Africa may be restricted by law or regulation in such other jurisdictions and persons outside of Australia and South Africa who come into possession of this Scheme Booklet should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations.

This Scheme Booklet has been prepared in accordance with Australian law and the information contained in this Scheme Booklet may not be the same as that which would have been disclosed if this Scheme Booklet had been prepared in accordance with the laws and regulations outside of Australia.

IAP Securityholders who are nominees, trustees or custodians should seek independent advice as to how they should proceed.

Court involvement

The Court provided the First Judicial Advice on Thursday, 19 May 2022. The Court's

provision of the First Judicial Advice is not and should not be treated as an endorsement by the Court of, or any other expression of opinion by the Court on, the Proposal. In particular, the Court's provision of the First Judicial Advice does not mean that the Court:

- has formed any view as to the merits of the Proposal or as to how IAP Securityholders should vote (on these matters, IAP Securityholders must reach their own decision); or
- has prepared, or is responsible for, the content of this Scheme Booklet.

Notice of Meeting

The Notice of Meeting is set out in Annexure A, which include resolutions to approve the Proposal.

Notice of Second Court Hearing

At the Second Court Hearing, the Court will consider whether to give the Second Judicial Advice.

Any IAP Securityholder may appear at the Second Court Hearing, which is expected to be held at 9:15 am (Sydney time) on Tuesday, 5 July 2022 at the Supreme Court of New South Wales, Law Courts Building, 184 Phillip Street, Sydney, NSW 2000.

Any IAP Securityholder who wishes to oppose the Second Judicial Advice at the Second Court Hearing may do so by filing with the Court and serving on IAP RE a notice of appearance in the prescribed form together with any affidavit that the IAP Securityholder proposes to rely on. The address for service is: King & Wood Mallesons, Governor Phillip Tower, 1 Farrer Place, Sydney NSW 2000, Attention: Alexander Morris.

It is possible that, because of restrictions imposed in response to the COVID-19 pandemic or otherwise, the Second Court Hearing will be conducted by remote access technology, including via a dedicated video conferencing service or telephone conferencing. An IAP Securityholder seeking to attend the Second Court Hearing should review the Court list (available at http://www.courtlist.justice.nsw.gov.au/courtlists/nswsc_lists.nsf/Web+Version+Courtlist) for details of the hearing and how such hearing can be attended. The Court list is usually available by 3:30 pm the day before a scheduled hearing. Any change to the date or arrangements for the conduct of the Second Court Hearing will be announced on the ASX (asx.com.au) and SENS (<https://www.jse.co.za/>) and will also be notified on IAP Group's website (irongategroup.com.au).

Disclaimer as to forward-looking statements

This Scheme Booklet contains forward-looking statements which are identified by words such as “may”, “could”, “should”, “believes”, “estimates”, “expects”, “intends”, “anticipate”, “projects”, “forecast”, “likely”, “target”, “predict”, “guidance”, “plan” and other similar words that involve risks and uncertainties. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Similarly, statements that describe the objectives, plans, goals or expectations of IAP Group are or may be forward-looking statements. You should be aware that such statements are subject to inherent risks and uncertainties.

IAP RE has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Scheme Booklet, except where required by law.

Any forward-looking statements are subject to various risks that could cause IAP Group's actual results to differ materially from the results expressed, implied or anticipated in these statements. The forward-looking statements in this Scheme Booklet reflect the views held only immediately before the date of this Scheme Booklet, unless otherwise stated. Subject to the Corporations Act and any other applicable law, IAP RE and its directors, officers, employees and advisors disclaim any duty to disseminate after the date of this Scheme Booklet any updates or revisions to any such statements to reflect any change in expectations in relation to such statements or any change in events, conditions or circumstances on which any such statement is based.

Responsibility statement

IAP RE has prepared, and is solely responsible for preparing, the IAP Information. None of CHPIP, any CHPIP Group Member, nor any of their respective directors, officers, employees or advisors assume any responsibility for the accuracy or completeness of any IAP Information.

CHPIP has prepared, and is solely responsible for, the CHPIP Information. None of IAP RE, any IAP Group Member, nor any of their respective directors, officers, employees or advisors assume any responsibility for the accuracy or completeness of any CHPIP Information.

The Independent Expert has prepared the Independent Expert's Report in relation to the Proposal and takes responsibility for that report. The Independent Expert's Report is set out in Annexure B. None of IAP RE, any IAP Group Member, CHPIP, any CHPIP Group Member, nor any of their respective

directors, officers, employees or advisers assume any responsibility for the accuracy or completeness of the information contained in the Independent Expert's Report.

KPMG has prepared the Taxation Report and takes responsibility for that report. The Taxation Report is set out in Section 7. None of IAP RE, any IAP Group Member, CHPIP, any CHPIP Group Member, nor any of their respective directors, officers, employees or advisers assume any responsibility for the accuracy or completeness of the information contained in the Taxation Report.

Timetable and dates

Unless stated otherwise, all times and dates referred to in this Scheme Booklet are times and dates in Sydney, New South Wales, Australia, unless otherwise indicated. All times and dates relating to the implementation of the Proposal referred to in this Scheme Booklet may change and, among other things, are subject to all necessary approvals from government agencies.

Charts and diagrams

Any diagrams, charts, graphs or tables appearing in this Scheme Booklet are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in diagrams, charts, graphs and tables is based on information available at the Last Practicable Date. Any discrepancies in any chart, graph or table between totals and sums of amounts presented or listed therein or to previously published financial figures are due to rounding.

Currency and effect of rounding

Unless stated otherwise, all references to dollars, \$, cents or c in this Scheme Booklet are to Australian currency, and references to R are to South African Rand.

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Scheme Booklet are subject to the effect of rounding.

Accordingly, the actual calculation of these figures, amounts, percentages, prices, estimates, calculations of value and fractions may differ from the figures, amounts, percentages, prices, estimates, calculations of value and fractions set out in this Scheme Booklet. As a result, any calculations you make based on the figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Scheme Booklet may differ from the correct answers to those calculations.

Any discrepancies between totals in tables or financial statements, or in calculations, graphs or charts, or to previously published financial figures, are due to rounding.

External websites

Content on the websites referenced in this Scheme Booklet do not form part of this Scheme Booklet, unless expressly stated otherwise. Accordingly, IAP Securityholders should not rely on any such content in making their decision as to whether to vote in favour of the Proposal.

Privacy

IAP RE, CHPIP and their agents and representatives may collect personal information in the process of implementing the Proposal. Such information may include the names, contact details and securityholdings of IAP Securityholders and the name of persons appointed by those persons to act as a proxy, attorney or corporate representative at the Scheme Meetings. The primary purpose of the collection of personal information is to assist IAP RE in conducting the Scheme Meetings and implementing the Proposal. Personal information of the type described above may be disclosed to the IAP Registry, print and mail service providers, authorised securities brokers, CHPIP and IAP RE and their respective advisers and service providers. IAP Securityholders have certain rights to access personal information that has been collected. IAP Securityholders should contact the IAP Registry in the first instance if they wish to access their personal information. IAP Securityholders who appoint a named person to act as their proxy, attorney or corporate representative should ensure that they inform that person of these matters.

Additional information

If, after reading this Scheme Booklet, you have any questions regarding the Proposal, please call the IAP Securityholder Information Line on 1300 620 419 (within Australia) or +613 9415 4314 (outside Australia), Monday to Friday (excluding public holidays) between 8:30 am and 5:00 pm (Sydney time) or consult your financial, legal, taxation or other professional adviser. IAP Securityholders holding IAP Securities on the South African Register should direct their queries to their broker or CSDP.

Date of this Scheme Booklet

This Scheme Booklet is dated Thursday, 19 May 2022.

This Scheme Booklet may be updated. Updates will be approved by ASIC, ASX or JSE, if required, and all updates will be made available for inspection on the website at irongategroup.com.au and released on the ASX and the JSE. If you access an electronic version of the Scheme Booklet you should ensure you download and read the entire Scheme Booklet.

What should you do in relation to the Proposal?

Step 1: Read this Scheme Booklet in its entirety

This Scheme Booklet has been sent to you because you are an IAP Securityholder and IAP Securityholders are being asked to vote on the Proposal.

This Scheme Booklet contains information that is material to your decision whether or not to approve the Proposal by voting in favour of the Proposal Resolutions. Accordingly, you should read this Scheme Booklet in its entirety before making a decision on how to vote on the Proposal Resolutions and if necessary, consult your legal, financial, tax or other professional adviser in relation to voting on the Proposal Resolutions. Answers to some frequently asked questions are contained in Section 1.

If you have any questions in relation to this Scheme Booklet or the Proposal and hold your IAP Securities on the Australian Register, please contact the IAP Securityholder Information Line on 1300 620 419 (within Australia) or +613 9415 4314 (outside Australia), Monday to Friday (excluding public holidays) between 8:30 am and 5:00 pm (Sydney time). IAP Securityholders holding IAP Securities on the South African Register should direct their queries to their broker or CSDP.

Step 2: Vote on the Proposal Resolutions

Your vote is important

If you are registered on the IAP Register as an IAP Securityholder at the Voting Record Date (being 7:00 pm (Sydney time) / 11:00 am (Johannesburg time) on Monday, 27 June 2022) you will be entitled to attend and vote on the Proposal Resolutions at the Scheme Meetings, unless otherwise noted in the Notice of Meeting set out in Annexure A.

As an IAP Securityholder, it is your right to vote on whether the Proposal proceeds. Your vote is important and you are strongly encouraged to vote on the Proposal Resolutions. However, voting is not compulsory.

The Scheme Meetings will comprise of two concurrent meetings to vote on the Proposal Resolutions and will be conducted online at 5:00 pm (Sydney time) / 9:00 am (Johannesburg time) on Wednesday, 29 June 2022.

- The Proposal Resolutions must be approved by the Requisite Majorities of IAP Securityholders for the Proposal to proceed.
- The Proposal Resolutions seek IAP Securityholders' approval (in their capacity as holders of IPF I Units and IPF II Units) of the Proposal.

Please see Section 3.5 for further details on the Proposal Resolutions.

How to participate in Scheme Meetings online (including voting)

As a result of the ongoing uncertainty and potential health risks associated with large gatherings and the ongoing COVID-19 pandemic, the Scheme Meetings will be virtual (online only). There will not be a physical meeting where IAP Securityholders or their proxies, attorneys or corporate representatives can attend in person.

IAP Securityholders can participate in the Scheme Meetings online using one of the following methods:

- From their computer, by entering the URL in their browser: <https://meetnow.global/M4SKRGH>; or
- From their mobile device, by entering the URL in their browser: <https://meetnow.global/M4SKRGH>.

The Computershare Meeting Platform will allow IAP Securityholders to listen to the Scheme Meetings, vote and ask questions online in real time. Visitors will be able to listen to the Scheme Meetings via the Computershare Meeting Platform but will not have access to vote or ask questions.

Further information is set out in the Notice of Meeting in Annexure A.

Proxy voting and proxyholder participation

IAP RE encourages all IAP Securityholders to submit a proxy vote ahead of the Scheme Meetings. Proxy Forms and powers of attorney must be lodged by 5:00 pm (Sydney time) / 9:00 am (Johannesburg time) on Monday, 27 June 2022.

For IAP Securityholders on the Australian Register, proxy votes can be lodged online at investorvote.com.au.

IAP Securityholders who submit a proxy vote can either participate in the Scheme Meetings themselves or appoint a proxy to participate for them.

To participate in the Scheme Meetings proxyholders will need to contact IAP Registry:

- Computershare Investor Services, Australia on +613 9415 4024 during the online registration period which will open one hour before the start of the Scheme Meetings; or
- Computershare Investor Services Proprietary Limited, South Africa by emailing proxy@computershare.co.za to obtain their login details to participate live online. Computershare South Africa should receive requests by 9:00 am (Johannesburg time) on Monday, 27 June 2022 to allow sufficient time to verify details prior to issue of the login details.

IAP Securityholders on South African Register

IAP Securityholders holding IAP Securities on the South African Register please note:

Certificated IAP Securityholders and Dematerialised IAP Securityholders who are own-name Dematerialised IAP Securityholders

You may attend the Scheme Meetings online and may vote at the Scheme Meetings. Alternatively, you may appoint a proxy to represent you at the Scheme Meetings by appointing a proxy online at investorvote.com.au or by following the instructions on the voting/proxy form. These must be submitted by no later than 5:00 pm (Sydney time) / 9:00 am (Johannesburg time) on Monday, 27 June 2022 to be valid.

Dematerialised IAP Securityholders (other than own-name Dematerialised IAP Securityholders)

Your broker or CSDP should contact you to ascertain how you wish to cast your vote at the Scheme Meetings and should cast your vote in accordance with your instructions. If you have not been contacted by your broker or CSDP, it is advisable for you to contact your broker or CSDP and provide it with your voting instructions. If your broker or CSDP does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the mandate agreement between you and your broker or CSDP. You must not complete the voting/proxy form. In accordance with the mandate between you and your broker or CSDP, you must advise your broker or CSDP if you wish to attend the Scheme Meetings and if so, your broker or CSDP will issue the necessary letter of representation to you to attend and vote at the Scheme Meetings.

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Key dates

Event	Date (Sydney time, unless otherwise specified)
Date of this Scheme Booklet and announcement on SENS	Thursday, 19 May 2022
Scheme Booklet dispatch or distribution date	Tuesday, 24 May 2022
Last day for trading in IAP Securities on the JSE in order to be registered as holders of IAP Securities on the IAP Register at the Voting Record Date	9:00 am (Johannesburg time) on Wednesday, 22 June 2022
Last date and time by which Proxy Forms must be received Last date and time for receipt of Proxy Forms (including proxies lodged online), powers of attorney or certificates of appointment of body corporate representatives for the Scheme Meetings.	5:00 pm (Sydney time) / 9:00 am (Johannesburg time) on Monday, 27 June 2022
Voting Record Date Time and date for determining eligibility to vote at the Scheme Meetings. All IAP Securityholders who are registered as holders of IAP Securities on the IAP Register at the Voting Record Date will be eligible to vote at the Scheme Meetings.	7:00 pm (Sydney time) / 11:00 am (Johannesburg time) on Monday, 27 June 2022
Scheme Meetings As a result of the ongoing uncertainty and potential health risks associated with large gatherings and the ongoing COVID-19 pandemic, the Scheme Meetings will be virtual (online only). There will not be a physical meeting where IAP Securityholders or their proxies, attorneys or corporate representatives can attend in person. Further details relating to the Scheme Meetings are set out on Page 2 and in the Notice of Meeting in Annexure A.	5:00 pm (Sydney time) / 9:00 am (Johannesburg time) on Wednesday, 29 June 2022
If the Proposal Resolutions are approved at the Scheme Meetings and all other Conditions Precedent are satisfied or waived (as applicable)	
Second Court Date	Tuesday, 5 July 2022
The date on which the Schemes become unconditional, and the finalisation announcement is released on SENS, including the currency conversion rate ¹ .	Following receipt of Second Judicial Advice (expected to be on Tuesday, 5 July 2022)
Last day for trading in IAP Securities on the JSE and the last day IAP Securityholders can transfer IAP Securities between the Australian Register and South African Register	Tuesday, 5 July 2022 (Johannesburg time)
Effective Date The date on which the Schemes become Effective and are binding on IAP Securityholders. Last day of trading in IAP Securities on the ASX. IAP Securities suspended from trading from close of trading on the ASX.	Wednesday, 6 July 2022
IAP Securities suspended from trading on the JSE from open of trading on the JSE. Procedure to remove IAP Securities from the official list of the JSE is initiated by the JSE.	Wednesday, 6 July 2022 (Johannesburg time)

¹ Being the ZAR (Rand) / A\$ (AUD) spot rate quoted by Reuters as at 5:00pm (Sydney time) on the Second Court Date (assuming the Second Judicial Advice is obtained on that date).

Key dates (continued)

Event	Date (Sydney time, unless otherwise specified)
If the Schemes are approved by the Court and become Effective	
Record Date All IAP Securityholders who hold IAP Securities on the Record Date will be entitled to receive the Scheme Consideration.	Friday, 8 July 2022
Implementation Date All Scheme Participants will receive the Scheme Consideration to which they are entitled on this date.	Friday, 15 July 2022
Delisting Date Removal of IAP Securities on the official lists of the ASX and the JSE at commencement of trade expected to be on this date.	Monday, 18 July 2022

Unless otherwise stated, all times referred to in this Scheme Booklet are times in Sydney, Australia. All dates are indicative only and are subject to the Court approval process and the satisfaction or, where capable, waiver of the Conditions Precedent. No dematerialisation or rematerialisation of IAP Securities may take place from the commencement of business on the business day following the last day for trading in IAP Securities on the JSE and ASX expected to be on Tuesday, 5 July 2022. Any changes to the above timetable (which may include an earlier or later date for the Scheme Meetings or Second Court Hearing) will be announced through the ASX and the JSE and notified on IAP Group's website (irongategroup.com.au). Any obligation to do an act by a specified time in an Australian time zone must be done at the corresponding time in any other jurisdiction. IAP Securityholders will receive an email or a letter (in accordance with their elected communication preference) that contains instructions about how to view or download a copy of this Scheme Booklet, and to lodge their proxy online. This Scheme Booklet will also be available for viewing and downloading on IAP Group's website (irongategroup.com.au).

Letter from the Chairman

Thursday, 19 May 2022

Dear IAP Securityholder,

The IAP RE Board unanimously recommends that you vote in favour of the Proposal to be considered at the Scheme Meetings, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Proposal is fair and reasonable to, and therefore in the best interests of, IAP Securityholders.²

On behalf of Irongate Funds Management Limited (**IAP RE**) as the responsible entity of each of Irongate Property Fund I (**IPF I**) and Irongate Property Fund II (**IPF II**) (together, **IAP**), I am pleased to provide you with this Scheme Booklet which contains details in relation to the proposed acquisition of Irongate Group by Charter Hall Wholesale Management Limited as trustee of the Charter Hall PGGM Industrial Partnership No. 2 (**CHPIP**) through all IPF I Units being transferred to CHPIP and all IPF II Units being transferred to Charter Hall Holdings Pty Limited (the **CHPIP Nominee**) pursuant to inter-conditional trust schemes (**Proposal**). It is intended that, if the Proposal is Effective, IPF I and IPF II will be de-stapled immediately prior to implementation. CHPIP is ultimately owned by the Charter Hall Group and a Dutch pension fund, PGGM. The CHPIP Nominee is wholly owned by the Charter Hall Group.

Overview of the Proposal

On Wednesday, 30 March 2022, IAP RE announced that it had entered into a Scheme Implementation Agreement with CHPIP and the CHPIP Guarantor in respect of the Proposal.

The Proposal remains subject to a number of customary conditions including obtaining the Second Judicial Advice from the Court, regulatory approvals (including FIRB, OIO and SARB), approval by IAP Securityholders and certain other conditions described in Section 8.5(a) of this Scheme Booklet. If the Proposal becomes Effective and is implemented, IAP will be acquired by CHPIP through all IPF I Units being transferred to CHPIP and all IPF II Units being transferred to the CHPIP Nominee, an application will be made for termination of the official quotation of IAP Securities on the ASX and to have IAP removed from the official list of the ASX and, the JSE will take steps, including seeking approval of the Executive Committee of the JSE, to remove all IAP Securities from the official list of the JSE, on the basis that IAP no longer complies with the public spread requirements pursuant to paragraph 4.28(e) of the JSE Listings Requirements.

If the Proposal is implemented, IAP Securityholders will receive the all cash Scheme Consideration, being A\$1.90 per IAP Security held as at the Record Date, less any distribution declared or paid by IAP RE prior to implementation of the Proposal (excluding the distribution relating to the six months ended 31 March 2022 of 4.67 cents per IAP Security, as announced by IAP on Tuesday, 10 May 2022 ("**March 2022 Distribution**"), which IAP Securityholders will be entitled to retain³).

Under the current timetable, the Proposal is expected to be implemented on Friday, 15 July 2022. As a result, the IAP RE Directors do not intend to declare or pay a distribution (other than the March 2022 Distribution) prior to implementation of the Proposal.

Independent Expert's opinion

The IAP RE Directors have appointed Deloitte Corporate Finance Pty Limited as the Independent Expert to provide an opinion on the Proposal.

The Independent Expert has concluded that the Proposal is fair and reasonable to, and therefore in the best interests of, IAP Securityholders.

In arriving at this opinion, the Independent Expert has assessed the Proposal to be fair and reasonable as the Scheme Consideration of A\$1.90⁴ per IAP Security falls at the upper end of the Independent Expert's assessed value range of A\$1.82 to A\$1.94 per IAP Security.

² You should note when considering this recommendation that one of the IAP RE Directors (being the CEO, Graeme Katz) has previously been issued 415,540 Performance Rights under the LTI Plan Rules. As described in Section 8.2, if the Proposal becomes Effective, unvested Performance Rights held by employees will be deemed to vest with effect after the Effective Date but prior to the Implementation Date, and will be cash settled. The benefit to Graeme Katz in respect of his Performance Rights is expected to be approximately \$789,526. Despite this benefit, Mr Katz considers that, given the importance of the Proposal and his role as a director of IAP RE, it is important and appropriate for him to provide a recommendation to IAP Securityholders in relation to voting on the Proposal.

³ This represents cash consideration per IAP Security in South African Rand of R21.19, based on the South African Rand to A\$ ratio of 0.090 as at the Last Practicable Date, and compares to South African Rand equivalent of R20.65 based on the South African Rand to A\$ ratio of 0.092 as at 28 January 2022. The actual Scheme Consideration paid to IAP Securityholders holding IAP Securities on the South African Register will be paid in a ZAR (Rand) equivalent of the Scheme Consideration determined by the ZAR (Rand) / A\$ (AUD) spot rate quoted by Reuters as at 5:00pm (Sydney time) on the Second Court Date (assuming the Second Judicial Advice is obtained on that date).

⁴ Less any distribution declared or paid by IAP in the period prior to implementation of the Proposal (excluding the March 2022 Distribution).

Letter from the Chairman (continued)

The Independent Expert has also considered a range of other factors IAP Securityholders may wish to take into account in considering whether to approve the Proposal, including the following:

- the Scheme Consideration represents a premium to the historical trading prices of IAP prior to announcement of the Proposal;⁵
- the price of IAP Securities is likely to decrease if the Proposal is not approved;
- the Proposal appears to be the best alternative available;
- the offer of 100% cash Scheme Consideration provides certainty of value;
- the Scheme Consideration implies a favourable exit distribution yield relative to comparable peers; and
- the loss of exposure to the extent the Proposal is implemented, to IAP's portfolio and the associated benefits and risks of being invested in IAP.

Annexure B contains a full copy of the Independent Expert's Report. IAP Securityholders should read the Independent Expert's Report in its entirety. A summary of the range of factors relevant to the Independent Expert's assessment of the Proposal are set out in the introduction of the Independent Expert's Report.

IAP RE Directors' recommendation

The IAP RE Directors unanimously recommend that IAP Securityholders vote in favour of the Proposal, in the absence of a Superior Proposal, and subject to the Independent Expert continuing to conclude that the Proposal is fair and reasonable to, and therefore in the best interests of, IAP Securityholders.⁶

Prior to the announcement of the Proposal, IAP Securities have never previously traded at a price at or above the Scheme Consideration of A\$1.90 per IAP Security.

The Scheme Consideration of A\$1.90⁷ per IAP Security also represents a:

- 21.0%⁸ premium to the undisturbed closing price of IAP Securities on 28 January 2022, being the last trading day prior to the announcement of the Proposal, of A\$1.57 per IAP Security;
- 9.2%⁹ premium to the NTA per IAP Security as at 31 March 2022, of A\$1.74 per IAP Security;
- 10.5%¹⁰ premium to the highest of three proposals from 360 Capital of A\$1.72 per IAP Security announced 14 December 2021; and
- 22.6%¹¹ premium to the 9 December 2021 equity raising price of A\$1.55 per IAP Security.

The Proposal follows a significant period of corporate activity involving the IAP Group since its internalisation in November 2020:

- November 2020: IAP RE announces completion of the internalisation transaction providing IAP Group with an in-house management platform and capability to grow a dedicated third-party funds management business to complement its direct property exposure;
- January 2021: 360 Capital becomes a substantial holder in IAP, acquiring an initial 9.18% holding in IAP;
- January 2021 – September 2021: 360 Capital builds a 19.9% holding in IAP;
- June 2021 – August 2021: 360 Capital submits nominations for two appointments to the IAP RE Board, which are subsequently unsuccessful after a securityholder vote at the annual general meeting;

⁵ See Section 2.2.1 for further detail, including in respect of trading price performance following announcement of the Proposal.

⁶ You should note when considering this recommendation that one of the IAP RE Directors (being the CEO, Graeme Katz) has previously been issued 415,540 Performance Rights under the LTI Plan Rules. As described in Section 8.2, if the Proposal becomes Effective, unvested Performance Rights held by employees will be deemed to vest with effect after the Effective Date but prior to the Implementation Date, and will be cash settled. The benefit to Graeme Katz in respect of his Performance Rights is expected to be approximately \$789,526. Despite this benefit, Mr Katz considers that, given the importance of the Proposal and his role as a director of IAP RE, it is important and appropriate for him to provide a recommendation to IAP Securityholders in relation to voting on the Proposal.

⁷ R20.65 equivalent based on the South African Rand equivalent of R20.65 applying the South African Rand to A\$ ratio of 0.092 as at 28 January 2022.

⁸ 17.5% premium based on the undisturbed JSE last close price of R17.57 as at 28 January 2022.

⁹ 9.2% premium based on a South African Rand equivalent of R18.91 taking into account foreign exchange fluctuations and a South African Rand to A\$ ratio of 0.092 as at 31 March 2022.

¹⁰ 4.8% premium based on a South African Rand equivalent of R19.70 taking into account foreign exchange fluctuations and a South African Rand to A\$ ratio of 0.087 as at 13 December 2021.

¹¹ 18.0% premium based on a South African Rand equivalent of R17.50 taking into account foreign exchange fluctuations and a South African Rand to A\$ ratio of 0.089 as at 8 December 2021.

- October 2021: 360 Capital submits its first proposal of A\$1.6047 cash per IAP Security (being a headline price of A\$1.65 less the announced distribution of 4.53 cents per IAP Security for the period ending 30 September 2021) (**First 360 Capital Proposal**). The IAP RE Board rejects the First 360 Capital Proposal;
- November 2021: 360 Capital submits its second proposal of A\$1.6547 cash per IAP Security (being a headline price of A\$1.70 less the announced distribution of 4.53 cents per IAP Security for the period ending 30 September 2021) (**Second 360 Capital Proposal**). The IAP RE Board rejects the Second 360 Capital Proposal; and
- December 2021: 360 Capital submits its third proposal of A\$1.72 cash per IAP Security (**Third 360 Capital Proposal**). The IAP RE Board rejects the Third 360 Capital Proposal.

Throughout this period, the IAP RE Board has been committed to acting in the best interests of all IAP Securityholders and maximising securityholder value, including consideration of alternatives to the Proposal, such as the ongoing operation and ownership of IAP in its current form, as well as other potential transactions. The IAP RE Board strongly felt that the proposals presented by 360 Capital were not in the best interests of securityholders and did not appropriately reflect the full value of the underlying real estate and asset management platform established and built by the IAP Group.

Subsequently, the Proposal represents a 10.5% premium to the Third 360 Capital Proposal that was received in December 2021.

In the opinion of the IAP RE Directors, the cash nature of the Proposal offers IAP Securityholders an opportunity to exit their investment in IAP at a price that is certain and which incorporates significant premium for control, involving a reputable counterparty. The premiums to IAP's trading price implied by the Proposal (as described in Section 2.2.1) compare favourably to other change of control transactions that have occurred within the A-REIT sector in the last eight years.

Furthermore, the Proposal represents a 9.2% premium to IAP's NTA of A\$1.74 as at 31 March 2022 (which includes the revaluation of all of IAP's properties as part of IAP's annual reporting processes).

Reasons why you may vote against the Proposal

Despite the factors outlined above, you may not agree with the recommendation of the IAP RE Directors.

Reasons why you may consider voting against the Proposal include:

- you may prefer to maintain your investment profile and exposure to IAP's portfolio and the benefits and risks of being invested in IAP;
- you may disagree with the IAP RE Directors' unanimous recommendation and the conclusion of the Independent Expert and consider that the Proposal is not fair and reasonable and therefore not in your best interests;
- you may believe that there is the potential for a Superior Proposal to be made in the future. However, as at the date of this Scheme Booklet, no Superior Proposal has been received by the IAP RE Board;
- you may prefer to participate in future distributions which may be payable to IAP Securityholders rather than receiving the Scheme Consideration; or
- the tax consequences of the Proposal may not suit your current financial position.

Scheme Meetings and implementation process

The Proposal requires the approval of IAP Securityholders at the Scheme Meetings proposed to be held 5:00 pm (Sydney time) / 9:00 am (Johannesburg time) on Wednesday, 29 June 2022. As a result of the ongoing uncertainty and potential health risks associated with large gatherings and the ongoing COVID-19 pandemic, the Scheme Meetings will be virtual (online only). There will not be a physical meeting where IAP Securityholders or their proxies, attorneys or corporate representatives can attend in person.

To proceed with implementation of the Proposal, IAP Securityholders must pass (by the Requisite Majorities) each of the Proposal Resolutions contained in the Notice of Meeting that can be found in Annexure A.

If the Proposal Resolutions are passed by the Requisite Majorities at the Scheme Meetings and the other Conditions Precedent are satisfied or waived (as applicable), it is intended that the Proposal will be implemented consistently with the indicative timetable set out in the 'Key Dates' Section on Page 5. This anticipates trading in IAP Securities being suspended from close of trading on the ASX on Wednesday, 6 July 2022 (Sydney time) and open of trading on JSE on Wednesday, 6 July 2022 (Johannesburg time), and payment of the Scheme Consideration to IAP Securityholders on Friday, 15 July 2022.

Letter from the Chairman (continued)

What you should do next

This Scheme Booklet provides details of the Proposal, the Independent Expert's Report, reasons to vote in favour of or against the Proposal and information on how to vote. It should be read in its entirety and its contents considered carefully prior to making a decision on how to vote on the Proposal Resolutions at the Scheme Meetings as it contains important information in relation to the Proposal and will assist you in making an informed decision at the Scheme Meetings. Frequently asked questions are included at Section 1 of this Scheme Booklet.

If you are in any doubt about what you should do, you should consult with your financial, legal, taxation or other professional adviser.

All IAP Securityholders on the IAP Register as at 7:00 pm (Sydney time) / 11:00 am (Johannesburg time) on Monday, 27 June 2022 will be entitled to attend and vote at the Scheme Meetings (subject to any applicable voting exclusions). Votes may be cast online at the Scheme Meetings, by proxy, by attorney, or in the case of a corporation, by its duly appointed corporate representative. Please see the Notice of Meeting and Page 2 for further details on how votes may be cast and timing requirements.

If you have any questions in relation to the Proposal and hold your IAP Securities on the Australian Register, please contact the IAP Securityholder Information Line on 1300 620 419 (within Australia) or +613 9415 4314 (outside Australia), Monday to Friday (excluding public holidays) between 8:30 am and 5:00 pm (Sydney time). IAP Securityholders holding IAP Securities on the South African Register should direct their queries to their broker or CSDP.

Conclusion

I look forward to your participation at the Scheme Meetings and encourage you to vote in favour of the Proposal Resolutions in the absence of a Superior Proposal.

Yours Sincerely,



Richard Longes

01 —

Frequently
asked questions

01. Frequently asked questions

This Section answers some frequently asked questions about the Proposal. It is not intended to address all relevant issues for IAP Securityholders. This Section should be read together with all other parts of this Scheme Booklet.

QUESTION	ANSWER	MORE INFORMATION
This Scheme Booklet and Notice of Meeting		
1. Why have I received this Scheme Booklet and Notice of Meeting?	<p>This Scheme Booklet and Notice of Meeting have been sent to you because you are an IAP Securityholder and you are being asked to vote on the Proposal Resolutions. This Scheme Booklet and Notice of Meeting are intended to help you decide how to vote.</p> <p>If you are in any doubt about what you should do, you should consult with your financial, legal, taxation or other professional adviser.</p>	Not applicable
Proposal Overview		
2. What is the Proposal?	<p>The Proposal involves the acquisition of the Irongate Group by CHPIP through all IPF I Units being transferred to CHPIP under the IPF I Trust Scheme and all IPF II Units being transferred to the CHPIP Nominee under the IPF II Trust Scheme. If the Proposal is successful, IPF I and IPF II will be de-stapled immediately prior to Implementation.</p> <p>The IPF I Trust Scheme and IPF II Trust Scheme are inter-conditional so that both Schemes must become Effective for the Proposal to proceed.</p> <p>The acquisition of the IPF I Units and the IPF II Units from the Scheme Participants will be by way of individual trust schemes facilitated by amendments to the IAP Constitutions, a resolution pursuant to item 7 of section 611 of the Corporations Act, and a resolution to de-staple IPF I Units and IPF II Units.</p> <p>The Scheme Consideration is in the form of cash. If the Proposal becomes Effective and is implemented, then:</p> <ul style="list-style-type: none"> all IPF I Units will be transferred to CHPIP and all IPF II Units will be transferred to the CHPIP Nominee; Scheme Participants will receive the Scheme Consideration of A\$1.90 per IAP Security;¹² and IAP will be delisted from the ASX and the JSE. 	Section 3
3. What will I receive if the Proposal becomes Effective and is implemented?	<p>If the Proposal becomes Effective, Scheme Participants will receive a cash payment of A\$1.90 per IAP Security^{13,14} on the Implementation Date. Any aggregate cash amount payable to a Scheme Participant will be rounded to the nearest whole cent.</p>	Section 3.4
4. Will I receive a distribution for the year ended 31 March 2022?	<p>IAP Securityholders will be entitled to receive a distribution in relation to the six months ended 31 March 2022 of 4.67 cents per IAP Security, provided that they continue to own their IAP Securities on the distribution record date of 27 May 2022. The March 2022 Distribution will not reduce the Scheme Consideration payable to IAP Securityholders.</p>	Section 3.4

¹² Less any distribution declared or paid by IAP in the period prior to implementation of the Proposal (excluding the March 2022 Distribution, which IAP Securityholders will be entitled to retain).

¹³ Less any distribution declared or paid by IAP in the period prior to implementation of the Proposal (excluding the March 2022 Distribution, which IAP Securityholders will be entitled to retain).

¹⁴ This represents cash consideration per IAP Security in South African Rand of R21.19, based on the South African Rand to A\$ ratio of 0.090 as at the Last Practicable Date, and compares to South African Rand equivalent of R20.65 based on the South African Rand to A\$ ratio of 0.092 as at 28 January 2022. The actual Scheme Consideration paid to IAP Securityholders holding IAP Securities on the South African Register will be paid in a ZAR (Rand) equivalent of the Scheme Consideration determined by the ZAR (Rand) / A\$ (AUD) spot rate quoted by Reuters as at 5:00pm (Sydney time) on the Second Court Date (assuming the Second Judicial Advice is obtained on that date).

QUESTION	ANSWER	MORE INFORMATION
5. What will happen to IAP if the Proposal becomes Effective and is implemented?	If the Proposal becomes Effective and is implemented, IAP will be acquired by CHPIP (through all IPF I Units being transferred to CHPIP and all IPF II Units being transferred to the CHPIP Nominee), an application will be made for termination of the official quotation of IAP Securities on the ASX and to have IAP removed from the official list of the ASX and the JSE will take steps, including seeking approval of the Executive Committee of the JSE, to remove all IAP Securities from the official list of the JSE, on the basis that IAP no longer complies with the public spread requirements pursuant to paragraph 4.28(e) of the JSE Listings Requirements.	Section 6.7
6. Who is entitled to participate in the Proposal?	If the Proposal Resolutions are passed and the Conditions Precedent are satisfied or waived (if applicable) and the Proposal becomes Effective and is implemented, all IAP Securityholders on the IAP Register at the Record Date will become entitled to receive the Scheme Consideration in respect of the IAP Securities they hold at the time.	Section 6.4
7. Are there conditions to the Proposal proceeding?	Implementation of the Proposal is subject to the satisfaction or waiver (as applicable) of the Conditions Precedent. The Conditions Precedent are summarised in Section 8.5(a) of this Scheme Booklet. The Proposal will not proceed unless all the Conditions Precedent are satisfied or waived (as applicable).	Section 8.5(a)
8. Are there any termination rights?	The Scheme Implementation Agreement contains standard termination rights for both CHPIP and IAP RE. These include mutual termination rights if: <ul style="list-style-type: none"> the Conditions Precedent are not satisfied or waived (as applicable); the other party is in material breach of its obligations or warranties in the Scheme Implementation Agreement which is not remedied within the applicable remedy period; the Schemes have not become Effective on or before the End Date; the Proposal Resolutions are not approved by the Requisite Majorities at the Scheme Meetings; there is a breach of an IAP Representation and Warranty or a CHPIP Representation and Warranty and the defaulting party has failed to remedy the breach within the applicable remedy period and the loss reasonably expected to follow from such a breach is material in the context of the Schemes taken as a whole; or a majority of IAP RE Directors withdraw their recommendation or voting statement or make a public statement supporting a Competing Proposal, as summarised in Section 8.5(g) of this Scheme Booklet. 	Section 8.5(g)

01. Frequently asked questions (continued)

QUESTION	ANSWER	MORE INFORMATION
Independent Expert opinion and the recommendation of the IAP RE Directors		
9. What is the opinion of the Independent Expert?	<p>The Independent Expert has concluded that the Proposal is fair and reasonable to, and therefore in the best interests of, IAP Securityholders.</p> <p>In arriving at this opinion, the Independent Expert has assessed the Proposal to be fair and reasonable as the Scheme Consideration of A\$1.90 per IAP Security¹⁵ falls at the upper end of the Independent Expert's assessed value range for an IAP Security of A\$1.82 to A\$1.94.</p>	Annexure B
10. Do the IAP RE Directors recommend the Proposal?	The IAP RE Directors unanimously recommend that IAP Securityholders vote in favour of the Proposal, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Proposal is fair and reasonable to, and therefore in the best interests of, IAP Securityholders. ¹⁶	Section 2
11. How do the IAP RE Directors intend to vote?	The IAP RE Directors intend to vote all IAP Securities they hold or control in favour of the Proposal, in the absence of a Superior Proposal.	Section 2.1
12. Have any major IAP Securityholders indicated their intentions with respect to the Proposal?	No.	Not applicable

¹⁵ Less any distribution declared or paid by IAP in the period prior to implementation of the Proposal (excluding the March 2022 Distribution, which IAP Securityholders will be entitled to retain).

¹⁶ You should note when considering this recommendation that one of the IAP RE Directors (being the CEO, Graeme Katz) has previously been issued 415,540 Performance Rights under the LTI Plan Rules. As described in Section 8.2, if the Proposal becomes Effective, unvested Performance Rights held by employees will be deemed to vest with effect after the Effective Date but prior to the Implementation Date, and will be cash settled. The benefit to Graeme Katz in respect of his Performance Rights is expected to be approximately \$789,526. Despite this benefit, Mr Katz considers that, given the importance of the Proposal and his role as a director of IAP RE, it is important and appropriate for him to provide a recommendation to IAP Securityholders in relation to voting on the Proposal.

QUESTION	ANSWER	MORE INFORMATION
13. What is the Memorandum of Understanding?	<p>The Memorandum of Understanding is an agreement entered into between the CHPIP Guarantor and 360 Capital on Friday, 28 January 2022:</p> <ul style="list-style-type: none"> granting the CHPIP Guarantor a call option to require 360 Capital to transfer its 19.9% ownership interest in IAP Securities to the CHPIP Guarantor or its nominee; and containing certain exclusivity arrangements, including certain undertakings restricting 360 Capital's ability to vote, or participate in any discussions in respect of a Competing Transaction, or to sell or agree to sell any of its existing IAP Securities to a third party without the prior written consent of the other party. <p>The Memorandum of Understanding also contemplates the provision to 360 Capital of a call option, and the CHPIP Guarantor of a put option, over certain properties and assets owned and controlled by IAP, namely:</p> <ul style="list-style-type: none"> a 100% interest in 38 Sydney Avenue, Forrest ACT; a 100% interest in 34 Southgate Avenue, Cannon Hill QLD; a 50% interest in 100 Willis Street, Wellington New Zealand; a 50% interest in 510 Church Street, Cremorne VIC; and a 100% interest in the funds management business of IAP, including co-investment stakes held by the ITAP Fund. <p>However, as at the date of this Scheme Booklet, CHPIP has confirmed that the parties are no longer proceeding with a transaction in relation to:</p> <ul style="list-style-type: none"> a 50% interest in 100 Willis Street, Wellington New Zealand; and a 100% interest in the funds management business of IAP, including co-investment stakes held by the ITAP Fund. <p>The put and call options over the balance of the properties were subsequently formalised on Wednesday, 30 March 2022. 360 Capital and CHPIP have agreed that the put and call options will not be exercisable prior to delisting of IAP on the JSE.</p> <p>The call option granted to the CHPIP Guarantor under the Memorandum of Understanding in respect of the transfer of 360 Capital's 19.9% ownership interest in IAP Securities to the CHPIP Guarantor is in place from the date of the Memorandum of Understanding and is exercisable from the date on which all Conditions Precedent are satisfied or waived (as applicable) to the Implementation Date.</p> <p>In the event that a Competing Proposal with a higher implied consideration per IAP Security is recommended by the IAP RE Board, the CHPIP Guarantor will be restricted from exercising its call option unless it announces to the ASX within seven days of IAP RE's announcement of the Competing Proposal, that the CHPIP Guarantor's (or its nominee's) proposal is increased to be the same or greater than the consideration payable under the recommended Competing Proposal.</p>	Section 3.3

01. Frequently asked questions (continued)

QUESTION	ANSWER	MORE INFORMATION
14. What offers were received by the IAP RE Board prior to the Proposal?	<p>The Proposal follows a number of non-binding indicative offers made by 360 Capital to acquire 100% of IAP Securities via trust schemes, which were previously rejected by the IAP RE Board (360 Capital Proposals). These comprise:</p> <ul style="list-style-type: none"> • (First 360 Capital Proposal) an initial NBIO submitted on 15 October 2021 to acquire 100% of IAP Securities for A\$1.6047 cash per IAP Security (being a headline price of A\$1.65 less the announced distribution of 4.53 cents per IAP Security for the period ending 30 September 2021); • (Second 360 Capital Proposal) a revised NBIO submitted on 11 November 2021 to acquire 100% of IAP Securities for A\$1.6547 cash per IAP Security (being a headline price of A\$1.70 less the announced distribution of 4.53 cents per IAP Security for the period ending 30 September 2021); and • (Third 360 Capital Proposal) a further revised NBIO submitted on 14 December 2021 to acquire 100% of IAP Securities for A\$1.72 cash per IAP Security. <p>The Proposal represents a 10.5% premium to the Third 360 Capital Proposal that was received in December 2021.</p>	Section 2.1
Benefits, potential disadvantages and risks of the Proposal		
15. Why might I consider voting in favour of the Proposal?	<p>Reasons why you may consider voting in favour of the Proposal include:</p> <ul style="list-style-type: none"> • the Scheme Consideration represents a premium for IAP Securities relative to historic trading prices prior to announcement of the Proposal;¹⁷ • the Independent Expert has concluded that the Proposal is fair and reasonable to, and therefore in the best interests of, IAP Securityholders. In arriving at this opinion, the Independent Expert has assessed the Proposal to be fair and reasonable, as the Scheme Consideration of A\$1.90 per IAP Security¹⁸ falls at the upper end of the Independent Expert's valuation range of A\$1.82 to A\$1.94 per IAP Security; • the Proposal provides an opportunity for IAP Securityholders to realise their IAP Securities at a 9.2% premium to NTA per IAP Security of A\$1.74 as at 31 March 2022; • the Proposal allows IAP Securityholders to retain the March 2022 Distribution; • certain cash proceeds and immediate value for IAP Securityholders; • if the Proposal does not proceed, and no Superior Proposal emerges, the price of IAP Securities may fall; • no Superior Proposal has been received as at the date of this Scheme Booklet (despite the 360 Capital Proposals received and announced between October 2021 and December 2021); • no brokerage will be payable by you on the transfer of your IAP Securities under the Proposal; and • the Proposal is subject to limited conditions and involves a reputable counterparty, thus reducing execution risk. 	Section 2.2

¹⁷ See Section 2.2.1 for further detail, including in respect of trading price performance following announcement of the Proposal.

¹⁸ Less any distribution declared or paid by IAP in the period prior to implementation of the Proposal (excluding the March 2022 Distribution, which IAP Securityholders will be entitled to retain).

QUESTION	ANSWER	MORE INFORMATION
16. Why might I consider voting against the Proposal?	<p>Reasons why you may consider voting against the Proposal include:</p> <ul style="list-style-type: none"> • you may prefer to maintain your investment profile and exposure to IAP's portfolio and the benefits and risks of being invested in IAP; • you may disagree with the IAP RE Directors' unanimous recommendation and the conclusion of the Independent Expert and consider that the Proposal is not fair and reasonable, and therefore not in your best interests; • you may believe that there is the potential for a Superior Proposal to be made in the future. However, as at the date of this Scheme Booklet, no Superior Proposal has been received by the IAP RE Board, despite the 360 Capital Proposals being received and announced between October 2021 and December 2021; • you may prefer to participate in future distributions which may be payable to IAP Securityholders rather than receive the Scheme Consideration; and • the tax consequences of the Proposal may not suit your current financial position. 	Section 2.3
Meeting details, voting and approval thresholds		
17. When and where will the Scheme Meetings be held?	<p>The Scheme Meetings will be held as virtual (online only) meetings on Wednesday, 29 June 2022, commencing at 5:00 pm (Sydney time) / 9:00 am (Johannesburg time).</p> <p>You can attend the Scheme Meetings by logging in to the Computershare Meeting Platform online at the following link: https://meetnow.global/M4SKRGH. The platform enables IAP Securityholders to listen to the Scheme Meetings, vote on the Proposal Resolutions and ask questions online in real time.</p>	Page 2 and Annexure A
18. Can I attend the Scheme Meetings, and vote, in person?	<p>As a result of the ongoing uncertainty and potential health risks associated with large gatherings and the ongoing COVID-19 pandemic, the Scheme Meetings will be virtual (online only). There will not be a physical meeting where IAP Securityholders or their proxies, attorneys or corporate representatives can attend in person.</p>	Page 2 and Annexure A

01. Frequently asked questions (continued)

QUESTION	ANSWER	MORE INFORMATION
19. Who is eligible to vote at the Scheme Meetings?	<p>All IAP Securityholders on the IAP Register at the Voting Record Date are entitled to attend and vote at the Scheme Meetings, except that:</p> <ul style="list-style-type: none"> for the purposes of the Trust Acquisition Resolutions, and in accordance with section 611 item 7 of the Corporations Act, CHPIP and its Associates (including 360 Capital) must not cast any votes in favour of the Trust Acquisition Resolutions, and in accordance with section 253E of the Corporations Act, IAP RE and its Associates are not entitled to vote their interests if they have an interest in the Trust Acquisition Resolutions other than as a member of IAP; for the purposes of the Trust Constitution Amendment Resolutions, and in accordance with section 253 E of the Corporations Act, IAP RE and its Associates are not entitled to vote their interests if they have interest in the Trust Constitution Amendment Resolutions other than as a member of IAP; and for the purposes of the De-Stapling Resolutions, and in accordance with section 253E of the Corporations Act, IAP RE and its Associates are not entitled to vote their interests if they have an interest in the De-Stapling Resolutions other than as a member of IAP. <p>As at the date of this Scheme Booklet, the CHPIP Guarantor holds a call option over 135,417,786 IAP Securities, representing 19.9% of the total number of IAP Securities. If the Proposal Resolutions are passed and the Schemes are Effective, regardless of whether the CHPIP Guarantor exercises the call option, the IAP Securities will be acquired by CHPIP in accordance with the Schemes.</p> <p>Whether any IAP Securityholder is restricted under the Corporations Act from being able to vote at the Scheme Meetings will be determined by the chair of the Scheme Meetings based on circumstances known at the relevant time.</p>	Section 3.6.1 and Annexure A
20. Why should I vote?	<p>Voting is not compulsory. However, your vote will be important in determining whether the Proposal will proceed. The IAP RE Directors recommend that you read this Scheme Booklet carefully and vote in favour of the Proposal, in the absence of a Superior Proposal.</p> <p>If you are in any doubt as to what you should do, you should consult your financial, legal, taxation or other professional adviser without delay.</p>	Page 2
21. Can I oppose the Proposal on the Second Court Date?	<p>IAP Securityholders are not required to attend Court on the Second Court Date but each IAP Securityholder has the right to appear and make submissions to the Court on the Second Court Date currently expected to be at 9:15 am on Tuesday, 5 July 2022, if they wish.</p> <p>Any IAP Securityholder who wishes to oppose the Second Judicial Advice at the Second Court Hearing may do so by filing with the Court and serving on IAP RE a notice of appearance in the prescribed form together with any affidavit that the IAP Securityholder proposes to rely on. The address for service is: King & Wood Mallesons, Governor Phillip Tower, 1 Farrer Place, Sydney NSW 2000, Attention: Alexander Morris.</p>	Not applicable

QUESTION	ANSWER	MORE INFORMATION
22. What are the Proposal Resolutions?	<p>The Proposal Resolutions are:</p> <ul style="list-style-type: none"> the Trust Acquisition Resolutions, being ordinary resolutions in respect of each of IPF I and IPF II for the purposes of section 611 item 7 of the Corporations Act to approve the acquisition of all of the IPF I Units on the Record Date by CHPIP, and all of the IPF II Units on the Record Date by the CHPIP Nominee; the Trust Constitution Amendment Resolutions, being special resolutions for the purposes of section 601GC(1) of the Corporations Act to approve amendments to each IAP Constitution as set out in each Supplemental Deed; and the De-Stapling Resolutions, being special resolutions of each of IPF I and IPF II to approve the de-stapling of IPF I Units from IPF II Units. 	Section 3.5 and Annexure A
23. What voting majorities are required for the Proposal?	<p>Approval of the Proposal will require IAP Securityholders to approve each Proposal Resolution by the Requisite Majority. The Proposal Resolutions are interdependent and the Proposal will only proceed if all Proposal Resolutions are passed at the Scheme Meetings by the Requisite Majorities.</p> <p>For the Proposal Resolutions to be approved:</p> <ul style="list-style-type: none"> The Trust Acquisition Resolutions must be passed by at least 50% of the total number of votes cast by IAP Securityholders entitled to vote on those resolutions at the Scheme Meetings. <p><i>For the purposes of the Trust Acquisition Resolutions:</i></p> <ul style="list-style-type: none"> In accordance with section 611 item 7 of the Corporations Act, CHPIP and its Associates (including 360 Capital) must not cast any votes in favour of the Trust Acquisition Resolutions. In accordance with section 253E of the Corporations Act, IAP RE and its Associates are not entitled to vote their interests if they have an interest in the Trust Acquisition Resolutions other than as a member of IAP. <ul style="list-style-type: none"> The Trust Constitution Amendment Resolutions must each be passed by at least 75% of the total number of votes cast by IAP Securityholders entitled to vote on those resolutions at the Scheme Meetings. <p><i>For the purposes of the Trust Constitution Amendment Resolutions:</i></p> <ul style="list-style-type: none"> In accordance with section 253E of the Corporations Act, IAP RE and its Associates are not entitled to vote their interests if they have an interest in the Trust Constitution Amendment Resolutions other than as a member of IAP. <ul style="list-style-type: none"> The De-Stapling Resolutions must each be passed by at least 75% of the total number of votes cast on the De-Stapling Resolutions by IAP Securityholders entitled to vote on the De-Stapling Resolutions at the Scheme Meetings. <p><i>For the purposes of the De-Stapling Resolutions:</i></p> <ul style="list-style-type: none"> In accordance with section 253E of the Corporations Act, IAP RE and its Associates are not entitled to vote their interests if they have an interest in the De-Stapling Resolutions other than as a member of IAP. 	Section 3.6.2

01. Frequently asked questions (continued)

QUESTION	ANSWER	MORE INFORMATION
24. How do I vote?	<p>You may vote by attending the Scheme Meetings virtually through the details provided in this Scheme Booklet and the Notice of Meeting.</p> <p>Alternatively, if you would like to vote but cannot attend the Scheme Meetings online, you can vote by appointing a proxy, by attorney or by corporate representative (in the case of a body corporate) in accordance with the instructions in the Notice of Meeting to attend and vote online on your behalf, including by lodging your Proxy Form online investorvote.com.au and following the instructions on your Proxy Form.</p>	Page 2 and Annexure A
25. What happens if I vote against the Proposal, or do not vote?	<p>If you do not vote, or if you vote against any of the Proposal Resolutions, then the Proposal may not be approved and may not be implemented.</p> <p>The Proposal cannot be implemented unless all Proposal Resolutions are passed by the Requisite Majorities of IAP Securityholders at the Scheme Meetings.</p> <p>However, even if you do not vote or vote against any of the Proposal Resolutions, this does not mean the Proposal will not be approved and will not be implemented. If you vote against the Proposal Resolutions but those Proposal Resolutions are approved and the Conditions Precedent are satisfied or waived (if applicable) and the Proposal becomes Effective, the Proposal will be implemented.</p>	Not applicable
26. When will the results of the Scheme Meetings be known?	The results of the Scheme Meetings will be available as soon as possible after the conclusion of the Scheme Meetings and will be announced to the ASX and the JSE once available.	Not applicable
27. Can I keep my IAP Securities if the Proposal is approved, becomes Effective and is implemented?	<p>If the Proposal Resolutions are passed by the Requisite Majorities (even if you did not vote or voted against the Proposal Resolutions) and you are a Scheme Participant, then if the Proposal becomes Effective and is implemented, you will be bound by the Proposal and will receive the Scheme Consideration.</p> <p>IPF I and IPF II will be de-stapled immediately prior to Implementation and:</p> <ul style="list-style-type: none"> all your IPF I Units will be transferred to CHPIP under the IPF I Trust Scheme; and all your IPF II Units will be transferred to the CHPIP Nominee under the IPF II Trust Scheme. 	Not applicable
28. What happens if the Proposal Resolutions are not approved?	<p>If any of the Proposal Resolutions are not approved by the Requisite Majorities of IAP Securityholders at the Scheme Meetings or any other Conditions Precedent are not satisfied or waived (if applicable):</p> <ul style="list-style-type: none"> IAP will remain listed on the ASX and the JSE; IAP Securityholders will retain their IAP Securities; the trading price of IAP's Securities on the ASX and the JSE may fall; IAP Securityholders will not receive the Scheme Consideration; the expected benefits of the Proposal will not be realised, and the potential disadvantages of the Proposal will not arise; and the Break Fee may be payable by IAP RE to CHPIP in certain circumstances, however, those circumstances do not include the failure by the IAP Securityholders to pass the Proposal Resolutions. 	Section 3.10

QUESTION	ANSWER	MORE INFORMATION
CHPIP		
29. Who is CHPIP?	CHPIP is a special purpose unit trust established by PGGM and Charter Hall Group for the purposes of acquiring the Irongate Group under the Proposal. The trustee of CHPIP is Charter Hall Wholesale Management Limited, a wholly owned subsidiary of Charter Hall Limited which is one of the stapled entities that comprise Charter Hall Group.	Section 5.1.1
30. Who is the CHPIP Nominee?	The CHPIP Nominee is Charter Hall Holdings Pty Limited. The CHPIP Nominee is an unlisted proprietary company incorporated in Australia. All of the shares in CHPIP Nominee are owned by Charter Hall Limited. Charter Hall Limited is a wholly owned subsidiary of the Charter Hall Group. The CHPIP Nominee is not a party to the Scheme Implementation Agreement or the Deed Poll.	Section 5.1.4
31. Who is Charter Hall Group?	Charter Hall Group (listed on the ASX with the ticker “CHC”) is a stapled group comprising shares in Charter Hall Limited and units in Charter Hall Property Trust. Charter Hall Group has over 30 years of experience in managing listed and unlisted property funds on behalf of wholesale, institutional and retail investors. As at 31 December 2021, Charter Hall Group had A\$61.3 billion of property assets under management.	Section 5.1.2
32. Who is PGGM?	PGGM is a not-for-profit cooperative pension fund service provider. As a pensions administrator, asset manager and advisor to pension fund boards, it executes its social mandate: to provide for good old-age incomes for 4.4 million participants in the Netherlands. As at 31 December 2021, PGGM managed long-term pension capital of EUR 291 billion worldwide.	Section 5.1.3
33. How is CHPIP funding the Scheme Consideration?	Under the Scheme Implementation Agreement, CHPIP must pay the Scheme Consideration to Scheme Participants for all of their IAP Securities. CHPIP intends to utilise the Debt Facility to partially fund the Scheme Consideration and the refinance of IAP’s existing debt facilities. CHPIP will receive equity contributions from its unitholders, Charter Hall Group and PGGM. These equity contributions will be funded by each unitholder using existing cash reserves.	Section 5.6
Implementation and other matters		
34. When will the Proposal become Effective and be implemented?	If the Proposal Resolutions are passed and the Conditions Precedent are satisfied or waived (if applicable), the Schemes will become Effective on the Effective Date (expected to be Wednesday, 6 July 2022). It is anticipated that the Proposal will be implemented on the Implementation Date, which is currently expected to be Friday, 15 July 2022.	Section 6
35. When will I be paid the Scheme Consideration?	If you hold IAP Securities on the Record Date, IAP RE will pay or procure the payment of your Scheme Consideration on the Implementation Date, which is expected to be Friday, 15 July 2022. The Scheme Consideration paid to IAP Securityholders holding IAP Securities on the South African Register will be paid in a ZAR (Rand) equivalent of the Scheme Consideration determined by the ZAR (Rand) / A\$ (AUD) spot rate quoted by Reuters as at 5:00pm (Sydney time) on the Second Court Date (assuming the Second Judicial Advice is obtained on that date).	Section 6.6

01. Frequently asked questions (continued)

QUESTION	ANSWER	MORE INFORMATION
36. Can I sell my IAP Securities on the ASX or the JSE?	<p>Yes, you can sell your IAP Securities on the ASX or the JSE up until the time at which IAP Securities are suspended from trading, at the prevailing market price at that time.</p> <p>If the Proposal becomes Effective, IAP Securities will be suspended from close of trading on the ASX on Wednesday, 6 July 2022, and on the JSE from open of trading on Wednesday, 6 July 2022 (Johannesburg time).</p> <p>If you do sell your IAP Securities before this time, if the Proposal becomes Effective, you will not receive the Scheme Consideration and you may incur brokerage costs.</p>	Section 6.4
37. What happens if a Competing Proposal for IAP emerges?	<p>If a Competing Proposal emerges, the IAP RE Directors, having regard to their obligations under the Scheme Implementation Agreement (including the "no talk" and "no shop" restrictions in the Scheme Implementation Agreement), will consider the merits of that Competing Proposal.</p> <p>If IAP RE Directors consider, after consultation with their legal and financial advisers, that the Competing Proposal is a Superior Proposal, then:</p> <ul style="list-style-type: none"> • IAP Securityholders will be informed through an announcement on the ASX and the JSE; and • the IAP RE Directors will carefully consider the Competing Proposal and will provide you with their recommendation and additional detail in relation to that Competing Proposal. <p>In accordance with the Scheme Implementation Agreement, IAP RE must provide CHPIP with Matching Rights allowing CHPIP a period of at least 5 Business Days to provide an equivalent or superior proposal to the terms of the Competing Proposal.</p> <p>Subject to limited exceptions, a Break Fee would be payable if a majority of the IAP RE Directors recommend a Competing Proposal.</p>	Section 8.5(b)
38. Is there a Break Fee and when is the Break Fee payable?	<p>Yes. Under the Scheme Implementation Agreement, subject to limited exceptions, IAP RE must pay CHPIP a Break Fee of A\$12.8 million if certain specified events occur. This includes if a Competing Proposal is announced and completes in all material respects within 12 months from the date of the Scheme Implementation Agreement, or a majority of the IAP RE Directors recommend a Competing Proposal, subject to limited exceptions.</p> <p>However, if the Proposal Resolutions are not approved at the Scheme Meetings this will not in and of itself result in the Break Fee being payable.</p>	Section 8.5(e)
39. Is there a Reverse Break Fee and when is the Reverse Break Fee payable?	<p>Yes. Under the Scheme Implementation Agreement, CHPIP must pay IAP RE a Reverse Break Fee of A\$12.8 million if certain specified events occur, including in the event of a material breach of any clause of the Scheme Implementation Agreement or a breach of a CHPIP Representation and Warranty.</p>	Section 8.5(f)

QUESTION	ANSWER	MORE INFORMATION
40. What are the transaction costs associated with the Proposal?	<p>IAP RE has and will each incur transaction costs in connection with the Proposal. Some of these costs are conditional on the Proposal proceeding and, if the Proposal is implemented, these will effectively be borne by CHPIP.</p> <p>If the Schemes are implemented, IAP RE expects to pay an aggregate of approximately A\$15.0 million (excluding GST) in external transaction costs in connection with the Proposal. If the Proposal is not implemented, IAP RE expects that external transaction costs will be approximately A\$2.5 million (excluding GST). These costs include advisory fees for IAP's financial, legal and tax advisers, fees payable in relation to the Independent Expert's Report, fees payable to the IAP Registry and general administrative fees including costs associated with the publication and despatch of the Scheme Booklet and holding of the Scheme Meetings.</p>	Section 8.14
41. Do I have to pay brokerage fees or stamp duty to participate in the Proposal?	<p>No brokerage or stamp duty will be payable by Scheme Participants on the transfer of IAP Securities under the Proposal or the receipt by Scheme Participants of the Scheme Consideration.</p> <p>If an IAP Securityholder disposes of their IAP Securities before the Record Date, brokerage may be payable.</p>	Section 3.13
42. What are the tax implications of the Proposal for IAP Securityholders?	<p>The Proposal, upon becoming Effective, could give rise to a CGT event for Australian income tax purposes. IAP Securityholders who hold their IAP Securities on capital account should realise either a capital gain or a capital loss, depending on the cost base of their IAP Securities.</p> <p>South African IAP Securityholders who hold their IAP Securities on capital account will be required to consider the impact of the South African CGT provisions in respect of the proposed disposal.</p> <p>For detailed tax implications of the Proposal, refer to the Taxation Report in Section 7 which sets out the general Australian and South African taxation implications for IAP Securityholders in respect of the Proposal.</p> <p>IAP Securityholders should seek professional tax advice regarding the tax implications of the Proposal.</p>	Section 7
43. Further questions	<p>If after reading this Scheme Booklet you have any questions in relation to this Scheme Booklet or the Proposal and hold your IAP Securities on the Australian Register, please contact the IAP Securityholder Information Line on 1300 620 419 (within Australia) or +613 9415 4314 (outside Australia), Monday to Friday (excluding public holidays) between 8:30 am and 5:00 pm (Sydney time).</p> <p>IAP Securityholders holding IAP Securities on the South African Register should direct their queries to their broker or CSDP.</p> <p>If you are in any doubt as to what you should do, you should consult your financial, legal, taxation or other professional adviser without delay.</p>	Not applicable

02 —

IAP RE Directors'
recommendation
and evaluation
of the Proposal

02. IAP RE Directors' recommendation and evaluation of the Proposal

2.1 Introduction

For the reasons set out in Section 2.2, the IAP RE Directors believe that the Proposal is fair and reasonable to, and therefore in the best interests of, IAP Securityholders. The IAP RE Directors unanimously recommend that IAP Securityholders vote in favour of the Proposal, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Proposal is fair and reasonable to, and therefore in the best interests of, IAP Securityholders.¹⁹

If you are in any doubt about what you should do, you should consult with your financial, legal, taxation or other professional adviser.

As at the date of this Scheme Booklet, the IAP RE Directors hold in aggregate approximately 0.39% of all IAP Securities on issue. Each IAP RE Director intends to vote any IAP Securities held by them at the time of the Scheme Meetings in favour of the Proposal, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Proposal is fair and reasonable to, and therefore in the best interests of, IAP Securityholders.

The Proposal follows a number of non-binding indicative offers made by 360 Capital to acquire 100% of IAP Securities via trust schemes, which were previously rejected by the IAP RE Board. These comprise:

- **(First 360 Capital Proposal)** an initial NBIO submitted on 15 October 2021 to acquire 100% of IAP Securities for A\$1.6047 cash per IAP Security (being a headline price of A\$1.65 less the announced distribution of 4.53 cents per IAP Security for the period ending 30 September 2021);
- **(Second 360 Capital Proposal)** a revised NBIO submitted on 11 November 2021 to acquire 100% of IAP Securities for A\$1.6547 cash per IAP Security (being a headline price of A\$1.70 less the announced distribution of 4.53 cents per IAP Security for the period ending 30 September 2021); and
- **(Third 360 Capital Proposal)** a further revised NBIO submitted on 14 December 2021 to acquire 100% of IAP Securities for A\$1.72 cash per IAP Security.

Throughout this period, the IAP RE Board has been committed to acting in the best interests of all IAP Securityholders and maximising securityholder value, including consideration of alternatives to the Proposal, such as the ongoing operation and ownership of IAP in its current form, as well as other potential transactions.

2.2 Reasons to vote for the Proposal

2.2.1 The Scheme Consideration represents an attractive premium for IAP Securities

If the Scheme Resolutions are approved by the Requisite Majorities at the Scheme Meetings and the Proposal becomes Effective, Scheme Participants will be entitled to receive the Scheme Consideration from CHPIP, being the cash consideration of A\$1.90 per IAP Security.²⁰

The Scheme Consideration provides an attractive premium for IAP Securities. As shown below, in the period since listing on the ASX to announcement of the Proposal on 31 January 2022, IAP Securities have not traded at a price above the Scheme Consideration of A\$1.90 per IAP Security. Following the announcement of the Proposal, the price of IAP Securities has not traded above A\$1.9467 (being the Scheme Consideration of A\$1.90 plus the March 2022 Distribution, which IAP Securityholders will be entitled to retain under the Proposal). In addition, the cash nature of the Scheme Consideration provides an opportunity for IAP Securityholders to realise the value of their IAP Securities at an attractive and certain price.

The Scheme Consideration of A\$1.90²¹ per IAP Security also represents a:

- 21.0%²² premium to the undisturbed closing price of IAP Securities on 28 January 2022, being the last trading day prior to the announcement of the Proposal, of A\$1.57 per IAP Security;
- 9.2%²³ premium to the NTA per IAP Security as at 31 March 2022, of A\$1.74 per IAP Security;
- 10.5%²⁴ premium to the highest of three proposals from 360 Capital of A\$1.72 per IAP Security announced 14 December 2021; and
- 22.6%²⁵ premium to the 9 December 2021 equity raising price of A\$1.55 per IAP Security.

¹⁹ You should note when considering this recommendation that one of the IAP RE Directors (being the CEO, Graeme Katz) has previously been issued 415,540 Performance Rights under the LTI Plan Rules. As described in Section 8.2, if the Proposal becomes Effective, unvested Performance Rights held by employees will be deemed to vest with effect after the Effective Date but prior to the Implementation Date, and will be cash settled. The benefit to Graeme Katz in respect of his Performance Rights is expected to be approximately \$789,526. Despite this benefit, Mr Katz considers that, given the importance of the Proposal and his role as a director of IAP RE, it is important and appropriate for him to provide a recommendation to IAP Securityholders in relation to voting on the Proposal.

²⁰ Less any distribution declared or paid by IAP in the period prior to implementation of the Proposal (excluding the March 2022 Distribution, which IAP Securityholders will be entitled to retain).

²¹ Based on the South African Rand equivalent of R20.65 applying the South African Rand to A\$ ratio of 0.092 as at 28 January 2022.

²² 17.5% premium based on the undisturbed JSE last close price of R17.57 as at 28 January 2022.

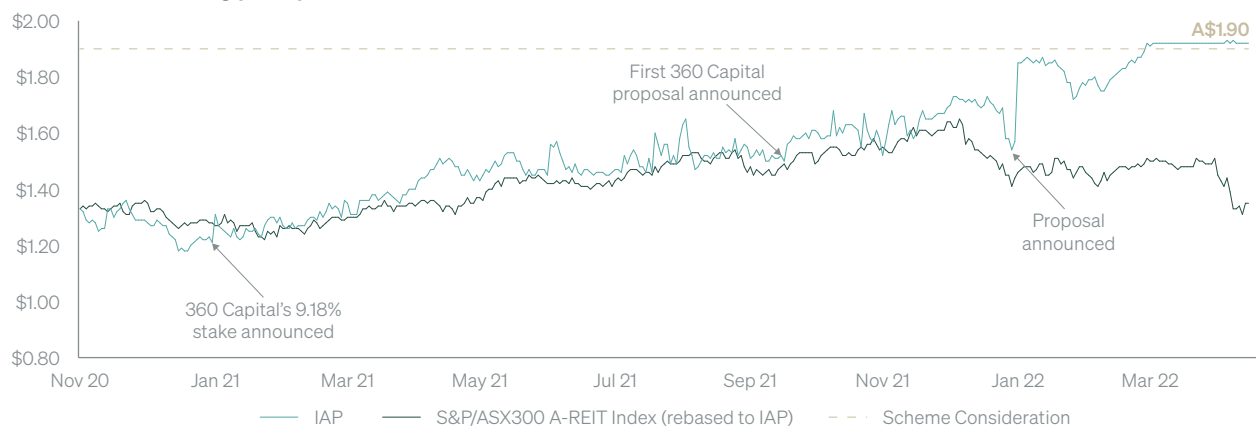
²³ 9.2% premium based on a South African Rand equivalent of R18.91 taking into account foreign exchange fluctuations and a South African Rand to A\$ ratio of 0.092 as at 31 March 2022.

²⁴ 4.8% premium based on a South African Rand equivalent of R19.70 taking into account foreign exchange fluctuations and a South African Rand to A\$ ratio of 0.087 as at 13 December 2021.

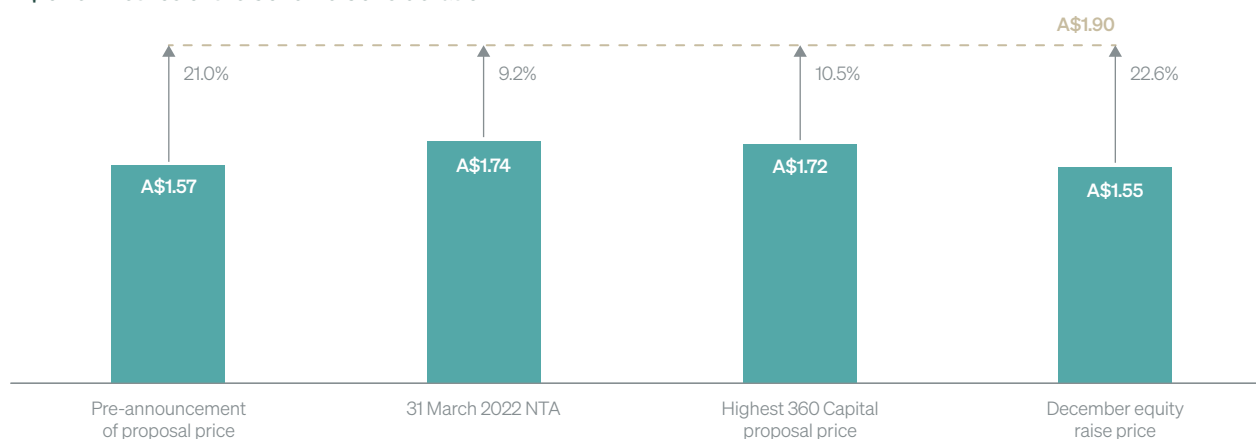
²⁵ 18.0% premium based on a South African Rand equivalent of R17.50 taking into account foreign exchange fluctuations and a South African Rand to A\$ ratio of 0.089 as at 8 December 2021.

02. IAP RE Directors' recommendation and evaluation of the Proposal (continued)

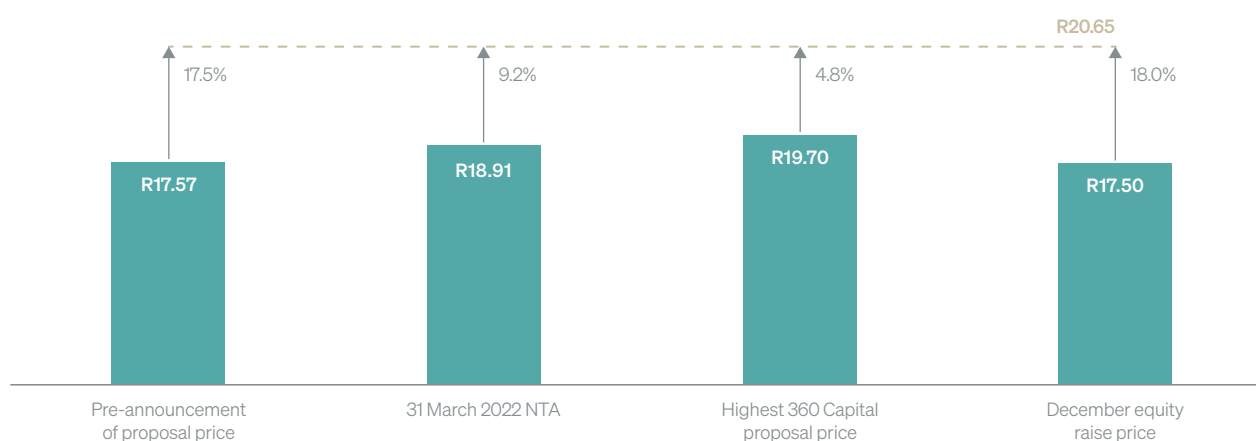
IAP historical trading price performance (since internalisation to the Last Practicable Date)²⁶



A\$ offer metrics of the Scheme Consideration²⁷



ZAR (Rand) offer metrics of the Scheme Consideration^{28,29}



In addition, the premium to the undisturbed IAP Security price implied by the Scheme Consideration is higher than the median premium implied by precedent A-REIT change of control transactions that have occurred in the last 8 years as shown in the chart below.

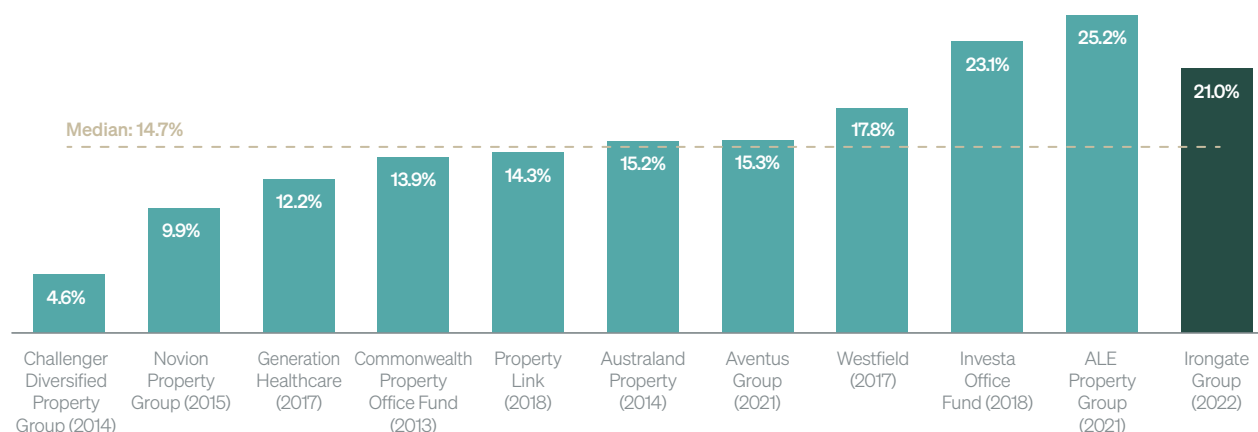
²⁶ Source: IRESS and company disclosures as at the Last Practicable Date.

²⁷ Source: Proposal NBIO, IRESS and IAP disclosures as at the Last Practicable Date.

²⁸ Source: Proposal NBIO, IRESS, Bloomberg and IAP disclosures as at the Last Practicable Date.

²⁹ Premia variation to AUD equivalent premia due to fluctuations in the South African Rand to A\$ foreign exchange rate.

Precedent A-REIT transaction premiums to last undisturbed closing price³⁰



2.2.2 The Independent Expert has concluded that the Proposal is fair and reasonable to, and therefore in the best interests of, IAP Securityholders

The IAP RE Board appointed the Independent Expert to prepare the Independent Expert's Report, including an opinion as to whether the Proposal is fair and reasonable to, and therefore in the best interests of, IAP Securityholders. The Independent Expert has concluded that the Proposal is fair and reasonable to, and therefore in the best interests of, IAP Securityholders.

The Independent Expert has assessed the value of an IAP Security to be in the range of A\$1.82 to A\$1.94. The Scheme Consideration falls at the upper end of the Independent Expert's assessed valuation range for IAP Securities. The IAP RE Board encourages you to read the Independent Expert's Report, which is set out in Annexure B, before deciding whether or not to vote in favour of the Proposal Resolutions.

The Independent Expert has also considered whether a collateral benefit has accrued to 360 Capital as a result of the arrangements contained in the Memorandum of Understanding between 360 Capital and the CHPIP Guarantor (which would allow 360 Capital to acquire certain IAP assets as part of the Proposal) as part of its review. The Independent Expert has concluded that nothing has come to their attention that would cause them to believe that the arrangements contained in the Memorandum of Understanding would constitute the receipt by 360 Capital of a collateral benefit (as that term is used in the Takeovers Panel Guidance Note 21: Collateral Benefits). Having had regard to the Independent Expert's Report, the IAP RE also considers that there is no 'collateral benefit' for this purpose. Further information and analysis as to why the Independent Expert reached this conclusion are set out in the Independent Expert's Report.

2.2.3 The Proposal provides an opportunity for IAP Securityholders to realise their IAP Securities at a premium to NTA

Immediately following the onset of COVID-19, IAP Securities traded below NTA and closed at a 3.2% discount to NTA a day prior to the First 360 Capital Proposal in October 2021. The Scheme Consideration of A\$1.90 per IAP Security³¹ reflects a premium of 9.2% to NTA as at 31 March 2022 of A\$1.74 per IAP Security. This is an attractive premium relative to the historical trading price performance of IAP Securities prior to that date against NTA.

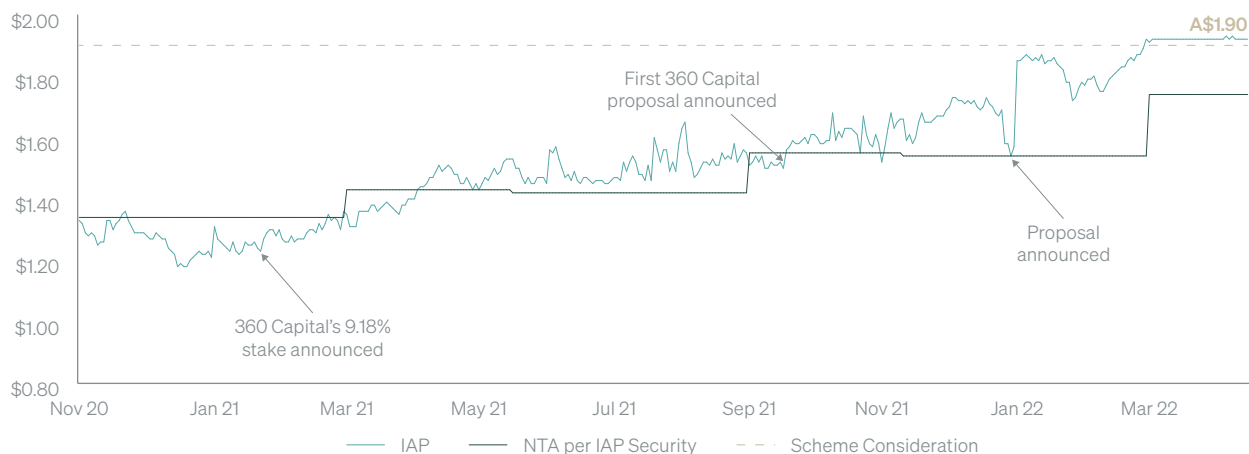
IAP's NTA growth has been supported by strong valuation growth, particularly relating to the industrial sector portion of IAP's property portfolio. Having regard to the strong recent valuation growth in the industrial sector, as well as current macroeconomic uncertainty, especially with regard to interest rate conditions, it is uncertain whether future valuation growth in the sector will be as strong as recent performance. Furthermore, the chart below highlights the convergence of industrial capitalisation rates to the 10-year Australian Government bond rate indicating limited future capitalisation rate compression, and potentially slower valuation growth as the spread compresses. The Scheme Consideration, representing a premium of 9.2% to 31 March 2022 NTA, therefore represents attractive upside.

³⁰ Source: IRESS and company disclosures as at the Last Practicable Date.

³¹ Less any distribution declared or paid by IAP in the period prior to implementation of the Proposal (excluding the March 2022 Distribution, which IAP Securityholders will be entitled to retain).

02. IAP RE Directors' recommendation and evaluation of the Proposal (continued)

Price of IAP Securities vs. NTA (since internalisation to the Last Practicable Date)³²



Australian industrial property yields vs. 5 year Australian bank swap rate³³



2.2.4 The Proposal allows IAP Securityholders to retain the March 2022 distribution

IAP Securityholders who are on the IAP Register on the record date for the March 2022 distribution will be entitled to retain the March 2022 Distribution.

³² Source: IRESS and IAP disclosures as at the Last Practicable Date.

³³ Source: Bloomberg and JLL Research as at 31 March 2022 (latest available data).

2.2.5 Certain cash proceeds and immediate value for IAP Securityholders

The Scheme Consideration contemplated under the Proposal is 100% cash, providing IAP Securityholders with certainty of proceeds and meaningful liquidity for their IAP Securities. The certainty of the 100% cash consideration should be compared with the risks and uncertainties of remaining an IAP Securityholder (which existed before the Proposal) which include but are not limited to the following:

- vacancy levels and re-leasing risks and timing, which can affect rental returns and the market value of assets;
- fluctuation of value and returns due to property market conditions (including geographic and sectoral factors), general economic conditions and property-specific factors;
- exchange rate fluctuations resulting in currency exchange risk due to the dual listing of IAP Securities on the ASX and JSE;
- risks associated with the liquidity of IAP Securities potentially being lower than prior to the Proposal, thereby impacting on the ability to dispose of IAP Securities at a price in line with the Scheme Consideration;
- interest rate risks which can impact the value of some of IAP's debt and hedging facilities; and
- equity market volatility which can impact the value of IAP Securities on the ASX and the JSE.

2.2.6 If the Proposal does not proceed, and no Superior Proposal emerges, the price of IAP Securities may fall

On the last trading day prior to the announcement of the First 360 Capital Proposal, being Friday, 15 October 2021, the price of IAP Securities was A\$1.50. Since then, it has increased by 27.7% up to A\$1.92 on Monday, 16 May 2022 (being the Last Practicable Date prior to the date of this Scheme Booklet). If the Schemes are not implemented, and no Superior Proposal emerges, it is possible that the price of IAP Securities could fall below the price at which it has traded since the announcement of the Proposal on Monday, 31 January 2022.

2.2.7 No Superior Proposal has been received as at the date of this Scheme Booklet

Since the initial announcement of the Proposal on Monday, 31 January 2022 and up to the date of this Scheme Booklet, IAP RE has not received any Superior Proposals and no discussions have taken place to lead the IAP RE Board to believe that a Superior Proposal is likely, despite the 360 Capital Proposals being received and announced between October 2021 and December 2021.

2.2.8 No brokerage will be payable by you on the transfer of your IAP Securities under the Proposal

You will not incur any brokerage on the transfer of your IPF I Units to CHPIP and IPF II Units to the CHPIP Nominee under the Proposal. However, if you sell your IAP Securities on the ASX or the JSE (rather than under the Proposal), you may incur brokerage charges (and, potentially GST on those charges).

2.2.9 The Proposal is subject to limited conditions

The Proposal is not subject to any financing, further due diligence or material adverse change conditions.

The Proposal is subject to a limited number of customary Conditions Precedent, including:

- IAP Securityholder approval;
- various regulatory authority consents, approvals and waivers (including approvals from FIRB, SARB and OIO);
- no IAP Prescribed Occurrence, regulatory actions or legal restraints occurring prior to the Second Court Date;
- the Independent Expert concluding that the Proposal is fair and reasonable to, and therefore in the best interests of, IAP Securityholders; and
- the Court granting the Judicial Advice.

Further information on these conditions is set out in Section 8.5(a) of this Scheme Booklet.

02. IAP RE Directors' recommendation and evaluation of the Proposal (continued)

2.3 Reasons to vote against the Proposal

2.3.1 You may prefer to maintain your investment profile and exposure to IAP's portfolio and the benefits and risks of being invested in IAP

You may prefer to keep your IAP Securities to maintain your investment in a listed vehicle with IAP's specific characteristics, including but not limited to risk, return and liquidity characteristics. You may consider that it would be difficult to identify and invest in alternative investments that have a similar profile to IAP or may incur transaction costs in undertaking any new investment. In addition, despite the risk factors relevant to IAP's future operations as a standalone entity (including those noted in Section 2.2.5) and the IAP RE Directors' recommendation that you vote in favour of the Proposal, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Proposal is fair and reasonable to, and therefore in the best interests of, IAP Securityholders, you may consider that IAP may be able to generate greater returns for its assets as a standalone entity, or by exploring alternative corporate transactions in the future.

2.3.2 You may disagree with the IAP RE Directors' unanimous recommendation and the conclusion of the Independent Expert and consider that the Proposal is not fair and reasonable and therefore not in your best interests

Despite the unanimous recommendation of the IAP RE Directors and the Independent Expert's opinion that the Proposal is fair and reasonable to, and therefore in the best interests of, IAP Securityholders, you may believe that the Proposal is not in your best interests or that the Scheme Consideration is inadequate.

2.3.3 You may believe that there is the potential for a Superior Proposal to be made in the future, however, as at the date of this Scheme Booklet, no Superior Proposal has been received by the IAP RE Board

You may believe that there is potential for a Superior Proposal to emerge in the future. This may include a takeover offer or alternative transaction proposal which would deliver greater benefits to IAP Securityholders or total value in excess of the Scheme Consideration. However, as at the date of this Scheme Booklet, no Superior Proposal has emerged (despite the 360 Capital Proposals being received and announced between October 2021 and December 2021), and the IAP RE Directors are not aware of any Superior Proposal that is likely to emerge.

2.3.4 You may prefer to participate in future distributions which may be payable to IAP Securityholders rather than receiving the Scheme Consideration

Under the current timetable, the Proposal is expected to be implemented on Friday, 15 July 2022. As a result, the IAP RE Directors do not intend to declare or pay a distribution (other than the March 2022 Distribution) prior to implementation of the Proposal.

If the Proposal is not approved by IAP Securityholders or implemented, the IAP RE Directors will assess and determine whether a distribution should be declared and paid in respect of the half year ending 30 September 2022. Consistent with IAP's distribution policy and FY22 earnings guidance, IAP RE expects that a distribution would be declared or paid for the half year in circumstances where the Proposal does not proceed.

2.3.5 The tax consequences of the Proposal may not suit your current financial position

Implementation of the Proposal may trigger taxation consequences for IAP Securityholders in both Australia and South Africa. A general guide to the taxation implications of the Proposal is set out in Section 7. This guide is expressed in general terms only and IAP Securityholders should seek professional taxation advice regarding the tax consequences applicable to their own circumstances.

If you are in any doubt about what you should do, you should consult with your financial, legal, taxation or other professional adviser.

03 — Overview of the Proposal

03. Overview of the Proposal

3.1 Overview of the Proposal

Under the Proposal, CHPIP proposes to acquire all IAP Securities held on the Record Date through all IPF I Units being transferred to CHPIP and all IPF II Units being transferred to the CHPIP Nominee.

IAP Securities are stapled securities comprising one IPF I Unit stapled to one IPF II Unit. Accordingly, the Proposal will be implemented by two inter-conditional trust schemes:

- the IPF I Trust Scheme, being an arrangement in accordance with Guidance Note 15 under which CHPIP acquires 100% of the IPF I Units held on the Record Date, facilitated by amendments to the IPF I Constitution as set out in the IPF I Supplemental Deed, and
- the IPF II Trust Scheme, being an arrangement in accordance with Guidance Note 15 under which the CHPIP Nominee acquires 100% of the IPF II Units held on the Record Date, facilitated by amendments to the IPF II Constitution as set out in the IPF II Supplemental Deed.

On Wednesday, 30 March 2022, IAP RE announced that it had entered into the Scheme Implementation Agreement in relation to the Proposal. For the Proposal to proceed, IAP Securityholders must approve the Proposal Resolutions by the Requisite Majorities at the Scheme Meetings. The Proposal is also subject to the satisfaction or waiver (where appropriate) of the other Conditions Precedent described in Section 8.5(a).

If the Schemes become Effective and the Proposal is implemented, then:

- prior to Implementation, IPF I and IPF II will be de-stapled;
- CHPIP will acquire all of the IPF I Units, and the CHPIP Nominee will acquire all of the IPF II Units on issue; and
- Scheme Participants will receive the Scheme Consideration, being A\$1.90 cash per IAP Security.³⁴

Following implementation of the Proposal, an application will be made for termination of the official quotation of IAP Securities on the ASX and to have IAP removed from the official list of the ASX and will take steps, including seeking approval of the Executive Committee of the JSE, to remove all IAP Securities from the official list of the JSE.

3.2 Conditions Precedent to implementation of the Proposal

The implementation of the Proposal is subject to the satisfaction or waiver (where applicable) of a number of Conditions Precedents customary for a transaction of this nature, including:

- approval of the Proposal Resolutions at the Scheme Meetings;
- receipt of the Judicial Advice; and
- receipt of certain regulatory approvals (including FIRB, SARB and OIO).

A summary of the Conditions Precedent is included in Section 8.5(a) and the Conditions Precedent are set out in full in clause 3.1 of the Scheme Implementation Agreement, a full copy of which is attached to IAP's ASX Announcement on Wednesday, 30 March 2022, which can be obtained from the ASX website (asx.com.au) or IAP Group's website (irongategroup.com.au).

³⁴ Less any distribution declared or paid by IAP in the period prior to implementation of the Proposal (excluding the March 2022 Distribution, which IAP Securityholders will be entitled to retain).

3.3 Memorandum of Understanding

The Memorandum of Understanding is an agreement entered into between the CHPIP Guarantor and 360 Capital on Friday, 28 January 2022:

- granting the CHPIP Guarantor a call option to require 360 Capital to transfer its 19.9% ownership interest in IAP Securities to CHPIP Guarantor or its nominee; and
- containing certain exclusivity arrangements, including certain undertakings restricting their ability to vote, or participate in any discussions in respect of a Competing Transaction, or to sell or agree to sell any of its existing IAP Securities to a third party without the prior written consent of the other party.

The Memorandum of Understanding also contemplates the provision to 360 Capital of the benefit of a call option, and the CHPIP Guarantor of a put option, over certain properties and assets owned and controlled by IAP, namely:

- a 100% interest in 38 Sydney Avenue, Forrest ACT;
- a 100% interest in 34 Southgate Avenue, Cannon Hill QLD;
- a 50% interest in 100 Willis Street, Wellington New Zealand;
- a 50% interest in 510 Church Street, Cremorne VIC; and
- a 100% interest in the funds management business of IAP, including co-investment stakes held by the ITAP Fund.

However, as at the date of this Scheme Booklet, CHPIP has confirmed that the parties are no longer proceeding with a transaction in relation to:

- a 50% interest in 100 Willis Street, Wellington New Zealand; and
- a 100% interest in the funds management business of IAP, including co-investment stakes held by the ITAP Fund.

The put and call options over the balance of the properties were subsequently formalised on Wednesday, 30 March 2022. 360 Capital and CHPIP have agreed that the put and call options will not be exercisable prior to delisting of IAP on the JSE.

The call option granted to the CHPIP Guarantor under the Memorandum of Understanding in respect of the transfer of 360 Capital's 19.9% ownership interest in IAP Securities to the CHPIP Guarantor is in place from the date of the Memorandum of Understanding and exercisable from the date on which all Conditions Precedent are satisfied or waived (as applicable) to the Implementation Date.

In the event that a Competing Proposal with a higher implied consideration per IAP Security is recommended by the IAP RE Board, the CHPIP Guarantor will be restricted from exercising its call option unless it announces to the ASX within seven days of IAP RE's announcement of the Competing Proposal, that the CHPIP Guarantor's (or its nominee's) proposal is increased to be the same or greater than the consideration payable under the recommended Competing Proposal.

3.4 Scheme Consideration

If the Proposal is implemented, Scheme Participants are entitled to receive from CHPIP A\$1.90 cash per IAP Security.^{35,36} IAP Securityholders will be entitled to retain the March 2022 Distribution.

Any aggregate cash amount payable to a Scheme Participant will be rounded to the nearest whole cent.

³⁵ Less any distribution declared or paid by IAP in the period prior to implementation of the Proposal (excluding the March 2022 Distribution, which IAP Securityholders will be entitled to retain).

³⁶ This represents cash consideration per IAP Security in South African Rand of R21.19, based on the South African Rand to A\$ ratio of 0.090 as at the Last Practicable Date, and compares to South African Rand equivalent of R20.65 based on the South African Rand to A\$ ratio of 0.092 as at 28 January 2022. The actual Scheme Consideration paid to IAP Securityholders holding IAP Securities on the South African Register will be paid in a ZAR (Rand) equivalent of the Scheme Consideration determined by the ZAR (Rand) / A\$ (AUD) spot rate quoted by Reuters as at 5:00pm (Sydney time) on the Second Court Date (assuming the Second Judicial Advice is obtained on that date).

03. Overview of the Proposal (continued)

3.5 Proposal Resolutions

IAP Securityholders will be asked to consider, and if thought fit, to pass, the below Proposal Resolutions at the Scheme Meetings, as well as any other resolutions that IAP RE and CHPIP (each acting reasonably) may agree.

The Proposal Resolutions are interdependent, and the Proposal will only proceed if all of the Proposal Resolutions are passed at the Scheme Meetings by the Requisite Majorities. The Proposal Resolutions comprise:

RESOLUTION	DESCRIPTION OF RESOLUTION
Trust Acquisition Resolutions	
Proposal Resolution 1 – IPF I Trust Acquisition Resolution	in respect of the IPF I Trust Scheme, an ordinary resolution for the purposes of section 611 item 7 of the Corporations Act to approve the acquisition of all of the IPF I Units by CHPIP.
Proposal Resolution 2 – IPF II Trust Acquisition Resolution	in respect of the IPF II Trust Scheme, an ordinary resolution for the purposes of section 611 item 7 of the Corporations Act to approve the acquisition of all of the IPF II Units by the CHPIP Nominee.
Trust Constitution Amendment Resolutions	
Proposal Resolution 3 – IPF I Trust Constitution Amendment Resolution	a special resolution for the purposes of section 601GC(1) of the Corporations Act to approve amendments to the IPF I Constitution as set out in the IPF I Supplemental Deed (as set out in Annexure D), and to authorise IAP RE to execute and lodge with ASIC each Supplemental Deed to give effect to those amendments.
Proposal Resolution 4 – IPF II Trust Constitution Amendment Resolution	a special resolution for the purposes of section 601GC(1) of the Corporations Act to approve amendments to the IPF II Constitution as set out in the IPF II Supplemental Deed (as set out in Annexure D), and to authorise IAP RE to execute and lodge with ASIC each Supplemental Deed to give effect to those amendments.
De-Stapling Resolutions	
Proposal Resolution 5 – IPF I De-Stapling Resolution	a special resolution of members of IPF I to approve the de-stapling of IPF I Units from IPF II Units.
Proposal Resolution 6 – IPF II De-Stapling Resolution	a special resolution of members of IPF II to approve the de-stapling of IPF II Units from IPF I Units.

3.6 Required voting majorities, eligibility to vote and voting exclusions

3.6.1 Persons eligible to vote at the Scheme Meetings

Subject to the voting exclusions set out in Section 3.6.2, each IAP Securityholder who is on the IAP Register at 7:00 pm (Sydney time) / 11:00 am (Johannesburg time) on Monday, 27 June 2022 is entitled to attend and vote at the Scheme Meetings either online at the Scheme Meetings, by proxy, by attorney, or in the case of a body corporate by its corporate representative appointed in accordance with Section 253B of the Corporations Act.

Voting at the Scheme Meetings will be conducted by way of poll. Each IAP Securityholder present at the Scheme Meetings online or by proxy has one vote for every dollar of its total interest in IAP Securities. The value of an IAP Securityholder's total interest in IAP Securities will be calculated by reference to the last sale price of IAP Securities on the ASX on the last day of trading immediately prior to the Scheme Meetings being, Tuesday, 28 June 2022.

Instructions on how to attend and vote at the Scheme Meetings are set out on Page 2. If you are in any doubt about what you should do, you should consult with your financial, legal, taxation or other professional adviser.

3.6.2 Requisite Majorities

Approval of the Proposal will require IAP Securityholders to approve each Proposal Resolution by the Requisite Majorities. The Proposal Resolutions are interdependent and the Proposal will only proceed if all Proposal Resolutions are passed at the Scheme Meetings by the Requisite Majorities.

For the Proposal Resolutions to be approved:

- The Trust Acquisition Resolutions must be passed by at least 50% of the total number of votes cast on the Trust Acquisition Resolutions by IAP Securityholders entitled to vote on the Trust Acquisition Resolutions at the Scheme Meetings.

Voting Exclusions

For the purposes of the Trust Acquisition Resolutions and in accordance with section 611 item 7 of the Corporations Act, CHPIP and its Associates (including 360 Capital) must not cast any votes in favour of the Trust Acquisition Resolutions, and in accordance with section 253E of the Corporations Act, IAP RE and its Associates are not entitled to vote their interests if they have an interest in the Trust Acquisition Resolutions other than as a member of IAP.

- The Trust Constitution Amendment Resolutions must each be passed by at least 75% of the total number of votes cast on the Trust Constitution Amendment Resolutions by IAP Securityholders entitled to vote on the Trust Constitution Amendment Resolutions at the Scheme Meetings.

Voting Exclusions

For the purposes of the Trust Constitution Amendment Resolutions and in accordance with section 253E of the Corporations Act, IAP RE and its Associates are not entitled to vote their interests if they have an interest in the Trust Constitution Amendment Resolutions other than as a member of IAP.

- The De-Stapling Resolutions must each be passed by at least 75% of the total number of votes cast on the De-Stapling Resolutions by IAP Securityholders entitled to vote on the De-Stapling Resolutions at the Scheme Meetings.

Voting Exclusions

For the purposes of the De-Stapling Resolutions and in accordance with section 253E of the Corporations Act, IAP RE and its Associates are not entitled to vote their interests if they have an interest in the De-Stapling Resolutions other than as a member of IAP.

Whether any IAP Securityholder is restricted under the Corporations Act from being able to vote at the Scheme Meetings will be determined by the chair of the Scheme Meetings based on circumstances known at the relevant time.

3.7 Second Judicial Advice

In the event that:

- the Proposal Resolutions are approved by the Requisite Majorities of IAP Securityholders at the Scheme Meetings; and
- it can reasonably be expected that all Conditions Precedent (except the provision of the Second Judicial Advice) will be satisfied or waived (if they are capable of being waived) in accordance with the Scheme Implementation Agreement before 8:00 am on the Second Court Date,

IAP RE will apply to the Court for the Second Judicial advice in respect of the Proposal.

3.8 Recommendation of the IAP RE Directors

The IAP RE Directors unanimously recommend that IAP Securityholders vote in favour of the Proposal, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Proposal is fair and reasonable to, and therefore in the best interests of, IAP Securityholders.³⁷

³⁷ You should note when considering this recommendation that one of the IAP RE Directors (being the CEO, Graeme Katz) has previously been issued 415,540 Performance Rights under the LTI Plan Rules. As described in Section 8.2, if the Proposal becomes Effective, unvested Performance Rights held by employees will be deemed to vest with effect after the Effective Date but prior to the Implementation Date, and will be cash settled. The benefit to Graeme Katz in respect of his Performance Rights is expected to be approximately \$789,526. Despite this benefit, Mr Katz considers that, given the importance of the Proposal and his role as a director of IAP RE, it is important and appropriate for him to provide a recommendation to IAP Securityholders in relation to voting on the Proposal.

03. Overview of the Proposal (continued)

3.9 Independent Expert's conclusion

The Independent Expert has concluded that the Proposal is fair and reasonable to, and therefore in the best interests of, IAP Securityholders. In arriving at this opinion, the Independent Expert has assessed the Proposal to be fair and reasonable as the Scheme Consideration of A\$1.90 per IAP Security falls at the upper end of the Independent Expert's assessed value range of A\$1.82 to A\$1.94 per IAP Security.

IAP Securityholders should carefully review the Independent Expert's Report in its entirety. The Independent Expert's Report is included in Annexure B.

3.10 Implications if Proposal not approved

If any of the Proposal Resolutions are not approved by the Requisite Majorities of IAP Securityholders at the Scheme Meetings or any other Conditions Precedent are not satisfied or waived (if applicable):

- IAP will remain listed on the ASX and the JSE;
- IAP Securityholders will retain their IAP Securities;
- the trading price of IAP's Securities on the ASX and the JSE may fall;
- IAP Securityholders will not receive the Scheme Consideration;
- the expected benefits of the Proposal will not be realised, and the potential disadvantages of the Proposal will not arise; and
- the Break Fee may be payable by IAP RE to CHPIP in certain circumstances, however, those circumstances do not include the failure by the IAP Securityholders to pass the Proposal Resolutions.

3.11 Your choices as an IAP Securityholder

As an IAP Securityholder, you have the following choices currently available to you in respect of the Proposal Resolutions:

- vote in favour of the Proposal Resolutions at the Scheme Meetings and, if the Proposal is implemented, IPF I and IPF II will be de-stapled and all of your IPF I Units will be transferred to CHPIP and all of your IPF II Units will be transferred to the CHPIP Nominee, you will receive the Scheme Consideration, and you will cease to hold IAP Securities;
- vote against the Proposal Resolutions at the Scheme Meetings, but if, in spite of your vote, the Proposal Resolutions are passed by the Requisite Majorities and the Proposal is implemented, your IAP Securities will still be acquired by CHPIP through all IPF I Units being transferred to CHPIP and all IPF II Units being transferred to the CHPIP Nominee, and you will still receive the Scheme Consideration, and you will cease to hold IAP Securities;
- sell your IAP Securities, at the prevailing market rate at that time, before the suspension of trading of IAP Securities on the ASX or the JSE, in which case you will not be entitled to the Scheme Consideration if the Proposal is implemented; or
- do nothing (and if the Proposal is implemented, your IAP Securities will be acquired by CHPIP through all IPF I Units being transferred to CHPIP and all IPF II Units being transferred to the CHPIP Nominee and you will receive the Scheme Consideration).

If you are in any doubt about what you should do, you should consult with your financial, legal, taxation or other professional adviser.

3.12 Tax implications

The Proposal could give rise to a CGT event to IAP Securityholders. IAP Securityholders who hold their IAP Securities on capital account should realise either a capital gain or capital loss, depending on the cost base of their IAP Securities.

IAP Securityholders who are foreign residents may be subject to pay non-resident CGT withholding tax on the consideration with respect to their IAP Securities if the interest is an 'indirect Australian real property interest'.

From a South African perspective, where the capital proceeds received on disposal of the IAP Units exceed the base cost of those units, South African IAP Securityholders will be required to recognise a taxable capital gain.

For detailed tax implications of the Proposal, refer to the Taxation Report in Section 7 which sets out the general Australian and South African taxation implications for IAP Securityholders in respect of the Proposal.

3.13 No brokerage or stamp duty

No brokerage or stamp duty will be payable by Scheme Participants on the transfer of their IPF I Units to CHPIP and IPF II Units to the CHPIP Nominee under the Proposal or the receipt by Scheme Participants of the Scheme Consideration.

04 —

Information about IAP Group

04. Information about IAP Group

4.1 Overview

IAP Group invests in office, industrial and retail properties in Australia and New Zealand and operates a third party funds management platform. IAP Group owns and manages 37 office and industrial properties valued at approximately A\$1,680 million. The office portfolio comprises 14 CBD and suburban properties within close proximity of key transport infrastructure with an eastern seaboard focus in Australia and one property in Wellington, New Zealand. The industrial portfolio comprises 23 strategically located properties with a focus on longer term sustainable income returns located across Australia. IAP Group also operates a third party funds management platform that is focused on providing investment opportunities to wholesale investors through unlisted real estate private equity funds, joint ventures and separately managed accounts.

IAP Group is an internally managed REIT and is structured as a stapled entity, with one IPF I Unit stapled to one IPF II Unit.

IAP Group employs 16 people across the group's internal acquisitions, asset management, leasing teams and corporate function, which includes finance, treasury, funds management and investor relations.

As at the Last Practicable Date, IAP had a market capitalisation of A\$1.3 billion and a diverse securityholder base.

4.2 Strategy

IAP's strategy is to invest in office, industrial and retail properties in major metropolitan cities or established commercial precincts in Australia and New Zealand and to grow its third-party funds management platform. The strategy is achieved through the following investment philosophy:

Focused on property fundamentals	Targeting long-term sustainable revenue streams through strategically located properties with strong tenant covenants
Selective acquisition strategy	Acquiring quality assets that deliver affordable occupancy solutions for tenants within close proximity of key infrastructure
Active asset management	Active hands-on asset management involving close engagement with tenants to optimise portfolio WALE and strategic capital expenditure projects focused on achieving capital value uplift or income generating improvements
Trusted fund manager	Providing investment opportunities through unlisted real estate private equity funds, joint ventures and managed accounts with investor alignment through co-investments
Prudent capital and risk management	Prudent management of funding costs with an appropriate hedging strategy to mitigate downside risk while remaining ready for opportunistic acquisitions
Strong management team expertise	Hiring and retaining passionate individuals with strong expertise in local property markets and meaningful relationships with key stakeholders

4.3 Portfolio summary

A summary of IAP's portfolio as at 31 March 2022 is detailed below:

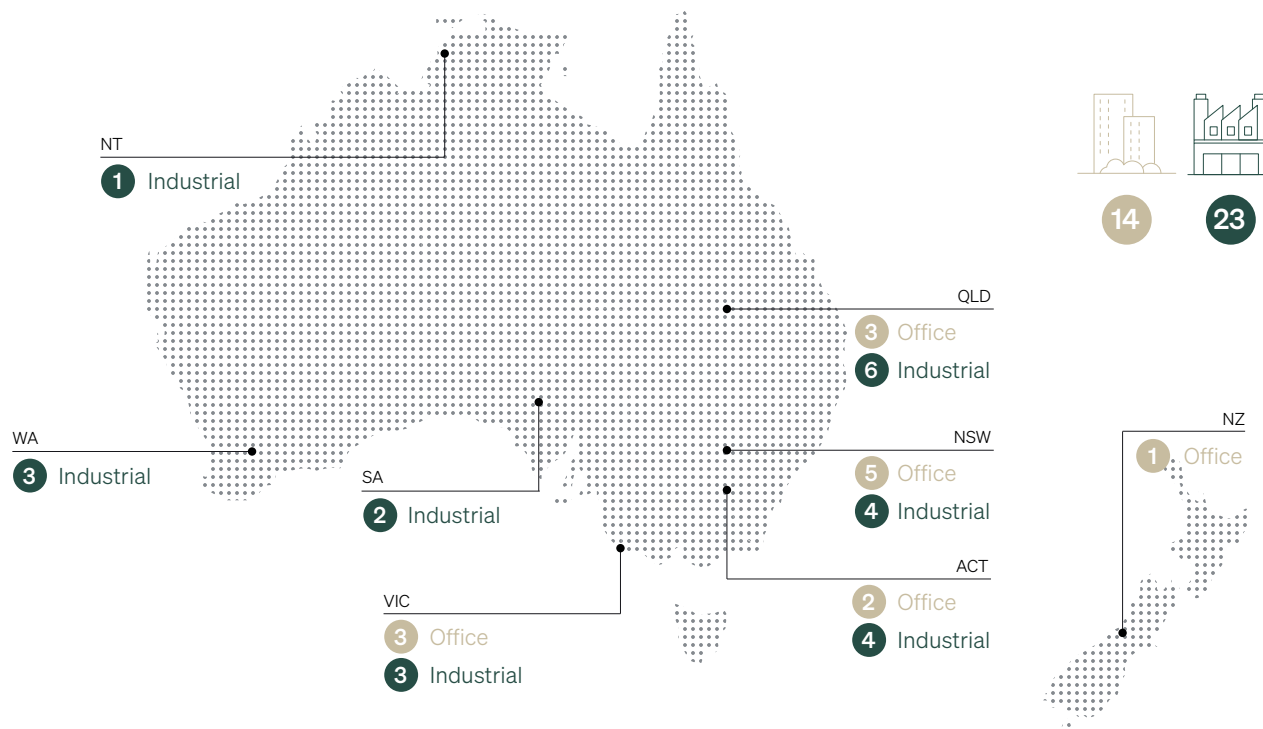
DESCRIPTION	ITEM
Number of properties (#)	37
Book value (A\$m)	1,679
WACR ³⁸ (%)	5.27
Lettable area (sqm)	396,593
Occupancy ³⁹ (%)	96.1
WALE ⁴⁰ (years)	4.9

38 By book value.

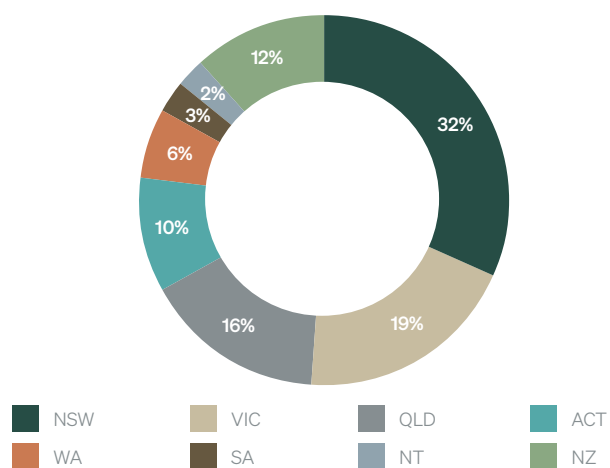
39 By gross income.

40 By gross income.

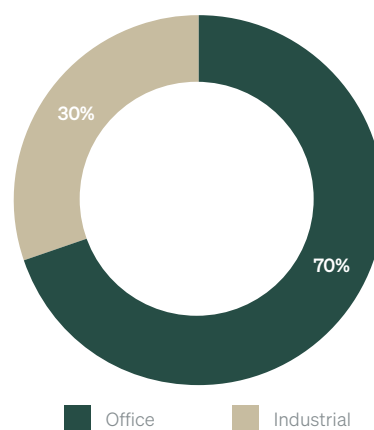
Map of IAP's portfolio



Geographic exposure⁴¹



Industrial/office split⁴²

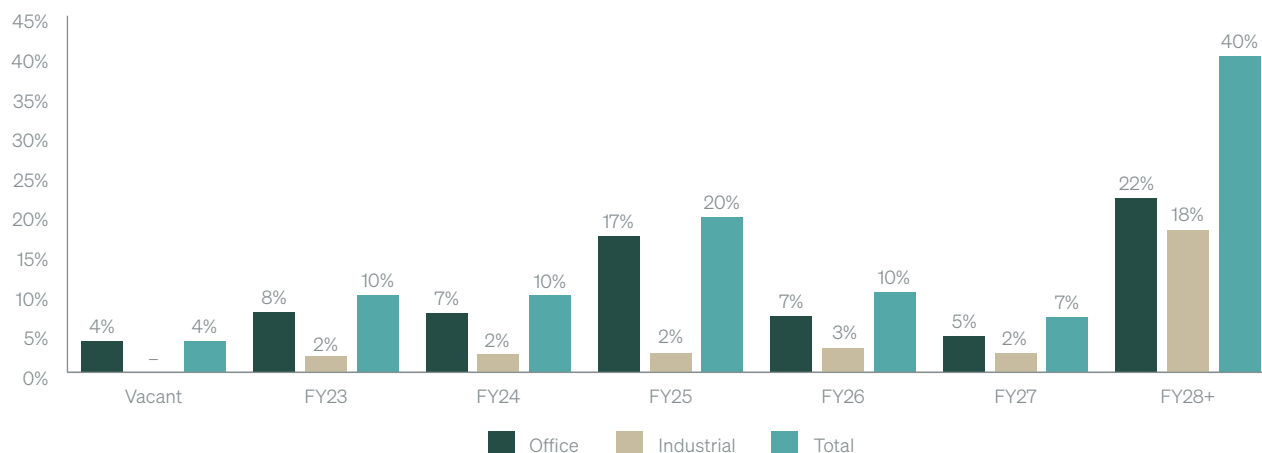


⁴¹ By gross income.

⁴² By gross income.

04. Information about IAP Group (continued)

Lease expiry profile⁴³



A list of IAP's properties and their key metrics is detailed below (as at 31 March 2022):

PROPERTY	STATE	OWNERSHIP (%)	AREA (SQM)	BOOK VALUE (A\$M)	VALUE (/SQM)	WACR (%)	OCCUPANCY (%)	WALE (YEARS)
INDUSTRIAL PORTFOLIO								
47 Sawmill Circuit, Hume	ACT	100	5,535	17.1	3,080	4.75	100	4.3
57 Sawmill Circuit, Hume	ACT	100	7,079	18.4	2,599	4.75	100	4.3
24 Sawmill Circuit, Hume	ACT	100	7,350	17.9	2,435	4.25	100	14.6
44 Sawmill Circuit, Hume	ACT	100	4,639	19.6	4,225	4.75	100	0.5
2-8 Mirage Road, Direk	SA	100	6,762	12.7	1,878	5.75	100	0.5
30-48 Kellar Street, Berrinba	QLD	100	4,102	12.1	2,950	5.00	100	1.6
165 Newton Road, Wetherill Park	NSW	100	12,529	38.5	3,073	3.75	100	8.8
24 Spit Island Close, Newcastle	NSW	100	5,257	14.5	2,758	4.75	100	8.8
67 Calarco Drive, Derrimut	VIC	100	7,149	15.3	2,140	4.25	100	5.5
66 Glendenning Road, Glendenning	NSW	100	16,461	47.8	2,901	3.75	100	11.6
85 Radius Drive, Larapinta	QLD	100	10,088	25.5	2,528	4.75	100	1.2
54 Miguel Road, Bibra Lake	WA	100	22,358	44.3	1,979	5.25	100	5.5
24 Rodborough Road, Frenchs Forest	NSW	100	7,198	29.0	4,029	5.75	100	2.1
6-8 & 11 Siddons Way, Hallam	VIC	100	15,504	30.1	1,941	4.50	100	3.2
36-42 Hydrive Close, Dandenong South	VIC	100	14,635	29.3	1,999	4.50	100	3.1
103 Welshpool Road, Welshpool	WA	100	5,246	47.6	9,074	4.00	100	18.7
46-70 Grand Trunkway, Gillman	SA	100	31,589	34.5	1,092	5.50	100	5.8
16 Dawson Street, East Arm	NT	100	14,835	32.0	2,157	7.25	100	5.4
197 Belconnen Crescent, Brendale	QLD	100	9,300	21.0	2,258	4.63	100	5.3
131-153 Main Beach Road, Pinkenba	QLD	100	1,852	30.1	16,253	4.50	100	6.0
81 Dunhill Crescent, Morningside	QLD	100	1,014	6.5	6,410	4.50	100	9.7
57-83 Mudgee Street, Kingston	QLD	100	5,465	15.5	2,835	4.75	100	8.8
16 Aspiration Circuit, Bibra Lake	WA	100	16,879	30.5	1,807	5.50	100	3.5
Industrial portfolio			232,825	589.6		4.80	100.0⁴⁴	6.3⁴⁵

⁴³ By gross income.

⁴⁴ By gross income.

⁴⁵ By gross income.

PROPERTY	STATE	OWNERSHIP (%)	AREA (SQM)	BOOK VALUE (A\$M)	VALUE (/SQM)	WACR (%)	OCCUPANCY (%)	WALE (YEARS)
OFFICE PORTFOLIO								
449 Punt Road, Cremorne	VIC	100	6,719	72.5	10,791	5.00	100	2.5
35-49 Elizabeth Street, Richmond	VIC	100	12,513	113.0	9,031	5.00	100	3.6
2404 Logan Road, Eight Mile Plains	QLD	100	3,637	17.4	4,784	7.75	59	2.7
186 Reed Street, Greenway	ACT	100	5,407	26.1	4,827	7.13	100	0.9
21-23 Solent Circuit, Baulkham Hills	NSW	100	10,820	73.5	6,793	6.00	89	3.9
266 King Street, Newcastle	NSW	100	13,870	88.0	6,345	6.00	75	2.0
113 Wicks Road, Macquarie Park	NSW	100	6,199	36.0	5,807	5.38	85	1.7
324 Queen Street, Brisbane	QLD	50	19,296	89.5	4,638	5.75	100	3.9
20 Rodborough Road, Frenchs Forest	NSW	100	13,022	72.0	5,529	5.50	100	4.9
2 Richardson Place, North Ryde	NSW	100	15,235	115.5	7,581	5.75	88	3.7
100 Willis Street, Wellington	NZ	100	24,833	153.8	6,192	6.13	100	4.2
38 Sydney Avenue, Forrest	ACT	100	8,900	77.5	8,708	5.00	100	9.4
34 Southgate Avenue, Cannon Hill ⁴⁶	QLD	100	3,520	20.8	5,915	5.00	100	10.3
510 Church Street, Cremorne	VIC	50	19,798	133.5	6,743	4.50	100	7.4
Office portfolio			163,768	1,089.1		5.53	94.4 ⁴⁷	4.3 ⁴⁸
Total portfolio			396,593	1,678.7		5.27	96.1 ⁴⁹	4.9 ⁵⁰

IAP's property portfolio was recently re-valued as part of its annual reporting obligations for the period ending 31 March 2022, with 34 properties valued by independent valuers and 3 properties internally valued.

4.4 Tenant base

IAP's portfolio is underpinned by strong national tenant covenants. Government, multinational and listed groups comprised 65.5%⁵¹ of IAP's portfolio.

Active asset management and strong relationships with its tenant base has enabled IAP to optimise leasing outcomes and achieve a WALE of 4.9 years. The proportion of leases expiring after 5 years is 39.9% across the portfolio.

The COVID-19 pandemic had a minimal impact on IAP's portfolio income with rent support of ~A\$100,000 agreed with 9 tenants in FY22. The majority of tenants that required support were smaller retailers at the base of office buildings.

⁴⁶ Currently under development. Book value reflects as is valuation as at 31 March 2022.

⁴⁷ By gross income.

⁴⁸ By gross income.

⁴⁹ By gross income.

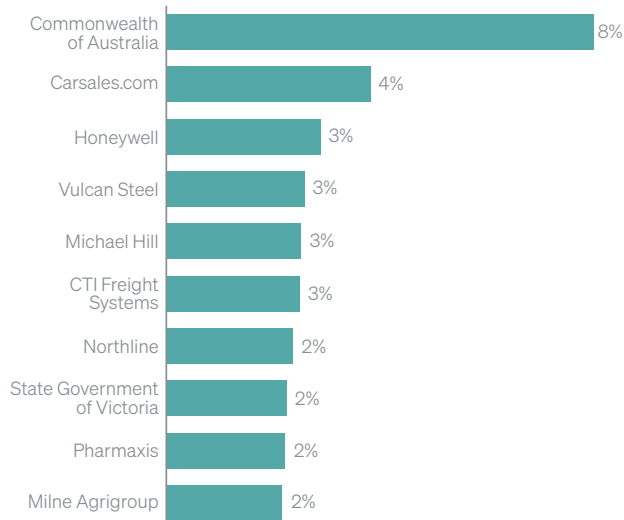
⁵⁰ By gross income.

⁵¹ By gross income.

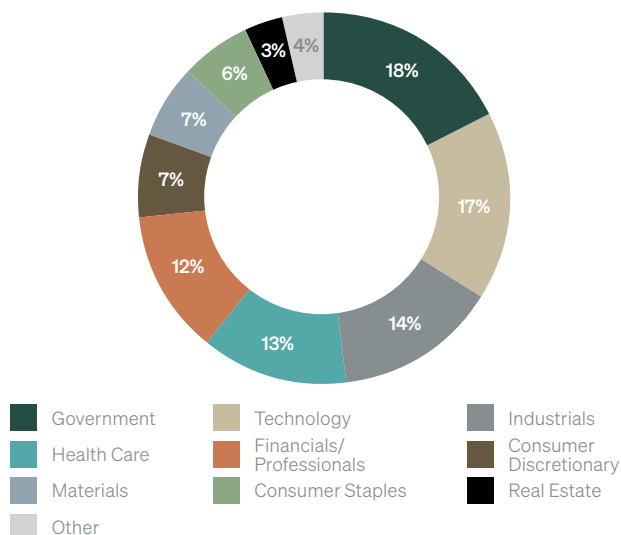
04. Information about IAP Group (continued)

The summary of the top 10 tenants and industry breakdowns are provided below:

Top 10 tenants⁵²



Tenant sector split⁵³



4.5 Third party funds management

4.5.1 Overview

The internalisation transaction in late 2020 provided IAP with a third-party funds management platform that focuses on providing investment opportunities to wholesale investors through unlisted real estate private equity funds, joint ventures, and separately managed accounts.

Since 2006, the management team has had a successful track record in managing third party capital and has successfully deployed capital across a range of asset classes including commercial office, industrial, residential, retail, hotel and self-storage. The targeted strategies have included core, value-add, opportunistic, development and both performing and distressed debt. A summary of IAP's third party funds management platform is detailed below:

THIRD PARTY	ITAP FUND	MANDATES
Investments (#)	6	3
Equity managed (A\$m)	161	263

IAP also provides asset management services to Investec Group in respect of certain real estate assets in which Investec Group has an interest from which IAP generates asset management fees of A\$700,000 per annum through to 30 November 2024.

⁵² By gross income.

⁵³ By gross income.

4.5.2 ITAP Fund

Launched in December 2019, the ITAP Fund is an unlisted Australian opportunity fund that seeks to invest in opportunistic real estate transactions in Australia and New Zealand. The ITAP Fund has closed for investment, having raised A\$160.8m⁵⁴. The ITAP Fund has a target return hurdle of 15% IRR before fees and taxes. The ITAP Fund undertakes active management of its portfolio and there is currently no overlap between the ITAP Fund's mandate and IAP's direct real estate activities.

PROPERTY	DESCRIPTION	SECTOR	CAPITAL TYPE
Loganholme	Land acquisition loan for a self-storage development site	Industrial/self-storage	First mortgage
Phillip Street	B-grade office building and strata office floor for future repositioning or development	Office	Equity JV
Rundle Place	Premium retail shopping centre	Retail	Equity JV
The Grove	Multi-stage residential land development	Residential	Equity JV
Yarraville	Multi-stage infill residential development	Residential	Equity JV
Younghusband	Heritage office refurbishment and development	Office	Equity JV

IAP generates the following fees from managing the ITAP Fund:

FEES	DETAILS
Investment management fee	0.38125% on equity under management
Performance fee	20% over 8% hurdle (26.25% share)
Asset management fee	At market rates dependent on asset type

4.5.3 Mandates

IAP is the investment manager for A\$263m of third-party capital (excluding ITAP Fund) invested in the following projects:

PROPERTY	DESCRIPTION	SECTOR	CAPITAL TYPE	FEES	FUM (A\$M)
The Grove	Multi-stage residential land development	Residential	Equity JV	Asset management fee at market rates	4.5 (ITAP Fund) 33.0 (Mandate)
Yarraville	Multi-stage infill residential development	Residential	Equity JV	Acquisition, equity raising, administration and performance fees at market rates	24.1 (ITAP Fund) 83.4 (Mandate)
Younghusband	Heritage office refurbishment and development	Office	Equity JV	Development management, asset management and performance fees at market rates	12.1 (ITAP Fund) 146.2 ⁵⁵ (Mandate)

4.6 Financial information

This Section sets out summary historical financial information for IAP. The historical information has been extracted from IAP's audited financial statements for the full years ended 31 March 2021 and 31 March 2022⁵⁶.

The historical financial information has been prepared in accordance with the recognition and measurement principles of Australian Accounting Standards. The information is presented in an abbreviated form insofar as it does not include all of the disclosures, presentations or statements as required by the Australian Accounting Standards applicable to general purpose financial reports prepared in accordance with the Corporations Act.

⁵⁴ As at 30 April 2022.

⁵⁵ Represents a 100% share. IAP is jointly managing the mandate with a third-party.

⁵⁶ Historical financial information in relation to IAP is available at irongategroup.com.au/results-reports.

04. Information about IAP Group (continued)

4.6.1 Summary of financial performance

The table below sets out a summary of IAP's key financial performance measures for the full years ended 31 March 2021 and 31 March 2022:

	FINANCIAL YEAR ENDING 31 MARCH 2021	FINANCIAL YEAR ENDING 31 MARCH 2022
Statutory net profit (A\$m)	159.4	266.3
FFO (A\$m)	56.6	67.3
FFO per IAP Security (cps)	9.26	10.40
Distributions per IAP Security (cps)	8.92	9.20

4.6.2 Statement of financial position

The table below sets out IAP's statement of financial position as at 31 March 2021 and 31 March 2022.

Statement of financial position

A\$'000	FINANCIAL YEAR ENDING 31 MARCH 2021	FINANCIAL YEAR ENDING 31 MARCH 2022
ASSETS		
Non-current assets	1,285,909	1,765,565
Investment properties	1,225,356	1,642,354
Investment property under development	11,600	36,314
Property, plant and equipment	661	753
Intangible assets	39,528	39,528
Equity accounted investments	5,807	20,579
Financial instruments held at fair value	–	23,274
Deferred tax assets	2,957	2,763
Current assets	13,067	19,347
Cash and cash equivalents	7,405	9,200
Receivables and other assets	5,662	10,147
Total assets	1,298,976	1,784,912
EQUITY AND LIABILITIES		
Equity	913,033	1,216,114
Non-current liabilities	348,925	523,557
Long-term borrowings	339,063	516,979
Trade and other payables	9,026	6,578
Financial instruments held at fair value	836	–
Current liabilities	37,017	45,241
Trade and other payables	9,322	13,598
Distributions payable	27,696	31,643
Total equity and liabilities	1,298,976	1,784,912
Number of securities on issue	611,298	677,570
Net tangible asset value per security (A\$)	1.43	1.74

4.6.3 Material changes in IAP's financial position since last accounts published

Other than as disclosed in this Scheme Booklet, within the knowledge of the IAP RE Directors, the financial position of IAP has not materially changed since 31 March 2022, being the date of the statement of financial position for the 12 months ended 31 March 2022.

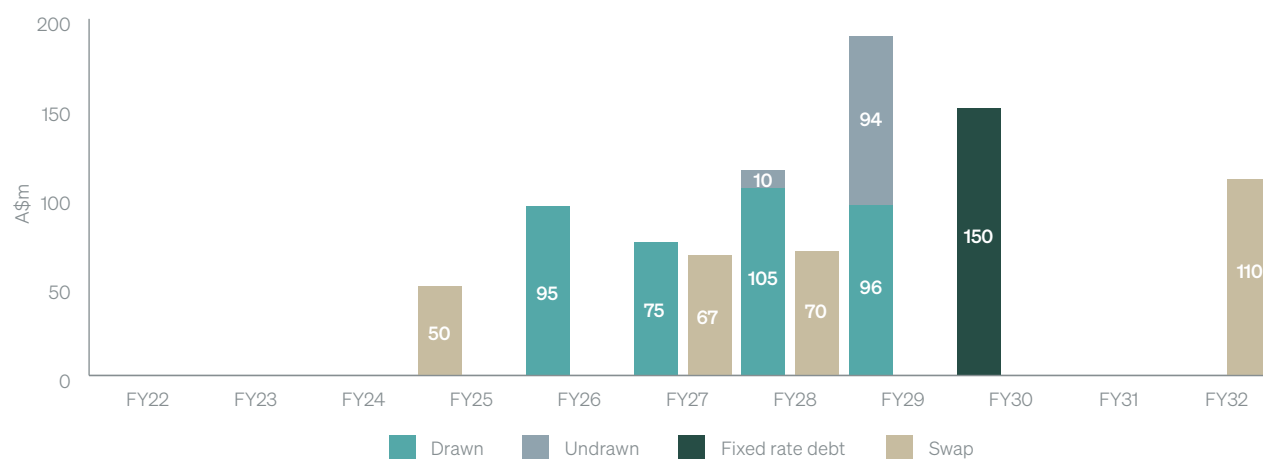
4.6.4 Capital management

The table below sets out a summary of IAP's key capital management measures for the full years ended 31 March 2021 and 31 March 2022, including with regard to its external debt facilities:

	FINANCIAL YEAR ENDING 31 MARCH 2021	FINANCIAL YEAR ENDING 31 MARCH 2022
Gross borrowings (A\$m)	339.1	520.7
Cash (A\$m)	(7.4)	(9.2)
Net borrowings (A\$m)	331.7	511.5
Balance sheet gearing (%)	27.8	30.1
Gearing target (%)	30.0-40.0	30.0-40.0
Weighted average debt expiry (years)	6.1	6.0
Weighted average cost of debt (%)	2.84	2.95
Hedge position (%)	78.3	85.9
Weighted average hedge term (years)	7.0	6.8

IAP's debt profile is diversified by duration and source, as illustrated in the table below:

Debt and swap expiry profile



04. Information about IAP Group (continued)

DEBT FACILITY	DEBT DRAWN (A\$M)	FACILITY LIMIT (A\$M)	MARGIN (%)	LINE FEE (%)	MATURITY	REMAINING TERM (YEARS)
Tranche G – ANZ	20.0	20.0	0.85	0.70	01-Apr-27	5.09
Tranche H – ANZ	75.0	75.0	0.85	0.70	01-Sep-26	4.51
Tranche I – ANZ	25.0	25.0	0.85	0.70	31-Mar-26	4.09
Tranche N – Westpac	55.0	55.0	0.80	0.65	28-Mar-28	6.08
Tranche P WBC	29.9	40.0	0.94	0.77	30-Nov-27	5.76
Tranche Q WBC	22.5	22.5	0.85	0.70	31-Mar-26	4.09
Tranche R WBC	47.5	47.5	0.85	0.70	31-Mar-26	4.09
Tranche S WBC & ANZ	36.7	80.0	0.92	0.75	29-Dec-28	6.84
Tranche T	59.0	110.0	0.92	0.75	15-Dec-28	n/a
Tranche PGIM	150.0	150.0	1.95	–	23-Dec-29	7.82
Total	520.7	625.0	1.18	0.51	n/a	n/a

4.7 Capital structure

At the date of this Scheme Booklet, there are 677,569,754 IAP Securities and 795,612 Performance Rights on issue.

The proposed treatment of the Performance Rights as part of the implementation of the Proposals is further detailed in Section 8.2.

4.7.1 Substantial Securityholders

The following persons have notified IAP RE of the fact that they hold a substantial holding (within the meaning of the Corporations Act) in IAP Securities as at Monday, 16 May 2022 (being the Last Practicable Date prior to the date of this Scheme Booklet), based on substantial holder notice lodgements with the ASX, which are available on the ASX website (asx.com.au) and subsequent tracing notices issued to the relevant securityholders.

IAP SECURITYHOLDER	NUMBER OF IAP SECURITIES (#)	% OF ISSUED CAPITAL (%)
360 Capital IG Pty. Ltd	135,417,787	19.9
Government of South Africa ⁵⁷	54,553,770	8.1
Vanguard Group Holdings	48,777,953	7.2

4.8 Continuous disclosure

IAP is a disclosing entity for the purposes of the Corporations Act and is subject to periodic reporting and disclosure obligations under the Corporations Act, the ASX Listing Rules and the JSE Listings Requirements.

These obligations require IAP RE to notify the ASX and the JSE of information about specified matters and events as they arise for the purpose of the ASX and the JSE making that information available to participants in the market.

Once IAP RE becomes aware of any information concerning it which a reasonable person would expect to have a material effect on the price or value of an IAP Security, IAP RE must (subject to limited exceptions) immediately tell the ASX and the JSE that information.

IAP RE must make a cautionary announcement to be released via the JSE Stock Exchange News Service immediately after the IAP Group:

- knows of any price sensitive information and the necessary degree of confidentiality of such information cannot be maintained; or
- suspects that confidentiality has or may have been breached.

⁵⁷ Held through Public Investment Corporation SOC Limited.

Notwithstanding the disclosure obligations above, if the IAP RE Directors consider that disclosure to the public of price sensitive information will, or probably will, prejudice the IAP Group's legitimate interests, the JSE may grant a dispensation from the requirement to make such information public.

Publicly disclosed information about all ASX-listed entities, including IAP, is available on the ASX website at asx.com.au.

In addition, IAP RE is required to lodge various documents with ASIC. Copies of documents lodged with ASIC by IAP RE may be obtained from an ASIC office.

IAP's annual and interim reports and public announcements are also available at irongategroup.com.au/investor-centre.

4.9 IAP RE Board and management team

4.9.1 IAP RE Board

As at the date of this Scheme Booklet, the IAP RE Board comprises the following individuals:

Richard Longes (Independent Non-Executive Chairperson)

Appointed: 28 February 2005

Education: Bachelor of Arts; Bachelor of Laws; Masters of Business Administration

Richard was a co-founder of Investec Wentworth (Pty) Ltd (formerly Wentworth Associates) and was previously a partner in the law firm, Freehills. He holds, or has held, positions with government advisory boards, including the review of the National Museum and the funds management committee for the IIF programme, and not for profit organisations. Richard is chair of Liberty Financial Group and formerly chair of Investa Office Fund, MLC Limited, GPT Group and Investec Australia Limited and a non-executive director of Metcash Limited, Boral Limited and Lend Lease Corporation Limited.

Graeme Katz (Executive Director)

Appointed: 31 March 2009

Education: Bachelor of Social Science (Economics)

Graeme joined the Investec Group to head up the Australian property business in 2006. Prior to that, he was general manager of investment sales at Mirvac Group where he was the key person and responsible officer for the Mirvac Group real estate licence dealing with their registered and unregistered schemes. Graeme is a director of a number of companies within the Irongate Group. He was previously a director of the Property Investors Association of Australia.

Sally Herman (Lead Independent Non-Executive Director)

Appointed: 24 July 2013

Education: Bachelor of Arts; Graduate of the Australian Institute of Company Directors

Sally has had a long career in financial services in both Australia and the United States. In late 2010, she transitioned from an executive career to expand her non-executive portfolio. Prior to that, she had spent 16 years with the Westpac Group, running business units in most operating divisions of the Westpac Group, including the institutional bank, wealth management and the retail and business banking division. Sally is currently a non-executive director, sitting on both for-profit and not-for-profit boards, and is actively involved in the community, with a particular interest in the arts, education and human rights. Her other commercial boards are in the financial services, manufacturing and retail sectors and include three other publicly listed companies – Premier Investments Limited, Breville Group Limited and Suncorp Limited. Sally is also a member of Chief Executive Women.

Georgina Lynch (Independent Non-Executive Director)

Appointed: 1 July 2019

Education: Bachelor of Arts; Bachelor of Laws

Georgina has over 28 years' experience in the financial services and property industry. She is currently the non-executive chairperson of Cbus Property, an independent non-executive director and member of the audit and risk committee of Waypoint REIT and Chair of the remuneration and nomination committee and an independent non-executive director and member of the remuneration and nomination committee and Risk and Responsible Investment Committee of Tassal Group Limited. She is also a non-executive Director of Evolve Housing. Georgina has significant global experience in corporate transactions, capital raisings, initial public offerings, funds management, corporate strategy and acquisitions and divestments.

04. Information about IAP Group (continued)

Stephen Koseff (Independent Non-Executive Director)

Appointed: 7 July 2014

Education: Bachelor of Commerce (Chartered Accountant SA); Masters in Business Administration; Higher Diploma in Business Data Processing; Honorary Doctor of Commerce

Stephen is the former chief executive officer of the Investec Group – dual listed on the London Stock Exchange and the Johannesburg Stock Exchange. Stephen was with Investec for 39 years in various capacities and CEO from 1996 to 2018. In 2017, Stephen was awarded an Honorary Doctor of Commerce Degree by the University of the Witwatersrand. He is a former non-executive director of The Bidvest Group Limited and the JSE Limited, a former board member of Business Leadership South Africa, former non-executive director and chairman of the South African Banking Association, a former member of the Financial Markets Advisory Board and former chairman of the Independent Bankers Association. Stephen is chairman of Bid Corporation Limited, Bud Group (Pty) Ltd, IEP Group (Pty) Ltd, Innovation Africa SA NPC, Arrowpoint Capital Pty Ltd (Australia), a director of ED Trust INL Investments 1 (Pty) Ltd, Youth Employment Service NPC (and also co-chair), Biora Properties (WORCESTOR) (Pty) Ltd, Newshel 1280 (RF) (Pty) Ltd, Grovepoint S.a.r.l., Seven Charles Street (Freehold) Limited, Seven Charles Street Management Limited, Khulasande Capital Partnership III (Pty) Ltd, S & SK Investments Pty Ltd (and also company secretary) and a non-executive director of Investec Limited, Investec PLC, Irongate Funds Management Limited (Australia) and Bravo Transport Holdings Ltd.

4.9.2 Key management

As at the date of this Scheme Booklet, the senior management team of IAP Group comprises the following individuals:

Graeme Katz (Chief Executive Officer)

As outlined above.

Zach McHerron (Fund Manager)

Zach has 23 years' experience in a range of legal, corporate, property development and property funds management roles in Australia, New Zealand and the UK. Prior to Irongate Group, Zach worked for the Investec Group since 2007 and was involved in the structuring, capital raising and management of property funds.

Kristie Lenton (Chief Financial Officer)

Kristie has extensive experience in a range of finance roles. Prior to Irongate Group, Kristie was CFO of Investec Australia Property Fund, responsible for all financial and operational functions. She initially joined the Investec Group in 2009 in the central finance function responsible for the group's Australian financial operations.

Lucy Spenceley (Investor Relations and Company Secretary)

Prior to Irongate Group, Lucy worked for the Investec Group since 2010 in a number of areas including aviation finance, company secretarial and property. Her role at Irongate Group encompasses company secretarial and investor relations.

05 —

Information about CHPIP

05. Information about CHPIP

5.1 Overview of CHPIP and the CHPIP Nominee

5.1.1 Overview of CHPIP

CHPIP is a special purpose unit trust established by PGGM and Charter Hall Group for the purposes of acquiring the Irongate Group through the transfer of all of the IPF I Units to CHPIP and all of the IPF II Units to the CHPIP Nominee. The trustee of CHPIP is Charter Hall Wholesale Management Limited, a wholly owned subsidiary of Charter Hall Limited which is one of the stapled entities that comprise Charter Hall Group.

CHPIP is 88% owned by PGGM and 12% owned by the Charter Hall Group.

As CHPIP was established for the purpose of acquiring the IPF I, it has no other assets or liabilities other than seed capital.

5.1.2 Overview of Charter Hall Group

Charter Hall Group (listed on the ASX with the ticker “CHC”) is a stapled group comprising shares in Charter Hall Limited and units in Charter Hall Property Trust.

Charter Hall Group is one of Australia's leading integrated property groups, with over 30 years' experience in managing listed and unlisted property funds on behalf of wholesale, institutional and retail investors.

Charter Hall Group uses its property expertise to access, deploy, manage and invest equity across core real estate sectors – Office, Retail, Industrial & Logistics and Social Infrastructure.

Charter Hall Group has curated a diverse A\$61.3 billion property portfolio of over 1,516 high quality properties⁵⁸. Taking a long-term view, Charter Hall Group's A\$13.2 billion development pipeline delivers sustainable, technologically enabled projects for customers.

Charter Hall Group has also extended its fund management capability into another asset class with the 50% acquisition of the A\$18.2 billion listed equities fund manager, Paradise Investment Management, which invests on behalf of wholesale and retail investors across domestic and global listed equities.

5.1.3 Overview of PGGM

PGGM is a not-for-profit cooperative pension fund service provider. As a pensions administrator, asset manager and advisor to pension fund boards, it executes its social mandate: to provide for good old-age incomes for 4.4 million participants in the Netherlands. On 31 December 2021, PGGM managed long-term pension capital of EUR 291 billion worldwide.

5.1.4 Overview of the CHPIP Nominee

The CHPIP Nominee is an unlisted proprietary company incorporated in Australia. All of the shares in the CHPIP Nominee are owned by Charter Hall Limited. Charter Hall Limited is a wholly owned subsidiary of the Charter Hall Group.

5.1.5 Board and management

Charter Hall Wholesale Management Limited is the trustee of CHPIP. The directors of Charter Hall Wholesale Management Limited are David Harrison, Russell Proutt, Sean McMahon, Carmel Hourigan, Richard Stacker and Ben Ellis.

The management of CHPIP is led by Charter Hall Group. The management team have extensive experience in the property industry including experience in the management, acquisition, leasing, financing, valuation and development of real estate assets. This experience is supplemented by broad complementary experience in accounting, legal and finance disciplines.

Charter Hall and PGGM are experienced partners with a track record of successfully completed transactions. In 2019, Charter Hall and PGGM formed the Charter Hall PGGM Industrial Partnership which currently owns a portfolio of 11 properties with a value of approximately A\$0.5bn. This partnership is guarantor to CHPIP in entering into the Scheme Implementation Agreement.

5.2 Rationale for the Proposal

IAP's portfolio of office and industrial properties located across Australia and New Zealand is consistent with CHPIP's strategic objectives of owning and managing high quality office and industrial properties. If the Proposal is implemented, CHPIP expects that the acquisition of IAP will grow each unitholders' earnings through the addition of rental income. The acquisition of IAP will also further diversify the composition of the property portfolios owned by Charter Hall Group and PGGM as joint investors.

⁵⁸ As at 31 December 2021.

5.3 Implementation of the Proposal

Immediately prior to implementation of the Proposal, IAP Securities will be de-stapled and on implementation:

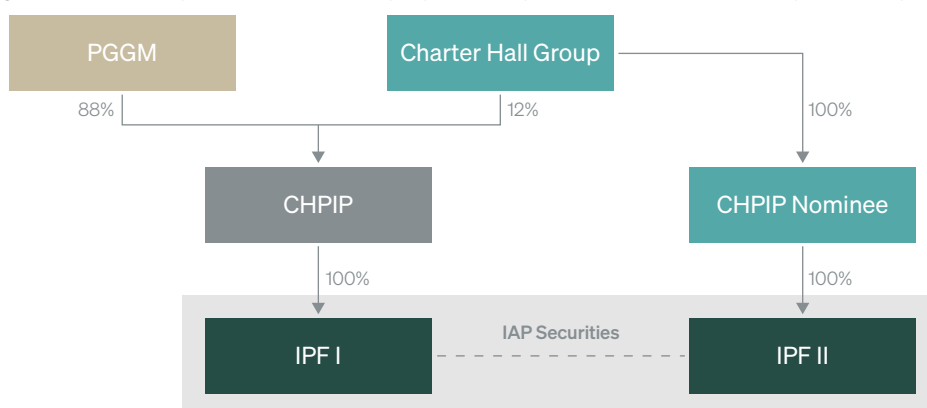
- the IPF I Units will be transferred to CHPIP; and
- the IPF II Units will be transferred to the CHPIP Nominee.

This structure is set out in Section 5.4.

See Section 5.5 for details about the intentions of CHPIP and the CHPIP Nominee regarding IAP post-implementation of the Proposal.

5.4 Ownership and acquisition structure

The following diagram shows a simplified version of the proposed acquisition structure if the Proposal is implemented.



5.5 Intentions upon the Proposal being implemented

This Section sets out CHPIP's and the CHPIP Nominee's present intentions in relation to the continuation of the business of IAP, any major changes to be made to the business of IAP, including the management of assets of IAP and the future employment of employees of IAP, if the Proposal is implemented.

The intentions set out in this Section are statements of current intention only and are based on facts and circumstances that are known to CHPIP and the CHPIP Nominee as at the date of this Scheme Booklet. Accordingly, the intentions set out in this Section may change as new information becomes available or circumstances change.

If the Proposal is implemented, CHPIP intends to:

- continue to operate IPF I as a trust investing in Australian office and industrial property and actively managing the assets to maximise returns for CHPIP; and
- sell interests in three properties to 360 Capital post implementation, as outlined in the Memorandum of Understanding, being a 50% interest in 510 Church St, Cremorne, Victoria, a 100% interest in 34 Southgate Avenue, Cannon Hill, Queensland and a 100% interest in 38 Sydney Avenue, Canberra, ACT.

If the Proposal is implemented, the CHPIP Nominee intends to:

- replace the IAP RE Board with its own nominees; and
- engage with existing employees of IAP to discuss options that may be available for their ongoing employment within Charter Hall Group.

CHPIP and the CHPIP Nominee jointly intend to:

- cause IAP to apply for termination of the official quotation of IAP Securities on the ASX and to have IAP removed from the official list of the ASX and liaise with the JSE, so that the JSE takes steps, including seeking approval of the Executive Committee of the JSE, to remove all IAP Securities from the official list of the JSE, on the basis that IAP no longer complies with the public spread requirements pursuant to paragraph 4.28(e) of the JSE Listings Requirements;
- de-register IPF I as a registered managed investment scheme in due course, as the IPF I will be a wholly owned sub-trust which will no longer be required to be registered with ASIC; and
- refinance IAP's existing debt facilities and funding arrangements.

05. Information about CHPIP (continued)

5.6 Funding arrangements

5.6.1 Scheme Consideration

If the Proposal is implemented, Scheme Participants will receive the Scheme Consideration in cash equal to A\$1.90 per IAP Security.⁵⁹

Based on the number of IAP Securities on issue as at the date of this Scheme Booklet, and assuming no options or performance rights remain on issue or are converted into IAP Securities, the maximum amount of cash payable by CHPIP to IAP Securityholders in connection with the Schemes will be approximately A\$1,287 million.

The Schemes are not subject to any financing condition precedent.

5.6.2 Funding Sources

Pursuant to the Scheme Implementation Agreement and the Deed Poll annexed to it, CHPIP has undertaken in favour of each Scheme Participant to provide, or procure the provision of, the Scheme Consideration.

Charter Hall Wholesale Management Limited as trustee for the Charter Hall PGGM Industrial Partnership (**CHPIP Guarantor**) has also provided an unconditional and irrevocable undertaking to the IAP RE that it will provide or procure the provision of funds to CHPIP to ensure the due and punctual performance by CHPIP of all of its obligations under the Scheme Implementation Agreement (including any obligation on CHPIP to procure that the CHPIP Nominee acquires the IPF II Units).

CHPIP's sources of funding to finance the payment of the Scheme Consideration are as follows:

(a) Debt funding

CHPIP intends to utilise a new debt facility to partially fund the Scheme Consideration and the refinance of IAP's existing debt facilities. CHPIP has entered into a binding commitment letter with Australia and New Zealand Banking Group Limited, Commonwealth Bank of Australia, ING Bank (Australia) Limited, MUFG Bank, Ltd., The Bank of Nova Scotia, Australia Branch and Westpac Banking Corporation dated 28 March 2022 as mandated lead arrangers and bookrunners to provide debt facilities to CHPIP totalling approximately A\$1,060 million (**Debt Facility**). Drawdowns under the Debt Facility are subject to a number of conditions precedent, including:

- the execution and delivery of long-form financing documents; and
- the satisfaction of other conditions which are customary for facilities funding acquisitions by way of a scheme of arrangement.

It is expected that these conditions will be satisfied or waived prior to implementation. If these conditions precedent are satisfied, then the financiers must provide the funds for their portion of a drawdown request up to their commitment under the Debt Facility. The financiers are required to provide funding under the Debt Facility on a certain funds basis. That is, they are required to fund if the conditions precedent are satisfied (unless certain key representations are not correct, certain key undertakings are not complied with, or certain key events of default are subsisting).

As at the date of this Scheme Booklet, CHPIP is not aware of:

- any reason why any of the conditions precedent to the Debt Facility will not be satisfied, and expect that they will be satisfied, in time to allow payment in full of the Scheme Consideration as and when due under the terms of the Proposal; or
- the occurrence of any misrepresentation, breach of undertaking or event of default or any circumstance that would lead to any misrepresentation, breach of undertaking or event of default or which would give rise to a right to the financiers to refuse a drawdown request under the Debt Facility.

(b) Equity Funding

In addition to the Debt Facility, CHPIP will receive equity contributions (**Equity Funding**) from its unitholders, Charter Hall Group and PGGM. CHPIP has a binding equity commitment from PGGM.

Based on the number of IAP Securities on issue as at the date of this Scheme Booklet, Charter Hall Group's respective proportion of the Equity Funding is approximately A\$102 million. Charter Hall Group will fund its respective proportion of the Equity Funding from its cash reserves. As at 31 December 2021, Charter Hall Group had cash reserves of approximately A\$229 million. Charter Hall has available cash and undrawn debt facilities to complete this transaction without the need to raise equity.

PGGM's respective proportion of the Equity Funding is approximately A\$750 million. PGGM has sufficient existing cash to fund its respective proportion of the Scheme Consideration.

⁵⁹ Less any distribution declared or paid by IAP in the period prior to implementation of the Proposal (excluding the March 2022 Distribution, which IAP Securityholders will be entitled to retain).

5.6.3 Certainty of funding

On the basis of the arrangements described in this Section 5, CHPIP is of the opinion that it has a reasonable basis for holding the view, and holds the view, that CHPIP will be able to satisfy the funding commitment described.

5.7 CHPIP's interest in IAP

5.7.1 Interest in IAP Securities

As at the date of this Scheme Booklet, CHPIP holds a 19.9% Relevant Interest in IAP pursuant to the Memorandum of Understanding with 360 Capital Group.

Upon implementation of the Proposal, CHPIP's voting power in IPF I will be 100% and the CHPIP Nominee's voting power in IPF II will be 100%.

5.7.2 Dealing in IAP Securities in previous four months

Other than as disclosed in Section 5.7.1 and the substantial holder notice lodged by the Charter Hall Group, none of CHPIP, the CHPIP Nominee nor any of their Associates have provided or agreed to provide consideration for any IAP Securities under a purchase or agreement during the period of four months before the date of this Scheme Booklet except for the Scheme Consideration which CHPIP has agreed to provide under the Proposal.

5.7.3 Benefits to holders of IAP Securities

Other than as disclosed in Section 5.7.1 and the substantial holder notices lodged by the Charter Hall Group, during the four months before the date of this Scheme Booklet, none of CHPIP, the CHPIP Nominee nor any of their Associates has given or offered to give or agreed to give a benefit to another person where the benefit was likely to induce the other person or an Associate to:

- vote in favour of the Proposal; or
- dispose of IAP Securities,

where the benefit was not offered to all IAP Securityholders.

5.7.4 Benefits to IAP officers

None of CHPIP, the CHPIP Nominee nor any of their Associates have made or will be making any agreement or arrangement with an IAP officer in connection with or conditional on the outcome of the Proposal.

5.7.5 No other material information

Otherwise than as contained or referred to in this Scheme Booklet, there is no other information that is material to the making of a decision by an IAP Securityholder on whether or not to vote in favour of the Proposal Resolutions that is within the knowledge of any director of CHPIP which has not previously been disclosed to IAP Securityholders.

06 —

Implementation of the Proposal

06. Implementation of the Proposal

6.1 Scheme Implementation Agreement

On Wednesday, 30 March 2022, IAP RE announced that it entered into the Scheme Implementation Agreement with CHPIP and the CHPIP Guarantor under which CHPIP agreed to acquire 100% of the IAP Securities through all IPF I Units being transferred to CHPIP and all IPF II Units being transferred to the CHPIP Nominee. The implementation of the Proposal is subject to a number of Conditions Precedent which are summarised in Section 8.5(a). The Proposal will not proceed unless all of the Conditions Precedent are satisfied or waived (if applicable) in accordance with the Scheme Implementation Agreement.

A summary of the Scheme Implementation Agreement is set out in Section 8.5.

6.2 Deed Poll

On Wednesday, 18 May 2022, CHPIP and the CHPIP Guarantor executed the Deed Poll, pursuant to which CHPIP and the CHPIP Guarantor covenanted in favour of each Scheme Participant that each will observe and perform all obligations contemplated of them under the Schemes, including the obligation to provide Scheme Consideration to IAP RE on behalf of each Scheme Participant, subject to the Schemes becoming Effective.

A copy of the Deed Poll is attached as Annexure C.

6.3 Effective Date

The Schemes will, subject to the Proposal Resolutions being approved at the Scheme Meetings and receipt of the Second Judicial Advice, become Effective on the Effective Date (expected to be Wednesday, 6 July 2022).

If the Proposal Resolutions are approved, notification will be lodged with ASIC following the Scheme Meetings.

6.4 Determination of persons entitled to the Scheme Consideration

6.4.1 Record Date

Those IAP Securityholders on the IAP Register on the Record Date (at 7:00 pm (Sydney time) / 11:00 am (Johannesburg time) on Friday, 8 July 2022) will become entitled to the Scheme Consideration in respect of the IAP Securities they hold at that time.

6.4.2 Dealings on or prior to the Record Date

For the purposes of establishing the persons who are Scheme Participants, any dealing in IAP Securities will only be recognised if:

- in the case of dealings of the type to be effected by CHESSE, the transferee is registered in the IAP Register as the holder of the relevant IAP Securities on or before the Record Date; and
- in all other cases, registrable transfers or transmission applications in respect of those dealings are received by the IAP Registry by 7:00 pm (Sydney time) for purposes of the Australian Register and by 5:00 pm (Johannesburg time) for purposes of the South African Register on the day which is the Record Date.

Subject to the Corporations Act, ASX Listing Rules, JSE Listing Requirements and the IAP Constitutions, IAP RE must register registrable transmission applications or transfers of the kind recognised above, before 7:00 pm Sydney time) / 5:00 pm (Johannesburg time) on the day which is the Record Date.

IAP RE will not accept for registration, nor recognise for the purpose of establishing the persons who are Scheme Participants nor for any other purpose (other than to transfer to CHPIP and the CHPIP Nominee (as applicable) pursuant to the Schemes and any subsequent transfers by CHPIP and the CHPIP Nominee (as applicable) and its successors in title), any transfer or transmission application in respect of IAP Securities received after such times, or received prior to such times but not in actionable or registrable form (as appropriate).

6.4.3 Dealings after the Record Date

For the purposes of determining entitlement to the Scheme Consideration, IAP RE will, until the Scheme Consideration has been paid to the Scheme Participants and CHPIP has been registered as the holder of the IPF I Units and the CHPIP Nominee has been registered as the holder of the IPF II Units, maintain the IAP Register in its form as at the Record Date. The IAP Register in this form will solely determine entitlements to the Scheme Consideration. From the Record Date, except as evidence of entitlement to the Scheme Consideration in respect of the IAP Securities relating to that entry:

- all statements of holding in respect of IAP Securities cease to have effect as documents of title in respect of such IAP Securities; and
- each entry on the IAP Register will cease to be of any effect.

06. Implementation of the Proposal (continued)

6.5 Scheme Consideration

A summary of the Scheme Consideration is set out in Section 3.4.

6.6 Payment of Scheme Consideration

If the Proposal becomes Effective and is implemented:

6.6.1 Deposit of aggregate Scheme Consideration by CHPIP

CHPIP must, by no later than the Business Day before the Implementation Date, deposit an amount in Australian currency in immediately available funds equal to the aggregate Scheme Consideration payable in respect of the IAP Securities held on the Record Date (subject to any amounts withheld by CHPIP for payment to the ATO as a result of foreign resident CGT withholding), into a trust account operated by IAP RE.

6.6.2 Payment of Scheme Consideration

On the Implementation Date, subject to funds having been deposited by CHPIP as set out above, IAP RE must pay or procure the payment, to each Scheme Participant, the Scheme Consideration in respect of their IAP Securities, by:

- electronic funds transfer to the account of the Scheme Participant with the bank or other financial institution nominated by them for receipt of distributions on their IAP Securities; or
- otherwise, in respect of Scheme Participants who hold IAP Securities on the Australian Register, dispatching, or procuring the dispatch of, a cheque for the relevant amount in A\$ to the Scheme Participant by prepaid post to their registered address (as at the Record Date), such cheque being drawn in the name(s) of the Scheme Participant(s).

The Scheme Consideration paid to IAP Securityholders holding IAP Securities on the South African Register will be paid in a ZAR (Rand) equivalent of the Scheme Consideration determined by the ZAR (Rand) / AUD spot rate quoted by Reuters as at 5:00pm (Sydney time) on the Second Court Date (assuming the Second Judicial Advice is obtained on that date).

6.7 Delisting IAP

If the Proposal is successfully implemented, an application will be made for termination of the official quotation of IAP Securities on the ASX to have IAP removed from the official list of the ASX.

As stated in Section 8.8(c), the JSE confirmed that, once the Proposal becomes Effective, it will initiate the removal of IAP from the official list of the JSE in anticipation of the Proposal being implemented. Delisting will be conditional on implementation of the Proposal, confirmation from IAP RE that it does not intend to maintain the listing of IAP on the JSE and the approval of the Executive Committee of the JSE. The JSE will accordingly remove all IAP Securities from the official list of the JSE with effect from the Delisting Date, on the basis that IAP no longer complies with the public spread requirements pursuant to paragraph 4.28(e) of the JSE Listings Requirements and does not wish to maintain its listing on the JSE.

07— Taxation Report

07. Taxation Report

Prepared by KPMG

7.1 Preliminary note

This Section discusses the taxation consequences of the Proposal becoming Effective and implemented. We note that the March 2022 Distribution will be paid to IAP Securityholders. The taxation consequences of the March 2022 Distribution will be provided separately.

7.2 Australian tax consequences

7.2.1 Disposal of IAP Securities

Overview

IAP Securityholders who hold their membership interest on capital account will be required to consider the impact of the Australian CGT provisions in respect of the disposal of their IAP Securities.

However, each IPF I Unit and IPF II Unit are separate CGT assets under Australian income tax legislation. As such, the CGT provisions must be considered in respect of the disposal of both the IPF I Units and IPF II Units separately.

The Proposal will give rise to two separate CGT events for IAP Securityholders:

- CGT event A1 will occur on the disposal of their IPF I Units; and
- CGT event A1 will occur on the disposal of their IPF II Units.

This means that IAP Securityholders will need to determine whether a capital gain or capital loss arises in respect of their IPF I Units and IPF II Units. Where the capital proceeds received on disposal of the IPF I Units and IPF II Units exceed the CGT cost base of those stapled securities, Australian tax resident IAP Securityholders will be required to recognise a capital gain.

Under the Proposal, the capital proceeds will equal A\$1.90 per IAP Security.⁶⁰ The capital proceeds must be reasonably apportioned between the IPF I Units and IPF II Units. For example, a reasonable method of apportionment could be on the basis of the relative net tangible assets per unit of IPF I and IPF II at the Effective Date, being A\$1.65 and A\$0.09 respectively.

The CGT cost base of the IAP Securities should generally be equal to the issue price or acquisition price of the IAP Securities plus, among other things, incidental costs associated with the acquisition and disposal of the IAP Securities. In respect of the CGT cost base of the IPF I Units, this amount will also need to reflect any AMIT cost base adjustments which occurred during the holding period, together with tax deferred distributions.

Australian residents

Eligible Australian resident IAP Securityholders may also be entitled to the discount capital gain concessions where their IAP Securities have been held for more than 12 months, being 50% for individuals and 33% for complying superannuation funds.

Australian resident IAP Securityholders may recognise a capital loss on the disposal of their IAP Securities where the capital proceeds received on disposal are less than the reduced CGT cost base of the IAP Securities.

Foreign residents

Foreign resident IAP Securityholders will not be subject to Australian CGT on the disposal of their IAP Securities unless the IAP Securityholder, together with their associates, holds at least 10% of all the IAP Securities on issue (non-portfolio interest) at the time of disposal, or throughout a continuous period of 12 months within the two years before the disposal and at the time of disposal, more than 50% of the market value of the assets of IPF I and IPF II are represented (directly or indirectly) by real property interests in Australia.

As the IPF I Units and IPF II Units are separate CGT assets, the underlying assets of IPF I and IPF II should also be assessed separately upon disposal to determine whether more than 50% of the market value is attributable to Australian real property interests. At the date the Proposal becoming Effective:

- at least 50% of the market value of IPF I is expected to be derived from Australian real property; and
- less than 50% of the market value of IPF II is expected to be derived from Australian real property.

In this regard, if a foreign resident IAP Securityholder holds greater than 10% in the IAP Securities, Australian CGT should only be payable on a capital gain with respect to the IAP Securityholder's interest in the IPF I Unit.

⁶⁰ Less any distribution declared or paid by IAP in the period prior to implementation of the Proposal (excluding the March 2022 Distribution, which IAP Securityholders will be entitled to retain).

Based on the analysis undertaken by CHPIP, there were no foreign resident IAP Securityholders identified which hold a 10% or greater interest in IAP as at the Last Practicable Date. Unless a foreign resident IAP Securityholder has separately contacted CHPIP to clarify whether they are a foreign resident or whether their IAP Securities are an indirect Australian real property interest, it is not expected that CHPIP will withhold any amount from the Scheme Consideration.

To the extent that an IAP Securityholder is identified as holding an indirect Australian real property interest, CHPIP will be required to withhold 12.5% of the Scheme Consideration in respect of the consideration relating to IPF I.

GST consequences

The disposal of the stapled securities by IAP Securityholders will generally be financial supplies and as such, no GST should be payable on these transactions.

The ability for recovery of input tax credits on related costs may be restricted and as such, any unitholder that is registered or required to be registered for GST should seek independent tax advice regarding their GST position.

7.3 South African tax consequences

7.3.1 Disposal of IAP Securities

South African IAP Securityholders who hold their IAP Securities on capital account will be required to consider the impact of the South African CGT provisions in respect of the proposed disposal.

Where the capital proceeds received on disposal of the IAP Securities exceed the base cost of those units, South African IAP Securityholders will be required to recognise a taxable capital gain.

Where the South African IAP Securityholder is a company or a trust the inclusion rate is 80% of the IAP Securityholder's regular tax rate. Hence, a company is subject to CGT in South Africa at an effective rate of 22.4% (i.e. $28\%^{61} \times 80\%$) or 21.6% (i.e. $27\%^{62} \times 80\%$) and a trust at an effective rate of 36% (i.e. $45\% \times 80\%$) on the net aggregate capital gains realised during any year of assessment.

Where the South African IAP Securityholder is a natural person the inclusion rate is 40% of the IAP Securityholder's marginal tax rate. Hence, a natural person at the maximum marginal tax rate of 45% is subject to CGT in South Africa at an effective maximum rate of 18% on the net aggregate capital gains realised during any year of assessment. In circumstances where the base cost exceeds the proceeds received on disposal of the IAP Securities, the South African IAP Securityholder will realise a capital loss. The capital loss can be offset against other capital gains or carried forward to be offset against future capital gains.

7.3.2 South African foreign tax credit provisions

By virtue of the application of the general foreign tax credit provision, South African IAP Securityholders (other than a South African IAP Securityholder which is a REIT, as defined for South African income tax purposes) should be entitled to claim a rebate in respect of qualifying foreign tax payable in respect of the disposal of IPF I Units and IPF II Units, as a tax credit when determining their respective liabilities for South African income tax.

In light of the above Australian tax comments, we do not expect there to be any foreign tax payable in respect of the disposal of IAP Securities. In this regard, South African IAP Securityholders should not be entitled to claim a foreign tax rebate.

61 For years of assessment commencing on or before 31 March 2022.

62 For years of assessment commencing on or after 1 April 2022.

08 —

Additional information

08. Additional information

8.1 IAP RE Directors' interests in IAP Securities

As at the Last Practicable Date, the IAP RE Directors have the following interests in IAP Securities:

IAP RE DIRECTOR	POSITION	NUMBER OF IAP SECURITIES
Richard Longes	Independent Non-Executive Chairperson	121,819
Graeme Katz	Executive Director and CEO	270,296 See also Section 8.2 regarding number of Performance Rights held
Sally Herman	Lead Independent Non-Executive Director	37,879
Georgina Lynch	Independent Non-Executive Director	67,493
Stephen Koseff	Independent Non-Executive Director	170,733

8.2 Performance Rights

As detailed in IAP's 2021 Annual Report, IAP has adopted the Irongate Group Long Term Incentive Plan Rules (**LTI Plan Rules**) to make offers of Performance Rights to eligible employees so as to align remuneration with employee accountability and securityholder interests by providing an opportunity for those employees to receive equity interests in IAP.

As at the date of the Scheme Booklet, there are 795,612 Performance Rights on issue. Mr Graeme Katz is the only IAP RE Director who holds Performance Rights as at the date of this Scheme Booklet, totalling 415,540 Performance Rights.

Under the Scheme Implementation Agreement, IAP RE is required to take such steps required to ensure that there are no outstanding Performance Rights on issue prior to implementation of the Proposal. Having regard to a range of considerations, including CHPIP's and the CHPIP Nominee's intentions with regard to management and employees and that IAP will no longer be listed on the ASX or the JSE following implementation of the Proposal, the IAP RE Board has resolved to treat the existing employee incentive arrangements as detailed below.

Under the terms of the LTI Plan Rules, in the event of a proposed change of control of IAP, the IAP RE Board has discretion to determine the treatment of any unvested Performance Rights. Accordingly, as the Proposal involves a proposed change of control of IAP, the IAP RE Board has broad discretion in relation to the treatment of the Performance Rights.

Consistent with the terms of the LTI Plan Rules, the IAP RE Board has exercised its discretion and determined that:

- subject to the Proposal becoming Effective; and
- in respect of each employee, except for limited good leaver circumstances, subject to continued employment with IAP up until the Deemed Vesting Date (defined below),

795,612 unvested Performance Rights will be deemed to vest with effect after the Effective Date but prior to the Implementation Date (**Deemed Vesting Date**) and such unvested Performance Rights which are deemed to vest are to be cash settled. Following this cash payment, all other Performance Rights which are not deemed to vest in this way will immediately lapse and all participant entitlements in respect of these Performance Rights will cease.

This is expected to result in total cash payments to IAP's senior management and certain other employees of approximately A\$1,511,662.80. This amount is calculated by multiplying 795,612 (being the number of unvested Performance Rights deemed to vest) by A\$1.90 (being the Scheme Consideration, assuming that other than the March 2022 Distribution, no distribution is declared or paid prior to implementation of the Proposal).

8.3 No pre-transaction benefits

(a) Benefits in connection with retirement from office

Except as disclosed below and elsewhere in this Scheme Booklet, no payment or other benefit is proposed to be made or given to any IAP RE Director, company secretary or executive officer of IAP Group (or its Related Bodies Corporate) as compensation for the loss of, or as consideration for or in connection with his or her retirement from office in IAP Group or any of its Related Bodies Corporate in connection with the Proposal.

IAP pays premiums in respect of a directors and officers insurance policy for the benefit of the IAP RE Directors and executive officers.

08. Additional information (continued)

(b) IAP RE Directors' interests in agreements or arrangements relating to the Proposal

Except as disclosed in this Scheme Booklet:

- no IAP RE Director has any other interest in a contract entered into by CHPIP or the CHPIP Nominee;
- there are no contracts or arrangements between an IAP RE Director and any person in connection with or conditional upon the outcome of the Proposal; and
- no IAP RE Director has a material interest in relation to the Proposal other than in their capacity as an IAP Securityholder as outlined in Section 8.1.

8.4 Properties subject of the Memorandum of Understanding

The Memorandum of Understanding contemplates the provision to 360 Capital of a call option, and the CHPIP Guarantor of a put option, in certain properties and assets owned and controlled by IAP, namely:

- a 100% interest in 38 Sydney Avenue, Forrest ACT;
- a 100% interest in 34 Southgate Avenue, Cannon Hill QLD;
- a 50% interest in 100 Willis Street, Wellington New Zealand;
- a 50% interest in 510 Church Street, Cremorne VIC; and
- a 100% interest in the funds management business of IAP, including co-investment stakes held by the ITAP Fund.

However, as at the date of this Scheme Booklet, CHPIP has confirmed that the parties are no longer proceeding with a transaction in relation to:

- a 50% interest in 100 Willis Street, Wellington New Zealand; and
- a 100% interest in the funds management business of IAP, including co-investment stakes held by the ITAP Fund.

The put and call options over the balance of the properties were subsequently formalised on Wednesday, 30 March 2022. 360 Capital and CHPIP have agreed that the put and call options will not be exercisable prior to delisting of IAP on the JSE.

Please refer to the portfolio summary table in Section 4.3 for further detail in relation to these properties.

The table below outlines the agreed upon purchase price in relation to the properties that may be acquired by 360 Capital under the terms of the Memorandum of Understanding and subsequent put and call option deeds. Further details in relation to the acquisition of the properties outlined below are included in the Independent Expert's Report in Annexure B.

360 Capital's revised property acquisitions

PROPERTY	360 CAPITAL ACQUISITION PRICE (A\$M)	BOOK VALUE (A\$M) AS AT 31 MARCH 2022
38 Sydney Avenue, Forrest ⁶³	81.7	77.5
34 Southgate Avenue, Cannon Hill	40.0	36.0 ⁶⁴
510 Church Street, Cremorne	135.0	133.5

8.5 Summary of Scheme Implementation Agreement

On Wednesday, 30 March 2022, IAP RE announced that it entered into the Scheme Implementation Agreement with CHPIP and the CHPIP Guarantor, under which CHPIP has agreed to acquire all IAP Securities (through all IPF I Units being transferred to CHPIP and all IPF II Units being transferred to the CHPIP Nominee). A full copy of the Scheme Implementation Agreement was attached to the IAP RE ASX announcement on Wednesday, 30 March 2022, which can be obtained from the ASX website (asx.com.au) or IAP Group's website (irongategroup.com.au).

A summary of the key terms of the Scheme Implementation Agreement is set out below.

⁶³ Reflects net price of A\$79.0m plus A\$2.7m of purchaser funded income support.

⁶⁴ Book value reflects the "as if complete" value as per the director's valuation as at 31 March 2022.

(a) Conditions Precedent

Implementation of the Proposal is subject to satisfaction or waiver (where capable of waiver) of the following Conditions Precedent:

- (i) **(FIRB approval)** written notice that the Treasurer of Australia (or his delegate) has no objections to CHPIP acquiring the IPFI Units;
- (ii) **(ASIC relief)** all ASIC consents, waivers and approvals necessary to implement the Proposal are obtained and not withdrawn, revoked or adversely amended before 8:00 am on the Second Court Date;
- (iii) **(IAP Securityholder approval)** IAP Securityholders approve the Proposal Resolutions by the Requisite Majorities at the Scheme Meetings;
- (iv) **(Independent Expert's Report)** the Independent Expert provides the Independent Expert's Report concluding that the Schemes are fair and reasonable to, and therefore in the best interests of, IAP Securityholders, and the Independent Expert does not change its conclusion or withdraw the Independent Expert's Report prior to 8:00 am on the Second Court Date;
- (v) **(no restraints)** no applicable law shall have been enacted and no temporary, preliminary or final restraining order, injunction or other order made by a court of competent jurisdiction or regulatory authority is in effect that would prevent, make illegal or prohibit the implementation of the Proposal at 8:00 am on the Second Court Date;
- (vi) **(no IAP Prescribed Occurrence)** no IAP Prescribed Occurrence occurs between the date of the Scheme Implementation Agreement and 8:00 am on the Second Court Date;
- (vii) **(ASX waivers)** ASX consents, waivers and approvals necessary to implement the Proposal are obtained and not withdrawn, revoked or adversely amended before 8:00 am on the Second Court Date;
- (viii) **(JSE)** JSE consents, waivers, dispensations or approvals reasonably necessary or desirable to implement the Proposal (as agreed between the parties) are obtained and not withdrawn or revoked before 8:00 am on the Second Court Date;
- (ix) **(SARB)** SARB consents, waivers, dispensations or approvals reasonably necessary or desirable to implement the Proposal (as agreed between the parties), are obtained and not withdrawn or revoked before 8:00 am on the Second Court Date;
- (x) **(New Zealand Overseas Investment Office approval)** CHPIP has received consent required under the *Overseas Investment Act 2005* (NZ) for the implementation of the Proposal and the consent has not been withdrawn, suspended or revoked before 8:00 am on the Second Court Date; and
- (xi) **(Judicial Advice)** the Court grants the Judicial Advice.

The Proposal will not become Effective unless all of these Conditions Precedent are satisfied or waived (if applicable) in accordance with the Scheme Implementation Agreement.

CHPIP and IAP RE have agreed to use their respective best endeavours to procure the satisfaction of the Conditions Precedent.

The Conditions Precedent are set out in full in clause 3.1 of the Scheme Implementation Agreement.

(b) Exclusivity

The Scheme Implementation Agreement contains certain exclusivity arrangements in favour of CHPIP. These obligations are summarised as follows:

- (i) **(No existing discussions)** IAP RE represents and warrants that as at the date of the Scheme Implementation Agreement, other than the discussions with CHPIP in respect of the Schemes, neither it nor any of its Representatives is currently in negotiations or discussions in respect of any actual, proposed or potential Competing Proposal with any Third Party.
- (ii) **(No-shop)** During the Exclusivity Period, IAP RE must ensure that neither it nor any of its Representatives directly or indirectly:
 - (A) solicits, invites, encourages or initiates any enquiries, negotiations or discussions; or
 - (B) communicates any intention to do any of these things,
 with a view to obtaining, or which may be reasonably expected to lead to, a Competing Proposal.
- (iii) **(No-talk)** Subject to the exception discussed at Section 8.5(b)(v) below, during the Exclusivity Period, IAP RE must ensure that neither it nor any of its Representatives:
 - (A) negotiates or enters into; or
 - (B) participates in negotiations or discussions with any other person regarding,

a Competing Proposal or any agreement, understanding or arrangement that may be reasonably expected to lead to a Competing Proposal, even if that person's Competing Proposal was not directly or indirectly solicited, invited, encouraged or initiated by IAP RE or any of its Representatives or the person has publicly announced the Competing Proposal.

08. Additional information (continued)

- (iv) **(Due diligence information)** Subject to the exception discussed at Section 8.5(b)(v) below, during the Exclusivity Period, IAP RE must ensure that neither it nor any of its Representatives in relation to a Competing Proposal:
- (A) enables a Third Party to undertake due diligence investigations on any IAP Group Member or their businesses or operations; or
 - (B) makes available to any Third Party, or permits any Third Party to receive, any non-public information relating to any IAP Group Member or their businesses or operations,
- in connection with the formulation, development or finalisation of a Competing Proposal.
- (v) **(Exceptions)** The no-talk obligation summarised at Section 8.5(b)(iii), no due diligence obligation summarised at Section 8.5(b)(iv) and the obligation to provide notification of the identity of the person making the Competing Proposal summarised at Section 8.5(b)(vi)(B)(1) do not apply to the extent that they restrict IAP RE or the IAP RE Board from taking or omitting to take any action with respect to an actual, proposed or potential Competing Proposal where the IAP RE Board has determined:
- (A) after consultation with its legal and financial advisors and acting in good faith, such a Competing Proposal is, or could reasonably be considered to become, a Superior Proposal, taking into account all material terms and conditions of the Competing Proposal; and
 - (B) after receiving advice from its legal advisers, to take or omit to take such action in order to satisfy what the IAP RE Board considers to be the fiduciary or statutory obligations of the IAP RE Directors.
- (vi) **(Notice of approaches)**
- (A) During the Exclusivity Period, IAP RE must promptly notify CHPIP if it or its Representatives become aware of any actual, proposed or potential Competing Proposal.
 - (B) A notification given must include:
 - (1) subject to the exception discussed at Section 8.5(b)(v) above, the identity of the relevant person making or proposing to make the Competing Proposal; and
 - (2) the material terms and conditions (including price) of the actual, proposed or potential Competing Proposal.
- (vii) **(Matching right)** During the Exclusivity Period, IAP RE must not enter into any legally binding agreement, arrangement or understanding pursuant to which IAP RE agrees to implement or give effect to a Competing Proposal, unless:
- (A) the IAP RE Board determines, after consultation with its legal and financial advisers and acting in good faith and in order to satisfy what the IAP RE Board considers to be its statutory or fiduciary duties, that the Competing Proposal is, or could be reasonably considered to lead to, a Superior Proposal;
 - (B) IAP RE has provided CHPIP with the material terms and conditions of the Competing Proposal, including the price and identity of the person making the Competing Proposal;
 - (C) IAP RE has given CHPIP at least 5 Business Days to provide an equivalent or superior proposal to the Competing Proposal ("**Counterproposal**"); and
 - (D) CHPIP has not announced or made a proposal that the IAP RE Board, acting reasonably and in good faith, determines to be superior to the Competing Proposal within 5 Business Days.
- (viii) **(Counterproposal)** If CHPIP provides IAP RE with a Counterproposal, IAP RE must use reasonable endeavours to procure that the IAP RE Board reviews the Counterproposal and if the IAP RE Board, acting reasonably and in good faith, determines that the Counterproposal would provide an equivalent or superior outcome for IAP Securityholders as a whole compared with the Competing Proposal, taking into account all of the material terms and conditions of the Counterproposal, then:
- (A) IAP RE and CHPIP must use their reasonable endeavours to agree the amendments to the Scheme Implementation Agreement and the Schemes that are reasonably necessary to reflect the Counterproposal and to implement the Counterproposal, in each case as soon as reasonably practicable; and
 - (B) IAP RE must use its reasonable endeavours to procure that each IAP RE Director continues to recommend the Schemes (as modified by the Counterproposal) to IAP Securityholders, and vote or procure the voting of all IAP Securities held or controlled by him or her in favour of Schemes (as modified by the Counterproposal) other than as permitted by the Scheme Implementation Agreement.

The exclusivity arrangements are set out in full in clause 9 of the Scheme Implementation Agreement.

(c) Obligation to recommend the Schemes

- (i) The public announcement to be issued by IAP RE immediately after execution of the Scheme Implementation Agreement must state (on the basis of written statements or resolutions made by each Director) that:
 - (A) the IAP RE Board unanimously recommends that IAP Securityholders vote in favour of the Schemes at the Scheme Meetings and all resolutions necessary to implement the Schemes, in the absence of a Superior Proposal and subject to the Independent Expert concluding that the Schemes are fair and reasonable to, and therefore in the best interests of, IAP Securityholders (the “**Recommendation**”); and
 - (B) each IAP Director will, vote (or procure the voting of) all IAP Securities held or controlled by him or her in favour of the Schemes at the Scheme Meetings and all resolutions necessary to implement the Schemes, in the absence of a Superior Proposal and subject to the Independent Expert concluding that the Schemes are fair and reasonable to, and therefore in the best interests of, IAP Securityholders (the “**Voting Statement**”).
- (ii) IAP RE must use reasonable endeavours to procure that the IAP RE Directors do not change or withdraw their Recommendation or Voting Statement in relation to the Proposal unless:
 - (A) the Independent Expert opines in the Independent Expert’s Report (or any update of, or any revision, amendment or supplement to, the Independent Expert’s Report) that the Schemes are not fair and reasonable to, and therefore not in the best interests of, IAP Securityholders;
 - (B) IAP RE receives a Competing Proposal, where the IAP RE Board has determined after consultation with its legal and financial advisors and subject to compliance with the obligations in clause 9 (“Exclusivity”) and acting in good faith, that the Competing Proposal is a Superior Proposal; or
 - (C) in respect of the Recommendation or Voting Statement of any IAP RE Director:
 - (1) if a Court, ASIC, the Takeovers Panel or other regulatory authority requires or requests that IAP RE Director to change, withdraw, qualify or modify, or abstain from making, his or her Recommendation or Voting Statement; or
 - (2) IAP RE reasonably determines that, in order to satisfy what the IAP RE Board considers to be its statutory or fiduciary duties and acting in good faith after consultation with its legal and financial advisers, the relevant IAP RE Director has an interest in the Schemes that renders it inappropriate for him or her to make or maintain such Recommendation or Voting Statement.

The IAP RE Director recommendation arrangements are set out in full in clause 6 of the Scheme Implementation Agreement.

(d) Payment of Scheme Consideration and obligations of the CHPIP Nominee

Subject to the Scheme Implementation Agreement and the terms of the Schemes, CHPIP has undertaken and warranted to IAP RE (in its own right and separately as trustee or nominee of each Scheme Participant) that it will on the Implementation Date:

- (i) accept the transfer to it of each IPF I Unit and procure that the CHPIP Nominee accepts the transfer to it of each IPF II Unit (failing which, CHPIP will accept the transfer to it of each IPF II Unit); and
- (ii) pay or procure the payment of the Scheme Consideration to each Scheme Participant.

The payment of Scheme Consideration obligation is set out in full in clause 4.4 of the Scheme Implementation Agreement.

(e) Payment of Break Fee (payable by IAP RE)

IAP RE has agreed to pay a Break Fee of A\$12.8 million to CHPIP if:

- (i) (**Competing Proposal**) during the Exclusivity Period, a Competing Proposal is announced and within 12 months of the date of the Scheme Implementation Agreement, the Third Party who announced or made the Competing Proposal (or any of its Associates):
 - (A) completes in all material respects a transaction of the kind referred to in paragraphs (b), (c) or (d) of the definition of Competing Proposal in the Glossary in Section 9; or
 - (B) otherwise acquires (either alone or in aggregate with any of its Associates) a Relevant Interest in at least 50% of IAP Securities (“**Relevant Threshold**”) under a transaction. In determining whether the Relevant Threshold has been met, any IAP Securities acquired from 360 Capital or its Associates will be excluded;

08. Additional information (continued)

(ii) **(change of Recommendation)** during the Exclusivity Period:

- (A) CHPIP has terminated the Scheme Implementation Agreement if a majority of the IAP RE Directors have changed, withdrawn or adversely modified their Recommendation or Voting Statement or publicly endorsed a Competing Proposal or IAP RE enters into an agreement to implement a Competing Proposal; or
- (B) IAP RE has terminated the Scheme Implementation Agreement if a majority of independent IAP RE Directors have withdrawn their Recommendation or Voting Statement or publicly endorsed a Competing Proposal and IAP RE has complied with its exclusivity and break fee obligations,

in each case, unless:

- (C) the Independent Expert concludes that the Schemes are not fair and reasonable to, and therefore not in the best interests of, the IAP Securityholders (except where the sole or predominate reason for that conclusion is the announcement of a Competing Proposal);
- (D) the withdrawal or adverse change or modification or the relevant Recommendation or Voting Statement is permitted under the Scheme Implementation Agreement; or
- (E) as a result of any matter or thing giving IAP RE the right to terminate the Scheme Implementation Agreement, and IAP RE has validly served a written notice on CHPIP in accordance with the Scheme Implementation Agreement;

(iii) **(termination)** CHPIP validly terminates the Scheme Implementation Agreement:

- (A) due to a material breach by IAP RE which has not been remedied within the applicable remedy period; or
- (B) for breach of an IAP Representation and Warranty which has not been remedied within the applicable remedy period,

in each case, other than where, at the time of such termination, IAP RE has the right to terminate the Scheme Implementation Agreement:

- (C) due to a material breach by CHPIP which has not been remedied within the applicable remedy period; or
- (D) for breach of a CHPIP Representation and Warranty which has not been remedied within the applicable remedy period.

However, the Break Fee is not payable if the Schemes nevertheless become Effective.

For full details of the Break Fee, see clause 10 of the Scheme Implementation Agreement.

(f) Payment of Reverse Break Fee (payable by CHPIP)

CHPIP agrees to pay the Reverse Break Fee of A\$12.8 million to IAP RE if IAP RE validly terminates the Scheme Implementation Agreement:

- (i) due to a material breach by CHPIP which has not been remedied within the applicable remedy period; or
- (ii) for breach of a CHPIP Representation and Warranty which has not been remedied within the applicable remedy period,

in each case, other than where, at the time of such termination, CHPIP has the right to terminate the Scheme Implementation Agreement:

- (iii) due to a material breach by IAP RE which has not been remedied within the applicable remedy period; or
- (iv) for breach of an IAP Representation and Warranty which has not been remedied within the applicable remedy period.

However, the Reverse Break Fee is not payable if the Schemes nevertheless become Effective.

For full details of the Reverse Break Fee, see clause 11 of the Scheme Implementation Agreement.

(g) Termination

- (i) **(termination by either party)** Either party (**terminating party**) may terminate the Scheme Implementation Agreement by notice to the other:
 - (A) in circumstances where the Conditions Precedent are not satisfied or waived (as applicable) by the End Date (and the parties have not otherwise agreed for the Scheme to proceed by alternative means, the satisfaction of the Condition Precedent be extended, the date of Judicial Advice be changed or adjourned, or to extend the End Date);
 - (B) if at any time prior to 8:00 am on the Second Court Date, the other party is in material breach of any clause of the Scheme Implementation Agreement (other than a breach of an IAP Representation and Warranty or a CHPIP Representation and Warranty which has not been remedied within the applicable remedy period);
 - (C) if the Schemes have not become Effective on or before the End Date; or
 - (D) if the Proposal Resolutions are not approved by the Requisite Majorities at the Scheme Meetings.
- (ii) **(termination for breach of representations and warranties)** CHPIP and IAP RE (as applicable) may, at any time before 8:00 am on the Second Court Date, terminate the Scheme Implementation Agreement for breach of an IAP Representation and Warranty or CHPIP Representation and Warranty (respectively) if the non-defaulting party has given written notice to the defaulting party, the relevant breach is unremedied within the applicable remedy period and the loss that would reasonably be expected to follow from such a breach is material in the context of the Schemes taken as a whole.
- (iii) **(termination by CHPIP)** CHPIP may terminate the Scheme Implementation Agreement at any time before 8:00 am on the Second Court Date if:
 - (A) either a majority of the IAP RE Directors or a majority of the independent IAP RE Directors have changed, withdrawn, or adversely modified their Recommendation or Voting Statement or made a public statement supporting or endorsing a Competing Proposal; or
 - (B) IAP RE enters into an agreement to implement a Competing Proposal.
- (iv) **(termination by IAP RE)** IAP RE may terminate the Scheme Implementation Agreement at any time before 8:00 am on the Second Court Date if:
 - (A) a majority of the independent IAP RE Directors have withdrawn their Recommendation or Voting Statement or made a public statement supporting or endorsing a Competing Proposal; and
 - (B) IAP RE has complied with its exclusivity obligations and break fee obligations.

The termination provisions are set out in full in clause 15 of the Scheme Implementation Agreement.

(h) Representations and Warranties

Each of IAP RE, CHPIP and the CHPIP Guarantor have given representations and warranties which are customary for an agreement of this kind.

The representations and warranties are set out in full in clause 12.5 (in the case of the CHPIP Guarantor), clause 13.1 (in the case of IAP RE) and clause 13.4 (in the case of CHPIP) of the Scheme Implementation Agreement.

(i) CHPIP Guarantor undertaking

In consideration of IAP RE entering into the Scheme Implementation Agreement, the CHPIP Guarantor unconditionally and irrevocably undertakes to IAP RE that it will provide or procure the provision of funds (whether by debt or equity) to CHPIP in an amount and on terms and conditions as are necessary to ensure due and punctual performance by CHPIP of all of its obligations under the Scheme Implementation Agreement (including any obligation on CHPIP to procure performance by the CHPIP Nominee).

8.6 Suspension of trading of IAP Securities

IAP will notify the ASX and the JSE once the Court approves the Schemes and once the Schemes become Effective. It is expected that IAP Securities will be suspended from close of trading on the ASX on Wednesday, 6 July 2022, and on the JSE from open of trading on Wednesday, 6 July 2022 (Johannesburg time).

08. Additional information (continued)

8.7 Warranty by Scheme Participants

Under the terms of the Schemes, set out in the Supplemental Deeds attached to this Scheme Booklet at Annexure D, each Scheme Participant is deemed to have warranted to CHPIP, and is deemed to have authorised IAP RE as its attorney and agent to warrant to CHPIP, on the Implementation Date, that:

- all their IAP Securities (including any rights and entitlements attaching to those securities) transferred to CHPIP under the Proposal, will, as at the date of the transfer, be fully paid and free from all encumbrances;
- they have full power and capacity to sell and to transfer their IAP Securities (including any rights and entitlements attaching to those securities) to CHPIP under the Proposal; and
- they have agreed to the variation, cancellation or modification of the rights attached to their IAP Securities (if any) in accordance with the Proposal without the need for any further act by the Scheme Participant.

Under the terms of the Schemes, IAP RE undertakes that they will provide that warranty to CHPIP as agent and attorney of each Scheme Participant.

8.8 Regulatory relief

(a) ASX relief

IAP RE has applied for, and ASX has granted, the following confirmations:

- (i) **(Constitutions):**
 - (A) ASX Listing Rule 15.1.1 – confirmation that ASX does not object to the proposed amendments to the IAP Constitutions in connection with the Proposal;
 - (B) ASX Listing Rule 6.12.3 – confirmation for the purposes of ASX Listing Rule 6.12.3 that the changes to the IAP Constitutions are approved, so far as they give rise to a divestment of IAP Securities, on the basis that they are appropriate and equitable;
- (ii) **(Timetable)** confirmation that the proposed timetable is acceptable to ASX; and
- (iii) **(De-stapling)** confirmation that ASX does not object to the de-stapling of IPF I Units and IPF II Units under the Proposal.

(b) ASIC relief

ASIC has granted relief to IAP RE and CHPIP and the CHPIP Nominee (as applicable) from the operation of the following provisions of the Corporations Act:

- (i) **(Voting on the Proposal)** Section 611 item 7 – relief from applicable voting restrictions so that each IAP securityholder and their Associates may vote at the Scheme Meetings;
- (ii) **(Unsolicited offers)** Division 5A of Part 7.9 – relief from the prohibition on unsolicited off-market offers to acquire financial products in connection with the proposed offer to acquire IAP Securities under the Proposal; and
- (iii) **(Financial services guide)** Division 2 of Part 7.7 – relief from the requirement to provide a financial services guide to IAP Securityholders who are retail clients in connection with this Scheme Booklet.

(c) JSE determination

IAP RE engaged with the JSE, and the JSE provided the following determination and confirmations (among other things):

- (i) confirmation that JSE will delist all the IAP Securities listed on the JSE in accordance with sections 1.12 and 1.13 of the JSE Listings Requirements with effect from the Delisting Date, on the basis that the IAP Group will no longer comply with the public spread requirements pursuant to section 4.28(e) of the JSE Listings Requirements, subject to the Schemes being successfully implemented, and subject to confirmation from IAP RE that it does not intend to maintain the listing of IAP on the JSE and the approval of the Executive Committee of the JSE;
- (ii) confirmation that the IAP RE is not required to comply with sections 1.14 to 1.16 of the JSE Listings Requirements in order to have IAP removed from the official list of the JSE, but that the removal will instead be initiated by the JSE on the basis that the Schemes will be implemented and regulated in accordance with Australian law, and taking into account the fact that:
 - (A) the Scheme Booklet will include the Independent Expert's fair and reasonable opinion;
 - (B) the Schemes will be subject to the approval of IAP Securityholders; and
 - (C) 360 Capital will be precluded from voting on the IPF I Trust Acquisition Resolution and IPF II Trust Acquisition Resolution; and

- (iii) confirmation that the JSE will not deem the Memorandum of Understanding between the CHPIP Guarantor and 360 Capital as a related party transaction in terms of section 10.1 or 10.2 of the JSE Listings Requirements, on the basis that IAP is not a party to the Memorandum of Understanding and the options over certain property assets of IPF I contemplated in the Memorandum of Understanding are only exercisable after the Delisting Date.

8.9 Regulatory approvals

(a) FIRB

CHPIP has sought FIRB approval in respect of its acquisition of 100% of IPF I Units, on the basis that CHPIP is a foreign person acquiring a substantial interest in an Australian unit trust and an interest in Australian land.

As at the date of this Scheme Booklet, the Treasurer of the Commonwealth of Australia has not yet provided notice that the Commonwealth Government has no objection to the Proposal under the *Foreign Acquisitions and Takeovers Act 1975* (Cth). An update on the status of the FIRB approval will be provided at the Scheme Meetings.

(b) OIO

CHPIP and the CHPIP Nominee have sought OIO approval in respect of their acquisition of 100% of IAP Securities, comprising all of the IPF I Units and IPF II Units. IPF I is the owner of the property at 100 Willis Street, Wellington, New Zealand and IPF I indirectly owns 100% of the shares in IAP RE, which is the responsible entity of IPF I and IPF II. As at the date of this Scheme Booklet, the Overseas Investment Office has not yet provided all consents required under the *Overseas Investment Act 2005* (NZ) and the *Overseas Investment Regulations 2005* (NZ). An update on the status of the OIO approval will be provided at the Scheme Meetings.

(c) SARB

On Tuesday, 10 May 2022, the Financial Surveillance Department of SARB approved the Proposal, including the proposed removal of IAP from the official list of the JSE in accordance with section 16.26(h) of the JSE Listings Requirements.

8.10 Consents and disclosures

- (i) The following parties have given, and have not withdrawn before the date of this Scheme Booklet, their consent to be named in this Scheme Booklet in the form and context in which they are named:
 - (A) Macquarie Capital and J.P. Morgan as financial advisers to IAP Group;
 - (B) King & Wood Mallesons as Australian legal adviser to IAP Group in relation to the Proposal;
 - (C) Cliffe Dekker Hofmeyr as South African legal adviser to IAP Group in relation to the Proposal;
 - (D) Computershare Investor Services Pty Limited and Computershare Investor Services Proprietary Limited as the IAP Registry; and
 - (E) Investec Bank Limited as Sponsor to IAP Group.
- (ii) The Independent Expert has given and has not withdrawn its consent to be named in this Scheme Booklet and to the inclusion of the Independent Expert's Report in Annexure B and to the references to the Independent Expert's Report in this Scheme Booklet being made in the form and context in which each such reference is included.
- (iii) KPMG has given and has not withdrawn its consent to be named in this Scheme Booklet and to the inclusion of the Taxation Report in Section 7 and to the references to the Taxation Report in this Scheme Booklet being made in the form and context in which each such reference is included.
- (iv) CHPIP and the CHPIP Nominee have each given, and have not withdrawn, their consent to be named in this Scheme Booklet and in relation to the inclusion of the CHPIP Information in this Scheme Booklet in the form and context in which that information is included.
- (v) Each person named in this Section 8.10:
 - (A) has not authorised or caused the issue of this Scheme Booklet;
 - (B) does not make, or purport to make, any statement in this Scheme Booklet or any statement on which a statement in this Scheme Booklet is based, other than as specified in this Section 8.10; and
 - (C) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Scheme Booklet, other than a reference to its name and the statement (if any) included in this Scheme Booklet with the consent of that party as specified in this Section 8.10.

08. Additional information (continued)

8.11 No unacceptable circumstances

IAP RE believes that the Proposal does not involve any circumstances in relation to the affairs of IAP Group that could reasonably be characterised as constituting ‘unacceptable circumstances’ for the purposes of section 657A of the Corporations Act.

8.12 No other information material to the making of a decision in relation to the Proposal

Otherwise than as contained or referred to in this Scheme Booklet, including the Independent Expert’s Report and the information that is contained in the Annexures, there is no other information that is material to the making of a decision by an IAP Securityholder whether or not to vote in favour of the Proposal Resolutions to approve the Proposal, being information that is known to any IAP RE Director and which has not previously been disclosed to IAP Securityholders.

8.13 Supplementary information

IAP RE will issue a supplementary document to this Scheme Booklet if it becomes aware of any of the following between the date of this Scheme Booklet and the date of the Scheme Meetings:

- (i) a material statement in this Scheme Booklet is false or misleading;
- (ii) there is a material omission from this Scheme Booklet;
- (iii) there is a significant change affecting a matter in this Scheme Booklet; or
- (iv) a significant new matter has arisen and it would have been required to be included in this Scheme Booklet if known about at the date of this Scheme Booklet,

Depending on the nature and timing of the changed circumstances, and subject to obtaining any relevant approvals, IAP RE may circulate and publish any supplementary document by:

- (i) making an announcement to the ASX and the JSE;
 - (ii) placing an advertisement in a prominently published newspaper which is circulated generally throughout Australia;
 - (iii) posting the supplementary document to IAP Securityholders at their registered address as shown on the IAP Register; and/or
 - (iv) posting a statement on IAP Group’s website at irongategroup.com.au,
- as IAP RE in its absolute discretion considers appropriate.

8.14 Transaction costs

IAP RE has and will incur external transaction costs in connection with the Proposal.

Some of these costs are conditional on the Proposal proceeding, and if the Proposal is implemented, these will effectively be borne by CHPIP.

If the Proposal is implemented, IAP RE expects to pay an aggregate of approximately A\$15.0 million (excluding GST) in external transaction costs in connection with the Proposal. If the Proposal is not implemented, IAP RE expects that external transaction costs will be approximately A\$2.5 million (excluding GST). These costs include advisory fees for IAP’s financial, legal and tax advisers, fees payable in relation to the Independent Expert’s Report, fees payable to the IAP Registry and general administrative fees including costs associated with the publication and despatch of the Scheme Booklet and holding of the Scheme Meetings.

These transaction costs do not include the Break Fee that may be payable (see Section 8.5(d) for information on the circumstances in which the Break Fee may be payable by IAP RE).

09 —

Glossary and interpretation

09. Glossary and interpretation

9.1 Glossary

The meanings of the terms used in this Scheme Booklet are detailed below:

TERM	MEANING
\$ or A\$	Australian dollars, being the lawful currency of Australia.
360 Capital	360 Capital Group and 360 Capital REIT.
360 Capital Group	The stapled entity comprising 360 Capital Group Limited (ABN 18 113 569 136) and 360 Capital Investment Trust (ARSN 104 552 598).
360 Capital Proposals	The First 360 Capital Proposal, the Second 360 Capital Proposal and the Third 360 Capital Proposal.
360 Capital REIT	The stapled fund comprised of the 360 Capital Passive REIT (ARSN 602 304 432) and 360 Capital Active REIT (ARSN 602 303 613).
A-REIT	An Australian-domiciled real estate investment trust that is registered as a managed investment scheme by ASIC under Chapter 5C of the Corporations Act.
ABN	Australian Business Number.
ACN	Australian Company Number.
Adviser	In relation to an Entity, a financier, financial adviser, corporate adviser, legal adviser, or technical or other expert adviser or consultant who provides advisory services in a professional capacity in the ordinary course of its business and to the market in general and who has been engaged in that capacity in connection with the Schemes by that Entity.
AFSL	Australian financial services licence issued under the Corporations Act.
AMIT	Attribution managed investment trust.
Annexure	An annexure to this Scheme Booklet.
ARSN	Australian Registered Scheme Number.
ASIC	The Australian Securities and Investments Commission.
Associates	has the meaning given in section 12 of the Corporations Act.
ASX	ASX Limited (ABN 98 008 624 691) or, as the context requires, the financial market known as 'ASX' operated by ASX Limited.
ASX Listing Rules	The official listing rules of the ASX, as amended or replaced from time to time except to the extent of any express written waiver by ASX.
ATO	Australian Tax Office.
Australian Register	The register of IAP Securityholders maintained by, or on behalf of IAP RE in Australia, which is a sub-register of the IAP Register.
Break Fee	A break fee of A\$12,800,000 payable by IAP RE to CHPIP if certain specified events occur, as described in Section 8.5(e) of this Scheme Booklet.

TERM	MEANING
Business Day	A day on which banks are open for general banking business in Sydney and Johannesburg (other than a Saturday, Sunday or public holiday in those places).
Certificated IAP Securityholders	IAP Securityholders who have not Dematerialised their unit certificates in IPF I or IPF II in terms of Strate and hold Certificated IAP Security.
Certificated IAP Security	IPF I Units or IPF II Units which have not yet been Dematerialised, title to which is represented by a unit certificate or other document of title acceptable to the IAP RE Board.
CGT	Capital gains tax.
Charter Hall Group	The stapled group comprising Charter Hall Limited (ACN 113 531 150) and Charter Hall Funds Management Limited (ACN 082 991 786) as responsible entity for Charter Hall Property Trust (ARSN 113 339 147) and each of their respective Related Bodies Corporate.
CHESS	The Clearing House Electronic Sub-register System for the electronic transfer of securities and other financial products operated by ASX Settlement Pty Limited (ACN 008 504 532).
CHPIP	Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGGM Industrial Partnership No. 2 (ABN 98 732 489 194).
CHPIP Guarantor	Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGGM Industrial Partnership (ABN 29 250 100 507).
CHPIP Group	Each of CHPIP, the CHPIP Nominee, the CHPIP Guarantor, PGGM and their respective Related Bodies Corporate and each entity in the Charter Hall Group.
CHPIP Group Member	A member of the CHPIP Group.
CHPIP Information	<p>All information provided by CHPIP to IAP RE in writing for inclusion in the Scheme Booklet, being the statement at the end of the second paragraph of the Letter from the Chairman regarding ownership of CHPIP and the CHPIP Nominee, Row 13, the first sentence of the second last paragraph of Row 19 and Rows 29 to 33 of Section 1, Section 3.3, 5, 8.4 (other than the book value for 34 Southgate Avenue, Cannon Hill and the corresponding footnote 58), 8.9(a), 8.9(b), the definitions of CHPIP, CHPIP Nominee, CHPIP Guarantor, CHPIP Group, CHPIP Group Member, CHPIP Information, Charter Hall Group, PGGM, Debt Facility, Equity Funding, and Memorandum of Understanding in Section 9.1 and any references to such information above in which they are included in this Scheme Booklet.</p> <p>For the avoidance of doubt, CHPIP Information does not include the IAP Information, the Independent Expert's Report, nor any description of the taxation effect of the Schemes prepared by KPMG.</p>
CHPIP Nominee	Charter Hall Holdings Pty. Limited (ACN 051 363 547).
CHPIP Representation and Warranty	The representations and warranties of CHPIP set out in clause 13.4 of the Scheme Implementation Agreement.

09. Glossary and interpretation (continued)

TERM	MEANING
Competing Proposal	<p>Any proposal, agreement, arrangement or transaction, which, if entered into or completed, would result in a Third Party (either alone or together with any Associates):</p> <ul style="list-style-type: none"> (a) acquiring, directly or indirectly, a Relevant Interest in, or have a right to acquire, a legal, beneficial or economic interest in, or control of, or the right to vote, 20% or more of IAP Securities; (b) directly or indirectly acquiring Control of IAP; (c) directly or indirectly acquiring or becoming the holder of, or otherwise acquiring or having a right to acquire, a legal, beneficial or economic interest in, or control of, all or a substantial part or material part of all of the business or assets of IAP; or (d) directly or indirectly acquiring or merging with IAP, <p>whether by way of takeover bid, members' or creditors' scheme of arrangement, reverse takeover, shareholder approved transaction, capital reduction or buy-back, sale or purchase of shares or assets, joint venture, dual-listed company structure (or other synthetic merger) or other transaction or arrangement. For the purposes of paragraph (a) above, a Third Party does not include any party that as at the date of this Scheme Booklet has a Relevant Interest in 20% or more of all IAP Securities.</p>
Conditions Precedent	The conditions precedent to the implementation of the Proposal as set out in clause 3.1 of the Scheme Implementation Agreement and summarised in Section 8.5(a) of this Scheme Booklet.
Control	has the meaning given by section 50AA of the Corporations Act.
Corporations Act	The <i>Corporations Act 2001</i> (Cth), as amended by any applicable ASIC class order, ASIC legislative instrument or ASIC relief.
Court	The Supreme Court of New South Wales or such other court of competent jurisdiction as CHPIP and IAP RE may agree in writing.
CSDP	Central Securities Depository Participant.
Debt Facility	The new debt facility utilised by CHPIP to partially fund the Scheme Consideration and refinance IAP's existing debt facilities, as described in Section 5.6.2.
Deed Poll	The deed poll executed by CHPIP and the CHPIP Guarantor in favour of the Scheme Participants contained in Annexure C.
Delisting Date	The date on which IAP Securities will be removed on the official lists of the ASX and JSE (expected to be on Monday, 18 July 2022).
Dematerialised	The process whereby Certificated IAP Security are replaced by electronic records of ownership under Strate and recorded in the IAP Register.
Dematerialised IAP Securityholders	IAP Securityholders who hold Dematerialised IAP Security.
Dematerialised IAP Security	IPF I Units or IPF II Units which have been incorporated into the Strate system and which are no longer evidenced by unit certificates, certified transfer deeds, balance receipts or any other physical documents of title.
De-Stapling Resolutions	The IPF I De-Stapling Resolution and the IPF II De-Stapling Resolution.
Effective	When used in relation to the Schemes or Proposal, means each Supplemental Deed taking effect pursuant to section 601GC(2) of the Corporations Act.
Effective Date	The date on which the Schemes become Effective, (expected to be Wednesday, 6 July 2022).

TERM	MEANING
End Date	The date which is six months from the date of the Scheme Implementation Agreement, or such other date as is agreed by CHPIP and IAP RE (expected to be Friday, 30 September 2022).
Entity	A natural person, a body corporate, a partnership, a trust and the trustee of a trust.
Equity Funding	The equity contributions received by CHPIP from its unitholders, Charter Hall Group and PGGM, as described in Section 5.6.2.
Exclusivity Period	The period from and including the date of the Scheme Implementation Agreement to the earlier of: <ul style="list-style-type: none"> (a) the termination of the Scheme Implementation Agreement in accordance with its terms; (b) the Implementation Date; and (c) the End Date.
FFO	Funds from operations calculated in accordance with the Property Council Guidelines, determined by adjusting statutory net profit (under Australian Accounting Standards) for non-cash and other items such as property revaluations, derivative mark-to-market impacts, amortisation of tenant incentives, gain/loss on sale of investment properties, straight-line rental revenue adjustments, non-FFO tax expenses/benefits and other unrealised one-off items.
FIRB	Foreign Investment Review Board.
FIRB Act	<i>Foreign Acquisitions and Takeovers Act 1975</i> (Cth).
First 360 Capital Proposal	The NBIO submitted by 360 Capital on 15 October 2021 to acquire 100% of IAP Securities for A\$1.6047 cash per IAP Security (being a headline price of A\$1.65 less the announced distribution of 4.53 cents per IAP Security for the period ending 30 September 2021).
First Judicial Advice	Confirmation from the Court under section 63 of the <i>Trustee Act 1925</i> (NSW) that (among other things): <ul style="list-style-type: none"> (a) IAP RE would be justified in convening the Scheme Meetings for the purposes of considering the Proposal Resolutions; and (b) subject to the IAP Securityholders passing the Proposal Resolutions, IAP RE would be justified in proceeding on the basis that amending the IAP Constitutions as set out in the relevant Supplemental Deed would be within the powers of alteration conferred by the IAP Constitutions and section 601GC of the Corporations Act.
FY22	The 12 month period ended on 31 March 2022.
GST	Goods and services tax.
Guidance Note 15	Guidance Note 15: Trust Scheme Mergers issued by the Takeovers Panel of Australia.
IAP	The stapled group comprising IPF I and IPF II.
IAP Constitutions	The IPF I Constitution and the IPF II Constitution.
IAP Group or Irongate Group	IAP RE, IPF I, IPF II and each of their respective Related Bodies Corporate.
IAP Group Member	A member of the IAP Group.

09. Glossary and interpretation (continued)

TERM	MEANING
IAP Information	<p>All information included in this Scheme Booklet, and any updates to that information prepared by or on behalf of IAP RE, other than:</p> <ul style="list-style-type: none"> (a) CHPIP Information; (b) the Independent Expert's Report; and (c) any description of the taxation effect of the Schemes prepared by KPMG.
IAP Prescribed Occurrence	<p>Any of the following occurrences (subject to certain exceptions set out in the Scheme Implementation Agreement):</p> <ul style="list-style-type: none"> (a) (conversion) IAP RE or IAP (acting through IAP RE) converts all or any of its securities into a larger or smaller number of securities or a resolution is passed to do so; (b) (reduction of capital) IAP RE or IAP (acting through IAP RE) reduces or resolves to reduce its capital in any way; (c) (redemption) IAP (acting through IAP RE) redeems or resolves to redeem any IAP Securities; (d) (buy-back) IAP (acting through IAP RE) buys back or agrees to buy back any IAP Securities, including: <ul style="list-style-type: none"> i. entering into a buy-back agreement; or ii. resolving to approve the terms of a buy-back agreement under the Corporations Act; (e) (issuing units or options) an IAP Group Member issues securities or grants an option over its securities or agrees to make such an issue or grant such an option, other than: <ul style="list-style-type: none"> i. by an IAP Group Member to another IAP Group Member; or ii. the issue of IAP Securities upon the exercise or vesting of Performance Rights which are on issue as at the date of the Scheme Implementation Agreement; (f) (convertible securities) an IAP Group Member issues or agrees to issue convertible notes or other security or instruments convertible into securities or debt securities; (g) (Encumbrances) an IAP Group Member creates, or agrees to create, any encumbrance over the whole or a substantial part of its business or property of the IAP Group; (h) (assets) an IAP Group Member disposes, or agrees to dispose of the whole or a substantial part of its business or assets of the IAP Group; (i) (wound up) any IAP Group Member resolves to be wound up; (j) (liquidator) a liquidator or provisional liquidator of any IAP Group Member is appointed; (k) (court order) a court makes an order for the winding up of any IAP Group Member; (l) (administrator) an administrator of any IAP Group Member is appointed under the Corporations Act; (m) (company arrangement) any IAP Group Member executes a deed of company arrangement; (n) (receiver) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of any IAP Group Member;

TERM	MEANING
IAP Prescribed Occurrence (continued)	<p>(o) (Trusts) any of the following occur:</p> <ul style="list-style-type: none"> i. IAP RE ceases to be or takes steps to retire as the responsible entity of IPF I or IPF II; ii. IAP Securityholders or an IAP Group Member (as applicable) resolve to remove or replace IAP RE as responsible entity of IPF I or IPF II or as trustee of an IAP Group Member (as applicable); iii. a meeting being convened to consider a resolution for the removal, retirement or replacement of IAP RE as responsible entity of IPF I or IPF II; or iv. any application being made in any court (including by the IAP RE or its nominee) for the appointment of a temporary responsible entity of IPF I or IPF II in accordance with the Corporations Act; <p>(p) (resettlement) IAP RE (or its representatives) effects or facilitates the resettlement of the trust property of IPF I or IPF II;</p> <p>(q) (delisting and extended suspension) IAP ceases to be admitted to the official list of the ASX or the JSE, or IAP Securities cease to be quoted by ASX or JSE or IAP is suspended, or the IAP RE takes steps to suspend IAP, from trading by ASX or JSE for a consecutive period of more than 2 weeks;</p> <p>(r) (deregistration) IPF I or IPF II (acting through IAP RE) or any IAP Group Member become or take steps to become deregistered as a registered managed investment scheme or is otherwise dissolved;</p> <p>(s) (distributions) other than a Permitted Distribution, IPF I or IPF II (acting through IAP RE) or any IAP Group Member declares, resolves to pay or pays any dividend, distribution or share of its profits or assets or returning or agreeing to return any capital to its securityholders or unitholders (whether in cash or in specie);</p> <p>(t) (constituent documents) the IPF I Constitution, the IPF II Constitution or the constitution of any other IAP Group Member, or a provision of it is modified, repealed or replaced; and</p> <p>(u) (indebtedness) any IAP Group Member incurs any financial indebtedness or issues any indebtedness or debt securities other than:</p> <ul style="list-style-type: none"> i. in the ordinary and usual course of business, including by way of drawdown of any available funding under facility arrangements which are fairly disclosed in the due diligence materials; ii. for the purposes of funding the March 2022 Distribution; or iii. to or from any other IAP Group Member.
IAP RE	Irongate Funds Management Limited (ACN 071 514 246), the responsible entity of IPF I and IPF II.
IAP RE Board	The board of directors of IAP RE.
IAP RE Director	Each director of the IAP RE Board.
IAP Register	The register of holders of IAP Securities maintained in accordance with the Corporations Act and in accordance with the JSE Listings Requirements, which incorporates the Australian Register and the South African Register.
IAP Registry	Computershare Investor Services Pty Limited (ABN 48 078 279 277), a private company duly incorporated in accordance with the laws of Australia, and transfer secretaries, Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07), a private company duly incorporated in accordance with the laws of South Africa.
IAP Representation and Warranty	The representations and warranties of IAP set out in clauses 9.1 and 13.1 of the Scheme Implementation Agreement.

09. Glossary and interpretation (continued)

TERM	MEANING
IAP Security	A stapled security comprising one IPF I Unit stapled to one IPF II Unit.
IAP Securityholder	Each person who is registered in the IAP Register as a holder of IAP Securities.
IAP Securityholder Information Line	1300 620 419 (within Australia) or +613 9415 4314 (outside Australia).
Implementation Date	The fifth Business Day following the Record Date, or such other date as IAP RE and CHPIP may agree in writing (expected to be Friday, 15 July 2022).
Independent Expert	Deloitte Corporate Finance Pty Limited (ACN 003 833 127).
Independent Expert's Report	The report prepared by the Independent Expert included in Annexure B.
IPF I	Irongate Property Fund I (ARSN 162 067 736).
IPF I Constitution	The constitution establishing IPF I, as amended from time to time.
IPF I Constitution Amendment Resolution	Proposal Resolution 3 in the Notice of Meeting, as summarised in Section 3.5 of this Scheme Booklet.
IPF I De-Stapling Resolution	Resolution 5 in the Notice of Meeting, as summarised in Section 3.5 of this Scheme Booklet.
IPF I Supplemental Deed	The deed poll to be entered into by IAP RE as responsible entity of IPF I amending the constitution of IPF I pursuant to section 601GC(1) of the Corporations Act, as set out in Annexure D of this Scheme Booklet.
IPF I Trust Acquisition Resolution	Resolution 1 in the Notice of Meeting, as summarised in Section 3.5 of this Scheme Booklet.
IPF I Trust Scheme	An arrangement in accordance with Guidance Note 15 under which CHPIP acquires all of the IPF I Units, facilitated by amendments to the IPF I Constitution as set out in the Supplemental Deed for IPF I.
IPF I Unit	A fully paid ordinary unit in IPF I.
IPF II	Irongate Property Fund II (ARSN 644 081 309).
IPF II Constitution	The constitution establishing IPF II, as amended from time to time.
IPF II Constitution Amendment Resolution	Proposal Resolution 4 in the Notice of Meeting, as summarised in Section 3.5 of this Scheme Booklet.
IPF II De-Stapling Resolution	Proposal Resolution 6 in the Notice of Meeting, as summarised in Section 3.5 of this Scheme Booklet.
IPF II Supplemental Deed	The deed poll to be entered into by IAP RE as responsible entity of IPF II amending the constitution of IPF II pursuant to section 601GC(1) of the Corporations Act, as set out in Annexure D of this Scheme Booklet.
IPF II Trust Acquisition Resolution	Proposal Resolution 2 in the Notice of Meeting and is summarised in Section 3.5 of this Scheme Booklet.

TERM	MEANING
IPF II Trust Scheme	An arrangement in accordance with Guidance Note 15 under which the CHPIP Nominee (as the nominee of CHPIP) acquires all of the IPF II Units, facilitated by amendments to the IPF II Constitution as set out in the Supplemental Deed for IPF II.
IPF II Unit	A fully paid ordinary unit in IPF II.
ITAP Fund	A fund comprised of Irongate Templewater Australia Property I L.P., Templewater Australia Property Fund I Head Trust and various sub trusts that have been established (or may be established from time to time).
J.P. Morgan	J.P. Morgan Securities Australia Limited (ACN 003 245 234).
JSE	JSE Limited, or the stock exchange operated by JSE Limited.
JSE Listings Requirements	The listings requirements of the JSE, modified to the extent of any express written waiver or dispensation letter by the JSE.
Judicial Advice	The First Judicial Advice and the Second Judicial Advice.
KPMG	KPMG.
Last Practicable Date	Monday, 16 May 2022, being the last practicable trading day before the date of this Scheme Booklet.
LTI Plan Rules	The Irongate Group Long Term Incentive Plan Rules dated 14 October 2020 (as amended from time to time).
Macquarie Capital	Macquarie Capital (Australia) Limited (ACN 123 199 548).
March 2022 Distribution	The ordinary distribution for the period ending 31 March 2022 of 4.67 cents per IAP Security, as announced by IAP on Tuesday, 10 May 2022, which IAP Securityholders will be entitled to retain under the Proposal.
Matching Rights	The matching rights set out in clause 9.8 of the Scheme Implementation Agreement, as summarised in Section 8.5(b)(vii) of this Scheme Booklet.
Memorandum of Understanding	The memorandum of understanding dated 28 January 2022 between the CHPIP Guarantor and 360 Capital, as described in Section 3.3.
NBIO	Non-binding indicative offer.
Notice of Meeting	The notices of meeting relating to the Proposal Resolutions as set out in Annexure A.
NTA	Net tangible assets.
OIO	New Zealand Overseas Investment Office.
Performance Right	Each right issued under the LTI Plan Rules.
Permitted Distribution	A distribution declared or determined to be paid by the IAP RE Board to IAP Securityholders in the ordinary course on a quarterly basis and includes the March 2022 Distribution.
PGGM	PGGM Australia Nominees Pty Ltd (ACN 126 864 908) as trustee of the PGGM Australian Private Real Estate Trust.
PLC Nominees	PLC Nominees Proprietary Limited (registration number 1989/002235/07).

09. Glossary and interpretation (continued)

TERM	MEANING
Proposal	The proposal, the detailed terms of which are set out in this Scheme Booklet, under which CHPIP will acquire all of the IPF I Units and the CHPIP Nominee will acquire all of the IPF II Units from Scheme Participants pursuant to the Schemes.
Proposal Resolutions	The following resolutions to be put to IAP Securityholders to approve the Proposal: (a) the Trust Acquisition Resolutions; (b) the Trust Constitution Amendment Resolutions; and (c) the De-Stapling Resolutions, as set out in the Notice of Meeting.
Proxy Forms	The proxy forms accompanying this Scheme Booklet which enable IAP Securityholders to give voting instructions and appoint proxies for the Scheme Meetings.
Record Date	7:00 pm (Sydney time) on the date that is the second Business Day after the Effective Date, or such other date as may be agreed in writing between CHPIP and IAP RE or as may be required by the ASX or JSE (expected to be Friday, 8 July 2022).
REIT	Real estate investment trust.
Related Bodies Corporate	The meaning given to it in the Corporations Act, but as if references to “body corporate” and “body” were to an “Entity”.
Relevant Interest	has the meaning given to it in sections 608 and 609 of the Corporations Act.
Representatives	In relation to CHPIP or IAP RE: (a) each other member of the CHPIP Group or IAP Group (as applicable); (b) an employee, officer, director of a member of the CHPIP Group or IAP Group (as applicable); or (c) an Adviser to a member of the CHPIP Group or IAP Group (as applicable).
Requisite Majorities	In relation to the Proposal Resolutions, the Requisite Majorities are: (a) for the Trust Acquisition Resolutions, at least 50% of the total number of votes cast by IAP Securityholders entitled to vote on the resolution; (b) for the Trust Constitution Amendment Resolutions, by at least 75% of the total number of votes cast by IAP Securityholders entitled to vote on the resolution; and (c) for the De-Stapling Resolutions, at least 75% of the total number of votes cast by IAP Securityholders entitled to vote on the resolution.
Reverse Break Fee	A reverse break fee of A\$12,800,000 payable by CHPIP to IAP RE if certain specified events occur, as described in Section 8.5(f) of this Scheme Booklet.
SARB	South African Reserve Bank.
Scheme Booklet	This scheme booklet comprising the notice of meeting and explanatory memorandum relating to the Proposal Resolutions.
Scheme Consideration	The consideration to be provided by CHPIP to each Scheme Participant for the transfer to CHPIP of each IPF I Unit, and the transfer to the CHPIP Nominee of each IPF II Unit, being A\$1.90 less any distribution declared or paid by IAP in the period prior to implementation of the Proposal (excluding the March 2022 Distribution, which IAP Securityholders will be entitled to retain).

TERM	MEANING
Scheme Implementation Agreement	The scheme implementation agreement dated 30 March 2022 between IAP RE, CHPIP and the CHPIP Guarantor and released to the ASX on 30 March 2022.
Scheme Meetings	The extraordinary general meetings of IPF I and IPF II to be convened by IAP RE pursuant to the IAP Constitutions and section 252A of the Corporations Act to consider the Proposal Resolutions, including any adjournment of those meetings.
Scheme Participant	Each person who is an IAP Securityholder at the Record Date.
Schemes	The IPF I Trust Scheme and IPF II Trust Scheme.
Second 360 Capital Proposal	The NBIO submitted on 11 November 2021 by 360 Capital to acquire 100% of IAP Securities for A\$1.6547 cash per IAP Security (being a headline price of A\$1.70 less the announced distribution of 4.53 cents per IAP Security for the period ending 30 September 2021).
Second Court Date	The first day on which an application made to the Court by IAP RE for the Second Judicial Advice (expected to be Tuesday, 5 July 2022), or, if the hearing of such application is adjourned for any reason, means the first day on which the adjourned application is heard.
Second Court Hearing	The Court hearing on the Second Court Date.
Second Judicial Advice	Confirmation from the Court under section 63 of the Trustee Act 1925 (NSW) that (among other things), if IAP Securityholders having approved the Proposal Resolutions by the Requisite Majorities, IAP RE would be justified in implementing the Proposal Resolutions, giving effect to the provisions of each IAP Constitution (as amended by the relevant Supplemental Deed) and in doing all things and taking all necessary steps to put the Schemes into effect.
Section	A section of this Scheme Booklet.
SENS	Stock Exchange News Service.
South African Register	The register of IAP Securityholders maintained by, or on behalf of IAP RE in South Africa, which is a sub-register of the IAP Register.
Sponsor	Investec Bank Limited (Registration number 1969/004763/06), a public company duly incorporated in accordance with the laws of South Africa.
Superior Proposal	A bona fide written Competing Proposal received after the date of the Scheme Implementation Agreement that would, if completed substantially in accordance with its terms, result in a transaction that is more favourable to IAP Securityholders (as a whole) than the Schemes, taking into account all aspects of the Competing Proposal, including whether the transaction is reasonably capable of being completed, the identity, reputation and financial condition of the person making such proposal, legal, regulatory and financial matters.
Supplemental Deeds	IPF I Supplemental Deed and IPF II Supplemental Deed.
Takeovers Panel	The Takeovers Panel of Australia.
Taxation Report	The report prepared by KPMG set out in Section 7.
Third 360 Capital Proposal	The NBIO submitted on 14 December 2021 by 360 Capital to acquire 100% of IAP Securities for A\$1.72 cash per IAP Security.
Third Party	Any person other than any CHPIP Group Member or any Associate of a CHPIP Group Member.

09. Glossary and interpretation (continued)

TERM	MEANING
Trust Acquisition Resolutions	The IPF I Trust Acquisition Resolution and the IPF II Trust Acquisition Resolution.
Trust Constitution Amendment Resolutions	The IPF I Constitution Amendment Resolution and the IPF II Constitution Amendment Resolution.
Voting Record Date	the time and date for determining eligibility to vote at the Scheme Meetings (expected to be 7:00 pm (Sydney time) / 11:00 am (Johannesburg time) on Monday, 27 June 2022).
WACR	The average capitalisation rate across IAP's portfolio or group of properties, weighted by property value.
WALE	Weighted average lease expiry.

9.2 Interpretation

In this Scheme Booklet:

- words of any gender include all genders;
- words importing the singular include the plural and vice versa;
- an expression importing a person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;
- a reference to a section or annexure is a reference to a section or annexure of this Scheme Booklet as relevant;
- a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or re-enactments of any of them;
- headings and bold type are for convenience only and do not affect the interpretation of this Scheme Booklet;
- a reference to time is a reference to Sydney, Australia time unless otherwise specified;
- a reference to dollars and "A\$" is to Australian currency;
- a reference to "R" is a reference to South African Rand;
- an accounting term is a reference to that term as it is used in accounting standards under the Corporations Act, or, if not inconsistent with those standards, in accounting principles and practices generally accepted in Australia; and
- the words 'include', 'including', 'for example' or 'such as' when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind.

ANNEXURE A:

Notice of Meeting

Annexure A: Notice of Meeting

Notice of Scheme Meetings

Notice is given that an extraordinary general meetings of unitholders of IPF I and IPF II (together, the **Scheme Meetings**) will be held concurrently at:

Time: 5:00 pm (Sydney time) / 9:00 am (Johannesburg time)

Date: Wednesday, 29 June 2022

Due to the continuing developments in relation to the COVID-19 pandemic and the health and safety of all attendees being of paramount importance, the Scheme Meetings will be held virtually. Accordingly, IAP Securityholders will not be able to physically attend the Scheme Meetings. We encourage you to participate in the Scheme Meetings in the manner described in the Explanatory Notes (see below – *How to Participate in the Scheme Meetings*).

This Notice of Meeting (**Notice**) (which is available in English only) is important and requires your immediate attention. The action you need to take is set out in this Notice. If you are in any doubt as to what action to take, please consult your broker, attorney or other professional advisor immediately.

Terms used in this Notice have the same meaning as set out in the Glossary of the scheme booklet to which this Notice forms part (**Scheme Booklet**), unless indicated otherwise.

1. Business of Scheme Meetings

The business to be considered at the Scheme Meetings is to consider and, if thought fit, pass the following resolutions of members of IPF I and IPF II (as applicable).

2. Proposal Resolutions

2.1 Proposal Resolution 1 – IPF I Trust Acquisition Resolution

To consider, and if thought fit, to pass the following resolution as an ordinary resolution of the members of IPF I:

“That, subject to and conditional on all other resolutions set out in the notice convening this meeting being passed, for the purposes of item 7, section 611 of the Corporations Act 2001 (Cth) and for all other purposes:

- a. *the acquisition of all of the units on issue in Irongate Property Fund I (ARSN 162 067 736) (**IPF I**) by Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGGM Industrial Partnership No. 2 (ABN 98 732 489 194) (the **Acquisition**), be approved; and*
- b. *Irongate Funds Management Limited, as responsible entity of Irongate Property Fund I, be authorised to do all things which it considers as necessary, desirable or reasonably incidental to give effect to the Acquisition.”*

2.2 Proposal Resolution 2 – IPF II Trust Acquisition Resolution

To consider, and if thought fit, to pass the following resolution as an ordinary resolution of the members of IPF II:

“That, subject to and conditional on all other resolutions set out in the notice convening this meeting being passed, for the purposes of item 7, section 611 of the Corporations Act 2001 (Cth) and for all other purposes:

- a. *the acquisition of all of the units on issue in Irongate Property Fund II (ARSN 644 081 309) (**IPF II**) by Charter Hall Holdings Pty. Limited (ACN 051 363 547) or Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGGM Industrial Partnership No. 2 (ABN 98 732 489 194) (the **Acquisition**), be approved; and*
- b. *Irongate Funds Management Limited, as responsible entity of Irongate Property Fund II, be authorised to do all things which it considers as necessary, desirable or reasonably incidental to give effect to the Acquisition.”*

2.3 Proposal Resolution 3 – IPF I Trust Constitution Amendment Resolution

To consider, and if thought fit, to pass the following resolution as a special resolution of the members of IPF I:

“That, subject to and conditional on all other resolutions set out in the notice convening this meeting being passed:

- a. the constitution of IPF I be modified as set out in the Supplemental Deed tabled at this meeting and initialled by the Chair for the purposes of identification (IPF I Supplemental Deed Poll), with effect from the date on which the IPF I Supplemental Deed Poll is lodged with the Australian Securities and Investments Commission (ASIC) in accordance with section 601GC(2) of the Corporations Act 2001 (Cth); and*
- b. Irongate Funds Management Limited, as responsible entity of Irongate Property Fund I, be authorised to execute and lodge with ASIC, the IPF I Supplemental Deed Poll.”*

2.4 Proposal Resolution 4 – IPF II Trust Constitution Amendment Resolution

To consider, and if thought fit, to pass the following resolution as a special resolution of the members of IPF II:

“That, subject to and conditional on all other resolutions set out in the notice convening this meeting being passed:

- a. the constitution of IPF II be modified as set out in the Supplemental Deed tabled at this meeting and initialled by the Chair for the purposes of identification (IPF II Supplemental Deed Poll), with effect from the date on which the IPF II Supplemental Deed Poll is lodged with the Australian Securities and Investments Commission (ASIC) in accordance with section 601GC(2) of the Corporations Act 2001 (Cth); and*
- b. Irongate Funds Management Limited, as responsible entity of Irongate Property Fund II, be authorised to execute and lodge with ASIC, the IPF II Supplemental Deed Poll.”*

2.5 Proposal Resolution 5 – IPF I De-Stapling Resolution

To consider, and if thought fit, to pass the following resolution as a special resolution of the members of IPF I:

“That, subject to and conditional on all other resolutions set out in the notice convening this meeting being passed, for the purposes of clause item 3.5(a) of Schedule 2 of the constitution of IPF I:

- a. the units in IPF I cease to be stapled to units in IPF II; and*
- b. Irongate Funds Management Limited, as the responsible entity of IPF I, be authorised to determine that the stapling provisions in the constitution of IPF I will cease to apply and that a particular date is to be the unstapling date.”*

2.6 Proposal Resolution 6 – IPF II De-Stapling Resolution

To consider, and if thought fit, to pass the following resolution as a special resolution of the members of IPF II:

“That, subject to and conditional on all other resolutions set out in the notice convening this meeting being passed, for the purposes of item 3.5(a) of Schedule 2 of the constitution of IPF II:

- a. the units in IPF II cease to be stapled to units in IPF I; and*
- b. Irongate Funds Management Limited, as the responsible entity of IPF II, be authorised to determine that the stapling provisions in the constitution of IPF II will cease to apply and that a particular date is to be the unstapling date.”*

Further information on the Proposal Resolutions (including a detailed explanation of the rationale for the Proposal Resolutions and the voting exclusions) is set out in the Scheme Booklet and the accompanying Explanatory Notes (including instructions on how to participate in the Scheme Meetings and Notes Relating to Voting) which form part of this Notice.

By order of the board of Irongate Funds Management Limited as responsible entity of Irongate Property Fund I and Irongate Property Fund II.

Lucy Spenceley
Company Secretary

Sydney
Thursday, 19 May 2022

Annexure A: Notice of Meeting (continued)

HOW TO PARTICIPATE IN THE SCHEME MEETINGS

Securityholders must use the Computershare Meeting Platform to attend and participate in the Scheme Meetings.

To participate in the Scheme Meetings, you can log in by entering the following URL:
<https://meetnow.global/M4SKRGH> on your computer, tablet or smartphone.

Online registration will open one hour before the start of the Scheme Meetings.

To make the registration process quicker, please have your SRN/HIN and registered postcode or country code ready. Proxyholders will need to contact Computershare prior to the meeting to obtain their login details.

To participate in the Scheme Meetings online, follow the instructions below:

1. Click on 'Join Meeting Now'.
2. Enter your SRN/HIN. Proxyholders will need to contact Computershare on +61 3 9415 4024 prior to the meetings to obtain their login details.
3. Enter your postcode registered to your holding if you are an Australian securityholder. If you are an overseas securityholder, select the country of your registered holding from the drop down list.
4. Accept the Terms and Conditions and click 'Continue'.

The Computershare Meeting Platform will allow securityholders to view the Scheme Meetings live, ask questions verbally or via a live text facility and cast votes at the appropriate times while the Scheme Meetings are in progress. Visitors will be able to listen to the Scheme Meetings via the platform but will not have access to vote or ask questions.

Further information is set out below.

Participating in the Scheme Meetings online (including voting)

As a result of the ongoing uncertainty and potential health risks associated with large gatherings and the ongoing COVID-19 pandemic, the Scheme Meetings will be virtual (online only). There will not be a physical meeting where IAP Securityholders or their proxies, attorneys or corporate representatives can attend in person.

Securityholders can submit questions in relation to the business of the Scheme Meetings, and vote on the Resolution in real time during the Scheme Meetings via the Computershare Meeting Platform.

Securityholders participating in the Scheme Meetings using the Computershare Meeting Platform will be able to vote between the commencement of the Scheme Meetings and the closure of voting as announced by the chairman during the Scheme Meetings.

By participating in the Scheme Meetings online, you will be able to:

- hear and view meeting slides;
- submit questions at the appropriate time whilst the Scheme Meetings are in progress; and
- vote during the Scheme Meetings.

Instructions on how to log on to ask questions during the Scheme Meetings are outlined below and available on IAP Group's website at irongategroup.com.au.

If you choose to participate in the Scheme Meetings online, registration will open at 4:00 pm (Sydney time) / 8:00 am (Johannesburg time) on Wednesday, 29 June 2022 (one hour prior to the start of the Scheme Meetings).

To participate in the Scheme Meetings online, you can log in in the following ways:

- from your computer by entering the URL in your browser: <https://meetnow.global/M4SKRGH>; or
- from your mobile device by entering the URL in your browser: <https://meetnow.global/M4SKRGH>.

Once you have selected one of the options above, you will need the following information to participate in the Scheme Meetings in real-time:

- the Meeting ID, which is M4SKRGH;
- your username, which is your SRN/HIN; and
- your password, which is the postcode registered to your holding if you are an Australian securityholder.

- Securityholders on the South African Register who wish to participate in and vote at the Scheme Meetings should apply for credential to log into the Computershare Meeting Platform by sending an email to proxy@computershare.co.za. IAP Securityholders whose IAP Securities are held with a broker or custodian need to also include a letter of representation issued by PLC Nominees to the application together with an email address or contact number to obtain credentials to log into the Computershare Meeting Platform. This process will also apply to appointed attorneys and corporate representatives.

Further information regarding participating in the Scheme Meetings online is detailed in the Online Meeting Guide available on IAP's website: irongategroup.com.au

Proxy voting and proxyholder participation

The Responsible Entity encourages all IAP Securityholders to submit a proxy vote ahead of the Scheme Meetings.

For IAP Securityholders on the Australian Register, proxy votes can be lodged online at investorvote.com.au.

Further information on lodging a proxy vote ahead of the Scheme Meetings is set out below – *Voting by proxy*.

IAP Securityholders who submit a proxy vote can either participate in the Scheme Meetings themselves or appoint a proxy to participate for them.

To participate in the Scheme Meetings proxyholders will need to contact IAP Registry:

- Computershare Investor Services, Australia on +61 3 9415 4024 during the online registration period which will open one hour before the start of the Scheme Meetings; or
- Computershare Investor Services Proprietary Limited, South Africa by emailing proxy@computershare.co.za to obtain their login details to participate live online. Computershare South Africa should receive requests by 9:00 am (Johannesburg time) on Monday, 27 June 2022 to allow sufficient time to verify details prior to issue of the login details.

Questions and comments

Please note, only securityholders may ask questions online once they have been verified. It may not be possible to respond to all questions raised during the Scheme Meetings. Securityholders are therefore encouraged to lodge questions prior to the Scheme Meetings by emailing their question to ir@irongategroup.com.au by no later than 5:00 pm (Sydney time) / 9:00 am (Johannesburg time) on Monday, 27 June 2022.

If you are in any doubt about what you should do, you should consult with your financial, legal, taxation or other professional adviser.

Technical difficulties

As this Scheme Meetings is a virtual meeting, technical issues may arise. In that event, the Responsible Entity will have regard to the impact of the technical issue on securityholders and the chair of the Scheme Meetings may, in exercising their powers as the chair, issue any instructions for resolving the issue and will adjourn the Scheme Meetings if it is appropriate to do so.

NOTES RELATING TO VOTING

IAP Securityholders on South African Register

IAP Securityholders holding IAP Securities on the South African Register please note:

Certificated IAP Securityholders and Dematerialised IAP Securityholders who are own-name Dematerialised IAP Securityholders

You may attend the Scheme Meetings online and may vote at the Scheme Meetings. Alternatively, you may appoint a proxy to represent you at the Scheme Meetings by appointing a proxy online at investorvote.com.au or by following the instructions on the voting/proxy form. These must be submitted by no later than 5:00 pm (Sydney time) / 9:00 am (Johannesburg time) on Monday, 27 June 2022 to be valid.

Dematerialised IAP Securityholders (other than own-name Dematerialised IAP Securityholders)

Your broker or CSDP should contact you to ascertain how you wish to cast your vote at the Scheme Meetings and should cast your vote in accordance with your instructions.

If you have not been contacted by your broker or CSDP, it is advisable for you to contact your broker or CSDP and provide it with your voting instructions. If your broker or CSDP does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the mandate agreement between you and your broker or CSDP. You must not complete the voting/proxy form. In accordance with the mandate between you and your broker or CSDP, you must advise your broker or CSDP if you wish to attend the Scheme Meetings and if so, your broker or CSDP will issue the necessary letter of representation to you to attend and vote at the Scheme Meetings.

Annexure A: Notice of Meeting (continued)

Voting majority

Proposal Resolutions 1 and 2 put to the Scheme Meetings are ordinary resolutions which must be passed by more than 50% (fifty percent) of the total votes cast on each resolution by the securityholders present online or by proxy and entitled to vote.

Proposal Resolutions 3, 4, 5 and 6 put to the Scheme Meetings are special resolutions which must be passed by a 75% (seventy five percent) majority of the total votes cast on each resolution by the securityholders present online or by proxy and entitled to vote.

Voting entitlements

The board of the Responsible Entity has determined that for the purposes of determining voting entitlements at the Scheme Meetings, IAP Securities will be taken to be held by persons who are registered as securityholders on the IAP Register as at 7:00 pm (Sydney time) / 11:00 am (Johannesburg time) on Monday, 27 June 2022 (**Voting Record Date**).

Voting Majorities and voting exclusion statements

For the Proposal Resolutions to be approved:

- The **Trust Acquisition Resolutions** must be passed by at least 50% of the total number of votes cast on the Trust Acquisition Resolutions by IAP Securityholders entitled to vote on the Trust Acquisition Resolutions at the Scheme Meetings.

Voting Exclusions

For the purposes of the Trust Acquisition Resolutions and in accordance with section 611 item 7 of the Corporations Act, CHPIP and its Associates (including 360 Capital) must not cast any votes in favour of the Trust Acquisition Resolutions, and in accordance with section 253E of the Corporations Act, IAP RE and its Associates are not entitled to vote their interests if they have an interest in the Trust Acquisition Resolutions other than as a member of IAP.

- The **Trust Constitution Amendment Resolutions** must each be passed by at least 75% of the total number of votes cast on the Trust Constitution Amendment Resolutions by IAP Securityholders entitled to vote on the Trust Constitution Amendment Resolutions at the Scheme Meetings.

Voting Exclusions

For the purposes of the Trust Constitution Amendment Resolutions and in accordance with section 253E of the Corporations Act, IAP RE and its Associates are not entitled to vote their interests if they have an interest in the Trust Constitution Amendment Resolutions other than as a member of IAP.

- The **De-Stapling Resolutions** must each be passed by at least 75% of the total number of votes cast on the De-stapling Resolutions by IAP Securityholders entitled to vote on the De-Stapling Resolutions at the Scheme Meetings.

Voting Exclusions

For the purposes of the De-Stapling Resolutions and in accordance with section 253E of the Corporations Act, IAP RE and its Associates are not entitled to vote their interests if they have an interest in the De-Stapling Resolutions other than as a member of IAP.

Whether any IAP Securityholder is restricted under the Corporations Act from being able to vote at the Scheme Meetings will be determined by the chair of the Scheme Meetings based on circumstances known at the relevant time.

Voting by poll

All resolutions will be decided on a poll. In a resolution determined by poll, each securityholder present at the Scheme Meetings online or by proxy has one vote for every dollar of the total interest they have. The value of a securityholder's total interest in IPF I and IPF II will be calculated by reference to the last sale price of IAP Securities on the ASX on the last day of trading immediately prior to the Scheme Meetings, being Tuesday, 28 June 2022.

Jointly held units

If your stapled securities are jointly held, only one of the joint securityholders is entitled to vote. If more than one securityholder votes in respect of jointly held IAP Securities, only the vote of the securityholder whose name appears first in the IAP Register will be counted.

Attorney

Where a securityholder appoints an attorney to act on his or her behalf at the Scheme Meetings online, such appointment must be made by a duly executed power of attorney.

The power of attorney must be received by Computershare Investor Services Pty Limited, Australia, or Computershare Investor Services Proprietary Limited, South Africa, by 5:00 pm (Sydney time) / 9:00 am (Johannesburg time) on Monday, 27 June 2022, being 48 hours before the Scheme Meetings (**Proxy Deadline**).

Corporations

Where a corporation that is a securityholder appoints a person to act as its representative, the appointment must comply with section 253B of the Corporations Act. The appointment must be received by Computershare Investor Services Pty Limited, Australia or by Computershare Investor Services Proprietary Limited, South Africa by the Proxy Deadline.

Voting by proxy

The Responsible Entity encourages all IAP Securityholders to submit a proxy vote ahead of the Scheme Meetings. IAP Securityholders who do so may either attend the Scheme Meetings themselves online, or appoint a proxy to attend for them. The proxy does not need to be an IAP Securityholder. If you appoint two or more proxies, you may specify the proportion or number of votes that each proxy is entitled to exercise. If you do not, each will be entitled to vote half your votes. Where more than one proxy is appointed, neither proxy is entitled to vote on a show of hands.

Where a securityholder appoints a body corporate as proxy, that body corporate will need to ensure that:

- it appoints an individual as its corporate representative to exercise its powers at the Scheme Meetings, in accordance with section 253B of the Corporations Act; and
- the instrument appointing the corporate representative is received by Computershare Investor Services Pty Limited, Australia or by Computershare Investor Services Proprietary Limited, South Africa by the Proxy Deadline.

A body corporate may appoint an individual as a representative to exercise all or any of its powers at a meeting of a registered scheme's members. The appointment may be a standing one.

The appointment must set out what the representative is appointed to do and may set out restrictions on the representative's powers. If the appointment is to be by reference to a position held, the appointment must identify the position.

A body corporate may appoint more than one (1) representative but only one (1) representative may exercise the body corporate's powers at any one time.

Unless otherwise specified in the appointment, the representative may exercise, on the body corporate's behalf, all of the powers that the body corporate could exercise at a meeting or in voting on a resolution.

Lodgement of proxy forms and authorities

Proxy forms along with any document of appointment should be completed and returned by no later than the Proxy Deadline, in one of the following ways.

If you hold IAP Securities on the Australian Register:

Online: investorvote.com.au.

You will need a specific six digit control number to vote online. This number is located on the front of your proxy form. In order to take effect, the electronic proxy appointment (and the power of attorney or other authority under which it is signed, if any) must be submitted by the Proxy Deadline.

By fax: 1800 783 447 (within Australia) or +613 9473 2555 (outside Australia)

By mail:

Irongate Funds Management Limited as responsible entity of Irongate Property Fund I and Irongate Property Fund II
C/- Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Annexure A: Notice of Meeting (continued)

If you hold IAP Securities on the South African Register:

By email: proxy@computershare.co.za

By mail:

Irongate Funds Management Limited as responsible entity of Irongate Property Fund I and Irongate Property Fund II
C/- Computershare Investor Services Proprietary Limited
Rosebank Towers, 15 Biermann Avenue
Rosebank, Johannesburg 2196
Private Bag X9000
Saxonwold 2132 South Africa

Undirected Proxies

The chair intends to vote available undirected proxies **in favour** of each of the Proposal Resolutions.

Enquiries

If you have any questions, please contact:

Computershare Australia—if you hold IAP Securities on the Australian Register:

By phone: 1300 620 419 (inside Australia) +61 3 9415 4314 (outside Australia)

Online: investorcentre.com/contact

Computershare South Africa—if you hold IAP Securities on the South African Register:

By email: proxy@computershare.co.za

ANNEXURE B:

Independent Expert's Report

Annexure B: Independent Expert's Report

Deloitte.

Irongate Group

Independent expert's report and Financial Services Guide

19 May 2022



Financial Services Guide (FSG)

What is an FSG?

An FSG is designed to provide information about the supply of financial services to you.

Why are we providing this FSG to you?

Deloitte Corporate Finance Pty Limited (**DCF**) (AFSL 241457) has been engaged by Irongate Funds Management Limited (**IAP RE**) as the responsible entity of each of Irongate Property Fund I (**IPF1**) and Irongate Property Fund II (**IPF2**) (together, **IAP**) to prepare an independent expert's report (our Report) in connection with the Proposed Schemes. IAP will provide our Report to you.

Our Report provides you with general financial product advice. This FSG informs you about the use of general financial product advice, the financial services we offer, our dispute resolution process and our remuneration. Our contact details are in the document that accompanies this FSG.

What financial services are we licensed to provide?

We are authorised to provide financial product advice and to arrange for another person to deal in financial products in relation to securities, interests in managed investment schemes, government debentures, stocks or bonds, to retail and wholesale clients. We are also authorised to provide personal and general financial product advice and deal by arranging in derivatives and regulated emissions units to wholesale clients, and general financial product advice relating to derivatives to retail clients.

We are providing general financial product advice

In our Report, we provide general financial product advice as we have not taken into account your personal objectives, financial situation or needs, and you would not expect us to have done so. You should consider whether our general advice is appropriate for you, having regard to your own personal objectives, financial situation or needs.

If our advice is in connection with the acquisition of a financial product, you should read the relevant offer document carefully before making any decision about whether to acquire that product.

How are we remunerated?

Our fees are usually determined on a fixed fee or time cost basis plus reimbursement of any expenses incurred in providing the services. Our fees are agreed with, and paid by, those who engage us. You are not responsible for our fees. We will receive a fee of approximately AUD 290,000 exclusive of GST in relation to the preparation of our Report. This fee is not contingent on the outcome of the Proposed Schemes.

Apart from these fees, DCF, our directors and officers, and any related bodies corporate, affiliates or associates, and their directors and officers, do not receive any commissions or other benefits.

All employees receive a salary, and, while eligible for annual salary increases and bonuses based on overall performance, they do not receive any commissions or other benefits as a result of the services provided to you.

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In the last 2 years Deloitte has provided advice and services to Irongate that are not connected with the Proposed Schemes. None of the individuals involved in preparing this report were involved in providing the advice and services.

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Sydney NSW 1220
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Australian Financial Complaints Authority Limited
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19 May 2022

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Annexure B: Independent Expert's Report (continued)



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The Directors
Irongate Funds Management Limited
in its capacity as responsible entity of
Irongate Property Fund I and
Irongate Property Fund II
Level 13
95 Pitt Street
Sydney NSW 2000

19 May 2022

Dear Directors

Re: Independent expert's report

Introduction

Irongate Group (**IAP**) has announced a proposal from Charter Hall PGGM Industrial Partnership No.2 (a partnership between PGGM and Charter Hall Group (**CHC**)) (**CHPIP**), whereby CHPIP will effectively acquire IAP for cash of AUD 1.90 per IAP security^{1,2} (the **Proposed Schemes**).

Upon successful implementation of the Proposed Schemes, CHPIP may sell three properties owned by IAP to 360 Capital, a substantial securityholder of IAP, if certain put and call option arrangements between the parties are exercised (the **360 Property Disposals**).

The full details of the Proposed Schemes and the 360 Property Disposals are included in the Scheme Booklet. An overview of the Proposed Schemes and the 360 Property Disposals is provided in Section 1 of this report.

Purpose of the report

The directors of Irongate Funds Management Limited (**IAP RE**), as the responsible entity of Irongate Property Fund I (**IPF1**) and Irongate Property Fund II (**IPF2**), (the **Directors**) have requested that Deloitte Corporate Finance Pty Limited (**Deloitte Corporate Finance**) provide an independent expert's report advising whether or not, in our opinion:

- the Proposed Schemes are fair and reasonable to and in the best interests of IAP securityholders
- The 360 Property Disposals constitute a collateral benefit as interpreted by the Takeovers Panel Guidance Note 21: Collateral Benefits (**GN21**).

This report has been prepared to assist IAP securityholders in their consideration of the Proposed Schemes.

This report will accompany the Scheme Booklet sent to IAP securityholders and has been prepared for the exclusive purpose of assisting IAP securityholders in their consideration of whether or not to accept or reject the Proposed Schemes. Neither Deloitte Corporate Finance, Deloitte Touche Tohmatsu, nor any member or employee thereof, undertakes responsibility to any person, other than the IAP securityholders and the Directors, in respect of this report, including any errors or omissions however caused.

¹ An IAP security comprises one unit in each of Irongate Property Fund I and Irongate Property Fund II, which are stapled together.

² Less any distribution declared or paid by IAP in the period prior to implementation of the Proposed Schemes (excluding the March 2022 distribution of AUD 0.0467 per IAP security which will be retained by securityholders).



Basis of evaluation

We have prepared this report having regard to Australian Securities and Investments Commission (**ASIC**) Regulatory Guide 111 in relation to the content of expert's reports and GN21.

To assess whether or not the Proposed Schemes are fair and reasonable and in the best interests of IAP securityholders, we have adopted the test of whether the Proposed Schemes are either fair and reasonable, not fair but reasonable, or neither fair nor reasonable, as set out in ASIC Regulatory Guide 111. Where the Proposed Schemes are reasonable, they are typically in the best interests of IAP securityholders.

To assess whether or not the 360 Property Disposal constitutes a collateral benefit, we considered the principles of equality as set out in GN21.

Further information on the basis of evaluation is set out in Section 2.

Summary and conclusion

The Proposed Schemes

We have considered whether the Proposed Schemes are fair by comparing the estimated market value of an IAP security to the value of the consideration that IAP securityholders are receiving, being cash of AUD 1.90 per IAP security³ (the **Consideration**).

In our opinion, the Proposed Schemes are fair and reasonable to, and therefore in the best interests of IAP securityholders. In arriving at this opinion, we have had regard to the following factors.

The Proposed Schemes are fair

According to ASIC Regulatory Guide 111, in order to assess whether the Proposed Schemes are fair, the independent expert is required to compare the estimated market value of an IAP security on a control basis with the estimated market value of the Consideration.

The Proposed Schemes are fair if the value of the Consideration is equal to or greater than the value of an IAP security prior to the Proposed Schemes being implemented.

Set out in the table below is a comparison of our assessment of the estimated market value of an IAP security and the value of the Consideration.

Table 1: Comparison of our valuation of an IAP security to the Consideration

	Reference	Unit	Low value	High value
Estimated market value of one IAP security	Section 4.3	AUD	1.82	1.94
Consideration (cash)		AUD	1.90	1.90

Source: Deloitte Corporate Finance analysis

We have estimated the market value of an IAP security using the net assets on a going concern basis methodology, which is an approach commonly used in valuing property investment trusts and other asset holding businesses. The valuation reflects the value of an IAP security on a control basis.

In applying this methodology, we made certain adjustments to the net assets of IAP reflecting adjustments to the value of the properties at 31 March 2022, accumulated distributable earnings expected at the date of implementation of the Proposed Schemes (**Implementation Date**), inclusion of certain transaction costs, movements in other net assets, deduction of capitalised corporate costs and application of a portfolio premium. Our valuation of an IAP security is set out in Section 4.

The Proposed Schemes involve IAP securityholders receiving AUD 1.90³ in cash for every security they currently own in IAP.

Given the value of the Consideration is greater than the value of an IAP security, in our opinion, the Proposed Schemes are fair to IAP securityholders.

³ Less any distribution declared or paid by IAP in the period prior to implementation of the Proposed Schemes (excluding the March 2022 distribution of AUD 0.0467 per IAP security which will be retained by securityholders).

Annexure B: Independent Expert's Report (continued)

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The Proposed Schemes are reasonable

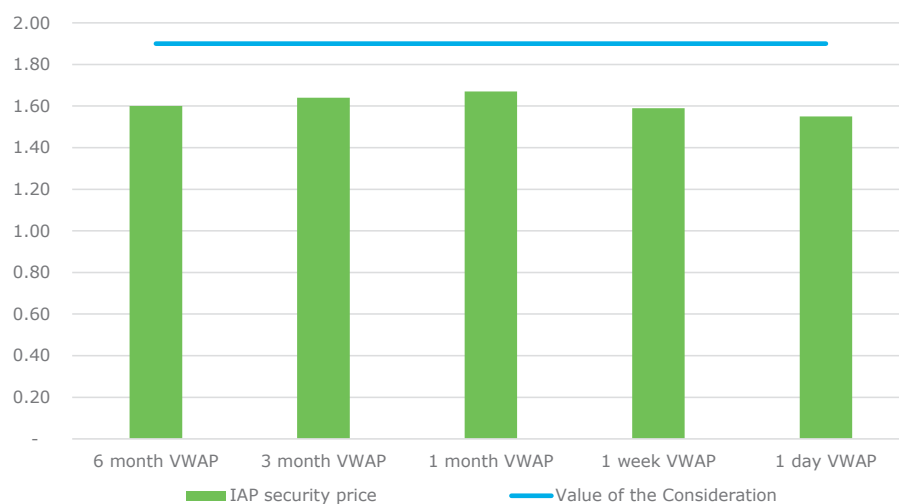
In accordance with ASIC Regulatory Guide 111, an offer is reasonable if it is fair. On this basis, in our opinion the Proposed Schemes are reasonable. We have also identified the following considerations.

The Consideration represents a premium to the historical trading prices of IAP

In assessing the value of an IAP security prior to the Proposed Schemes, we have undertaken a fundamental valuation of the business. However, there are alternative approaches such as historical trading prices that could be used to evaluate the Proposed Schemes. Evaluating the Proposed Schemes based on historical trading prices also suggest the value of the Consideration is greater than the traded value of IAP securities.

Set out in the figure below is a comparison of the value of the Consideration and the volume weighted average price (VWAP) of IAP securities leading up to the announcement of the Proposed Schemes on 31 January 2022.

Figure 1: Comparison of the Consideration to historical trading prices leading up to the announcement of the Proposed Schemes



Source: S&P Capital IQ, Deloitte Corporate Finance analysis

The Consideration represents a premium in the range of 14% to 23% over the VWAPs over a 6 month period prior to the announcement of the Proposed Schemes. These premia have been calculated relative to the date of the announcement of the Proposed Scheme (31 January 2022) but given the presence of offers from 360 Capital prior to this, the premia relative to prices prior to the offers from 360 Capital and 360 Capital's acquisition of a substantial interest in IAP (January 2021) would be even higher.

In addition, the Consideration, when assessed on the basis of net tangible assets (NTA) and net asset value (NAV) per security as at 31 March 2022 (the latest reporting date) reflects a premium of 9% and 6%, respectively.

IAP security price is likely to decrease if the Proposed Schemes are not approved

On announcement of the Proposed Schemes, the IAP security price increased substantially. If the Proposed Schemes do not complete, there is a risk that the IAP security price will decrease particularly given:

- it presents a 10% premium over the last of three offers made by 360 Capital, including the last one of AUD 1.72
- it presents a 9% premium over the latest reported NTA
- no other higher offer has emerged since the announcement of the Proposed Schemes
- the Proposed Schemes have the implicit approval of 360 Capital (being IAP's largest securityholder with a 19.9% interest in IAP securities).



The Proposed Schemes appear to be the best alternative available

The Directors have previously undertaken reviews to assess the potential long-term opportunities available to IAP securityholders. In evaluating this transaction, they formed the view that the Proposed Schemes are the best alternative available to securityholders. Since the announcement of the Proposed Schemes on 31 January 2022, there have not been any other approaches proposing alternative transactions. As such, the Proposed Schemes would appear to be the best alternative relative to the status quo. The Directors' discussion of the alternatives is set out in section 2.3 of the Scheme Booklet.

The cash offer provides certainty of value

IAP securityholders will receive a fixed amount which is not dependent on the future trading price of the bidder (or IAP) which is ordinarily the case in scrip bids. This provides certainty of value for IAP securityholders.

The Consideration implies a favourable exit distribution yield relative to comparable peers

The Consideration implies a distribution yield of 4.8%⁴ which is at the low end of the range of distribution yields of comparable peers⁵ of 4.2% to 7.5%⁶. Since a lower yield implies a higher price, this implies the Consideration reflects a price which is favourable relative to the pricing of other comparable entities in Australia.

Loss of exposure to IAP's portfolio and the associated benefits and risks of being invested in IAP

In the event that the Proposed Schemes are approved, IAP securityholders will no longer have exposure to IAP's portfolio and the associated benefits and risks of being invested in IAP. Whilst there are other comparable A-REIT investments into which current IAP securityholders can redeploy their proceeds, such alternatives may not provide the same investment exposure that current IAP securityholders may seek, or there may be transaction costs to be incurred in order to re-establish the investment exposure.

In particular, IAP securityholders will lose access to ongoing distributions⁷ (which yield 5.9%⁸ based on the IAP security price prior to announcement of Proposed Schemes) but noting that they are receiving cash consideration that we consider compensates them for this loss.

Conclusion on reasonableness

Having regard to the above including our assessment that the Proposed Schemes are fair, in our opinion, the Proposed Schemes are reasonable.

The 360 Property Disposals

In assessing whether the 360 Property Disposals constitute a collateral benefit as interpreted by GN21, we had regard to the following:

- 360 Capital are paying a premium relative to the most recent independent assessment of the market value of the three properties
- IAP executives and Directors did not have any involvement in the discussions and negotiations regarding the 360 Property Disposals
- both 360 Capital and CHPIP are independent of each other and have no direct or indirect vested interest in achieving an outcome that supports another party over and above their own interests
- all three properties were acquired by IAP in the preceding 12 months following independent sales and marketing processes. The proposed price being paid by 360 Capital for these properties is higher than the prices paid by IAP.

⁴ Distribution yield based on FY22 distribution of AUD 0.092 divided by the consideration of AUD 1.90

⁵ Industry comparables include Growthpoint, Garda Property Group, Dexis Industria REIT, Centuria Industrial REIT, Australian Unity Office Fund, Centuria Office REIT and GDI

⁶ Comparable company distribution yields are based on FY22 distribution divided by market capitalisation on 31 March 2022

⁷ Other than the March 2022 distribution of AUD 0.0467 per IAP security

⁸ Distribution yield based on FY22 distribution of AUD 0.092 divided by pre-proposal security price of AUD 1.57

Annexure B: Independent Expert's Report (continued)

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Opinion

In our opinion:

- the Proposed Schemes are fair and reasonable to IAP securityholders. They are therefore in the best interests of IAP securityholders
- nothing has come to our attention to cause us to:
 - (a) believe that the consideration being paid by 360 Capital for the 360 Property Disposals is not on arm's length terms, or would constitute the receipt by 360 Capital of a collateral benefit
 - (b) change the conclusions we have reached in relation to the Proposed Schemes.

An individual securityholder's decision in relation to the Proposed Schemes may be influenced by his or her particular circumstances. If in doubt, the securityholder should consult an independent adviser who should have regard to their individual circumstances.

This opinion should be read in conjunction with our detailed report which sets out our scope and findings.

Yours faithfully



Tapan Parekh
Authorised Representative
AR Number: 461009



Glossary

Numbers quoted in this document may be subject to rounding.

Reference	Definition
360 Capital	Entities associated with 360 Capital Group including 360 Capital REIT
360 Capital MoU	The memorandum of understanding between 360 Capital and CHPIP dated 28 January 2022
360 Property Disposals	Potential sale of three IAP property assets by CHPIP to 360 Capital following implementation of the Proposed Schemes
AUD	Australian dollars
AFFO	Adjusted funds from operations
ASIC	The Australian Securities and Investments Commission
ASX	Australian Securities Exchange
AUM	Assets under management
A-REIT	Australian real estate investment trust
bn	Billion
CHC	Charter Hall Group and entities associated with it
CHPIP	Charter Hall PGGM Industrial Partnership No.2 (a partnership between PGGM and CHC) and entities associated with it
Consideration	Cash of AUD 1.90 for every IAP security
Deloitte	Deloitte Touche Tohmatsu
Deloitte Corporate Finance	Deloitte Corporate Finance Pty Limited
Directors	The directors of IAP RE as the responsible entity of each of IPF1 and IPF2
FSG	Financial Services Guide
FY	Financial year
FFO	Funds from operations
GLA	Gross lettable area
GN21	Takeovers Panel Guidance Note 21: Collateral Benefits
Implementation Date	Date that the Proposed Schemes are intended to be implemented, being 15 July 2022

Reference	Definition
IAP	Irongate Group
IAP RE	Irongate Funds Management Limited, as the responsible entity of each of IPF1 and IPF2
IPF1	Irongate Property Fund I
IPF2	Irongate Property Fund II
ITAP Fund	Various entities associated with the Irongate Templewater Australia Property Fund
JSE	Johannesburg Stock Exchange
k	Thousand
m	Million
Mandates	Fund management agreements held between IAP and third parties (other than the ITAP Fund)
NAV	Net asset value
NTA	Net tangible assets
PGGM	PGGM Australia Nominees Pty Ltd as trustee of the PGGM Australia Private Real Estate Trust and entities associated with it
Proposed Schemes	a proposed transaction whereby CHPIP will acquire all securities in IAP for cash of AUD 1.90 per IAP security and as more fully described in the Scheme Booklet
RE	Responsible entity
REIT	Real estate investment trust
Scheme Booklet	The scheme booklet issued by the IAP RE in respect of the Proposed Schemes dated on or around 19 May 2022
IAP security	Comprising 1 unit in IPF1 and 1 unit in IPF2
sqm	Square metreage
VWAP	Volume weighted average price
WACR	Weighted average capitalisation rate
WALE	Weighted average lease expiry
WARR	Weighted average rent reviews

Annexure B: Independent Expert's Report (continued)



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1 Overview of the Proposed Schemes

1.1 Summary

On 30 March 2022, IAP announced it had entered into a Scheme Implementation Agreement with CHPIP which involves the acquisition of IAP by way of two interdependent trust schemes of arrangement as follows:

- CHPIP acquiring 100% of the units in IPF1
- CHC acquiring 100% of the units in IPF2.

The above are collectively referred to as the Proposed Schemes.

Each IAP securityholder will receive AUD 1.90 in cash per IAP security^{9,10} (the **Consideration**) under the Proposed Schemes. Each IAP securityholder will also be entitled to receive a further distribution of AUD 0.0467 per security for the period ending 31 March 2022¹¹.

The Consideration of AUD 1.90 per security implies:

- 21% premium to the IAP security closing price prior to the announcement on 31 January 2022¹²
- 20% premium to the 5 day volume weighted average price (**VWAP**) prior to the announcement on 31 January 2022¹³
- 9% premium to the audited net tangible assets per IAP security as at 31 March 2022¹⁴
- 23% premium to the 9 December 2021 equity raising price¹⁵.

The IAP RE Board has unanimously recommended that IAP securityholders vote in favour of the Proposed Schemes in the absence of a superior proposal and subject to an independent expert concluding that the Proposed Schemes are fair and reasonable, and therefore in the best interests, of IAP securityholders.

IAP estimates that it will incur transaction costs of approximately AUD 15.0m in the event the Proposed Schemes proceed, or AUD 2.5m if they don't proceed¹⁶.

1.2 Key conditions of the Proposed Schemes

The Proposed Schemes are subject to various conditions, including:

- Approval of the requisite majorities of IAP securityholders entitled to vote
- Approvals and/or exemptions from local regulators and stock exchanges
- No prescribed occurrence, regulatory actions or legal restraints preventing the Proposed Schemes from proceeding
- Court approval.

Further details on the conditions of the Proposed Schemes are set out in Section 3.2 of the Scheme Booklet.

The Proposed Schemes are also subject to customary exclusivity provisions, including 'no shop, no talk', notification obligations and matching rights, as well as mutual break fees (of AUD 12.8m) under certain circumstances.

1.3 Intentions if the Proposed Schemes proceed

If the Proposed Schemes proceed, CHPIP intends to:

- acquire all the IAP securities on issue for cash, funded by a combination of debt and equity

⁹Less any distribution declared or paid by IAP in the period prior to implementation of the Proposed Schemes (excluding the March 2022 distribution of AUD 0.0467 per IAP security which will be retained by securityholders).

¹⁰IAP securityholders holding IAP securities on the Johannesburg Stock Exchange (**JSE**) will receive cash consideration per IAP security in South African Rand of R20.87, based on the South African Rand to AUD ratio of 0.091 as at 29 March 2022

¹¹Any distribution declared or paid which is in excess of AUD 0.0467 per IAP security will reduce the cash consideration by an equivalent amount

¹²Closing price of AUD 1.57 on 28 January 2022, being the last trading day prior to the announcement of the Proposed Schemes

¹³AUD 1.58 per IAP security

¹⁴AUD 1.74 per IAP security

¹⁵AUD 1.55 per IAP security

¹⁶Excludes GST. Includes stamp duty on insurance

Annexure B: Independent Expert's Report (continued)



- apply for IAP to be delisted from the Australian Securities Exchange (**ASX**) and liaise with the Johannesburg Stock Exchange (**JSE**) so that it takes steps to delist IAP from the JSE
- refinance IAP's existing debt facilities
- divest three IAP properties to 360 Capital, as outlined in Table 2 below
- replace the IAP RE Board and engage with existing employees regarding ongoing employment with CHC.

1.4 Other relevant considerations

1.4.1 Interest from 360 Capital

Corporate interest in IAP commenced in January 2021 when 360 Capital acquired a 9.18% interest. It gradually increased its interest to 19.9% by July 2021, becoming IAP's largest securityholder. This was followed by 360 Capital's nomination to the IAP RE Board and its disapproval of the proposed remuneration report.

On 15 October 2021, 360 Capital announced the first of three offers over a 2-month period to acquire the IAP securities that it did not already own. These offers were as follows:

- On 15 October 2021, an offer of AUD 1.6047 per security¹⁷, representing a 7% premium to the closing security price and a 4% premium to the latest reported NTA per security¹⁸
- On 11 November 2021, an offer of AUD 1.6547 per security¹⁷, representing a 3% premium to the closing security price and a 7% premium to the latest reported NTA per security¹⁹
- On 14 December 2021, an offer of AUD 1.72 per security, representing a 9% premium to the closing security price and a 12% premium to the latest reported NTA per security²⁰.

After considering the offers, and based on external financial advice, the Directors eventually rejected all 3 offers on the basis that they were not in the best interests of securityholders and did not appropriately reflect the full value of the underlying real estate and asset management platform established and built by IAP.

1.5 The 360 Property Disposals

CHPIP has entered into a Memorandum of Understanding (**360 Capital MoU**) with 360 Capital that include various put and call option arrangements whereby essentially, if exercised:

- CHPIP would acquire 360 Capital's existing securities in IAP at AUD 1.90 per security
- 360 Capital would acquire four property assets and the funds management business (including the co-investment interest in the Irongate Templewater Australia Property Fund (**ITAP Fund**)). Along with announcing entry into the scheme implementation agreement on 30 March 2022, it was also announced that, if exercised, 360 Capital would only acquire three property assets in the IAP portfolio if the Proposed Schemes proceed. The potential sale of these three properties to 360 Capital is referred to as the 360 Property Disposals. A fourth property asset and the funds management business (including the co-investment interest in the ITAP Fund) will be retained by CHPIP (subject to the Proposed Schemes proceeding).

¹⁷ Excludes September 2021 distribution of AUD 0.0453 per security

¹⁸ The closing security price was AUD 1.50 and the latest reported NTA was AUD 1.55 per security

¹⁹ The closing security price was AUD 1.60 and the latest reported NTA was AUD 1.55 per security

²⁰ The closing security price was AUD 1.58 and the latest reported NTA was AUD 1.54 per security



Outlined in the table below are the property assets and the agreed prices at which 360 Capital will acquire these properties.

Table 2: Agreed purchase prices of IAP property assets by 360 Capital (the 360 Property Disposals)

Property name	Interest (%)	360 Capital purchase price (AUD m)
34 Southgate Ave, Cannon Hill QLD	100%	40.0
38 Sydney Ave, Forrest ACT	100%	81.7
510 Church St, Cremorne VIC	50%	135.0
Total		256.7

Source: Scheme Booklet, Deloitte Corporate Finance analysis

Whilst the 360 Property Disposals are dependent on the Proposed Schemes proceeding, the Proposed Schemes are not dependent on 360 Capital completing 360 Property Disposals.

Annexure B: Independent Expert's Report (continued)



2 Basis of evaluation

2.1 Guidance on evaluating the Proposed Schemes

Schemes of arrangement can include many different types of transactions, including being used as an alternative to a Chapter 6 takeover bid. The basis of evaluation selected by the expert must be appropriate for the nature of each specific transaction.

Section 640 of the Corporations Act 2001 requires an independent expert's report in connection with a takeover offer to state whether, in the expert's opinion, the takeover offer is fair and reasonable. Where the schemes of arrangement have the same effect as a takeover, the form of analysis used by the expert should be substantially the same as for a takeover bid, however, the opinion reached should be whether the proposed scheme is 'in the best interests of the members of the entity'. Accordingly, if an expert were to conclude that a proposal was 'fair' if it was in the form of a takeover bid, they will also be able to conclude that the proposed scheme is in the best interests of the members of the entity.

ASIC Regulatory Guide 111

This regulatory guide provides guidance in relation to the content of independent expert's reports prepared for a range of transactions.

ASIC Regulatory Guide 111 refers to a 'control transaction' as being the acquisition (or increase) of a controlling stake in a company that could be achieved, for example, by way of a takeover offer, scheme of arrangement, approval of an issue of securities using item 7 of s611, a selective capital reduction or selective buy back under Chapter 2J.

In respect of control transactions, under ASIC Regulatory Guide 111 an offer is:

- fair, when the value of the consideration is equal to or greater than the value of the securities subject to the proposed scheme. The comparison must be made assuming 100% ownership of the target entity
- reasonable, if it is fair, or, despite not being fair, after considering other significant factors, securityholders should accept the offer under the proposed scheme, in the absence of any higher bids before the close of the offer.

To assess whether the Proposed Schemes are in the best interests of securityholders, we have adopted the tests of whether the Proposed Schemes are either fair and reasonable, not fair but reasonable, or neither fair nor reasonable, as set out in ASIC Regulatory Guide 111.

ASIC Regulatory Guide 112 primarily focuses on the independence of experts and provides little guidance on evaluating transactions.

2.1.1 Evaluation of fairness

ASIC Regulatory Guide 111 defines an offer as being fair if the value of the offer price is equal to or greater than the value of the securities subject to the offer. The comparison must be made assuming 100% ownership of the target entity.

Accordingly, we have assessed whether the Proposed Schemes are fair by comparing the Consideration offered with the value of a security in IAP on a control basis.

IAP securities have been valued at market value, which we have defined as the amount at which the securities would be expected to change hands between a knowledgeable and willing but not anxious buyer and a knowledgeable and willing but not anxious seller, neither of whom is under any compulsion to buy or sell.

Special purchasers may be willing to pay higher prices to reduce or eliminate competition, to ensure a source of material supply or sales, or to achieve cost savings or other synergies arising on business combinations, which could only be enjoyed by the special purchaser. Our valuation of an IAP security has not been premised on the existence of a special purchaser.

We have valued an IAP security on a stapled basis. This is because there is no opportunity for a securityholder to destaple an IPF1 unit from a IPF2 unit – the two individual units are not capable of being individually traded. This opportunity only arises when the Proposed Schemes are effected and in that event, there is no option for an IAP securityholder to 'mix-and-match' the Consideration between an IPF1 unit and an IPF2 unit.



We have assessed whether the Proposed Schemes are fair by comparing the value of an IAP security to the value of the Consideration to be offered, being cash of AUD 1.90 per security²¹.

2.1.2 Evaluation of reasonableness

Our assessment of whether the Proposed Schemes are reasonable has had regard to additional factors relevant to the IAP securityholders. Such factors include:

- the premiums implicit in the Consideration that IAP securityholders are receiving
- transaction costs that IAP securityholders will incur in the absence of the Proposed Schemes and if the Proposed Schemes proceed
- the likely market price of IAP securities in the absence of the Proposed Schemes
- the likelihood of an alternative offer being made
- the advantages and disadvantages of the Proposed Schemes
- other implications associated with IAP Securityholders rejecting the Proposed Schemes
- the alternatives available to IAP and to IAP securityholders.

2.2 Guidance on evaluating the Collateral Benefits Transactions

Section 602(c) of the Corporations Act states that the purpose of the takeover provisions in Chapter 6 of the Corporations Act is to ensure that all securityholders have a reasonable and equal opportunity to participate in any benefits (the equality principle). Section 623 of the Corporations Act prohibits the giving of collateral benefits during the offer period if they are likely to induce acceptances under the bid. GN21 sets out the Takeover's Panel's approach to collateral benefits and the view that, prima facie, a benefit will offend the equality principle and give rise to unacceptable circumstances if it is a 'net benefit'.

2.2.1 Evaluation of the 360 Property Disposals

If certain put and call arrangements under the 360 Capital MoU are exercised, three properties owned by IAP will be sold to 360 Capital. 360 Capital has a relevant interest of 19.9% in IAP and consequently the sale by CHPIP of these three properties could be viewed as collateral benefit transactions.

In the absence of any regulatory guidance, we have had regard to GN21 in assessing whether anything has come to our attention to cause us to believe that the consideration payable under the 360 Property Disposals constitutes the receipt by 360 Capital of a collateral benefit.

GN21 sets out the Takeover Panel's approach to assessing whether there are collateral benefits that give rise to the occurrence of unacceptable circumstances. The Takeover Panel considers that unacceptable circumstances are likely to exist whenever a bidder provides a securityholder something of value (i.e. benefit) which it does not offer to other securityholders.

Whilst it is ultimately a matter for the Takeovers Panel, GN21 sets out a number of ways that a person might seek to establish that there is no net benefit being provided to a particular securityholder. One of those ways is to provide an expert's opinion about whether there is a collateral benefit provided by a bidder to a securityholder that is not offered to other securityholders.

An expert's opinion about whether there is a collateral benefit may incorporate a valuation by the expert (or another person). The independent valuation should establish the price that might be negotiated in an open, unrestricted market between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller acting at arm's length (market value).

Consistent with our understanding of the principles outlined in GN21 requiring an overall view of the transactions, we have undertaken both a quantitative and a qualitative analysis of the 360 Property Disposals. In particular, our analysis has considered:

- (a) the market value of the properties that are the subject of the 360 Property Disposals as compared to the consideration offered for those properties
- (b) other qualitative considerations associated with the 360 Property Disposals.

²¹ Less any distribution declared or paid by IAP in the period prior to implementation of the Proposed Schemes (excluding the March 2022 distribution of AUD 0.0467 per IAP security which will be retained by securityholders).

Annexure B: Independent Expert's Report (continued)



2.3 Limitations

We have evaluated the Proposed Schemes for IAP securityholders as a whole and have not considered the effect of the Proposed Schemes on the particular circumstances of individual securityholders. Due to their particular circumstances, individual securityholders may place a different emphasis on various aspects of the Proposed Schemes from the one adopted in this report. Accordingly, securityholders may reach different conclusions to ours on whether the Proposed Schemes are fair and reasonable and in their best interests. If in doubt, securityholders should consult an independent adviser, who should have regard to their individual circumstances.

This report should be read in conjunction with Appendix 6.



3 Profile of IAP

3.1 Overview of IAP

IAP is an internally managed, Australian real estate investment trust (**A-REIT**) which invests, owns and manages office and industrial properties across Australia and New Zealand. It is dual listed on the ASX and JSE (Ticker:IAP). IAP securities consist of a unit in IPF1 and a unit in IPF2, which are stapled together.

On 28 January 2022, prior to the announcement of the Proposed Schemes, IAP had a market capitalisation of approximately AUD 1.1bn based on the closing price on the ASX of AUD 1.57 per security and securities outstanding of 677m.

As at 31 March 2022, IAP owned a portfolio of 37 office and industrial properties across Australia and New Zealand. These were valued at AUD 1.7bn, with 396,593 square meters (**sqm**) in gross lettable area (**GLA**) leased to 165 tenants.

IAP's strategy is to invest in office, industrial and retail properties in major metropolitan cities and well-established precincts in Australia and New Zealand. In addition to its core operations, IAP provides investment and asset management services to external investors by way of managing property assets held in unlisted funds and joint ventures. One of these unlisted funds is the ITAP Fund, in which IAP currently has an 18.7% equity interest.

3.2 Property portfolio

3.2.1 Overview of portfolio

Key metrics of the IAP portfolio across industrial and office segments are summarised in the following tables:

Annexure B: Independent Expert's Report (continued)

Deloitte.
Table 3: Industrial property portfolio

Property	State	Valuation ¹ (AUD m)	GLA ² (sqm)	Capital'n Rate ³ (%)	WALE ⁴ (years)	Occupancy (%)
47 Sawmill Circuit, Hume	ACT	17	5,535	4.75%	4.3	100%
57 Sawmill Circuit, Hume	ACT	18	7,079	4.75%	4.3	100%
24 Sawmill Circuit, Hume	ACT	18	7,350	4.25%	14.6	100%
44 Sawmill Circuit, Hume	ACT	20	4,639	4.75%	0.5	100%
2-8 Mirage Road, Direk	SA	13	6,762	5.75%	0.5	100%
30-48 Kellar Street, Berrinba	QLD	12	4,102	5.00%	1.6	100%
165 Newton Road, Wetherill Park	NSW	39	12,529	3.75%	8.8	100%
24 Spit Island Close, Newcastle	NSW	15	5,257	4.75%	8.8	100%
67 Calarco Drive, Derrimut	VIC	15	7,149	4.25%	5.5	100%
66 Glendenning Road, Glendenning	NSW	48	16,461	3.75%	11.6	100%
85 Radius Drive, Larapinta	QLD	26	10,088	4.75%	1.2	100%
54 Miguel Road, Bibra Lake	WA	44	22,358	5.25%	5.5	100%
24 Roadborough Road, Frenchs Forest	NSW	29	7,198	5.75%	2.1	100%
6-8 & 11 Siddons Way, Hallam	VIC	30	15,504	4.50%	3.2	100%
36-42 Hydrive Close, Dandenong South	VIC	29	14,635	4.50%	3.1	100%
103 Welshpool Road, Welshpool	WA	48	5,246	4.00%	18.7	100%
46-70 Grand Trunkway, Gillman	SA	35	31,589	5.50%	5.8	100%
16 Dawson Street, East Arm	NT	32	14,835	7.25%	5.4	100%
197 Belconnent Crescent, Brendale	QLD	21	9,300	4.63%	5.3	100%
131-153 Main beach Road, Pinkenba	QLD	30	1,852	4.50%	6.0	100%
57-83 Mudgee Street, Kingston	QLD	16	5,465	4.75%	8.8	100%
Lot 24 Dunhill Crescent, Morningside	QLD	7	1,014	4.50%	9.7	100%
16 Aspiration Court, Bibra Lake	WA	31	16,879	5.50%	3.5	100%
Total - Industrial		590⁶	232,825			
Weighted average⁵				4.80%	6.3	100%

Notes:

1. Value based on latest independent property valuations undertaken as at 31 March 2022

2. Gross Lettable area (GLA)

3. Capitalisation rate

4. Weighted average lease expiry (WALE)

5. WALE and occupancy have been weighted by property income. Capitalisation rates have been weighted by property valuation

6. Portfolio valuation is based on the sum of rounded valuations for each property

Source: March 2022 property valuations



Table 4: Office property portfolio

Property	State	Valuation ¹ (AUD m)	GLA ² (sqm)	Capital'n Rate ³ (%)	WALE ⁴ (years)	Occupancy (%)
449 Punt Road, Cremorne	VIC	73	6,719	5.00%	2.5	100%
35-49 Elizabeth Street, Richmond	VIC	113	12,513	5.00%	3.6	100%
2404 Logan Road, Eight Mile Plains	QLD	17	3,637	7.75%	2.7	59%
186 Reed Street, Greenway	ACT	26	5,407	7.13%	0.9	100%
21-23 Solent Circuit, Baulkham Hills	NSW	74	10,820	6.00%	3.9	89%
266 King Street, Newcastle	NSW	88	13,870	6.00%	2.0	75%
113 Wicks Road, Macquarie Park	NSW	36	6,199	5.38%	1.7	85%
324 Queen Street, Brisbane ⁶	QLD	90	19,296	5.75%	3.9	100%
20 Rodborough Road, Frenchs Forest	NSW	72	13,022	5.50%	4.9	100%
2 Richardson Place, North Ryde	NSW	116	15,235	5.75%	3.7	88%
100 Willis Street, Wellington	NZ	154	24,833	6.13%	4.2	100%
38 Sydney Avenue, Forrest	ACT	78	8,900	5.00%	9.4	100%
34 Southgate Avenue, Cannon Hill	QLD	21	3,520	5.00%	10.3	100%
510 Church Street, Cremorne ⁶	VIC	134	19,798	4.50%	7.4	100%
Total - Office		1,089⁷	163,768			
Weighted average – Office⁵				5.54%	4.3	94%

Notes:

1. Value based on latest independent or IAP executive property valuations undertaken as at 31 March 2022

2. Gross Lettable area (GLA)

3. Capitalisation rate

4. Weighted average lease expiry (WALE)

5. WALE and occupancy have been weighted by property income. Capitalisation rates have been weighted by property valuation

6. Value accounts for 50% of IAP's interest in 324 Queen Street, Brisbane and 510 Church Street, Cremorne

7. Portfolio valuation is based on the sum of rounded valuations for each property

Source: March 2022 property valuations

The entire portfolio is valued on a weighted average capitalisation rate of 5.27%, a WALE of 4.9 years and occupancy of 96%.

Industrial properties comprise 35% of the portfolio by value with an average property value of AUD 26m. The office properties comprise 65% of the total portfolio by value, with an average property value of AUD 78m.

Whilst occupancy across the portfolio is strong with a weighted average of approximately 96%, the industrial properties (100%) outperformed office properties (94%) which is generally driven by being better positioned (or less impacted) from the structural shift to working-from-home, associated change in logistics fulfillment from increased ordering-from-home, and rising demand for local manufacturing given the global supply chain bottlenecks. More information on the industry is outlined in Appendix 1.

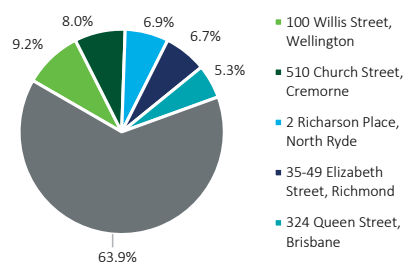
More specifically, lower occupancies for a number of office properties are a consequence of recent tenant departures (i.e. Eight Mile Plains, Macquarie Park and Newcastle) or supported by rental guarantees from the vendors who sold the properties to IAP (i.e. Forrest and Cremorne).

Annexure B: Independent Expert's Report (continued)

Deloitte.

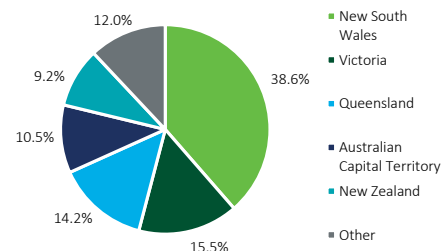
Set out in the figures below is an analysis of IAP's portfolio by individual property and by state:

Figure 2: Contribution of top 5 properties to total portfolio value



Source: March 2022 property valuations

Figure 3: Property segmentation by State (by portfolio value)



Source: March 2022 property valuations

The top 5 properties comprise slightly more than 36% of the total value of the portfolio and are in the office segment of the portfolio.

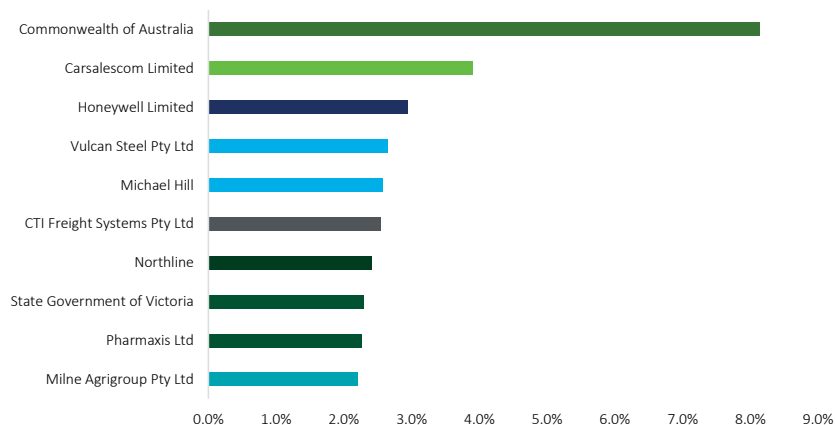
The single largest asset in the portfolio is 100 Willis Street, Wellington (9.2%) which is the tallest building in Wellington with 29 floors of office space and is the only property in the portfolio located in New Zealand.

IAP has a significant exposure to NSW, with almost 39% of the portfolio by value being located in NSW.

3.2.2 Key tenants

Key tenants by gross passing income are presented below.

Figure 4: Top 10 tenants¹ (by income) at 31 March 2022



Note:

1. The colours correlate with the segments shown below in Figure 5

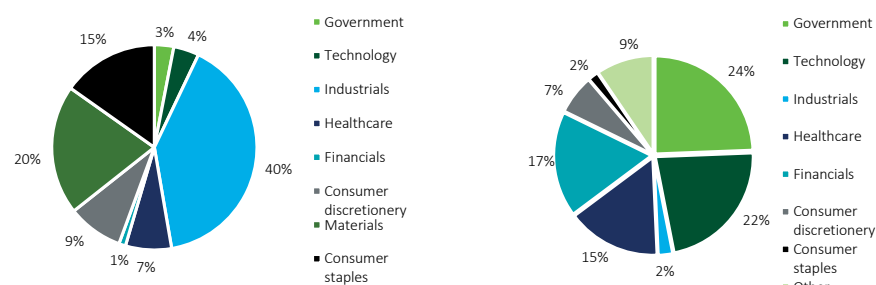
Source: IAP Management

IAP has a diversified tenant base of over 165 tenants (31 across industrial and 134 across office), with the Commonwealth of Australia being the largest tenant (by income), accounting for over 8% of the portfolio income.



Sector diversification is summarised in the figures below.

Figure 5: Sector diversity for industrial (LHS) and office (RHS) properties at 31 March 2022

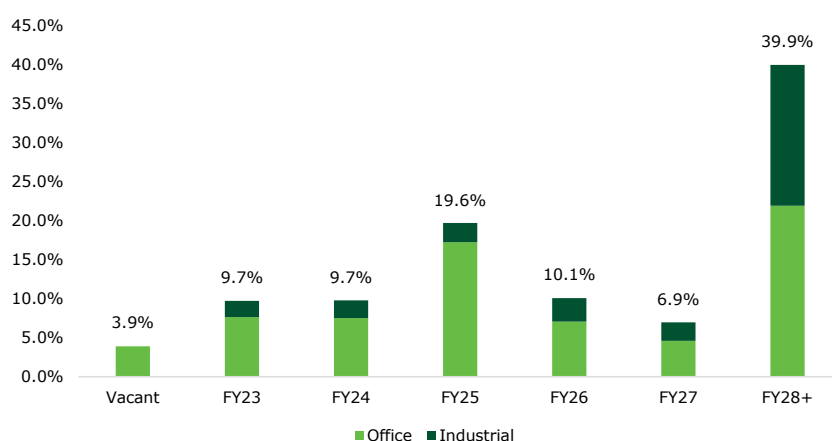


Source: IAP Management

The government services sector comprises the single largest tenant category for IAP's office properties (24%), with key tenants across various departments of Commonwealth of Australia, including The Department of Human Services, The Department of Home Affairs, Australian Taxation Office and State Government of Victoria. This is followed by the technology sector (22%), with key tenants such as Carsales.com, Honeywell and Ricoh Australia. For IAP's industrial properties, it is naturally heavily exposed to industrial sector tenants (40%) such as CTI Freight Systems and Northline. Outside of these sectors, the IAP office and industrial portfolios are well diversified across numerous sectors.

Outlined in the figure below is the lease expiry of the portfolio.

Figure 6: Lease expiry profile as at 31 March 2022¹



Notes:

1. Weighted by gross property income.

Source: IAP Management

As at 31 March 2022, the WALE across the portfolio was 4.9 years with the office segment having a WALE of 4.3 years and the industrial segment having a WALE of 6.3 years.

Rental growth under the lease agreements is generally linked to a fixed rate of between 2.2% to 3.6%, or CPI. The weighted average rent review (**WARR**) for the portfolio is 3.3%.

3.2.3 Property valuations

IAP has a documented property valuation policy, which is applied to all owned properties at each reporting period. The key principles of the policy are as follows:

Annexure B: Independent Expert's Report (continued)



- An independent valuation of each property is obtained at least every 2 years on a rotational basis (in compliance with IAP's debt facility)
- At each reporting period at least one property from each of the following states will be independently valued:
 - New South Wales
 - Queensland; and
 - Victoria
- For properties not independently valued at a reporting period, the directors will determine the fair value of each property based on management's valuation analysis which will have regard to:
 - Discounted cash flow (**DCF**) analysis based on reliable projection estimates (typically 10 years)
 - Capitalisation of net income, with the property's estimated net market income capitalised at a rate derived from market evidence
 - Current prices for comparable investment properties in the market.

We have set out below the historical valuation outcomes for the industrial properties currently held by IAP.

Table 5: Historical industrial property valuations summarised by state¹

	No. of independent / directors' valuation	Valuation date	Valuation (AUD m)	Change in Valuation	Capital'n rate	Change in Capital'n rate	WALE
NSW	0/4	Mar-19	80		6.79%		10.2
	2/2	Mar-20	88	8.90%	6.10%	(0.69%)	9.2
	4/0	Mar-21	108	23.69%	5.15%	(0.95%)	8.2
	4/0	Mar-22	130	19.89%	4.31%	(0.84%)	8.7
VIC	0/3	Mar-19	52		6.09%		5.7
	2/1	Mar-20	50	(2.33%)	5.90%	(0.19%)	4.9
	3/0	Mar-21	62	22.76%	5.20%	(0.71%)	4.6
	3/0	Mar-22	75	20.89%	4.45%	(0.75%)	3.6
QLD	0/2	Mar-19	26		6.92%		0.9
	2/0	Mar-20	26	(1.71%)	7.00%	0.08%	1.5
	2/2	Mar-21	65	152.32% ³	5.78%	(1.22%)	3.3
	6/0	Mar-22	111	69.40% ³	4.67%	(1.11%)	4.3
ACT	0/4	Mar-19	43		7.72%		3.2
	0/4	Mar-20	40	(6.52%)	7.87%	0.15%	2.5
	2/2	Mar-21	52	28.52%	6.07%	(1.80%)	3.0
	4/0	Mar-22	73	41.38%	4.63%	(1.44%)	6.7
WA	0/1	Mar-19	30		7.25%		4.3
	0/2	Mar-20	56	89.83% ³	7.02%	(0.23%)	4.7
	2/0	Mar-21	63	12.50%	6.14%	(0.88%)	4.1
	3/0	Mar-22	122	94.21% ³	4.83%	(1.32%)	6.3
SA	0/1	Mar-19	9		8.50%		0.6
	0/2	Mar-20	34	267.03% ³	7.36%	(1.14%)	6.9
	1/1	Mar-21	29	(15.32%)	6.63%	(0.73%)	5.9
	2/0	Mar-22	47	64.17%	5.57%	(1.06%)	4.9
NT	0/1	Mar-20	28		8.13%		7.4
	0/1	Mar-21	29	4.63%	7.75%	(0.38%)	6.4
	1/0	Mar-22	32	8.84%	7.25%	(0.50%)	5.4

Notes:

1. Detailed historical valuations per IAP industrial property can be found in Appendix 2

2. Number of properties for which the book value is based on either the independent valuation or the directors' valuation

3. Increase is largely due to acquisitions

Source: IAP results presentations, March 2022 property valuations, Deloitte Corporate Finance analysis

All industrial properties were independently valued at 31 March 2022. The total value of the industrial portfolio increased significantly over the last 3 years owing largely to a combination of property acquisitions and capitalisation rate compression. Since March 2019, the Queensland industrial portfolio increased in size due to acquisitions of Brendale (FY21), Pinkenba (FY21), Kingston (FY22) and Morningside (FY22), whilst the Western Australia industrial portfolio increased due to the addition of Welshpool (FY20) and Bibra Lake (FY22), and Gillman (FY20) was acquired in South Australia. More discussion on the declining weighted average capitalisation rates (**WACR**) is outlined in Figure 7.

We have set out below the historical valuation outcomes for the office properties currently held by IAP.

Table 6: Historical office property valuations summarised by state (incl. NZ)¹

	No. of independent / director's valuation ²	Valuation date	Valuation (AUD m)	Change in Valuation	Capital'n rate	Change in Capital'n. rate	WALE
NSW	0/5	Mar-19	312		6.76%		2.8
	3/2	Mar-20	327	5.02%	6.47%	(0.29%)	2.7
	4/1	Mar-21	359	9.58%	6.17%	(0.30%)	3.2
	6/0	Mar-22	519	44.63% ³	5.45%	(0.73%)	4.4
VIC	2/0	Mar-19	150		5.50%		2.9
	0/2	Mar-20	152	1.20%	5.75%	0.25%	2.6
	2/0	Mar-21	166	9.35%	5.50%	(0.25%)	4.2
	2/0	Mar-22	186	11.75%	5.00%	(0.50%)	3.3
QLD	0/2	Mar-19	96		6.62%		3.4
	1/1	Mar-20	95	(0.63%)	6.63%	0.02%	3.0
	0/2	Mar-21	96	1.16%	6.35%	(0.28%)	3.2
	1/2	Mar-22	128	33.04% ³	5.90%	(0.45%)	4.5
ACT	0/1	Mar-19	28		7.00%		1.5
	0/1	Mar-20	26	(9.04%)	7.25%	0.25%	1.1
	0/1	Mar-21	25	(1.56%)	7.50%	0.25%	0.7
	1/1	Mar-22	104	310.30% ³	5.54%	(1.96%)	6.2
NZ	0/1	Mar-19	123		7.00%		0.9
	1/0	Mar-20	135	9.43%	7.00%	0.00%	0.8
	1/0	Mar-21	144	6.76%	6.25%	(0.75%)	0.8
	1/0	Mar-22	155	7.91%	6.13%	(0.12%)	0.6

Notes:

1. Detailed historical valuations per IAP office property can be found in Appendix 2

2. Number of properties for which the book value is based on either the independent valuation or the directors' valuation

3. Increase is largely due to acquisitions

Source: IAP results presentations, March 2022 property valuations, Deloitte Corporate Finance analysis

11 out of 14 office properties were independently valued at 31 March 2022. Two of the other 3 office properties (Eight Mile Plains QLD and Greenway ACT) were valued by the IAP RE Board on the basis that since the last reporting period (September 2021), there were no changes to the underlying operating metrics or new comparable transaction data which would suggest a value change greater than 5%. The value attributable to Eight Mile Plains QLD and Greenway ACT has not changed since the last independent valuation in September 2020. The remaining office property (Cannon Hill QLD) was valued by the IAP RE Board based on the 'as if complete' independent valuation (undertaken in July 2021) less remaining costs to complete.

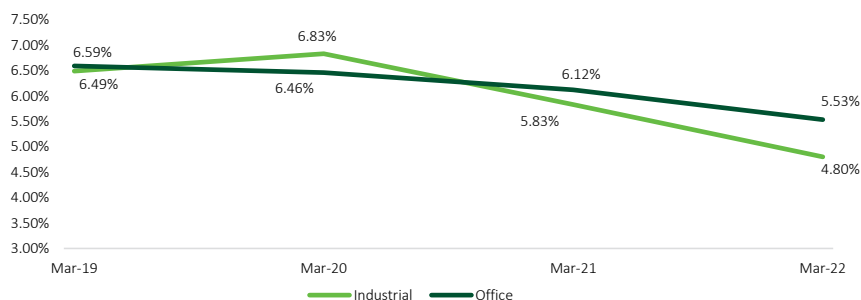
Similarly, the total value of office properties increased significantly over the last 2 years due to the acquisition of properties and capitalisation rate compression. Since March 2021, IAP acquired office properties in Cremorne VIC and Forrest, ACT. More discussion on the declining WACR is outlined below Figure 7.

Annexure B: Independent Expert's Report (continued)

Deloitte.

The movement in portfolio capitalisation rates since FY19 is presented in the figure below.

Figure 7: Historical portfolio WACR movement



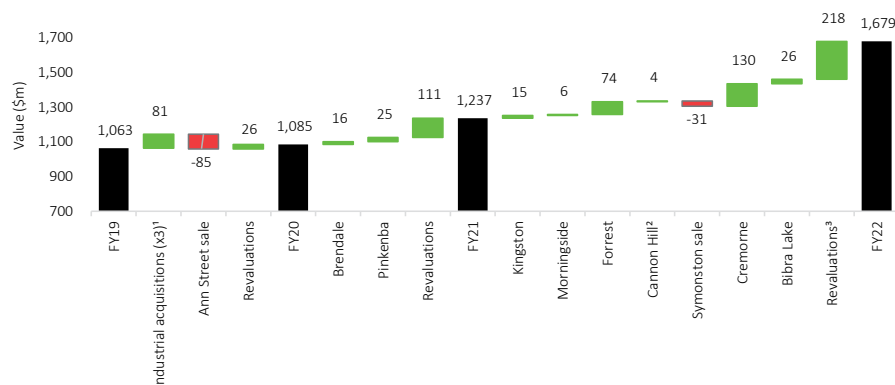
Source: IAP FY19, FY20, FY21 investor presentations, March 2022 property valuations

Whilst the WACR has decreased for both industrial and office portfolios since pre-pandemic times, each sector responded differently from the onset of COVID-19. The imposition of lockdowns in March 2020 and its adverse impact on economic activity resulted in increased stimulus by governments and regulators (particularly the reduction in interest rates and introduction of quantitative easing during FY21 by the Reserve Bank of Australia) which led to a lower cost of funds and downside bias on capitalisation rates. However, the industrial property asset class became more in-demand compared to office as it was better positioned (or less impacted) from the structural shift to working-from-home, associated change in logistics fulfillment from increased ordering-from-home, and rising demand for local manufacturing given the global supply chain bottlenecks. The overall reduction in IAP's portfolio capitalisation rate is similar to the downward trend in capitalisation rates applied by its peers, as illustrated in Figure 13.

Other drivers to increased values included the securing of new tenants and tenancy renewals (some of which were on longer leases), higher occupancy and stable level of rent collections.

The following figure presents movements in value of the property portfolio since March 2019 (FY19).

Figure 8: Historical movement in property valuations since March 2019 (FY19)



Notes:

1. New industrial properties acquired during FY20 are Welshpool, Gillman and East Arm
2. Cannon Hill reflects the upfront price paid for the land, with subsequent construction costs incurred being reflected in revaluations
3. Revaluations also include development costs for Cannon Hill and Kingston

Source: IAP investor presentations, Deloitte Corporate Finance analysis

3.2.4 Development opportunities

IAP has a development pipeline spanning two assets. These include:

- **57-83 Mudgee Street, Kingston, QLD** – comprises a generic warehouse and distribution facility with 2,270 sqm leased to Construction Sciences for 10 years and 3,250 sqm leased to Waco Kwikform for 8 years. In April 2021, IAP agreed to pay an



acquisition price of AUD 14.3m which comprised of an upfront amount of AUD 3.1m for the land, with the balance to be progressively paid until the completion of construction (originally expected in December 2021). The property was independently valued as at 31 March 2022, at AUD 17.2m on an 'as if complete' basis. The IAP RE Board adopted a valuation of AUD 15.5m as at 31 March 2022 to recognise the remaining costs to complete of AUD 1.7m, which are expected to be incurred in April 2022.

- **34 Southgate Avenue, Cannon Hill, QLD** – comprises an office building with 3,520 sqm GLA and two levels of underground car parking. It will be occupied on a 10-year lease by retailer, Michael Hill, as its global head office. In August 2021, IAP agreed to pay an acquisition price of AUD 36.0m which comprised an initial payment of AUD 3.9m under the contract, with the balance to be progressively paid per obligations under the development agreement. Construction is due to complete by September 2022. The IAP RE Board adopted a valuation of AUD 20.8m as at 31 March 2022 based on an 'as if complete' valuation of AUD 36.0m less remaining costs to complete of AUD 15.2m which are expected to be incurred by the Implementation Date.

Other property development assets managed by IAP are held in external entities, as outlined in more detail in Section 3.3.

3.2.5 Impact of COVID-19

Since the World Health Organisation declared a worldwide COVID-19 pandemic in March 2020, the Australian States and Territories have taken measures to slow the spread of the COVID-19 virus. These measures which have included stay at home orders and physical distancing requirements have had economic impacts. In certain States, for example, Western Australia, the spread of the virus has been controlled and as such, the lockdown restrictions have been minimal until the reopening of domestic borders.

The Australian industrial property market has performed strongly with yields reaching record lows as investors look to assets with strong covenants and long WALEs. An acceleration of trends including workplace flexibility and increased consumer demand for e-commerce has had positive impact on industrial properties. The office and retail sectors in Australia experienced short-term disruptions due to government restriction measures, reducing occupancy and footfall.

As a consequence of the COVID-19 pandemic, IAP agreed rent support arrangements with 35 tenants, the majority of which were small retail tenants occupying premises in the larger office properties. In aggregate, largely in FY21, IAP provided AUD 0.7m of rent support and AUD 1.1m of rent deferrals and no tenants are currently receiving rent support from IAP. Rent collections received in FY21 was 99.6% when excluding rent support arrangements. The total bad and doubtful debts provision was nil for both FY21 and FY22 reflecting the strength of the tenancies and ability to collect rental payments.

In a relative sense, the IAP industrial portfolio has been more resilient to the impacts of COVID-19 given the high demand for e-commerce had favourable impact on industrial properties with increased supply-chain, warehousing and logistics fulfilment activities to meet consumer demand. In contrast, transaction volume reduced significantly in CBD office markets. IAP's exposure to metropolitan office properties mitigated the risks to a certain extent with office yields remaining relatively stable due to affordable rents and a more decentralised model.

In response to the negative economic impacts of the COVID-19 measures, Governments and Reserve Bank of Australia have provided substantial stimuli to support businesses and more broadly the economy. These stimuli have included monetary policy measures which have resulted in a decrease in interest rates. The result of the decrease in interest rates has been a decrease in the capitalisation rates being applied to assets such as property which has, in turn, increased the valuations of properties. As these stimuli measures are being withdrawn, we are beginning to see an increase in interest rates.

More information on the impact of COVID-19 on the industry is outlined in Appendix 1.

3.3 External assets under management

IAP provides investment and asset management services to external investors by way of managing property assets held in unlisted funds and joint ventures.

These external management arrangements can be segmented into the ITAP Fund, wholesale investor mandates other than ITAP Fund (**Mandates**) and assets owned by and managed on behalf of Investec Group. More detail is outlined below.

3.3.1 The ITAP Fund

Established in December 2019, the ITAP Fund is an unlisted fund focused on investing in value-add and real estate-backed debt opportunities in the Australian and New Zealand property sectors. The ITAP Fund was set up as a result of demand from international investors for access to private investments that give exposure to the Australian property sector.

Annexure B: Independent Expert's Report (continued)



Assets held by the ITAP Fund have a shorter-term investment horizon and require more active management than the core property assets owned and targeted by IAP. The ITAP Fund has a term of 8 years and a target gross internal rate of return (IRR) of 15% to 18% before fees and taxes²².

Total committed capital is AUD 161m, which includes an AUD 30m commitment from IAP. Current investments in the ITAP Fund are summarised in the following table.

Table 7: ITAP Fund assets

Project name	State	Asset type	IAP share of FUM (%)	IAP share of FUM (AUD m)
Phillip Street	NSW	Mixed-use development	50%	25
Rundle Place	SA	Retail re-positioning	64%	50
Loganholme	QLD	Specialised asset financing	100%	3
Yarraville	VIC	Residential development	11%	24
The Grove	VIC	Land development	6%	5
Younghusband	VIC	Heritage office refurbishment & development	8%	12

Source: IAP FY21 Annual Report, IAP Management

Phillip Street - is a mixed-use development of an existing B-grade office building site in the Sydney CBD. It is a joint venture with Built which has experience delivering large-scale and high-end projects. IAP and Built share the management role and fees. IAP does not have an entitlement to performance fees on the asset.

Rundle Place - is a shopping mall located in the Adelaide CBD with multiple plans to reconfigure vacancies and introduce leading international retailers and/or destination entertainment operators. It is a joint venture with Fortius, a fund manager specialised in value-adding projects. IAP does not have an entitlement to performance fees on the asset.

Loganholme - Loganholme is a loan provided to purchase a site which will be utilised for a development of a self-storage asset.

Yarraville - is a joint venture with Frasers Property for the development of one of Melbourne's last major infill sites into a master planned residential community. The development will deliver 1,084 dwellings and a neighbourhood retail centre. IAP is entitled to management fees and a performance fee on part of the equity that it manages. The project is at an early stage and whilst performance fees may become payable in 2028, there are substantial risks and uncertainties with respect to the realisation of such fees. The ITAP Fund has an 11% interest in the asset with IAP managing a further 39% through third-party mandates.

The Grove, VIC - is a residential land subdivision in Tarneit, which is in Melbourne's western growth corridor. It is a joint venture with Frasers Property for the development of a multi-stage residential community comprising over 2,000 housing lots. The management agreement commenced in June 2019, with an expected term of 6 to 7 years. IAP generates a fixed 0.8% on contributed equity under management and is not entitled to performance fees. The ITAP Fund has a 6% interest in the asset with IAP managing a further 44% through third-party mandates.

Younghusband, VIC - a joint venture with Built and Ivanhoe Cambridge to develop commercial offices in Kensington, a suburb in Melbourne's inner northern suburbs. The development has been structured into 3 stages with a potential net lettable area of 57,600 square metres. IAP shares development and asset management fees with its joint venture manager, Built. The ITAP Fund has a 7.5% interest in the asset with IAP jointly managing the entire 100% of invested capital with Built.

IAP provides investment and asset management services to the ITAP Fund in accordance with separate management agreements as summarised in the following table.

Table 8: Key terms of the management agreements connected with the ITAP Fund

Agreement	Service description	Fees payable to the manager
ITAP Fund Investment Management Agreement	<ul style="list-style-type: none"> Marketing and capital raising activities Making fund management recommendations to the ITAP General Partner, including preparing annual budgets Liaising with investment committee members Attending investor presentations 	<p>Investment management fees of 0.38% p.a. of committed capital and 0.47% p.a. of contributed capital thereafter.</p> <p>Performance fees of 20% over an 8% hurdle with no catch up. IAP's share is 26.25% of the total fund performance fee.</p> <p>Asset management fee at market rates dependent on asset type.</p>

Source: IAP Management

²² ITAP Fund Private Placement Memorandum dated 16 March 2020



Whilst the Proposed Schemes will trigger change in control provisions in relation to the ITAP Fund Investment Management Agreement, the parties to the agreement have advised that they do not intend to exercise their right to terminate the agreement for convenience on the basis that the Proposed Schemes proceed as intended.

3.3.2 Mandates (other than ITAP Fund)

IAP holds agreements with wholesale investors to manage their share of investments held in joint ventures. Current mandate arrangements involving wholesale investors other than the ITAP Fund are summarised in the following table.

Table 9: Mandates (other than ITAP Fund)

Project name	State	Asset type	IAP managed share of equity (%)	IAP managed share of equity (AUD m)
Yarraville	VIC	Residential development	39%	83
The Grove	VIC	Land development	44%	33
Younghusband	VIC	Office	93%	146

Source: FY21 Irongate Annual Report, IAP Management

Refer to Section 3.3.1 above for more details of the underlying assets and the terms of the management agreements.

3.3.3 Investec Management Assets

IAP provides asset management services to Investec Group in respect to a number of property assets to which Investec Group has a debt exposure.

The management agreement commenced in December 2020, with a term of 4 years. A summary of the key terms of the management agreement with Investec is outlined in the table below.

Table 10: Key terms of the management agreement with Investec

Agreement	Service description	Fees payable to the manager
Investec Management Agreement	<ul style="list-style-type: none"> Property management and leasing services 	Management fees of AUD 0.7m per annum.
	<ul style="list-style-type: none"> Acquisitions and disposals 	In the event the agreement is terminated by Investec, the Manager is entitled to a termination fee equal to AUD 2.8m less any fees paid in respect of the period to termination.
	<ul style="list-style-type: none"> Development and project management services 	
	<ul style="list-style-type: none"> Financial administration services 	IAP is not entitled to performance fees.
	<ul style="list-style-type: none"> Managing insurance policies 	
	<ul style="list-style-type: none"> Risk management 	
	<ul style="list-style-type: none"> Monthly reporting 	
	<ul style="list-style-type: none"> Marketing and public relations 	

Source: FY21 IAP Annual Report, IAP Management

Whilst the Proposed Schemes may trigger change in control provisions under the agreement, there is no right for the parties to terminate for convenience and therefore any termination will be subject to compensation being payable to the non-terminating party.

3.4 Investment in the ITAP Fund

IAP owns an 18.7%²³ equity interest in the ITAP Fund.

As at 31 March 2022, the ITAP Fund (L.P. level) had net assets of AUD 85.9m, which comprises AUD 91.0m in investment assets. IAP's investment in the ITAP Fund is classified as an equity accounted investment in IAP's financial statements. IAP's investment is currently valued at AUD 20.6m based on market value, which compares to total contributed equity by IAP of AUD 18.3m as at 31 March 2022.

²³ Based on share of committed capital.

Annexure B: Independent Expert's Report (continued)



3.5 Management

IAP became internally managed in November 2020. IAP currently employs 16 personnel with skills across the key disciplines of origination, asset management, project and development management, and finance. IAP has offices in Sydney, Melbourne and Brisbane, which enable the team to efficiently source and execute acquisitions, as well as efficiently provide ongoing property management oversight and support in respect of the properties under management.

The table below summarises the team members and their responsibilities.

Table 11: The management team

Function	Responsibilities	Personnel
Key management	Chief Executive Officer	Graeme Katz
	Fund Manager	Zach McHerron
	Chief Financial Officer	Kristie Lenton
	Company Secretary and Investor Relations	Lucy Spenceley
Capital Transactions	Identify opportunities to enhance yield and/or create value as part of the due diligence process.	David Cupit
	Retains joint responsibility alongside the asset management team to deliver on the asset management strategy outlined in the investment case until the end of the first financial reporting period.	George Rose
Asset management	Managing tenant engagement and dialogue to understand tenants' medium to long term occupancy requirements.	James Graves
	Carrying out tenant surveys to monitor tenant experience and identify opportunities	
	Assessment of external property managers' performance.	
	Undertaking defensive capital expenditure.	
Environmental, social and governance (ESG)	Project delivery and technical expertise across the portfolio and managing sustainability initiatives	Ivan Goodman
Capital and Funds	Origination of funds management opportunities and third-party capital	Adam Broder

Source: IAP Management

Prior to the management internalisation in 2020, the core management team comprising Graeme Katz, Zach McHerron and Kristie Lenton were with Investec for more than 10 years where they focused on the Australian property platform of Investec over that period.

Graeme joined Investec in 2006 and started the property funds business. Over the years, the team has invested substantial capital for Investec in the property sector in Australia, seeded and launched IAP, been involved in the acquisition and management of each asset currently owned by IAP, and evaluated a variety of other opportunities on behalf of IAP and more broadly for Investec (where connected with the property sector in Australia).



3.6 Debt profile

The following table sets out a summary of the key characteristics of IAP's debt at 31 March 2022.

Table 12: Debt profile

	At 31 March 2022
Total facility limit ¹	AUD 625.0m
Total borrowings (excluding unamortised borrowing costs) ²	AUD 520.7m
Loan to Value ratio (LVR) ³	30.5%
Weighted average debt expiry	6.0 years
Interest coverage ratio (ICR) ⁴	6.3x
Weighted average cost of debt	2.9%

Notes:

1. Total debt portfolio
2. Total borrowing includes the drawn amount of all facilities
3. Loan to value ratio is calculated as total drawn debt less cash divided by the total fair value of investment properties
4. Interest coverage ratio calculated as EBITDA divided by interest expense

Source: IAP FY22 financials

Details of IAP's debt facilities are set out below.

Table 13: Debt facilities

Facility	Borrowings (AUD m)	Maturity date
ANZ Facility – Tranche G	20.0	Apr 2027
ANZ Facility – Tranche H	75.0	Sep 2026
ANZ Facility – Tranche I	25.0	Mar 2026
Westpac Facility – Tranche N	55.0	Mar 2028
Westpac Facility – Tranche P	29.9	Nov 2027
Westpac Facility - Tranche Q	22.5	Mar 2026
Westpac Facility - Tranche R	47.5	Mar 2026
Westpac Facility - Tranche S	36.7	Dec 2028
Westpac Facility - Tranche T	59.0	Dec 2028
Westpac Facility- PGIM	150.0	Dec 2029
Total	520.7	

Sources: IAP Management

The facilities are secured against the assets of IAP and are non-recourse to securityholders. As at the date of our report, IAP complies with all debt facility covenants.

IAP utilises interest rate swaps to partially hedge against interest rate risk fluctuations. As at 31 March 2022, 85.9% of AUD 520.7m drawn debt was hedged via interest rate swaps with maturities across FY26 (AUD 95m), FY27 (AUD 75m), FY28 (AUD 104.9m) and FY29 (AUD 95.7m). Since FY21, IAP have also been able to extend the expiry date of all existing tranches (excluding the fixed rate facility with PGIM) while retaining the same interest rate margins. The debt margins applicable to the facilities ranged between 1.45% to 1.95%.

Annexure B: Independent Expert's Report (continued)



3.7 Financial performance

We have summarised the financial performance of IAP for the financial years ending 31 March 2021 and 31 March 2022.

Table 14: IAP financial performance

AUD m (unless otherwise stated)	FY21 ⁵	FY22
Property revenue ¹	92.7	108.8
Property expenses	(20.7)	(21.8)
Net property income	72.0	87.0
Other income	-	8.5
Operating expenses	(7.5)	(11.4)
Net finance costs ²	(8.4)	(13.3)
Fair value adjustments ³	110.7	190.8
Profit on sale of investment property	-	4.9
Transaction costs ⁴	(2.0)	-
Profit before tax	164.7	266.5
Income tax benefit/(expense)	-	(0.2)
Total comprehensive income	164.7	266.3
Property income margin (%)	77.7%	80.0%
Operating expenses as a % of property net income (%)	10.4%	13.1%

Notes:

- Adjusted to exclude straight lining of income against property revenue
- Calculated as interest income less finance costs
- Adjustments related to the fair value movements in investment properties, interest rate swaps and foreign currency
- Relates to the cost on sale of investment property
- Financials for FY21 were based on IPF1 given the availability of full year information

Source: FY21 Annual Report, IAP FY22 financials, Deloitte Corporate Financial analysis

Net property income increased by 20.8% in FY22 as a result of the acquisition of new assets, the completion of development projects as well as higher occupancy rates as confidence returned to the office market. Despite this, rental yields reduced across the portfolio as valuations rose since rental income did not increase to the same extent as the property valuations. During FY22, property valuation uplifts of AUD 166m were recognised as a consequence of lower capitalisation rates particularly for IAP's industrial properties which benefited from significant investor demand as a result of the sector's resilience during the COVID-19 pandemic and growth in logistics and warehousing.

In FY22, net finance costs increased following continued drawdowns across existing and new tranches of the Westpac facility (Section 3.6) to fund new property acquisitions during the year. Other fair value adjustments of AUD 25m related to the revaluation of IAP's interest and foreign currency swaps.

Other income comprises fee income on managing external AUM and is largely based on a fixed percentage charged on the underlying external assets of the funds managed by IAP. More detail is outlined in Section 3.3.

Operating expenses comprise the costs attributable to managing the fund's property assets and external AUM. A breakdown of operating expenses for FY22 are outlined in the table below:

**Table 15: Operating expenses**

AUD m	FY22 ¹
Fixed asset expenses	0.2
Premise expenses	0.3
Employee expenses	7.4
Insurance	1.2
Audit, regulatory and registry	0.9
Consulting and legal	1.1
Other (sundry)	0.3
Total operating expenses	11.4

Source: IAP FY22 financials, Deloitte Corporate Financial Analysis

Approximately AUD 10m of IAP's operating expenses in FY22 were allocated to managing the fund's property portfolio on an activity basis whilst the balance can be attributed to managing the external AUM. The increase in operating expenses of AUD 2.4m over FY21 can be attributed to the increased size of IAP as well as one-off costs associated with corporate activity during the year.

Approximately AUD 0.7m of operating expenses incurred in FY22 were one-off in nature and relate to costs associated with corporate activity in IAP. Operating costs also include costs associated with the ASX and JSE listing, along with related governance and regulatory requirements.

Insurance relates to the protection of directors and officers of IAP against losses and liabilities incurred in their roles, as well as professional indemnity. Consulting and legal fees largely relate to corporate and shareholder activity during the year.

Other expenses are largely employee-related and includes salaries and bonus provisions.

Annexure B: Independent Expert's Report (continued)



3.8 Financial position

We have summarised the financial position of IAP as at 31 March 2021 and 31 March 2022 in the table below:

Table 16: IAP financial position

AUD m (unless otherwise stated)	31 March 2021	31 March 2022
Current assets ¹	5.7	10.1
Current liabilities ²	(9.3)	(13.6)
Net working capital	(3.7)	(3.5)
Investment properties	1,225.4	1,642.4
Investment property under development	11.6	36.3
Investment property assets	1,237.0	1,678.7
Financial instruments held at fair value ³	(0.8)	23.3
Borrowings	(339.1)	(517.0)
Distributions payable	(27.7)	(31.6)
Less: cash and cash equivalents	7.4	9.2
Net cash/(debt)	(360.2)	(516.1)
Intangible assets ⁴	39.5	39.5
Equity accounted investments (ITAP)	5.8	20.6
Other net assets ⁵	(5.4)	(3.1)
Net assets attributable to securityholders	913.0	1,216.1
Number of securities (m)	611.3	677.6
Net assets per security (AUD)	1.49	1.79
Net tangible assets per security (AUD)	1.43	1.74
Balance sheet gearing ⁶	29.1%	30.7%
Market capitalisation	804.5	1,283.5
Trading premium (discount) to net assets ⁷	(11.9%)	5.5%

Notes:

1. Current assets include receivables and other assets. Excludes cash
2. Current liabilities include current trade and other payables. Excludes distributions payable
3. Financial instruments held at fair value has been calculated on a net basis
4. Intangible assets consist of the management rights platform acquired as a result of the management internalisation in FY21
5. Other net assets include plant and equipment, deferred tax assets and non-current trade and other payables
6. Calculated as net debt (total debt less cash and cash equivalents, distributions payable and mark to market adjustments on swaps) divided by investment property assets
7. Calculated as the premium of market capitalisation to net assets attributable to securityholders

Source: IAP FY21 Annual Report, IAP FY22 financials, Deloitte Corporate Finance analysis

The value of investment property assets increased by AUD 441.7m in FY22 primarily due to capitalisation rate compression, acquisitions and construction spend on properties under development. IAP completed the acquisitions of Kingston QLD, Forrest ACT, Cannon Hill QLD, Morningside QLD, Cremorne VIC and Bibra Lake WA properties at a cost of AUD 237.8m in FY22 while a fair value adjustment of AUD 165.8m was applied across the portfolio.

To fund these acquisitions and construction spend, IAP raised two AUD 50m institutional placements in relation to property acquisitions in the ACT and Victoria, and drew down AUD 165.7m across 4 new tranches of its Westpac facility as well as AUD 12.2m across existing tranches. The increase in debt was offset by an increase in the fair value of IAP's swaps and a marginal increase in cash.

IAP increased its investment in the ITAP Fund during FY22 to facilitate increased funding towards Yarraville. IAP's investment in the ITAP Fund is recorded on an equity accounted basis and this compares to the market value of IAP's interest in the ITAP Fund as at 31 March 2022 of AUD 20.6m. This represents the value of IAP's pro-rata share of the ITAP Fund's net assets with net assets of the fund being representative of market value.



Since February 2021, IAP has undertaken two capital raisings, each for AUD 50m. As discussed in Table 17, IAP completed the first raising of 34.0m securities on 15 June 2021 at AUD 1.47 per security. The second raising of 32.3m securities was completed on 9 December 2021 at AUD 1.65 per security. These funds were used to partially fund the acquisitions mentioned above.

The increase in NTA per security from AUD 1.49 at 31 March 2021 to AUD 1.74 at 31 March 2022 was primarily due to the value appreciation of investment properties and the completion of property developments during FY22.

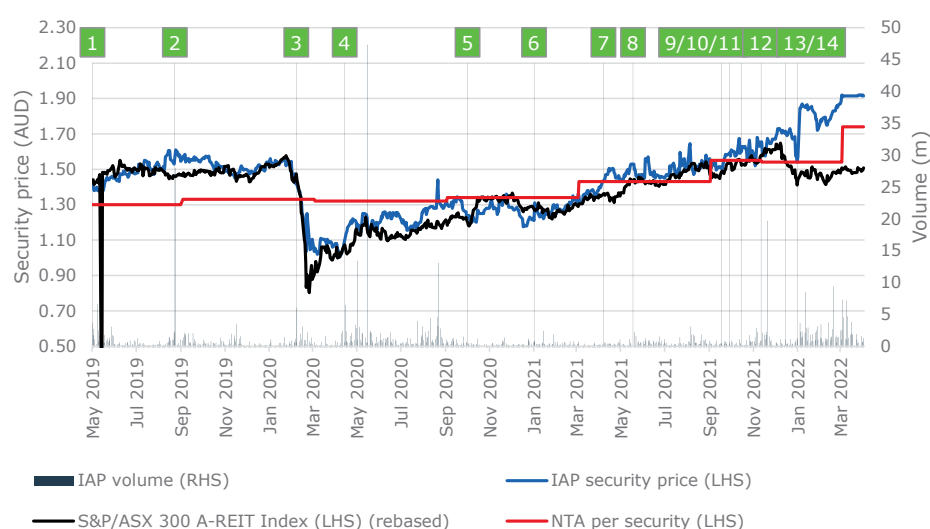
3.9 Securities in IAP

IAP is structured as a stapled group, with its securities comprising one unit in each of IPF1 and IPF2.

3.9.1 Recent security price trading

As at 30 April 2022, IAP had approximately 678m securities on issue. IAP's trading price performance and NTA per security since its ASX listing on 28 May 2019 are presented in the figure below.

Figure 9: Historical trading price, volumes and NTA per security since 28 May 2019



Note:
S&P/ASX 300 A-REIT Index rebased to IAP security price as at 28 May 2019
Source: S&P Capital IQ, ASX announcements, IAP audited financials, Deloitte Corporate Finance analysis

Annexure B: Independent Expert's Report (continued)



Key announcements identified in the chart above are set out in the following table.

Table 17: Key events and announcements

#	Date	Announcement
1	May-19	Investec Australia Property Fund listed on ASX on 28 May 2019. The listing made IAP a dual-listed entity given its existing listing on the JSE
2	Sep-19	IAP added to ASX300, small caps and all ordinaries index on 20 September 2019
3	Mar-20	COVID-19 declared a global pandemic by the World Health Organisation. IAP's security price decreased by 28.7% between 1 March and 31 March 2020
4	May-20	FY20 annual report released. Distribution of AUD 0.043 per security for the 6 months ending 31 March 2020, representing 91% of funds from operation (FFO). Announced a 15.2% reduction in gearing and 0.05% reduction in weighted average capitalisation rate relative to prior year
5	Oct-20	HY21 interim report released. Distribution of AUD 0.044 per security for the 6 months ending 30 September 2020, representing 95% of FFO. Announced 0.11% reduction in the portfolio weighted average capitalisation rate relative to March 2020
6	Jan-21	360 Capital acquires 9.18% of IAP at AUD 1.40 per security for approximately AUD 78.6m. Latest reported NTA per security at the time was AUD 1.34
7	May-21	FY21 annual report released. Distribution for FY21 of AUD 0.0892, representing 96% of FFO. 0.42% decrease in portfolio weighted average capitalisation rate relative to September 2020, resulting in an AUD 111m fair value uplift to the portfolio and a 6.7% increase in NTA
8	Jun-21	IAP completes AUD 50m institutional placement at AUD 1.47 per security, implying a 2% discount to the 5-day VWAP prior to the placement (AUD 1.50 per security). Funds to be used for acquisition of property in Forrest, ACT
9	Oct-21	IAP receives and rejects a non-binding proposal from 360 Capital at AUD 1.6047 (ex-dividend) for all securities that it did not own. The offer represented a 6% premium to the 5-day VWAP prior to the offer (AUD 1.51 per security) and a premium to NTA per security at 30 September 2021 (AUD 1.55) of 3.5%.
10	Oct-21	HY22 interim report released. Distribution of AUD 0.045 per security, representing 91% of FFO. Announced 0.36% reduction in portfolio weighted average capitalisation rate relative to March 2021, resulting in a fair value uplift of AUD 78m on the portfolio and an 8.4% increase in NTA
11	Nov-21	IAP receives and rejects non-binding proposal from 360 Capital at AUD \$1.6547 (ex-dividend) for all securities that it did not own. The offer represented a 2% premium to the 5-day VWAP prior to the offer (\$1.63 per security) and a premium to NTA per security at 30 September 2021 (AUD 1.55) of 6.8%.
12	Dec-21	IAP completes AUD 50m institutional placement at AUD 1.55 per security, implying a 10% discount to the 5-day VWAP prior to the placement (AUD 1.65 per security). Funds to be used for the acquisition of property in Cremorne, VIC
13	Jan-22	IAP receives and rejects a revised non-binding proposal from 360 Capital REIT at AUD 1.72 per security. The offer represented a 7.2% increase on the initial offer, a 0.6% premium to the 5-day VWAP prior to the offer (AUD 1.71 per security) and a premium to the latest reported NTA per security (AUD 1.54 per security) of 11.7%.
14	Jan-22	IAP receives non-binding proposal from PGGM and Charter Hall at AUD 1.90 per security. The bid represented a 20.3% premium to the 5-day VWAP prior to the offer (AUD 1.58 per security) and a premium to the latest reported NTA per security (AUD 1.54 per security) of 23.4%

Source: S&P Capital IQ, ASX announcements

Prior to February 2020, IAP securities tracked consistently with the broader market.

The impact of the COVID-19 pandemic on markets across February and March 2020 resulted in the value of IAP securities (and the property sector generally) underperforming the broader market and relative to NTA during this period as wide scale lockdowns created significant uncertainty on property patronage and discretionary spend. After reaching a low of AUD 1.02 per security on 3 April 2020, the security price and trading relative to NTA subsequently recovered as a consequence of a range of factors particularly better than expected performance in the industrial and metropolitan (vs CBD) property sectors which led to upward revisions in distributions, and lower capitalisation rates caused by increased monetary stimulus such as lower interest rates and quantitative easing.

IAP has performed in line with the S&P/ASX 300 A-REIT Index over the last year and has outperformed more recently due to takeover interest in IAP and the outperformance of its underlying industrial property assets. From the September 2020 quarter and up until the announcement of the Proposed Schemes, the security price has largely tracked NTA, with an average premium to NTA of only 4.8%.



In the twelve months to 31 March 2022, 66.8%²⁴ of IAP issued capital was traded on the ASX and JSE, which is higher than the average of IAP's peers²⁵ (41.0%) over the same period. This is consistent with IAP securities having a higher free float of 97.4%²⁶ compared to its peer average (63.6%).

3.9.2 Securityholders

Outlined in the table below are the substantial securityholders of IAP (across both the ASX and JSE) as at 25 March 2022:

Table 18: Substantial securityholders of IAP

	Number of IAP securities held (m)	Percentage of total IAP securities issued (%)
360 Capital	135.4	19.9%
Government of South Africa	54.6	8.1%
Vanguard Group Holdings	48.6	7.2%
Substantial securityholders	238.5	35.2%
Other securityholders	439.0	64.8%
Total	677.6	100.0%

Source: IAP Management

Approximately 35% of total securities on issue were held by the substantial securityholders.

As at 25 March 2022, the directors collectively held 786k securities whilst key management personnel collectively held 270k securities in IAP.

In addition to the above, there are 796k performance rights on issue which will vest on the Implementation Date.

3.9.3 Distribution yield and FFO multiple

The cash distributions made to securityholders along with the implied distribution yields are set out in the table below:

Table 19: IAP distribution and security price metrics

	Unit	FY20	FY21	FY22
NTA per security	AUD	1.32	1.43	1.74
Trading price at end of period	AUD	1.06	1.35	1.91
Cash distributions per security	cents	8.88	8.92	9.20
Distribution payout ratio (% of FFO)	%	91%	96%	88%
Distribution yield based on NTA ¹	%	6.7%	6.2%	5.3%
Distribution yield based on security trading price ²	%	8.4%	6.6%	4.8%
FFO multiple ²	x	11.6x	14.6x	19.2x

Note:

1. Calculated on NTA at the end of the period

2. Calculated based on market capitalisation at the end of the financial year (31 March) divided by FFO for the financial year

Source: IAP annual reports, FY22 financials, Deloitte Corporate Finance analysis

IAP's policy is to distribute between 80% to 100% of FFO to securityholders. The payout ratio was slightly lower in FY20 as the directors applied conservatism in light of the uncertainty caused by the COVID-19 pandemic. As IAP was exposed to sectors that outperformed during the pandemic (metropolitan office and industrial properties), IAP benefited from strong appreciation in the value of its underlying properties. Whilst this had the effect of increasing net tangible assets per security, the yields earned on those assets (as reflected by the distribution yield) decreased given the net operating income on the underlying properties did not increase to the same extent as the value uplifts applied to such properties.

The FFO multiple increased from 11.6x in FY20 to 14.6x in FY21, driven by a recovery in the security price (on the back of property revaluation uplifts and improved investor sentiment generally) relative to underlying earnings. For FY22, the FFO multiple increased to 19.2x as a result of a significant increase in the security price as discussed in Section 3.9.1.

²⁴ Calculated as the total volume of securities traded (both ASX and JSE) over the average securities outstanding over the period

²⁵ Includes Growthpoint, Garda Property Group, Dexu Industria REIT, Centuria Industrial REIT, Australian Unity Office Fund, Centuria Office REIT and GDI

²⁶ As at 31 March 2022

Annexure B: Independent Expert's Report (continued)



4 Valuation of IAP

4.1 Introduction

The methodologies available to value entities such as IAP are set out in Appendix 3.

To estimate the market value of an IAP security, we have:

- estimated the market value of IAP on a net assets on a going concern basis.

The net assets on a going concern basis approach is commonly used in valuing property investment trusts and other asset holding businesses. This is because the net assets of a REIT, subject to certain adjustments, are largely based on the value of the underlying properties which are the subject of periodic revaluations. Further discussion is provided in Section 4.2.2 below. We are of the opinion that this approach is the most appropriate methodology to value IAP.

We have made adjustments to the net asset value (**NAV**) for changes reflecting adjustments to the value of the properties at 31 March 2022, accumulated distributable earnings at the Implementation Date, inclusion of certain transaction costs and movements in other net assets.

- considered whether it is appropriate to apply a portfolio premium to reflect the scale and efficiencies of a property portfolio in excess of the sum of the value of the individual properties
- deducted the capitalised operating costs reflecting the costs associated with the management of the properties and IAP
- divided the adjusted NAV of IAP by the number of securities on issue to estimate the market value of one IAP security.

Given the characteristics of REITs, we consider that market based methodologies and income based methodologies would not necessarily be suitable for use as a primary basis of valuation, especially when undertaking a valuation on a control basis. Such methodologies would also not necessarily lead to a more accurate valuation when compared to asset based methodologies which have taken account of the characteristics of the individual properties owned by the entity. However, in order to cross-check our valuation, we did consider the FFO multiples implied by our valuation and how they compare to other ASX listed REITs. As additional reference points to our valuation, we also had regard to current trading premiums to NTA and the trading in IAP securities on the ASX.

4.2 Valuation of IAP

In order to arrive at the estimated market value of IAP prior to the completion of the transaction, some adjustments are required to reflect the following:

- estimated changes in assets and liabilities between 31 March 2022 and the Implementation Date
- certain amounts included in the net assets of IAP at 31 March 2022 that we consider a prospective investor in IAP would seek to adjust for when assessing the market value of IAP.



Our assessment of the market value of IAP, reflecting the adjustments summarised above, is set out in the following table.

Table 20: Valuation of IAP

AUD m	Reference	Low value	High value
Net assets as at 31 March 2022	4.2.1	1,216.1	1,216.1
Adjustments:			
IAP value adjustment between March 2022 and Implementation Date	4.2.2	4.0	10.0
Income (net of distributions) from 31 March 2022 and Implementation Date	4.2.3	18.4	18.4
Transaction costs	4.2.4	(2.5)	(2.5)
Intangibles	4.2.5	(39.5)	(39.5)
Other	4.2.6	(3.7)	(3.7)
Market value of IAP (before premiums/discounts and deduction of capitalised operating costs)		1,192.8	1,198.8

Source: Deloitte Corporate Finance analysis

4.2.1 Net assets as at 31 March 2022

The value of IAP's net assets as at 31 March 2022 is based on the aggregate of the following:

- the value of IAP's property portfolio including investments in property trusts as at 31 March 2022 recorded in the financial statements of IAP as at 31 March 2022, as presented in Table 3 and Table 4
- the market value of IAP's other assets and liabilities, such as cash, borrowings, receivables and payables.

We highlight that the financial statements of IAP as at 31 March 2022 have been the subject of an audit by KPMG.

4.2.2 Pro-forma adjustments for IAP revaluations between March 2022 and Implementation Date

The largest component of IAP's net assets is represented by the value of its properties which are the subject of regular independent property valuations.

For the purposes of our valuation, we have considered the property valuations prepared in accordance with IAP's valuation policy. As set out in Table 5 and Table 6, all of the IAP properties were valued as at 31 March 2022. 34 of 37 properties were valued by independent property valuers whilst three properties (Eight Mile Plains QLD, Greenway ACT and Cannon Hill QLD) were valued by IAP executives.

A number of independent property experts were engaged by IAP to prepare valuations of the property portfolio.

We have undertaken a review of the independent property valuations, together with discussions with executives of IAP and have concluded that:

- the protocols and processes that are used by IAP to commission independent property valuations and to subsequently review the valuations (by executives of IAP), along with the Director oversight process, are sufficiently robust and appropriately address perceived and actual conflicts of interest
- the valuations were undertaken by suitably qualified and credentialed firms and personnel who have experience in valuing similar assets and knowledge of the markets in which the assets are located
- from our review of the valuations:
 - based on our experience, the valuation methods used and applied are consistent with those generally applied in the industry. Both the discounted cash flow and capitalisation of net income approaches have been used as the primary approaches. The valuation conclusions had regard to the results of each methodology and in a number of cases, where it was possible, cross-checks of the valuations were also performed
 - the assumptions and valuation metrics used by the valuers are not unreasonable and not inappropriate for the purpose of estimating the market value of the property.

We also held discussions with the executives of IAP to gain an understanding of the current status of each of the properties. More specifically:

Annexure B: Independent Expert's Report (continued)



- The development properties are largely complete. Construction and tenant fit-out for Kingston QLD is almost complete, whilst construction of Cannon Hill QLD is due to complete in April 2022, with the internal fit-out complete by June 2022. IAP expects to incur approximately AUD 16.9m in development expenditure across the portfolio for the period from 31 March 2022 up to the Implementation Date. As this expenditure will be funded by cash and/or debt, its impact from a NAV perspective will be nil. However:
 - there is an AUD 4.0m uplift in value of the Cannon Hill QLD property attributable to this development activity given 360 Capital has agreed to acquire this property from CHPIP for AUD 40m rather than the 'as if complete' value of AUD 36.1m which IAP would have attributed to this property post completion. In our opinion, the proposed acquisition price by 360 Capital is evidence of market value and consequently we consider it appropriate to adjust for this
 - Similarly, with respect to the Kingston QLD property, we consider there might be an opportunity for an uplift in valuation of up to 10%. Such an uplift would recognise the certainty of completion (and occupancy), along with the recent increase in demand for properties of this type (new industry facility in a good location with long tenancies and strong covenants)
- Whilst the vast majority of the properties have been independently valued at 31 March 2022, two properties (Eight Mile Plains QLD and Greenway ACT) have been valued by the IAP RE Board at 31 March 2022 and the most recent independent valuation dates back to 30 September 2020. The valuations at 31 March 2022 (which have been undertaken by the IAP RE Board) are not materially different to the external valuations that were undertaken as at 30 September 2020. However, following discussions with IAP executives, we consider there may be an opportunity for an uplift of up to 10% on these two properties in recognition of an expectation of being able to secure tenancy renewals or longer tenancies at those properties.

4.2.3 Income (net of distributions) between 31 March 2022 and Implementation Date

Generally, all adjusted funds from operations (AFFO) are paid out as distributions to IAP securityholders and therefore no adjustment to net assets is required. However, given the expected timing of the Implementation Date (15 July 2022) and the timing of distributions, IAP would have accumulated approximately AUD 18.4m²⁷ in distributable funds by the Implementation Date. Accordingly, we increased the net assets for this amount for the purposes of our analysis.

4.2.4 Pro-forma adjustments for transaction costs

Total costs associated with the Proposed Schemes to be incurred by IAP are estimated at AUD 15.0m, comprising advisory, insurance and other administrative costs.

IAP is expected to incur all of this amount in the event the Proposed Schemes proceed, or AUD 2.5m if they do not.

For the purposes of the valuation of IAP prior to the Proposed Schemes, we do not consider it appropriate to take account of costs that will only be incurred if the Proposed Schemes proceed and as such, we have only adjusted for those costs which are expected to be incurred regardless of whether the Proposed Schemes are successful, being AUD 2.5m.

4.2.5 Intangibles

At 31 March 2021, IAP recognised AUD 39.5m of intangible assets which comprised the management rights platform acquired during FY21 as a result of the internalisation of management.

The benefit of these assets is recognised in the lower operating cost base of IAP and as such this value is implicitly recognised in our valuation of the capitalised cost base set out below. Therefore, and in order to avoid double-counting, we deducted these assets from the NAV for the purposes of our analysis.

An alternative way would be to keep this intangible asset and adjust the operating cost base for the higher notional management fee that would be incurred. We did not consider it appropriate to present the valuation of IAP on this basis as it does not reflect what IAP securityholders currently have an interest in. However, we did consider it as part of our analysis and arrived at a very similar value for IAP.

4.2.6 Other adjustments

We adjusted the net assets of IAP to account for the reversal of capitalised loan establishment costs of AUD 3.7m.

²⁷ Based on FY22 AFFO of AUD 63.2m (proxy for FY23), prorated for a period of 3.5 months.



4.3 Valuation of IAP's securities

Set out in the table below is a summary of the estimated market value of an IAP security:

Table 21: Valuation of an IAP security

	Reference	Unit	Low value	High value
Market value of IAP (before portfolio premiums and deduction of capitalised operating costs)	Table 20	AUD m	1,192.8	1,198.8
Premium to NTA	4.3.1	AUD m	59.6	119.9
Capitalised operating costs	4.3.2	AUD m	(15.8)	-
Market value of IAP (on a going concern, control basis)		AUD m	1,236.6	1,318.7
Number of IAP securities	4.3.3	m	678.4	678.4
Market value of one IAP security		AUD	1.82	1.94

Source: Scheme Booklet, Deloitte Corporate Finance analysis

Our valuation takes account of the ongoing operating costs associated with managing the portfolio as well as a portfolio premium, which is discussed below.

4.3.1 Portfolio premium

Each property owned by IAP has been valued on a standalone basis. A large, diversified property portfolio can provide scale and greater efficiencies (as well as risk mitigation) that would not otherwise be available through ownership of an individual property and, as a result, a market participant may be willing to pay a premium for a portfolio of assets when compared to the aggregate market value of the same assets on a standalone basis.

Set out at Appendix 5 is our analysis of recent transactions and the premium to net assets implied in those transactions. The results are mixed because the premium to net assets can also be influenced by numerous other factors which can vary over time. Such factors can include the property market cycle (for example, the premiums in transactions during 2009 and 2012 which were influenced by the global financial crisis and its impact on the property sector in Australia) along with the relative attractiveness of portfolios that provide exposure to certain sectors such as social infrastructure, healthcare, agriculture, or industrial properties.

We have adopted a portfolio premium for IAP in the range of 5.0% to 10.0%, which we consider appropriate based on the following reasons:

- IAP has a portfolio of 37 office and industrial properties across Australia and New Zealand, with 396,593 square metres (sqm) in GLA leased to 165 tenants (31 across industrial and 134 across office)
- The portfolio consists of 23 industrial properties with a total GLA of 232,825 sqm and 14 office properties with a total GLA of 163,768 sqm
- The industrial portfolio has a WALE of 6.3 years whereas the office portfolio has a lower WALE of 4.3 years²⁸ reflecting the maturity of the properties. The occupancy of the IAP's industrial portfolio is a 100% whereas the weighted average occupancy for the office portfolio is 94%. While, the relatively short WALE does present a risk of loss of tenancy, given the current environment and demand, it also presents an opportunity to renegotiate rents (upwards) at the expiry of (shorter) tenancies
- Historically vacancy rates in the portfolio have been low and whilst this can be somewhat attributed to the skill of IAP executives, it is also a reflection of the location and quality of the portfolio
- The property portfolio spans all Australian states and territories, though is largely concentrated in NSW (10 sites), Queensland (9 Sites), Australian Capital Territory (6 sites) and Victoria (5 sites) with lower exposures in Western Australia (3), South Australia (2) and a single asset in Northern territory. IAP also owns one office property with a GLA of 24,682 sqm in Wellington, New Zealand
- The costs avoided and the time saved to replicate a portfolio of 37 properties with a market value of AUD 1.7bn based on valuations as at 31 March 2022
- Based on reports published by independent sources, the Australian industrial and logistics property sector will continue to attract high demand, possibly resulting in higher future rental growth.

²⁸ Based on GLA

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4.3.2 Capitalised corporate costs

The management, compliance function and reporting of IAP is undertaken internally. This means that as opposed to paying management and other fees to a third party, IAP incurs costs associated with the employment of these executives.

We consider any prospective buyer would incur costs associated with the management of the fund along with managing the financing of the properties and therefore we consider it reasonable to deduct a portion of the capitalised value of these corporate costs in assessing the market value of IAP.

We have applied the following assumptions in estimating the capitalised corporate costs:

- **ongoing expenses:** FY22 operating expenses of AUD 11.4m, reduced to account for:
 - one-off costs
 - cost synergies generally available to a prospective buyer of IAP such as another REIT or property fund. Such an acquirer would have the capability of rationalising the existing cost base of IAP significantly across all operating facets of the business, along with removing costs associated with its (two) stock exchange listings and associated compliance and governance frameworks. In this regard, we assumed between 40% and 60% of normalised expenses could be avoided
 - a maintainable level of fee income (net of the costs of sustaining such fee income) from IAP external fund management agreements, having regard to current arrangements. We highlight that this adjustment indirectly captures the value of the funds management business that IAP has. Absent this adjustment, the value of the group would be lower and principally reflective of the property portfolio.
- **Capitalisation rate:** 5.27%, based on the WACR of the underlying valuations of the IAP property portfolio determined by independent valuers as summarised in Table 5.

For the reasons noted above (namely the costs of managing the assets and the fund, which would be incurred by any prospective buyer), we consider that a market participant would include these costs when considering the acquisition of IAP.

4.3.3 Number of securities

The number of IAP securities has been determined based on the current number of securities on issue, plus the vesting of performance rights on issue.

4.4 Cross-check of our valuation of IAP

Our valuation of an IAP security is higher than the latest reported NTA per IAP security of AUD 1.74, and higher than the pre-announcement trading in IAP securities as set out in the figure below:



Figure 10: Our valuation of an IAP security as compared to various reference points



Source: S&P Capital IQ, ASX announcements, Deloitte Corporate Finance analysis

We consider the fact that our assessment of market value is at a premium to the current NTA per share reflects the general synergies available to a potential acquirer such as another REIT and the premium applicable to a portfolio of 37 properties and therefore we consider this reasonable.

We have undertaken further cross-checks of our valuation below.

4.4.1 Implied multiples

Set out in the table below is our assessment of the value of IAP and the FFO multiple implied by our valuation.

Table 22: Analysis of FFO multiples implied by our valuation of IAP

	Unit	Low value	High value
Market value of IAP (on a going concern, control basis)	AUD m	1,236.6	1,318.7
FFO (FY22)	AUD m	67.2	67.2
Implied FY22 FFO multiple	times	18.4x	19.6x
Comparable peer multiples			
Implied FY22 FFO multiple (range)	times	12.9x to 26.6x	

Source: IAP FY22 financials, S&P Capital IQ, Deloitte Corporate Finance analysis

Set out in Appendix 4 is the detail on the comparable entities. They are represented by other similarly sized, ASX listed REITs with exposure to the office and industrial sectors. We consider their FFO multiples support the range of FFO multiples implied by our valuation given our implied multiples for IAP as:

- they are lower than the FFO multiples of comparable REITs with greater exposure to industrial properties (Centuria Industrial 26.4x, Dexis Industria 26.6x, Garda Property Group 23.9x). Capitalisation rates for industrial properties are generally lower than for office properties which give rise to higher FFO multiples for REITs with higher weighting to industrial properties
- higher than the FFO multiples of externally managed comparable REITs with exposure to office properties (Centuria Office 12.9x, Australian Unity Office Fund 13.2x) which are valued at higher capitalisation rates, and don't have income from fund management activities

Annexure B: Independent Expert's Report (continued)



- comparable to GDI's multiple (19.1x) which has a higher proportion of FFO from external fund management activities which would offset its higher exposure to office
- higher than the FFO multiple of Growthpoint (15.0x) which has a similar sector weighting across industrial and office, but doesn't generate external fund management income.



5 The 360 Property Disposals

Our analysis of the 360 Property Disposals has considered:

- (a) the market value of the properties that are the subject of the 360 Property Disposals as compared to the value of the consideration 360 Capital is offering for those properties
- (b) other qualitative considerations associated with the 360 Property Disposals.

5.1 Comparison of the market value of the properties to the consideration

Set out in the table below is the IAP's purchase price, along with the market value, and the proposed purchase price by 360 Capital, of the three properties that are the subject of the 360 Property Disposals:

Table 23: Market value compared to 360 Capital purchase price of the three property assets

Property name	Price paid by IAP to acquire the properties (AUD m)	Market value (AUD m)	360 Capital purchase price (AUD m)	Excess being paid by 360 Capital (AUD m)
34 Southgate Ave, Cannon Hill QLD	36.0	36.0	40.0	4.0
38 Sydney Ave, Forrest ACT	73.8	77.5	81.7	4.2
510 Church St, Cremorne VIC ¹	130.0	133.5	135.0	1.5
Total	239.8	247.0	256.7	9.7

Notes:

1. Values reflect value of 50% ownership interest held by IAP

Source: March 2022 property valuations, Scheme Booklet, Deloitte Corporate Finance analysis

The three properties that are the subject of the 360 Property Disposals were valued at 31 March 2022. The valuations were undertaken by independent, external property experts. A discussion of IAP's property valuation policy is set out in Section 3.2.3. Within this section is also our review of the valuations of IAP properties, including these three properties. A discussion of our work is set out in Section 4.2.2. It is our understanding that CHPIP and 360 Capital did not have access to the independent valuation reports when negotiating the 360 Property Disposals.

In aggregate, and subject to the relevant put and call arrangements being exercised, 360 Capital is paying AUD 256.7m for the three properties. CHPIP and 360 Capital had regard to the premium implicit in CHPIP's offer price relative to the net assets of IAP. The purchase price represents a premium of 7% to the carrying value of the properties prior to the announcement of the Proposed Schemes as compared to the offer price to NTA premium at announcement of the offer of 10%.

Relative to the market valuations, 360 Capital is paying AUD 9.7m or 3.9% more than the independently assessed market value of the properties and therefore on this basis, they are not receiving a collateral benefit. In reaching this conclusion, we did not consider it appropriate to adjust for a portfolio premium and/or capitalised operating costs (as we did for IAP as a whole in Section 4.3) on the basis that the 360 Property Disposals are more akin to an asset sale rather than a REIT with a large portfolio and internalised management.

5.2 Other considerations

With respect to the process undertaken in negotiating the 360 Property Disposals, executives representing CHPIP have advised us of the following:

- CHPIP and 360 Capital commenced discussions in December 2021 with the 360 Capital MoU being signed on 28 January 2022
- The discussions and negotiations regarding this aspect of the transaction were solely held between CHPIP and 360 Capital. IAP executives and Directors had no involvement in those discussions
- The properties that are being sold to 360 Capital were not consistent with the mandate of CHPIP and equally they were consistent with 360 Capital's investment strategy
- Whilst there were other elements to the proposed disposal under the 360 Capital MoU (namely the disposal of the Wellington, New Zealand property, the FM business and the equity accounted investments), following due diligence, 360 Capital and CHPIP chose not to proceed with these elements of the transaction
- The proceeds 360 Capital will receive from the disposal of the IAP securities if the Proposed Schemes are successfully implemented will be held in escrow and subject to exercise of the relevant put and call arrangements, applied to partially fund the consideration for 360 Capital's purchase of the three properties (or those properties for which the relevant put and call arrangements are exercised).

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We also highlight the following:

- 360 Capital and CHC are entities independent of each other and are listed on the ASX. PGGM is a large Dutch pension fund that, to the best of our knowledge, does not have a material ownership interest in 360 Capital. Accordingly, each of the entities associated with the 360 Property Disposals are independent of each other and have no direct or indirect vested interest in achieving an outcome that supports another party over and above their own interests
- All three properties were acquired by IAP in the preceding 12 months following independent sales and marketing processes. The total proposed price being paid by 360 Capital for these properties is higher than prices paid by IAP (in aggregate, AUD 239.8m)
- We understand that the 50% interest in the property in Cremorne, VIC is the subject of a pre-emptive right²⁹ but this has been waived.

5.3 Conclusion with respect to the 360 Property Disposals

Having regard to the basis of our evaluation and the results of our analysis, nothing has come to our attention:

- (a) to cause us to believe the consideration being paid by 360 Capital for the 360 Property Disposals
 - i. is not on arm's length terms
 - ii. would constitute the receipt by 360 Capital of a collateral benefit.
- (b) in respect of the 360 Property Disposals that would cause us to change the conclusions we have reached in relation to the Proposed Schemes.

²⁹ The party owning the other 50% has first rights to purchase the 50% owned by IAP

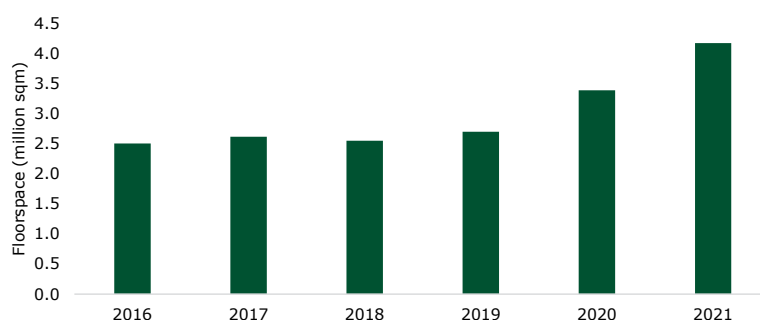


Appendix 1: Industry analysis

COVID-19 changes to consumer habits and demand for industrial properties

Overall, the industrial property sector benefited from changes of consumer behaviours driven by the impacts of COVID-19 over the last two years which saw increased demand for online retailers and local manufacturing. The 'bricks-and-clicks' business model which integrates a physical storefront and online sales platform has become increasingly prominent among retailers due to Government restrictions and work-from-home policies. These trends have boosted sales and occupier activities for Australia's industrial and logistics properties to support rising demand for e-commerce such as large industrial processing, warehousing storage, and distribution centres. During CY21, rental growth for industrial properties reached 4.4% and recorded an all-time high of 4.2 million sqm gross take-up of leasing space nationally due to strong occupier activities³⁰.

Figure 11: National gross take-up¹



Notes:

1. National gross take-up includes Sydney, Melbourne, Brisbane, Adelaide and Perth

Source: CBRE Australia Industrial and Logistics National Q4 2021

Leasing activity was 60% above the 10-year average with Melbourne leading the take-up activity in CY21, representing around half (or 2.0m sqm) of lease transactions by floorspace³⁰.

Increases in demand for industrial properties and expansion of the domestic supply-chain have also contributed to shortages of floorspace which continues to drive a record low national vacancy rate of 1.3%³⁰.

Impact of COVID-19 on the working environment and the office market

The office property sector suffered from COVID-19 restrictions with many tenants experiencing a downturn in business activity due to the economic downturn and shift to working-from-home. In an effort to reduce costs, tenants either downsized their office space via lease renegotiations or terminations as such office space was not fully utilised. Office buildings located in major CBDs experienced larger declines in rental yields compared to offices located in the wider metropolitan areas, as CBD based businesses experienced greater impact from lower workforce visitation. In CY21, the CBD share of sales derived from office properties was 31% of national sales (69% for metropolitan) which was a 5% decrease from CY20³¹.

Nevertheless, the office property sector recovered in CY21 with total sales volume from office tenants reaching AUD 13.4bn which is a 56.7% increase from CY20³¹. This can be largely attributed to the robust labour market and rapid recovery of the Australian economy.

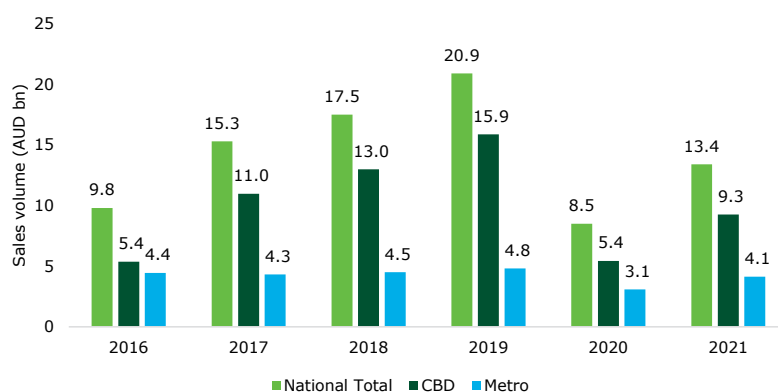
³⁰ Industrial & Logistics Q4 2021, CBRE

³¹ Investment Review 2022 – Office, Colliers International

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Deloitte.

Figure 12: National office sales volumes by CBD vs Metro



Source: Colliers Investment Review 2022 - Office

Outlook for demand

As the Australian retail sector recovers post pandemic, strong tenant demand observed for industrial properties is expected to continue on the back of a continuation of current consumer behaviour and expectation of continued challenges to global supply chains causing businesses to maintain higher inventory levels. The industrial property sector is forecast to increase at an annualised 3.0% over the next five years to \$19.7bn by 2027³². Industrial property yields and developments are expected to increase as continued strong growth in online shopping underpins demand for industrial property assets as well as businesses involved in the operation and management of such assets. Strong momentum in digitalisation and the 'bricks-and-clicks' business model will also play a key role in further consumer engagement as well as an expectation that domestic industrial properties can play an important role in the delivery of e-commerce and subsequent logistical fulfilment.

Similarly, the office property market is projected to return to growth, with an annualised growth rate of 3.2% to AUD 38.9bn expected over the next five years³³. Since the reopening of domestic borders and easing of restrictions in January 2022, the risk around the changing work environment has been subdued, with most business organisations encouraging their employees to return to the office whilst maintaining the hybrid working model. Although the hybrid model indicates that total office utilisation may be lower than pre-pandemic levels, the role of the office is still viewed as essential for long-term productivity.

Interest rates and capital market sentiment

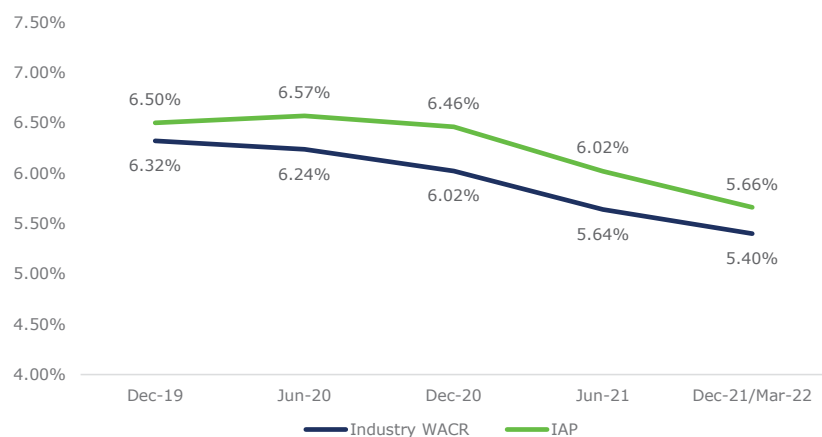
The decreasing trend in WACR rates across the industry demonstrates that comparable companies to IAP have also been experiencing a similar decline in capitalisation rates since December 2019. The upward revaluation of the portfolios as a result supports the view that properties with secure income yields will continue to drive demand from investors.

³² Industrial and Other Property Operators in Australia, IBIS World Report

³³ Office Property Operators in Australia, IBIS World Report



Figure 13: Comparable industry WACR¹



Notes:

1. Industry comparables include Growthpoint, Garda Property Group, Dexis Industria REIT, Centuria Industrial REIT, Australian Unity Office Fund, Centuria Office REIT and GDI

Source: Public company announcements and financials, Deloitte Corporate Finance analysis

The emerging risk associated with the industrial and office sectors in 2022 and beyond is global inflationary pressures. Inflation accelerated in Australia with annual inflation reaching 3.5% in Q4 2021. Market expectations of interest rate rises being sooner than anticipated to address such inflationary risks, is expected to have dampening effect on the property market as such higher cost of debt leads to a reversal of the capitalisation rate compression which has occurred in recent years.

Against this backdrop, investors are anticipated to remain attracted to the strong income streams of the industrial and office properties, which were the most resilient real-estate sub-sectors throughout 2020 and 2021. These stable income streams, coupled with strong fundamentals and relatively strong yields, is also expected to attract investors actively seeking exposure to competitive, long WALE core assets.

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Appendix 2: Historical valuation of IAP properties

Set out in the table below is the list of all industrial and office properties owned by IAP and the changes to their historical valuations over time.

Table 24: IAP's operating properties - Industrial

Property - industrial	Valuation date	Valuation (AUD m)	Change in Valuation	Capital'n. rate	Change in capital'n rate	WALE	Valuation method
Pre-FY20 Vintage:							
47 Sawmill Circuit, Hume	Mar-19	11		7.25%		7.3	Directors
	Mar-20	11	(1.8%)	7.38%	0.13%	6.3	Directors
	Mar-21	13	13.4%	6.25%	(1.13%)	5.3	Directors
	Mar-22	17	34.3%	4.75%	(1.50%)	4.3	Independent
57 Sawmill Circuit, Hume	Mar-19	10		7.75%		2.3	Directors
	Mar-20	10	(8.2%)	7.88%	0.13%	1.3	Directors
	Mar-21	14	46.3%	6.25%	(1.63%)	5.3	Independent
	Mar-22	18	32.4%	4.75%	(1.50%)	4.3	Independent
24 Sawmill Circuit, Hume	Mar-19	10		8.50%		0.7	Directors
	Mar-20	9	(8.6%)	8.75%	0.25%	0.8	Directors
	Mar-21	15	60.2%	4.88%	(3.87%)	0.0	Independent
	Mar-22	18	23.4%	4.25%	(0.63%)	14.6	Independent
44 Sawmill Circuit, Hume	Mar-19	11		7.50%		3.5	Directors
	Mar-20	10	(8.0%)	7.63%	0.13%	2.5	Directors
	Mar-21	11	1.0%	7.25%	(0.38%)	1.5	Directors
	Mar-22	20	86.7%	4.75%	(2.50%)	0.5	Independent
2-8 Mirage Road, Direk	Mar-19	9		8.50%		3.5	Directors
	Mar-20	9	(5.4%)	8.75%	0.25%	2.5	Directors
	Mar-21	9	0.0%	7.50%	(1.25%)	1.5	Directors
	Mar-22	13	45.1%	5.75%	(1.75%)	0.5	Independent
30-48 Kellar Street, Berrinba	Mar-19	8		6.75%		0.6	Directors
	Mar-20	8	0.6%	7.00%	0.25%	3.6	Independent
	Mar-21	10	13.1%	6.25%	(0.75%)	2.6	Independent
	Mar-22	12	27.4%	5.00%	(1.25%)	1.6	Independent
165 Newton Road, Wetherill Park	Mar-19	23		6.00%		11.8	Directors
	Mar-20	25	7.7%	5.50%	(0.50%)	10.8	Directors
	Mar-21	34	32.7%	4.50%	(1.00%)	9.8	Independent
	Mar-22	39	14.9%	3.75%	(0.75%)	8.8	Independent
24 Spit Island Close, Newcastle	Mar-19	10		7.50%		11.8	Directors
	Mar-20	11	6.0%	7.00%	(0.50%)	10.8	Independent
	Mar-21	12	13.2%	6.00%	(1.00%)	9.8	Independent
	Mar-22	15	20.8%	4.75%	(1.25%)	8.8	Independent
67 Calarco Drive, Derrimut	Mar-19	10		6.50%		3.6	Directors
	Mar-20	10	4.6%	6.25%	(0.25%)	3.9	Independent
	Mar-21	12	21.2%	5.50%	(0.75%)	6.5	Independent
	Mar-22	15	24.4%	4.25%	(1.25%)	5.5	Independent
66 Glendenning Road, Glendenning	Mar-19	26		6.25%		10.6	Directors
	Mar-20	29	13.5%	5.50%	(0.75%)	9.6	Directors
	Mar-21	38	30.0%	4.50%	(3.00%)	8.6	Independent
	Mar-22	48	24.9%	3.75%	(0.75%)	11.6	Independent
85 Radius Drive, Larapinta	Mar-19	18		7.00%		2.7	Directors
	Mar-20	18	(2.8%)	7.00%	0.00%	3.2	Independent
	Mar-21	20	11.4%	6.25%	(0.75%)	2.2	Independent
	Mar-22	26	30.8%	4.75%	(1.50%)	1.2	Independent
54 Miguel Road, Bibra Lake	Mar-19	30		7.25%		8.5	Directors
	Mar-20	30	2.0%	7.14%	(0.11%)	7.5	Directors
	Mar-21	33	9.6%	6.50%	(0.64%)	6.5	Independent
	Mar-22	44	34.1%	5.25%	(1.25%)	5.5	Independent
24 Roadborough Road, Frenchs Forest	Mar-19	21		8.00%		5.1	Directors
	Mar-20	22	6.0%	7.13%	(0.87%)	4.1	Independent
	Mar-21	25	10.1%	6.63%	(0.50%)	3.1	Independent
	Mar-22	29	18.4%	5.75%	(0.88%)	2.1	Independent
6-8 & 11 Siddons Way, Hallam	Mar-19	22		6.00%		6.3	Directors
	Mar-20	20	(10.5%)	5.75%	(0.25%)	5.2	Independent
	Mar-21	24	18.8%	5.25%	(0.50%)	4.2	Independent
	Mar-22	30	26.7%	4.50%	(0.75%)	3.3	Independent



Property - industrial	Valuation date	Valuation (AUD m)	Change in Valuation	Capital'n. rate	Change in capital'n rate	WALE	Valuation method
36-42 Hydrive Close, Dandenong South	Mar-19	19		6.00%		6.1	Directors
	Mar-20	20	3.6%	5.88%	(0.12%)	5.1	Directors
	Mar-21	26	27.5%	5.00%	(0.88%)	4.1	Independent
	Mar-22	29	13.8%	4.50%	(0.50%)	3.1	Independent
FY20 Vintage:							
103 Welshpool Road, Welshpool	Mar-20	26		6.88%		8.2	Directors
	Mar-21	30	15.8%	5.75%	(1.13%)	7.2	Independent
	Mar-22	48	58.7%	4.00%	(1.75%)	18.7	Independent
46-70 Grand Trunkway, Gillman	Mar-20	25		6.88%		7.8	Directors
	Mar-21	20	(20.6%)	6.25%	(0.63%)	6.8	Independent
	Mar-22	35	72.5%	5.50%	(0.75%)	5.8	Independent
16 Dawson Street, East Arm	Mar-20	28		8.13%		7.4	Directors
	Mar-21	29	4.6%	7.75%	(0.38%)	6.4	Directors
	Mar-22	32	8.8%	7.25%	(0.50%)	5.4	Independent
FY21 Vintage:							
197 Belconnent Crescent, Brendale	Mar-21	12		5.75%		6.5	Directors
131-153 Main beach Road, Pinkenba	Mar-21	25	81.0%	4.63%	(1.12%)	5.3	Independent
	Mar-22	30	21.6%	4.50%	(0.75%)	7.0	Directors
FY22 Vintage:							
57-83 Mudgee Street, Kingston	Mar-22	16		4.75%		8.8	Independent
Lot 24 Dunhill Crescent, Morningside	Mar-22	7		4.50%		9.7	Independent
16 Aspiration Court, Bibra Lake	Mar-22	31		5.50%		3.5	Independent

Source: March 2022 property valuations, IAP results presentations and annual reports

Table 25: IAP's operating properties - office

Property - office	Valuation date	Valuation (AUD m)	Change in Valuation	Capital'n rate	Change in capital'n rate	WALE ¹	Valuation method
Pre-FY22 Vintage							
449 Punt Road, Cremorne	Mar-19	57		5.50%		5.5	Independent
	Mar-20	59	3.2%	5.75%	0.25%	4.5	Directors
	Mar-21	62	4.6%	5.50%	(0.25%)	3.5	Independent
	Mar-22	73	17.9%	5.00%	(0.50%)	2.5	Independent
35-49 Elizabeth Street, Richmond	Mar-19	93		5.50%		1.5	Independent
	Mar-20	93	0.0%	5.75%	0.25%	1.6	Directors
	Mar-21	105	12.4%	5.50%	(0.25%)	4.6	Independent
	Mar-22	113	8.1%	5.00%	(0.50%)	3.7	Independent
2404 Logan Road, Eight Mile Plains	Mar-19	20		8.00%		2.0	Directors
	Mar-20	18	(9.3%)	8.25%	0.25%	1.0	Directors
	Mar-21	17	(6.3%)	8.00%	(0.25%)	1.7	Directors
	Mar-22	17	0.0%	7.75%	(0.25%)	2.4	Directors
186 Reed Street, Greenway	Mar-19	28		7.00%		3.9	Directors
	Mar-20	26	(9.0%)	7.25%	0.25%	2.9	Directors
	Mar-21	25	(1.6%)	7.50%	0.25%	1.9	Directors
	Mar-22	26	3.4%	7.13%	(0.37%)	0.9	Directors
21-23 Solent Circuit, Baulkham Hills	Mar-19	59		7.00%		2.9	Directors
	Mar-20	62	4.2%	6.75%	(0.25%)	2.7	Directors
	Mar-21	68	10.6%	6.25%	(0.50%)	4.3	Independent
	Mar-22	74	8.1%	6.00%	(0.25%)	3.9	Independent
266 King Street, Newcastle	Mar-19	75		7.00%		4.8	Directors
	Mar-20	77	2.7%	6.88%	(0.12%)	3.8	Independent
	Mar-21	82	5.8%	6.75%	(0.13%)	2.9	Directors
	Mar-22	88	8.0%	6.00%	(0.75%)	2.0	Independent
	Mar-19	27		6.50%		1.4	Directors

Annexure B: Independent Expert's Report (continued)

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Property - office	Valuation date	Valuation (AUD m)	Change in Valuation	Capital'n rate	Change in capital'n rate	WALE ¹	Valuation method
113 Wicks Road, Macquarie Park	Mar-20	29	9.4%	6.00%	(0.50%)	2.1	Independent
	Mar-21	33	13.8%	5.63%	(0.37%)	2.7	Independent
	Mar-22	36	9.1%	5.38%	(0.26%)	1.7	Independent
324 Queen Street, Brisbane	Mar-19	76		6.25%		4.3	Directors
	Mar-20	77	1.7%	6.25%	0.00%	3.9	Independent
	Mar-21	79	2.9%	6.00%	(0.25%)	4.1	Directors
	Mar-22	90	13.3%	5.75%	(0.25%)	3.8	Independent
20 Rodborough Road, Frenchs Forest	Mar-19	61		6.75%		5.9	Directors
	Mar-20	63	2.5%	6.25%	(0.50%)	5.2	Independent
	Mar-21	66	5.6%	6.13%	(0.12%)	5.8	Independent
	Mar-22	72	9.1%	5.50%	(0.63%)	4.9	Independent
2 Richardson Place, North Ryde	Mar-19	90		6.50%		2.4	Directors
	Mar-20	97	7.9%	6.25%	(0.25%)	3.4	Directors
	Mar-21	110	13.2%	5.88%	(0.37%)	4.6	Independent
	Mar-22	116	5.0%	5.75%	(0.13%)	3.7	Independent
100 Willis Street, Wellington	Mar-19	123		7.00%		6.0	Directors
	Mar-20	135	9.4%	7.00%	0.00%	5.3	Independent
	Mar-21	144	6.8%	6.25%	(0.75%)	5.2	Independent
	Mar-22	155	7.9%	6.13%	(0.12%)	4.2	Independent
FY22 Vintage:							
38 Sydney Avenue, Forrest	Mar-22	78		5.00%		9.4	Independent
34 Southgate Avenue, Cannon Hill	Mar-22	21		5.00%		10.3	Independent
510 Church Street, Cremorne	Mar-22	134		4.50%		7.4	Independent

Source: March 2022 property valuations, IAP results presentations and annual reports



Appendix 3: Valuation methodologies

Common market practice and the applicable valuation methodologies are discussed below.

Market based methods

Market based methods estimate an entity's market value by considering the market price of transactions in its securities or the market value of comparable companies. Market based methods include:

- capitalisation of maintainable earnings
- analysis of an entity's recent security trading history
- industry specific methods.

The capitalisation of maintainable earnings method estimates market value based on an entity's future maintainable earnings and an appropriate earnings multiple. An appropriate earnings multiple is derived from market transactions involving comparable companies. The capitalisation of maintainable earnings method is appropriate where the entity's earnings are relatively stable.

The most recent security trading history provides evidence of the market value of the securities in an entity where they are publicly traded in an informed and liquid market.

Industry specific methods estimate market value using rules of thumb for a particular industry. Generally rules of thumb provide less persuasive evidence of the market value of an entity than other valuation methods because they may not account for entity specific factors.

Discounted cash flow methods

Discounted cash flow methods estimate market value by discounting an entity's future cash flows to a net present value. These methods are appropriate where a projection of future cash flows can be made with a reasonable degree of confidence. Discounted cash flow methods are commonly used to value early stage companies or projects with a finite life.

Asset based methods

Asset based methods estimate the market value of an entity based on the realisable value of its identifiable net assets. Asset based methods include:

- orderly realisation of assets method
- liquidation of assets method
- net assets on a going concern basis.

The orderly realisation of assets method estimates market value by determining the amount that would be distributed to securityholders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the entity is wound up in an orderly manner.

The liquidation method is similar to the orderly realisation of assets method except the liquidation method assumes the assets are sold in a shorter time frame. Since wind up or liquidation of the entity may not be contemplated, these methods in their strictest form may not necessarily be appropriate.

The net assets on a going concern basis method estimates the market values of the net assets of an entity, does not take account of realisation costs, but has regard to ongoing costs that may be associated with maintaining the business or entity as a going concern.

These asset based methods ignore the possibility that the entity's value could exceed the realisable value of its tangible assets as they ignore the value of intangible assets such as customer lists, management, supply arrangements and goodwill. Asset based methods are appropriate when companies are not profitable, a significant proportion of an entity's assets are liquid, or for asset holding companies.

Annexure B: Independent Expert's Report (continued)



Appendix 4: Comparable entity valuation metrics

Set out in the table below are the valuation metrics for various ASX listed entities with exposure to the industrial and office property sectors.

Table 26: Valuation metrics of comparable entities

	Ticker	Market Cap ¹ (AUD m)	Type of REIT	Office %	Industrial %	WACR	Market cap implied WACR ¹	Premium to NTA ¹	Distribution yield ²	FFO multiple ³
						31-Dec-21	28-Jan-22	28-Jan-22	FY22	FY23
Growthpoint	ASX:GOZ	2,965	Diversified	67%	33%	5.00%	5.62%	(15.7%)	4.6%	15.0x
Dexus Industria REIT	ASX:DXI	973	Diversified	31%	69%	5.32%	6.13%	(14.0%)	5.1%	23.9x
Garda Property Group	ASX:GDF	355	Diversified	46%	54%	5.27%	5.31%	(1.2%)	4.2%	22.1x
Centuria Office REIT	ASX:COF	1,241	Office	100%	0%	5.65%	6.32%	(16.6%)	7.3%	12.2x
GDI	ASX:GDI	555	Office	100%	0%	6.60%	8.56%	(28.3%)	7.0%	19.1x
Australian Unity Office Fund	ASX:AOF	368	Office	100%	0%	5.77%	6.59%	(16.2%)	6.1%	12.0x
Centuria Industrial REIT	ASX:CIP	2,422	Industrial	0%	100%	4.19%	4.47%	(9.2%)	4.4%	26.2x
Irongate	ASX:IAP	1,088	Diversified	65%	35%	5.66%	5.25%	1.9%	4.8%	19.1x

Notes:

1. Based on market capitalisation as at 28 January 2022 (pre Proposed Schemes announcement)
2. Distribution yield is calculated as distributions divided by market capitalisation as at 31 March 2022
3. FFO multiple is calculated as market capitalisation as at 31 March 2022, divided by FFO. FY23 FFO multiple is based on FFO estimates per S&P Capital IQ. No FY23 FFO data was publicly available for Australian Unity Office Fund, GDI or Irongate

Source: Annual reports, S&P Capital IQ, Deloitte Corporate Finance analysis

Set out below is a brief summary of each entity.

Growthpoint

Growthpoint is an internally managed REIT that owns 57 industrial and office properties with a value of AUD 5.1bn. The properties are located in every state in Australia with the exception of the Northern Territory and Tasmania. The WALE of the portfolio is 6.3 years, driven by the 7.1 year WALE across the office portfolio.

Dexus Industria REIT

Dexus Industria REIT is an externally managed REIT (managed by Dexus) that owns 93 industrial and business park assets with a value of AUD 1.8bn. The properties are located in Sydney, Melbourne, Brisbane and Adelaide. The WALE of the portfolio is 5.9 years, with a number of leases approaching expiry over the coming years.



Garda Property Group

Garda Property Group is an internally managed REIT that owns 16 industrial and commercial office properties with a value of AUD 559m. The properties are located in Melbourne, Brisbane, Cairns and Mackay. The WALE of the portfolio is 5.6 years with the majority expiring after FY26.

Centuria Office REIT

Centuria Office REIT is an externally managed (managed by Centuria) REIT that owns 23 office properties with a value of AUD 2.3bn. The properties are located in every state in Australia with the exception of the Northern Territory and Tasmania. The WALE of the portfolio is 4.3 years, with the majority expiring after FY25.

GDI

GDI is an internally managed REIT that owns 6 office properties with a value of AUD 959m. The properties are located in Western Australia, Queensland and New South Wales. The portfolio has an occupancy of 70.5% and a WALE of 4.2 years, improved as a result of recent acquisitions and lease renewals.

Australian Unity Office Fund

Australian Unity Office Fund is an externally managed (managed by Australian Unity) REIT that owns 7 properties with a value of AUD 573m. The properties are located in every state in Australia with the exception of the Northern Territory, Tasmania and Western Australia. The WALE of the portfolio is 4.0 years with a number of leases approaching expiry in the coming years.

Centuria Industrial REIT

Centuria Industrial REIT is an externally managed (managed by Centuria) REIT that owns 80 industrial assets with a value of AUD 3.9bn. The properties are located in every state in Australia with the exception of the Northern Territory and Tasmania. The WALE of the portfolio is 8.9 years with the majority of leases expected to expire after FY25.

Annexure B: Independent Expert's Report (continued)

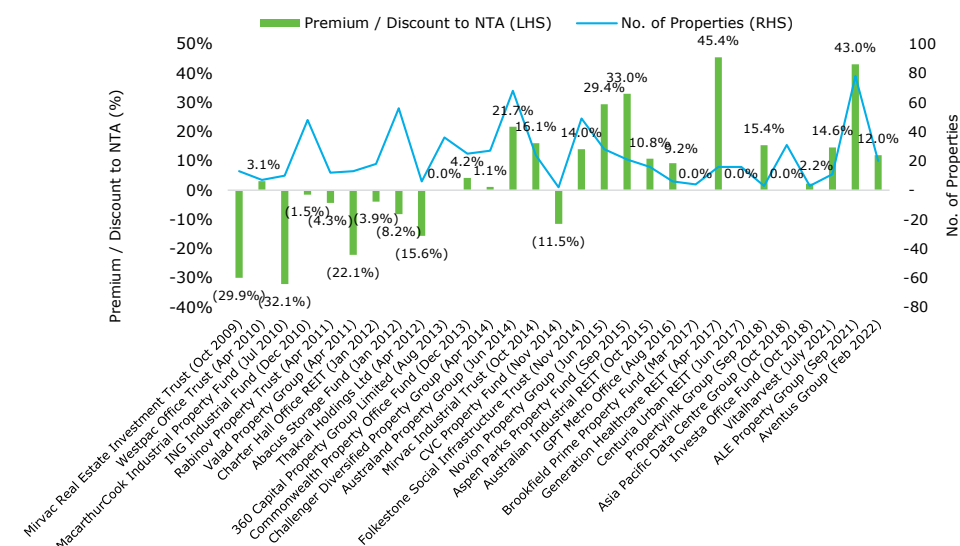


Appendix 5: Premiums and discounts to the market value of the properties

In considering the extent to which it is appropriate to apply a premium or discount to the aggregated value of the property portfolio of IAP, we have considered market evidence on the extent to which a market participant may be willing to pay a premium for a portfolio of investment properties as compared to the aggregate market value of the same investment properties on a standalone basis. In the absence of public information on unlisted REITs, we have had regard to comparable listed REITs which have been the subject of control transactions as a point of reference.

We considered the premium or discount to NTA observed in transactions involving ASX listed REITs, as set out in the figure below.

Figure 14: Premiums or discounts to NTA from transactions



Source: S&P Capital IQ and Deloitte Corporate Finance analysis

We make the following observations in relation to the above transactions:

- given the limited number of transactions that have occurred in this sector, we have looked at transactions going back a relatively long period of time
 - over the period from 2009 to 2012, market conditions were more challenging than today. A number of REITs were in a deleveraging phase requiring capital injections and therefore the transactions reflect an element of distress which resulted in a number of transactions occurring at significant discounts to NTA
 - since 2012, market conditions have improved and most transactions during this period have taken place at a premium to NTA, albeit that some transactions have shown very small premiums to NTA, and that in a rising market, some element of the transaction premium could relate to time differences between the transaction announcement and the most recent property valuations
- over the past four years, most transactions have involved REITs owning more than 10 properties
- the higher premium to NTA implicit in the price paid in the Generation Healthcare REIT transaction is reflective of the fact that a number of properties were under development and nearing completion, yet their valuation uplift (from the development activities) was not included in the NTA
- the premium implicit in the Propertylink Group transaction relates primarily to the fund management activities which were not included in the NTA
- Vitalharvest's portfolio was exposed to the agriculture sector which has positive investor sentiment and together with the fact that it owned 130 properties that were leased to a high quality tenant base, we consider that the entity attracted a substantial premium
- ALE Property Group owned a portfolio of hotels (78 in total) that were leased to high quality tenants under long leases. We consider that these attributes also attracted the substantial premium.

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- Aventus Group owned a portfolio of 19 properties with a strong focus into large format retail centres. The acquirer operated in the same sector which provided scope for synergies and the transaction was undertaken through an offer of scrip as consideration.

Annexure B: Independent Expert's Report (continued)



Appendix 6: Context to the report

The report has been prepared at the request of the Directors and is to be included in the Scheme Booklet to be provided to IAP securityholders for approval of the Proposed Schemes. Accordingly, it has been prepared only for the benefit of the Directors and those persons entitled to receive the Scheme Booklet in their assessment of the Proposed Schemes and should not be used for any other purpose. Neither Deloitte Corporate Finance, Deloitte Touche Tohmatsu, nor any member or employee thereof, undertakes responsibility to any person, other than the IAP securityholders and the Directors, in respect of this report, including any errors or omissions however caused.

The report represents solely the expression by Deloitte Corporate Finance of its opinion as to whether the Proposed Schemes are fair and reasonable to, and are in the best interests of, IAP securityholders.

The report has been prepared having regard to professional standard APES 225 Valuation Services issued by the Accounting Professional and Ethical Standards Board Limited.

Individual circumstances

We have evaluated the Proposed Schemes for IAP securityholders as a whole and have not considered the effect of the Proposed Schemes on the particular circumstances of individual securityholders. Due to their particular circumstances, individual securityholders may place a different emphasis on various aspects of the Proposed Schemes from the one adopted in this report. Accordingly, individuals may reach different conclusions to ours on whether the Proposed Schemes are fair and reasonable, and in their best interests. If in doubt, securityholders should consult an independent adviser, who should have regard to their individual circumstances.

Limitations

Statements and opinions contained in this report are given in good faith but, in the preparation of this report, Deloitte Corporate Finance has relied upon the completeness of the information provided by IAP and its officers, employees, agents or advisors. Deloitte does not imply, nor should it be construed, that it has carried out any form of audit or verification on the information and records supplied to us. Drafts of our report were issued to the executives of IAP for confirmation of factual accuracy.

In recognition that Deloitte Corporate Finance may rely on information provided by IAP and CHC and their officers, employees, agents or advisors, IAP has agreed that it will not make any claim against Deloitte Corporate Finance to recover any loss or damage which IAP may suffer as a result of that reliance and that it will indemnify Deloitte Corporate Finance against any liability that arises out of either Deloitte Corporate Finance's reliance on the information provided by IAP and its officers, employees, agents or advisors or the failure by IAP and CHC and their officers, employees, agents or advisors to provide Deloitte Corporate Finance with any material information relating to the Proposed Schemes.

To the extent that this report refers to prospective financial information, we have considered the prospective financial information and the basis of the underlying assumptions. The procedures involved in Deloitte's consideration of this information consisted of enquiries of IAP and CHC officers, employees, agents or advisors and analytical procedures applied to the financial data. These procedures and enquiries did not include verification work nor constitute an audit or a review engagement in accordance with standards issued by the AUASB or equivalent body and therefore the information used in undertaking our work may not be entirely reliable.

Based on these procedures and enquiries, Deloitte Corporate Finance considers that there are reasonable grounds to believe that the prospective financial information for IAP included in this report has been prepared on a reasonable basis consistent with the requirements of ASIC Regulatory Guide 111. In relation to the prospective financial information, actual results may be different from the prospective financial information of IAP referred to in this report since anticipated events frequently do not occur as expected and the variation may be material. The achievement of the prospective financial information is dependent on the outcome of the assumptions. Accordingly, we express no opinion as to whether the prospective financial information will be achieved.

Qualifications

Deloitte Corporate Finance holds the appropriate Australian Financial Services licence to issue this report and is owned by the Australian Partnership Deloitte Touche Tohmatsu.

The employee of Deloitte Corporate Finance principally involved in the preparation of this report was Tapan Parekh, Partner, B.Bus, M.Comm, CA, F.Fin. Tapan has many years experience in the provision of corporate financial advice, including specific advice on valuations, mergers and acquisitions, as well as the preparation of expert reports.



Consent to being named in disclosure document

Deloitte Corporate Finance Pty Limited (ACN 003 833 127) of 225 George Street, Sydney, NSW, 2000 acknowledges that:

- IAP proposes to issue the Scheme Booklet in respect of the Proposed Schemes
- the Scheme Booklet will be issued in hard copy and be available in electronic format
- it has previously received a copy of the draft Scheme Booklet for review (Draft Scheme Booklet)
- it is named in the Scheme Booklet as the 'independent expert' and the Scheme Booklet includes its independent expert's report in Annexure B of the Scheme Booklet.

On the basis that the Scheme Booklet is consistent in all material respects with the Draft Scheme Booklet received, Deloitte Corporate Finance Pty Limited consents to it being named in the Scheme Booklet in the form and context in which it is so named, to the inclusion of its independent expert's report in Annexure B of the Scheme Booklet and to all references to its independent expert's report in the form and context in which they are included, whether the Scheme Booklet is issued in hard copy or electronic format or both.

Deloitte Corporate Finance Pty Limited has not authorised or caused the issue of the Scheme Booklet and takes no responsibility for any part of the Scheme Booklet, other than any references to its name and the independent expert's report as included in Annexure B.

Sources of information

In preparing this report we have had access to the following principal sources of information:

- draft copies of the Scheme Booklet
- historical financial reports for IAP
- IAP announcement presentations
- IAP company websites
- Information provided by executives of IAP with respect to the properties and operations of IAP including independent valuation reports and directors' valuations
- publicly available information, media releases, equity research analysts' reports on IAP, and industry property reports.
- Data from subscription based databases such as S&P Capital IQ.

In addition, we have had discussions and correspondence with certain directors and executives of IAP, and CHC in relation to the above information and to current operations and prospects of IAP, along with the Proposed Schemes and the 360 Property Disposals.

Annexure B: Independent Expert's Report (continued)



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ANNEXURE C:

Deed Poll

Annexure C: Deed Poll

KING & WOOD
MALLESONS
金杜律师事务所

Execution Version

Deed Poll

Dated 18 May 2022

Given by Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGGM Industrial Partnership No.2 (ABN 98 732 489 194) ("**CHPIP**")

Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGGM Industrial Partnership (ABN 29 250 100 507) ("**CHPIP Guarantor**")

In favour of each Scheme Participant

King & Wood Mallesons

Level 61
Governor Phillip Tower
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Australia
T +61 2 9296 2000
F +61 2 9296 3999
DX 113 Sydney
www.kwm.com

Deed Poll

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Annexure C: Deed Poll (continued)

Deed Poll

Details

Parties

CHPIP	Name	Charter Hall Wholesale Management Limited as trustee of the Charter Hall PGGM Industrial Partnership No.2 (ABN 98 732 489 194)
	ACN	006 765 206
	Formed in	Australia
	Address	Level 20, No.1 Martin Place, Sydney NSW 2000
	Email	Mark.Bryant@charterhall.com.au Copy to: Kate.Towey@allens.com.au and Vijay.Cugati@allens.com.au
	Attention	Mark Bryant
CHPIP Guarantor	Name	Charter Hall Wholesale Management Limited as trustee of the Charter Hall PGGM Industrial Partnership (ABN 29 250 100 507)
	ACN	006 765 206
	Formed in	Australia
	Address	Level 20, No.1 Martin Place, Sydney NSW 2000
	Email	Mark.Bryant@charterhall.com.au Copy to: Kate.Towey@allens.com.au and Vijay.Cugati@allens.com.au
	Attention	Mark Bryant
In favour of	Each registered holder of IAP Stapled Securities as at the Record Date (" Scheme Participants ")	
Governing law	New South Wales, Australia	
Recitals	A	CHPIP, CHPIP Guarantor and IAP RE in its capacity as responsible entity of each of IPF I and IPF II, have entered into a scheme implementation agreement dated 30 March 2022 (" Scheme Implementation Agreement ").

- B** IAP RE has agreed in the Scheme Implementation Agreement to propose the Schemes, pursuant to which, subject to the satisfaction or waiver of certain conditions precedent, CHPIP will acquire all of the Scheme IPF I Units and Charter Hall Holdings Pty Limited (ACN 051 363 547) or its wholly owned subsidiary ("**CHPIP Nominee**") will acquire all of the Scheme IPF II Units from Scheme Participants for the Scheme Consideration.
- C** In accordance with the Scheme Implementation Agreement, each of CHPIP and CHPIP Guarantor are entering into this document for the purpose of covenanting in favour of each Scheme Participant that they will observe and perform the obligations contemplated of them under the Schemes.
-

Annexure C: Deed Poll (continued)

Deed Poll

General terms

1 Definitions and interpretation

1.1 Definitions

Terms defined in the Scheme Implementation Agreement, a copy of which is set out in the Annexure to this document, have the same meaning in this document, unless the context requires otherwise.

1.2 General interpretation

The provisions of clause 1.2 ("General Interpretation") and clause 14.2 ("Limitation of Liability – CHPIP and CHPIP Guarantor") of the Scheme Implementation Agreement form part of this document as if set out in full in this document, and on the basis that references to 'this document' in those clauses are references to this document and clause references are amended as applicable.

2 Nature of deed poll

Each of CHPIP and CHPIP Guarantor acknowledges that:

- (a) this document may be relied on and enforced by any Scheme Participant in accordance with its terms even though the Scheme Participants are not a party to it; and
- (b) under the Schemes, each Scheme Participant irrevocably appoints IAP RE as its agent and attorney to enforce this document against CHPIP and CHPIP Guarantor (as applicable) on behalf of that Scheme Participant.

3 Conditions precedent and termination

3.1 Conditions precedent

Each of CHPIP's and CHPIP Guarantor's obligations (as relevant) under this document are subject to the Schemes becoming Effective.

3.2 Termination

If the Scheme Implementation Agreement is terminated before the Effective Date, the Schemes do not become Effective on or before the End Date or the Scheme terminates, the obligations of CHPIP and CHPIP Guarantor under this document will automatically terminate and the terms of this document will be of no further force or effect unless IAP RE, CHPIP and CHPIP Guarantor otherwise agree in accordance with the Scheme Implementation Agreement.

3.3 Consequences of termination

If this document is terminated under clause 3.2, then, in addition and without prejudice to any other rights, powers or remedies available to Scheme Participants:

- (a) each of CHPIP and CHPIP Guarantor is released from their obligations under this document except those obligations contained in clause 9.5 and any other obligations which by their nature survive termination; and
- (b) each Scheme Participant retains the rights, powers or remedies they have against CHPIP and CHPIP Guarantor in respect of any breach of its obligations under this document that occurred before termination of the document.

4 Compliance with Scheme obligations

4.1 Obligations of CHPIP and CHPIP Guarantor

Subject to clause 3, in consideration for the transfer of the Scheme IPF I Units and the Scheme IPF II Units in accordance with the Schemes, each of CHPIP and CHPIP Guarantor covenants in favour of each Scheme Participant that each will observe and perform all obligations contemplated of them under the Schemes, including in each case the relevant obligations relating to the payment of the Scheme Consideration in accordance with the terms of the Schemes.

4.2 Manner of payment

- (a) IAP RE shall nominate a trust account ("**Trust Account**") and provide notice in writing of the trust account details to CHPIP and CHPIP Guarantor at least five business days before the Implementation Date.
- (b) CHPIP's obligation to pay, or procure the payment of, the aggregate Scheme Consideration to IAP RE on behalf of each Scheme Participant will be satisfied by CHPIP, by no later than the Business Day before the Implementation Date, an amount in Australian currency is deposited into the Trust Account in immediately available funds equal to, subject to clause 4.2(c), the aggregate Scheme Consideration payable to all Scheme Participants in respect of the Scheme Securities. All interest earned on that amount is for the benefit of CHPIP.
- (c) Where an amount is required to be paid by CHPIP to the ATO pursuant to clause 18 ("Foreign resident CGT Withholding") of the Scheme Implementation Agreement ("**ATO Payment**"), the aggregate Scheme Consideration required to be deposited into the Trust Account under clause 4.2(b) is reduced by the amount equal to the ATO Payment.

5 Representations and warranties

5.1 CHPIP representations and warranties

CHPIP represents and warrants that:

- (a) **(corporate status, capacity and solvency)**
 - (i) it is a corporation validly existing under the laws of its place of incorporation;

Annexure C: Deed Poll (continued)

- (ii) it has power to enter into and perform its obligations under, or contemplated by this document, and to carry out the transactions contemplated by this document;
- (iii) it has taken all necessary corporate action to authorise the entry into this document, and it has taken or will take all necessary corporate action to authorise the performance of this document;
- (iv) the execution and performance by it of this document and each transaction contemplated by this document did not and will not violate in any respect, a provision of:
 - (A) any law, treaty, judgment, ruling, order or decree binding on it;
 - (B) its constitution or the constitution of the CHPIP Trust; or
 - (C) any other document or agreement that is binding on it (including the Memorandum of Understanding); and
- (v) its obligations under this document are valid and binding and are enforceable against it in accordance with its terms;
- (vi) it is not Insolvent;
- (b) **(trustee status, capacity and solvency)**
 - (i) the CHPIP Trust has been duly established and has not been terminated;
 - (ii) it was validly appointed trustee of the CHPIP Trust in accordance with the terms of the CHPIP Trust Deed, it is the sole trustee of the CHPIP Trust and no action has been taken to remove or replace it as the trustee of the CHPIP Trust;
 - (iii) it is not in default under the terms of the CHPIP Trust Deed and has no notice of any circumstances which will or are reasonably likely to lead to the removal of it as trustee of the CHPIP Trust;
 - (iv) it has not been removed from the office of trustee nor ceased to act and no additional trustee has been appointed;
 - (v) no action has been taken or proposed to, either:
 - (A) terminate the CHPIP Trust; or
 - (B) wind up the CHPIP Trust whether under Chapter 5C of the Corporations Act or otherwise;
 - (vi) it has the authorisations necessary for it to enter into this document and the Schemes, perform obligations under them and allow them to be enforced (including any authorisations required under the CHPIP Trust Deed);
 - (vii) it has not exercised its powers under the CHPIP Trust Deed to release, abandon or restrict any power conferred on it by the CHPIP Trust Deed; and
 - (viii) it has the right to be fully indemnified out of the assets of the CHPIP Trust in respect of all its obligations and liabilities under

this document other than in the case of CHPIP's fraud, negligence or breach of trust.

5.2 CHPIP Guarantor representations and warranties

CHPIP Guarantor represents and warrants:

- (a) **(corporate status, capacity and solvency)**
 - (i) it is a corporation validly existing under the laws of its place of incorporation;
 - (ii) it has the power to enter into and perform its obligations under this document and to carry out the transactions contemplated by this document;
 - (iii) it has taken all necessary corporate action to authorise the entry into this document and it has taken or will take all necessary corporate action to authorise the performance of this document;
 - (iv) its obligations under this document are valid and binding and are enforceable against it in accordance with its terms;
 - (v) the execution and performance by it of this document, and each transaction contemplated by this document, did not and will not violate in any respect, a provision of:
 - (A) a law, judgment, ruling, order or decree binding on it;
 - (B) its constitution; or
 - (C) any other document or agreement that is binding on it; and
 - (vi) it is not Insolvent;
- (b) **(trustee status, capacity and solvency)**
 - (i) the CHPIP Guarantor Trust has been duly established and has not been terminated;
 - (ii) it was validly appointed trustee of the CHPIP Guarantor Trust in accordance with the terms of the CHPIP Guarantor Trust Deed, it is the sole trustee of the CHPIP Guarantor Trust, and no action has been taken to remove or replace it as the trustee of the CHPIP Guarantor Trust;
 - (iii) it is not in default under the terms of the CHPIP Guarantor Trust Deed and has no notice of any circumstances which will or are reasonably likely to lead to the removal of CHWML as trustee of the CHPIP Guarantor Trust;
 - (iv) it has not been removed from the office of trustee nor ceased to act and no additional trustee has been appointed;
 - (v) no action has been taken or proposed to, either:
 - (A) terminate the CHPIP Guarantor Trust; or
 - (B) wind-up the CHPIP Guarantor Trust whether under Chapter 5C of the Corporations Act or otherwise;

Annexure C: Deed Poll (continued)

- (vi) it has the authorisations necessary for it to enter into the documents contemplated by this document or the Schemes, to which it is a party, perform obligations under them and allow them to be enforced (including any authorisation required under the CHPIP Guarantor Trust Deed (if any));
- (vii) it has not exercised its powers under the CHPIP Guarantor Trust Deed to release, abandon or restrict any power conferred on it by the CHPIP Guarantor Trust Deed; and
- (viii) it has the right to be fully indemnified out of the assets of the CHPIP Guarantor Trust in respect of all its obligations and liabilities under this document other than in the case of CHWML's fraud, negligence or breach of trust.

6 Continuing obligations

This document is irrevocable and, subject to clause 3, remains in full force and effect until:

- (a) each of CHPIP and CHPIP Guarantor having fully performed its obligations under this document; or
- (b) termination of this document under clause 3.2.

7 Further assurances

Each of CHPIP and CHPIP Guarantor will, on its own behalf and, to the extent authorised by the Schemes, on behalf of each Scheme Participant, do all things and execute all deeds, instruments, transfers or other documents as may be necessary or desirable to give full effect to the provisions of this document and the transactions contemplated by it.

8 Notices

8.1 Form – all communications

Unless this document expressly states otherwise, all notices, demands, certificates, consents, approvals, waivers and other communications in connection with this document must be in writing, in English, and signed by the sender (if an individual) or an Authorised Officer of the sender.

All communications (other than email communications) must also be marked for the attention of the person referred to in the Details (or, if the recipient has notified otherwise, then marked for attention in the way last notified).

8.2 Form – communications sent by email

Communications sent by email need not be marked for attention in the way stated in clause 8.1 ("Form – all communications"). However, the email must state the first and last name of the sender. Communications sent by email are taken to be signed by the named sender.

8.3 Delivery

Communications must be:

- (a) left at the address set out or referred to in the Details;
- (b) sent by prepaid ordinary post (airmail if appropriate) to the address set out or referred to in the Details; or
- (c) sent by email to the address set out or referred to in the Details.

If the intended recipient has notified a changed address or email address, then communications must be sent to that address or email address.

8.4 When effective

Communications take effect from the time they are received or taken to be received under clause 8.5 ("When taken to be received") (whichever happens first) unless a later time is specified in the communication.

8.5 When taken to be received

Communications are taken to be received:

- (a) if sent by post, 3 Business Days after posting (or 7 days after posting if sent from one country to another);
- (b) if sent by email:
 - (i) when the sender receives an automated message confirming delivery; or
 - (ii) 4 hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first.

8.6 Receipt outside business hours

Despite anything else in this clause 8, if communications are received or taken to be received under clause 8.5 ("When taken to be received") after 5.00pm in the place of receipt on a Business Day or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

9 General

9.1 No waiver

No failure to exercise nor any delay in exercising any right, power or remedy by any of CHPIP or CHPIP Guarantor or by any Scheme Participant operates as a waiver. A single or partial exercise of any right, power or remedy does not preclude any other or further exercise of that or any other right, power or remedy. A waiver of any right, power or remedy on one or more occasions does not operate as a waiver of that right, power or remedy on any other occasion, or of any other right, power or remedy. A waiver is not valid or binding on the person granting that waiver unless made in writing and signed by the party granting the waiver.

Annexure C: Deed Poll (continued)

9.2 Remedies cumulative

The rights, powers and remedies of CHPIP, CHPIP Guarantor and of each Scheme Participant in connection with this document are in addition to, and do not exclude or limit, any right, power or remedy provided by law or equity or by any agreement.

9.3 Amendment

No amendment or variation of this document is valid or binding unless:

- (a) either:
 - (i) before the Second Court Date, the amendment or variation is agreed to in writing by IAP RE, CHPIP and CHPIP Guarantor (which such agreement may be given or withheld without reference to or approval by any Scheme Participant); or
 - (ii) on or after the Second Court Date, the amendment or variation is agreed to in writing by IAP RE, CHPIP and CHPIP Guarantor (which such agreement may be given or withheld without reference to or approval by any Scheme Participant), and is approved by the Court; and
- (b) CHPIP and CHPIP Guarantor each enters into a further deed poll in favour of the Scheme Participants giving effect to that amendment or variation.

9.4 Assignment or other dealings

The rights and obligations created by this document are personal to CHPIP, CHPIP Guarantor and each Scheme Participant, and CHPIP, CHPIP Guarantor and each Scheme Participant may not assign, encumber or otherwise deal with its rights under this document or allow any interest in them to arise or be varied without the consent of CHPIP, CHPIP Guarantor and IAP RE. Any purported dealing in contravention of this clause 9.4 is invalid.

9.5 Costs and duty

CHPIP and CHPIP Guarantor must bear their own costs arising out of the negotiation, preparation and execution of this document. All duty (including stamp duty and any fees, fines, penalties and interest) payable or assessed as being payable in connection with this document and any instrument executed under or any transaction evidenced by this document must be borne by CHPIP. CHPIP must indemnify each Scheme Participant on demand against any liability for that duty (including any related fines, penalties and interest). CHPIP Guarantor unconditionally and irrevocably guarantees CHPIP's obligations under this clause.

9.6 Governing law and jurisdiction

- (a) The law in force in the place specified in the Details governs this document.
- (b) CHPIP and CHPIP Guarantor submit to the non-exclusive jurisdiction of the courts of that place and courts competent to determine appeals from those courts in respect of any proceedings arising out of or in connection with this document.

- (c) CHPIP and CHPIP Guarantor irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

EXECUTED as a deed poll

Annexure C: Deed Poll (continued)

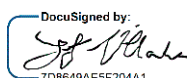
Deed Poll

Signing page

DATED: 18 May 2022

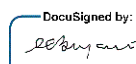
CHPIP

EXECUTED by CHARTER HALL
WHOLESALE MANAGEMENT
LIMITED (ACN 006 765 206) as trustee
of the CHARTER HALL PGGM
INDUSTRIAL PARTNERSHIP NO.2
(ABN 98 732 489 194) in accordance
with section 127(1) of the *Corporations
Act 2001* (Cth) by authority of its
directors:

DocuSigned by:

7D8649AE5F204A1
Signature of director

Sean McMahon

Name of director (block letters)

DocuSigned by:

F01844DB058F46C...

Signature of director/company
secretary*

*delete whichever is not applicable

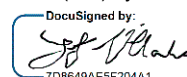
Mark Robert Bryant

Name of director/company secretary*
(block letters)

*delete whichever is not applicable

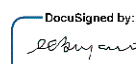
CHPIP Guarantor

EXECUTED by CHARTER HALL
WHOLESALE MANAGEMENT
LIMITED (ACN 006 765 206) as trustee
of the CHARTER HALL PGGM
INDUSTRIAL PARTNERSHIP (ABN
29 250 100 507) in accordance with
section 127(1) of the *Corporations Act
2001* (Cth) by authority of its directors:

DocuSigned by:

7D8649AE5F204A1
Signature of director

Sean McMahon

Name of director (block letters)

DocuSigned by:

F01844DB058F46C...

Signature of director/company
secretary

Mark Robert Bryant

Name of director/company secretary
(block letters)

Deed Poll

Annexure A Scheme Implementation Agreement

Annexure C: Deed Poll (continued)

KING & WOOD
MALLESONS
金杜律师事务所

Execution Version

Scheme Implementation Agreement

Dated 30 March 2022

Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGM Industrial Partnership No.2 (ABN 98 732 489 194) ("**CHPIP**")

Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGM Industrial Partnership (ABN 29 250 100 507) ("**CHPIP Guarantor**")

Irongate Funds Management Limited (ACN 071 514 246) as responsible entity of each of Irongate Property Fund I (ARSN 162 067 736) and the Irongate Property Fund II (ARSN 644 081 309) ("**IAP RE**")

King & Wood Mallesons

Level 61
Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
Australia
T +61 2 9296 2000
F +61 2 9296 3999
DX 113 Sydney
www.kwm.com

Scheme Implementation Agreement

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Scheme Implementation Agreement

Details

Parties

CHPIP	Name	Charter Hall Wholesale Management Limited as trustee of the Charter Hall PGGM Industrial Partnership No.2 (ABN 98 732 489 194)
	ACN	006 765 206
	Formed in	Australia
	Address	Level 20, No.1 Martin Place, Sydney NSW 2000
	Email	Mark.Bryant@charterhall.com.au Copy to: Kate.Towey@allens.com.au and Vijay.Cugati@allens.com.au
	Attention	Mark Bryant
CHPIP Guarantor	Name	Charter Hall Wholesale Management Limited as trustee of the Charter Hall PGGM Industrial Partnership (ABN 29 250 100 507)
	ACN	006 765 206
	Formed in	Australia
	Address	Level 20, No.1 Martin Place, Sydney NSW 2000
	Email	Mark.Bryant@charterhall.com.au Copy to: Kate.Towey@allens.com.au and Vijay.Cugati@allens.com.au
	Attention	Mark Bryant
IAP RE	Name	Irongate Funds Management Limited as the responsible entity of each of Irongate Property Fund I (ARSN 162 067 736) and Irongate Property Fund II (ARSN 644 081 309)
	ACN	071 514 246
	Formed in	Australia
	Address	Level 13, 95 Pitt Street, Sydney NSW 2000

Annexure C: Deed Poll (continued)

	Email	lucy.spenceley@irongategroup.com.au
	Attention	Lucy Spenceley
Governing law	New South Wales, Australia	
Recitals	A	IAP is a stapled group dual listed on ASX and JSE, comprised of IPF I and IPF II. Both IPF I and IPF II are Australian registered managed investment schemes, and the responsible entity of each is IAP RE.
	B	CHPIP proposes to acquire all of the IPF I Units and for the CHPIP Nominee to acquire all of the IPF II Units pursuant to the Schemes, and subject to the terms and conditions of this document.
	C	IAP RE has agreed to propose the Schemes to IAP Securityholders and to issue the Scheme Booklet to IAP Securityholders, and IAP RE and CHPIP have agreed to implement the Schemes, upon and subject to the terms and conditions of this document.

Scheme Implementation Agreement

General terms

1 Definitions and interpretation

1.1 Definitions

Unless the contrary intention appears, these meanings apply:

360 Capital means 360 Capital Group and 360 Capital REIT.

360 Capital Group means the stapled entity comprising 360 Capital Group Limited (ABN 18 113 569 136) and 360 Capital Investment Trust (ARSN 104 552 598).

360 Capital REIT means the stapled fund comprised of the 360 Capital Passive REIT (ARSN 602 304 432) and 360 Capital Active REIT (ARSN 602 303 613).

Adviser means, in relation to an Entity, a financier, financial adviser, corporate adviser, legal adviser, or technical or other expert adviser or consultant who provides advisory services in a professional capacity in the ordinary course of its business and to the market in general and who has been engaged in that capacity in connection with the Schemes by that Entity.

ASIC means the Australian Securities & Investments Commission.

Associate has the meaning set out in section 12 of the Corporations Act, as if section 12(1) of the Corporations Act included a reference to this document and IAP RE was the designated body.

ASX means ASX Limited (ABN 98 008 624 691), or the market operated by it, as the context requires.

ASX Listing Rules means the Listing Rules of ASX, modified to the extent of any express written waiver by ASX.

ATO means the Australian Taxation Office.

Authorised Officer means a director or secretary of a party or any other person nominated by a party to act as an Authorised Officer for the purposes of this document.

Break Fee means \$12,800,000.

Business Day means a day on which banks are open for general banking business in Sydney and Johannesburg (other than a Saturday, Sunday or public holiday in those places).

Charter Hall Group means Charter Hall Limited (ACN 113 531 150), Charter Hall Funds Management Limited (ACN 082 991 786), Charter Hall Property Trust (ARSN 113 339 137) and each of their respective Related Bodies Corporate.

CHPIP Executive Team means David Harrison, Avi Anger, Sean McMahon and Mark Bryant.

Annexure C: Deed Poll (continued)

CHPIP Group means:

- (a) CHPIP, CHPIP Guarantor and their Related Bodies Corporate;
- (b) PGGM and its Related Bodies Corporate; and
- (c) each entity in the Charter Hall Group;

and **CHPIP Group Member** means any one of them.

CHPIP Guarantor Trust means the Charter Hall PGGM Industrial Partnership (ABN 29 250 100 507).

CHPIP Guarantor Trust Deed means the trust deed of the trust known as the Charter Hall PGGM Industrial Partnership (ABN 29 250 100 507) constituted by a trust deed dated 15 May 2019 (as amended from time to time).

CHPIP Indemnified Parties means each CHPIP Group Member, and each of their respective directors, officers, employees and advisers.

CHPIP Information means all information provided by CHPIP to IAP RE in writing for inclusion in the Scheme Booklet regarding the CHPIP Group as is required by the Corporations Act (and the Corporations Regulations), the ASX Listing Rules, Regulatory Guide 74 and Guidance Note 15, as applicable. For the avoidance of doubt, the CHPIP Information excludes the IAP Information, the Independent Expert's Report and any description of the taxation effect of the Schemes on IAP Securityholders prepared by an external adviser to IAP RE (except to the extent it relates to any statement of intention relating to IAP following the Effective Date).

CHPIP Nominee means Charter Hall Holdings Pty Limited (ACN 051 363 547) or its wholly owned subsidiary.

CHPIP Representations and Warranties means the representations and warranties of CHPIP set out in clause 13.4.

CHPIP Trust means the trust known as the Charter Hall PGGM Industrial Partnership No.2 (ABN 98 732 489 194) constituted by a trust deed dated 25 March 2022.

CHPIP Trust Deed means the trust deed of the CHPIP Trust (as amended from time to time).

CHWML means Charter Hall Wholesale Management Limited (ACN 006 765 206).

Competing Proposal means any proposal, agreement, arrangement or transaction, which, if entered into or completed, would result in a Third Party (either alone or together with any Associates):

- (a) acquiring, directly or indirectly, a Relevant Interest in, or have a right to acquire, a legal, beneficial or economic interest in, or control of, or the right to vote, 20% or more of IAP Stapled Securities;
- (b) directly or indirectly acquiring Control of IAP;
- (c) directly or indirectly acquiring or becoming the holder of, or otherwise acquiring or having a right to acquire, a legal, beneficial or economic interest in, or control of, all or a substantial part or material part of all of the business or assets of IAP; or

(d) directly or indirectly acquiring or merging with IAP,

whether by way of takeover bid, members' or creditors' scheme of arrangement, reverse takeover, shareholder approved transaction, capital reduction or buy-back, sale or purchase of shares or assets, joint venture, dual-listed company structure (or other synthetic merger) or other transaction or arrangement. For the purposes of paragraph (a) above, a Third Party does not include any party that as at the date of this document has a Relevant Interest in 20% or more of all IAP Stapled Securities.

Conditions Precedent means the conditions precedent set out in clause 3.1.

Confidentiality Deed means the Confidentiality Deed between the parties dated 14 February 2021.

Control has the meaning given in section 50AA of the Corporations Act and **Controlled** has a corresponding meaning.

Controller has the meaning it has in the Corporations Act.

Corporations Act means the *Corporations Act 2001* (Cth).

Corporations Regulations means the *Corporations Regulations 2001* (Cth).

Costs includes costs, charges and expenses, including those incurred in connection with advisers and any legal costs on a full indemnity basis.

Court means the Supreme Court of New South Wales, or such other court of competent jurisdiction under the Corporations Act agreed to in writing by CHPIP and IAP RE.

D&O Policy has the meaning given in clause 7.3(b).

Debt Facility means any loan or other debt instrument to which an IAP Group Member is a party.

Derivative means any derivative to which an IAP Group Member is a party.

Deed Poll means a deed poll substantially in the form of Annexure B to this document under which CHPIP covenants in favour of Scheme Participants to perform its obligations under this document and the Supplemental Deeds.

Details means the section of this document headed "Details".

Director means a director of IAP RE.

Disclosed means Fairly Disclosed:

- (a) by IAP RE in writing to CHPIP prior to the date of this document;
- (b) by or on behalf of IAP RE to CHPIP and its Representatives in the Due Diligence Material;
- (c) in any announcement made by IAP on ASX or JSE prior to the date of this document;
- (d) in public searches or inspection of the following public records (or updated public searches or inspections) had CHPIP conducted a search or inspection on the date that is 5 Business Days before the date of this document of:

Annexure C: Deed Poll (continued)

- (i) the public records maintained by the Australian Securities and Investment Commission;
- (ii) the PPS Register (in both Australia and New Zealand);
- (iii) the registry of the High Court of Australia, the High Court of New Zealand, the Federal Court of Australia and the Supreme Court of each state and territory of Australia;
- (iv) the public records maintained by Access Canberra, NSW Land Registry Services, NT Land Titles Office, Titles Queensland, Land Services SA, Land Use Victoria, WA Landgate, Wellington City Council (New Zealand) and Hazardous Activities and Industries List register (New Zealand);
- (v) the public records maintained by any relevant Regulatory Authority in relation to a Property with responsibility for water rates and water and sewerage charges, council rates and land tax, roads and electricity infrastructure, or in respect of contamination; or
- (vi) the public search records of the record of title in relation to a Property at Land Information New Zealand;
- (e) in a document lodged with the FSCA or which has been published by the FSCA or which will be disclosed in a search on the FSCA website, in each case prior to the date of this document; or
- (f) in a document lodged with the SARB, prior to the date of this document.

Due Diligence Material means the documents and information contained in the virtual data room (including in response to requests for information) as at 5.00pm on 29 March 2022, the index of which and accompanying RFI schedule are in agreed form and subsequently included on a USB delivered to Allens (acting on behalf of CHPIP) on or as soon as practicable after the date of this document.

Effective, when used in relation to the Schemes, means each Supplemental Deed taking effect pursuant to section 601GC(2) of the Corporations Act.

Effective Date means the date on which the Schemes become Effective.

Encumbrance means any security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power or title retention or flawed deposit arrangement and any "security interest" as defined in sections 12(1) or 12(2) of the PPSA or any agreement to create any of them or allow them to exist.

End Date means the date which is six months from the date of this document or such other date as is agreed by CHPIP and IAP RE.

Entity includes a natural person, a body corporate, a partnership, a trust and the trustee of a trust.

Exclusivity Period means the period from and including the date of this document to the earlier of:

- (a) the termination of this document in accordance with its terms;
- (b) the Implementation Date; and
- (c) the End Date.

Fairly Disclosed means, in relation to a matter, that sufficient information about the matter is disclosed to enable a reasonable person experienced in the industries in which the IAP Group and CHPIP Group operate or transactions similar to the Schemes to identify the nature and scope of the relevant matter.

FIRB Act means the *Foreign Acquisitions and Takeovers Act 1975* (Cth).

First Court Date means the first day on which an application made to the Court to seek the First Judicial Advice or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard.

First Judicial Advice means confirmation from the Court under section 63 of the *Trustee Act 1925* (NSW) that (among other things):

- (a) IAP RE would be justified in convening the Scheme Meetings for the purposes of considering the Scheme Resolutions; and
- (b) subject to IAP Securityholders passing the Scheme Resolutions by the requisite majorities, IAP RE would be justified in proceeding on the basis that amending the IAP Constitutions as set out in the Supplemental Deeds would be within the powers of alteration conferred by the IAP Constitutions and section 601GC of the Corporations Act.

Forward Looking Information has the meaning given in clause 13.8.

FSCA means the Financial Sector Conduct Authority of South Africa.

Guidance Note 15 means *Guidance Note 15: Trust Scheme Mergers* issued by the Takeovers Panel.

IAP means Irongate, a stapled group comprising IPF I and IPF II.

IAP Constitutions means the IPF I Constitution and the IPF II Constitution.

IAP Executive Team means Graeme Katz, Zach McHerron, Kristie Lenton and Adam Broder.

IAP Group means IAP RE, IPF I, IPF II and each of their respective Related Bodies Corporate, and **IAP Group Member** has a corresponding meaning.

IAP Indemnified Parties means each IAP Group Member, and each of their respective directors, officers, employees, and advisers.

IAP Information means all information included in the Scheme Booklet, and any updates to that information prepared by or on behalf of IAP RE, other than the CHPIP Information, the Independent Expert's Report or any description of the taxation effect of the Schemes on IAP Securityholders prepared by an external adviser to IAP RE.

IAP Prescribed Occurrence means the occurrence of any of the following events:

- (a) **(conversion)** IAP RE or IAP (acting through IAP RE) converts all or any of its securities into a larger or smaller number of securities or a resolution is passed to do so;
- (b) **(reduction of capital)** IAP RE or IAP (acting through IAP RE) reduces or resolves to reduce its capital in any way;
- (c) **(redemption)** IAP (acting through IAP RE) redeems or resolves to redeem any IAP Stapled Securities;

Annexure C: Deed Poll (continued)

- (d) **(buy-back)** IAP (acting through IAP RE) buys back or agrees to buy back any IAP Stapled Securities, including:
 - (i) entering into a buy-back agreement; or
 - (ii) resolving to approve the terms of a buy-back agreement under the Corporations Act;
- (e) **(issuing units or options)** an IAP Group Member issues securities or grants an option over its securities or agrees to make such an issue or grant such an option, other than:
 - (i) by an IAP Group Member to another IAP Group Member; or
 - (ii) the issue of IAP Stapled Securities upon the exercise or vesting of Performance Rights which are on issue as at the date of this document;
- (f) **(convertible securities)** an IAP Group Member issues or agrees to issue convertible notes or other security or instruments convertible into securities or debt securities;
- (g) **(Encumbrances)** an IAP Group Member creates, or agrees to create, any Encumbrance over the whole or a substantial part of its business or property of the IAP Group;
- (h) **(assets)** an IAP Group Member disposes, or agrees to dispose of the whole or a substantial part of its business or assets of the IAP Group;
- (i) **(wound up)** any IAP Group Member resolves to be wound up;
- (j) **(liquidator)** a liquidator or provisional liquidator of any IAP Group Member is appointed;
- (k) **(court order)** a court makes an order for the winding up of any IAP Group Member;
- (l) **(administrator)** an administrator of any IAP Group Member is appointed under the Corporations Act;
- (m) **(company arrangement)** any IAP Group Member executes a deed of company arrangement;
- (n) **(receiver)** a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of any IAP Group Member;
- (o) **(Trusts)** any of the following occur:
 - (i) IAP RE ceases to be or takes steps to retire as the responsible entity of IPF I or IPF II;
 - (ii) IAP Securityholders or an IAP Group Member (as applicable) resolve to remove or replace IAP RE as responsible entity of IPF I or IPF II or as trustee of an IAP Group Member (as applicable);
 - (iii) a meeting being convened to consider a resolution for the removal, retirement or replacement of IAP RE as responsible entity of IPF I or IPF II; or

- (iv) any application being made in any court (including by the IAP RE or its nominee) for the appointment of a temporary responsible entity of IPF I or IPF II in accordance with the Corporations Act;
- (p) **(resettlement)** IAP RE (or its Representatives) effects or facilitates the resettlement of the trust property of IPF I or IPF II;
- (q) **(delisting and extended suspension)** IAP ceases to be admitted to the official list of ASX or JSE, or IAP Stapled Securities cease to be quoted by ASX or JSE or IAP is suspended, or the IAP RE takes steps to suspend IAP, from trading by ASX or JSE for a consecutive period of more than 2 weeks;
- (r) **(deregistration)** IPF I or IPF II (acting through IAP RE) or any IAP Group Member become or take steps to become deregistered as a registered managed investment scheme or is otherwise dissolved;
- (s) **(distributions)** other than a Permitted Distribution, IPF I or IPF II (acting through IAP RE) or any IAP Group Member declares, resolves to pay or pays any dividend, distribution or share of its profits or assets or returning or agreeing to return any capital to its securityholders or unitholders (whether in cash or in specie);
- (t) **(constituent documents)** the IPF I Constitution, the IPF II Constitution or the constitution of any other IAP Group Member, or a provision of it is modified, repealed or replaced; and
- (u) **(indebtedness)** any IAP Group Member incurs any financial indebtedness or issues any indebtedness or debt securities other than:
 - (i) in the ordinary and usual course of business, including by way of drawdown of any available funding under facility arrangements which are Fairly Disclosed in the Due Diligence Materials;
 - (ii) for the purposes of funding the March 2022 Distribution; or
 - (iii) to or from any other IAP Group Member,

provided that an IAP Prescribed Occurrence will not include a matter:

- (v) required or expressly permitted by this document or the Schemes;
- (w) which was Disclosed prior to the date of this document;
- (x) approved in writing by CHPIP; or
- (y) required by law, regulation, or by an order of a court or a Regulatory Authority.

IAP RE Board means the board of directors of IAP RE as at the date of the Scheme Booklet.

IAP Representations and Warranties means the representations and warranties of IAP set out in clauses 9.1 and 13.1.

IAP Securityholder means each person who is registered in the Register as a holder of IAP Stapled Securities.

IAP Stapled Security means a stapled security comprising one IPF I Unit stapled to one IPF II Unit.

Annexure C: Deed Poll (continued)

Implementation Date means the 5th Business Day following the Record Date, or such other date after the Record Date as the parties agree in writing.

Independent Expert means the independent expert appointed by IAP RE under clause 5.2(c).

Independent Expert's Report means the report from the Independent Expert for inclusion in the Scheme Booklet, including any update or supplementary report, stating whether in the Independent Expert's opinion the Schemes are fair and reasonable to, and therefore in the best interests of, IAP Securityholders.

A person is **Insolvent** if:

- (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act);
- (b) it is in liquidation, in provisional liquidation, under administration or wound up or has had a Controller appointed to any part of its property;
- (c) it is subject to any arrangement (including a deed of company arrangement or scheme of arrangement), assignment, moratorium, compromise or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the other parties to this document);
- (d) an application or order has been made (and in the case of an application which is disputed by the person, it is not stayed, withdrawn or dismissed within 14 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any of the things described in any of the above paragraphs;
- (e) it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand;
- (f) it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which another party to this document reasonably deduces it is so subject);
- (g) it is otherwise unable to pay its debts when they fall due; or
- (h) something having a substantially similar effect to any of the things described in the above paragraphs happens in connection with that person under the law of any jurisdiction.

IPF I means Irongate Property Fund I (ARSN 162 067 736).

IPF I Constitution means the constitution establishing IPF I, as amended from time to time.

IPF I Register means the register of members of IPF I maintained by or on behalf of IPF I in accordance with section 168(1) of the Corporations Act.

IPF I Supplemental Deed means the deed poll pursuant to which IAP RE will amend the IPF I Constitution, to be executed by IAP RE in the form of Part A of Annexure C to this document (or in such other form as may be agreed to by CHPIP and IAP RE).

IPF I Trust Scheme means an arrangement in accordance with Guidance Note 15 under which CHPIP acquires all of the IPF I Units, facilitated by amendments to the IPF I Constitution as set out in the IPF I Supplemental Deed.

IPF I Unit means a fully paid ordinary unit in IPF I.

IPF II means Irongate Property Fund I (ARSN 644 081 309).

IPF II Constitution means the constitution establishing IPF II, as amended from time to time.

IPF II Register means the register of members of IPF II maintained by or on behalf of IPF II in accordance with section 168(1) of the Corporations Act.

IPF II Supplemental Deed means the deed poll pursuant to which IAP RE will amend the IPF II Constitution, to be executed by IAP RE in the form of Part B of Annexure C to this document (or in such other form as may be agreed to by CHPIP and IAP RE).

IPF II Trust Scheme means an arrangement in accordance with Guidance Note 15 under which CHPIP acquires all of the IPF II Units, facilitated by amendments to the IPF II Constitution as set out in the IPF II Supplemental Deed.

IPF II Unit means a fully paid ordinary unit in IPF II.

ITAP Fund means the Irongate Templewater Australia Property Fund.

JSE means JSE Limited, or the stock exchange operated by JSE Limited, as the context may require.

JSE Listings Requirements means the listing requirements of the JSE, modified to the extent of any express written waiver or dispensation letter by the JSE.

Judicial Advice means the First Judicial Advice and the Second Judicial Advice.

Losses means all claims, demands, damages, losses, costs, expenses and liabilities.

March 2022 Distribution means the ordinary distribution for the period ending 31 March 2022 of up to 4.67 cents per IAP Stapled Security.

Memorandum of Understanding means the memorandum of understanding dated 28 January 2022 between CHPIP and 360 Capital.

OIO means the New Zealand Overseas Investment Office.

Performance Right means each right issued under the Performance Rights Plan Rules.

Performance Rights Plan Rules means the Irongate Group Long Term Incentive Plan Rules dated 14 October 2020 (as amended from time to time).

Permitted Distribution means a distribution declared or determined to be paid by the IAP RE Board to IAP Securityholders in the ordinary course on a quarterly basis and includes the March 2022 Distribution.

Personal Information has the meaning given in the *Privacy Act 1988* (Cth) and *Protection of Personal Information Act, No 4 of 2013* (South Africa).

Annexure C: Deed Poll (continued)

PGGM means PGGM Australia Nominees Pty Ltd (ACN 126 864 908) as trustee of the PGGM Australian Private Real Estate Trust.

PPSA means the *Personal Property Securities Act 2009* (Cth) and where applicable, the *Personal Property Securities Act 1999* (NZ).

PPS Register means the register established under the PPSA.

Preferred JSE Relief has the meaning given in clause 5.2(h).

Privacy Laws means the *Privacy Act 1988* (Cth), *Protection of Personal Information Act, No 4 of 2013* (South Africa), the protection of Personal Information principles agreed to in this document and any other legally binding requirement under Australian and South African law industry code, policy or statement relating to the handling of Personal Information.

Property means any real property or any trusts owning real property in which the IAP Group has an interest, including any interest that is owned, leased or licensed and any interest that is legal, equitable, direct or indirect.

Public Announcement means the public announcements to be made by each of IAP RE and the Charter Hall Group in the forms set out in Annexure A.

Recommendation has the meaning given in clause 6.1.

Record Date means 7.00 pm on the date that is five Business Days after the Effective Date, or such other date as may be agreed in writing between IAP RE and CHPIP.

Register means the register IPF I Register and the IPF II register which together form the register of members of IAP maintained by on or behalf of IAP in accordance with section 168(1) of the Corporations Act, and **Registry** has a corresponding meaning.

Regulatory Approval means any approval of a Regulatory Authority to the Schemes or any aspect of it which is necessary or desirable to implement the Schemes, including the ASIC relief contemplated by clause 3.1(b).

Regulatory Authority means:

- (a) ASX, JSE, ACCC, ASIC, SARB, FSCA and the Takeovers Panel;
- (b) any government or governmental, semi-governmental or judicial entity or authority;
- (c) any minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government; and
- (d) any regulatory organisation established under statute.

Regulatory Guide 74 means ASIC's *Regulatory Guide 74 (Acquisitions Approved by Members)*.

Related Body Corporate has the meaning it has in the Corporations Act, but as if references to "body corporate" and "body" were to "Entity".

Relevant Interest has the meaning given in the Corporations Act.

Representative means, in relation to CHPIP or IAP RE:

- (a) each other member of the CHPIP Group or IAP Group (as applicable);

- (b) an employee, officer, director of a member of the CHPIP Group or IAP Group (as applicable); or
- (c) an Adviser to a member of the CHPIP Group or IAP Group (as applicable).

Reverse Break Fee means \$12,800,000.

SARB means the South African Reserve Bank.

Schemes means the IPF I Trust Scheme and IPF II Trust Scheme and **Scheme** means either of them as the case may be.

Scheme Booklet means, in respect of the Schemes, the information booklet to be prepared in accordance with the terms of this document and to be despatched to IAP Securityholders, including an explanatory statement complying with the requirements of the Corporations Act, the Independent Expert's Report, the Deed Poll, each Supplemental Deed, and notices of meeting and proxy forms for the Scheme Resolutions.

Scheme Consideration means the consideration to be provided by CHPIP to each Scheme Participant for the transfer to CHPIP of each Scheme IPF I Unit, and the transfer to CHPIP Nominee of each Scheme IPF II Unit, being \$1.90 in aggregate for each Scheme Security held by a Scheme Participant, less any Permitted Distribution declared or paid by IAP (acting through IAP RE) (on a per stapled security basis) on or after the date of this document and before the Implementation Date (but excluding the March 2022 Distribution).

Scheme Meetings means the meetings of IAP Securityholders to be convened by IAP RE pursuant to the IPF I Constitution and the IPF II Constitution (as applicable) and section 252A of the Corporations Act to consider the Scheme Resolutions, and includes any adjournment of those meetings.

Scheme Participant means each person who is an IAP Securityholder at the Record Date.

Scheme Resolutions means the following resolutions to be put to IAP Securityholders to approve the Schemes:

- (a) resolutions for the purposes of section 601GC(1) of the Corporations Act to approve amendments to each IAP Constitution as set out in each Supplemental Deed and to authorise IAP RE to execute and lodge with ASIC each Supplemental Deed to give effect to those amendments;
- (b) in respect of the IPF I Trust Scheme, an ordinary resolution for the purpose of item 7 of section 611 of the Corporations Act to approve the acquisition of all of the IPF I Units by CHPIP;
- (c) in respect of the IPF II Trust Scheme, an ordinary resolution for the purpose of item 7 of section 611 of the Corporations Act to approve the acquisition of all of the IPF II Units by CHPIP Nominee;
- (d) a special resolution of members of each of IPF I and IPF II to approve the Unstapling;
- (e) if relief from such requirement is not obtained pursuant to clause 5.2(h)(i)(B), a resolution to approve the removal of the IAP Stapled Securities from the JSE lists in accordance with section 1.15 and 1.16 of the JSE Listings Requirements; and

Annexure C: Deed Poll (continued)

- (f) any other resolutions that IAP RE and CHPIP (each acting reasonably) may agree.

Scheme Securities means each IAP Stapled Security as at the Record Date.

Scheme IPF I Units means each IPF I Unit as at the Record Date.

Scheme IPF II Units means each IPF II Unit as at the Record Date.

Second Court Date means the first day on which an application made to the Court to seek the Second Judicial Advice or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard.

Second Judicial Advice means confirmation from the Court under section 63 of the *Trustee Act 1925* (NSW) that if IAP Securityholders having approved the Scheme Resolutions by the requisite majorities, IAP RE would be justified in implementing the Scheme Resolutions, giving effect to the provisions of each IAP Constitution (as amended by the relevant Supplemental Deed) and in doing all things and taking all necessary steps to put the Schemes into effect.

Superior Proposal means a bona fide written Competing Proposal received after the date of this document that would, if completed substantially in accordance with its terms, result in a transaction that is more favourable to IAP Securityholders (as a whole) than the Schemes, taking into account all aspects of the Competing Proposal, including whether the transaction is reasonably capable of being completed, the identity, reputation and financial condition of the person making such proposal, legal, regulatory and financial matters.

Supplemental Deeds means each of the IPF I Supplemental Deed and IPF II Supplemental Deed, and either of them as the case may be.

Takeovers Panel means the Takeovers Panel of Australia.

Taxes means taxes, levies, imposts, charges and duties (including stamp and transaction duties) paid, payable or assessed as being payable by any authority together with any fines, penalties and interest in connection with them.

Third Party means any person other than any CHPIP Group Member or any Associate of a CHPIP Group Member.

Timetable means the timetable agreed in accordance with clause 5.1.

Treasurer means the Treasurer of Australia.

Unstapling means the unstapling of IPF I Units and IPF II Units in accordance with clause 16 and item 3.5 of Schedule 2 of each of the IPF I Constitution and IPF II Constitution, and **Unstaple** has a corresponding meaning.

Voting Statement has the meaning given in clause 6.1.

1.2 General interpretation

Headings and labels used for definitions are for convenience only and do not affect interpretation. Unless the contrary intention appears, in this document:

- (a) the singular includes the plural and vice versa;
- (b) a reference to a document includes any agreement or other legally enforceable arrangement created by it (whether the document is in the form of an agreement, deed or otherwise);

- (c) other than in respect of the Memorandum of Understanding, a reference to a document also includes any variation, replacement or novation of it;
- (d) the meaning of general words is not limited by specific examples introduced by "including", "for example", "such as" or similar expressions;
- (e) a reference to "**person**" includes an individual, a body corporate, a partnership, a joint venture, an unincorporated association and an authority or any other entity or organisation;
- (f) a reference to a particular person includes the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (g) a reference to a time of day is a reference to Sydney, New South Wales, Australia time;
- (h) a reference to dollars, \$ or A\$ is a reference to the currency of Australia;
- (i) a reference to "**law**" includes common law, principles of equity and legislation (including regulations) in any jurisdiction (including Australia or South Africa);
- (j) a reference to any legislation includes regulations under it and any consolidations, amendments, re-enactments or replacements of any of them;
- (k) a reference to "**regulations**" includes instruments of a legislative character under legislation (such as regulations, rules, by-laws, ordinances and proclamations);
- (l) a reference to a group of persons is a reference to any 2 or more of them jointly and to each of them individually; and
- (m) a reference to any thing (including an amount) is a reference to the whole and each part of it.

1.3 Knowledge, belief of awareness

- (a) Certain statements made in this document (including certain representations and warranties) are given and made by IAP RE or CHPIP (as the case may be) only on the basis of its knowledge, belief or awareness. For the purposes of this document:
 - (i) IAP RE's knowledge, belief or awareness is limited to the actual knowledge, belief or awareness of the IAP Executive Team; and
 - (ii) CHPIP's knowledge, belief or awareness is limited to the actual knowledge, belief or awareness of the CHPIP Executive Team.
- (b) The knowledge, belief or awareness of any person other than the persons identified in clause 1.3(a)(i) or 1.3(a)(ii) will not be imputed to IAP RE or CHPIP (as the case may be).
- (c) None of the persons named in clause 1.3(a)(i) or 1.3(a)(ii) will bear any personal liability in respect of the IAP Representations and Warranties or the CHPIP Representations and Warranties (as the case may be) or otherwise under this document.

Annexure C: Deed Poll (continued)

2 Agreement to propose and implement Schemes

2.1 IAP RE to propose Schemes

IAP RE agrees to propose and implement the Schemes on and subject to the terms and conditions of this document.

2.2 CHPIP to assist

CHPIP agrees to assist IAP RE to implement the Schemes on the terms and conditions of this document.

3 Conditions Precedent

3.1 Conditions Precedent

Subject to this clause 3, the Schemes will not become Effective, and the obligations of IAP RE under clauses 5.2(r) and 5.2(v) and the obligations of CHPIP under clause 4.4 are not binding, unless each of the following Conditions Precedent is satisfied or waived in accordance with clause 3.2:

- (a) **(FIRB approval)** before 8.00am on the Second Court Date either:
 - (i) the Treasurer (or the Treasurer's delegate) has provided a written no objections notification to proposed acquisition of the Scheme IPF I Units by CHPIP either without conditions or, subject to clause 3.4(b), with conditions reasonably acceptable to CHPIP; or
 - (ii) following notice of the proposed acquisition of the Scheme IPF I Units by CHPIP having been given by CHPIP to the Treasurer under the FIRB Act, the Treasurer has ceased to be empowered to make any order under Part 3 of the FIRB Act because the applicable time limit on making orders and decisions under the FIRB Act has expired;
- (b) **(ASIC relief)** ASIC issues or provides such consents, waivers and approvals or does such other acts that are necessary to implement the Schemes, and none of those consents, waivers or approvals has been withdrawn, revoked or adversely amended before 8.00am on the Second Court Date;
- (c) **(IAP Securityholder approval)** IAP Securityholders approve the Scheme Resolutions by the requisite majorities under section 601GC(1) and item 7 of section 611 of the Corporations Act and, if required, in accordance with section 1.15 and 1.16 of the JSE Listings Requirements at the Scheme Meetings;
- (d) **(Independent Expert's Report)** the Independent Expert provides the Independent Expert's Report to IAP RE, stating that in its opinion the Schemes are fair and reasonable to, and therefore in the best interests of, IAP Securityholders, and the Independent Expert does not change its conclusion or withdraw the Independent Expert's Report by notice in writing to IAP RE prior to 8.00am on the Second Court Date;
- (e) **(no restraints)** no applicable law shall have been enacted and no temporary, preliminary or final restraining order, injunction or other order made by a court of competent jurisdiction or Regulatory Authority is in

effect that would prevent, make illegal or prohibit the implementation of the Schemes at 8.00am on the Second Court Date;

- (f) **(No IAP Prescribed Occurrence)** no IAP Prescribed Occurrence occurs between the date of this document and 8.00am on the Second Court Date;
- (g) **(ASX waivers)** before 8.00am on the Second Court Date, ASX issues or provides such consents, waivers and approvals, or does such other acts that are necessary to implement the Schemes, and none of those consents, waivers or approvals has been withdrawn, revoked or adversely amended before 8.00am on the Second Court Date;
- (h) **(JSE)** before 8.00am on the Second Court Date, the JSE issues or provide any consents, waivers, dispensations or approvals, or have done any other acts, which the parties agree are reasonably necessary or desirable to implement the Schemes, and those consents, waivers, approvals or other acts have not been withdrawn or revoked at that time. For the purposes of this clause 3.1(h), the parties agree that the Preferred JSE Relief is not necessary to implement the Schemes and in the event the Preferred JSE Relief is not obtained, the parties will comply with their obligations under clauses 5.2(i) and 5.3(h);
- (i) **(SARB)** before 8.00am on the Second Court Date, SARB issues or provide any consents, waivers, dispensations or approvals, or have done any other acts, which the parties agree are reasonably necessary or desirable to implement the Schemes, and those consents, approvals or other acts have not been withdrawn or revoked at that time;
- (j) **(OIO approval)** before 8.00am on the Second Court Date, CHPIP has received all consents required under the *Overseas Investment Act 2005* (NZ) and the *Overseas Investment Regulations 2005* (NZ) for the implementation of the Schemes subject only to:
 - (i) conditions imposed by the OIO that are in all material respects consistent with the conditions for a "significant business assets" application (and if applicable, a "national interest test" application), imposed by the OIO on such a consent and referred to as the 'Standard Conditions' and 'Automatic Condition'; and
 - (ii) such other conditions reasonably acceptable to CHPIP,
 and such consents have not been withdrawn, suspended or revoked before 8.00am on the Second Court Date; and
- (k) **(Judicial Advice)** the Court grants the Judicial Advice.

3.2 Waivers of Conditions Precedent

- (a) The Conditions Precedent in clauses 3.1(a), 3.1(b), 3.1(c), 3.1(e) 3.1(g) 3.1(h), 3.1(i), 3.1(j) and 3.1(k) cannot be waived.
- (b) The Condition Precedent in clause 3.1(f) is for the sole benefit of CHPIP and may only be waived by CHPIP (in its absolute discretion) in writing.
- (c) The Condition Precedent in clause 3.1(d) is for the sole benefit of IAP RE and may only be waived by IAP RE (in its absolute discretion) in writing.

Annexure C: Deed Poll (continued)

- (d) If a waiver by a party of a Condition Precedent is itself expressed to be conditional and the other party accepts the conditions, the terms of the conditions apply accordingly. If the other party does not accept the conditions, the relevant Condition Precedent has not been waived.
- (e) If a party waives the breach or non-satisfaction of a Condition Precedent, that waiver will not preclude it from suing the other party for any breach of this document constituted by the same event that gave rise to the breach or non-satisfaction of the Condition Precedent.
- (f) Waiver of a breach or non-satisfaction in respect of one Condition Precedent does not constitute:
 - (i) a waiver of a breach or non-satisfaction of any other Condition Precedent arising from the same event or circumstances; or
 - (ii) a waiver of a breach or non-satisfaction of that Condition Precedent resulting from any other event or circumstances.

3.3 Best endeavours and co-operation

Without prejudice to any other obligations of the parties under this document:

- (a) IAP RE must use its best endeavours to satisfy, or procure the satisfaction of, the Condition Precedent in clause 3.1(f);
- (b) CHPIP must use its best endeavours to satisfy, or procure the satisfaction of, the Conditions Precedent in clause 3.1(a) and 3.1(j);
- (c) each of CHPIP and IAP RE must use their respective best endeavours to satisfy, or procure the satisfaction of, the Conditions Precedent in clauses 3.1(b), 3.1(c), 3.1(d), 3.1(e), 3.1(g), 3.1(h), 3.1(i) and 3.1(k); and
- (d) neither party will take any action that will or is likely to hinder or prevent the satisfaction of any Condition Precedent, except to the extent that such action is required to be done or procured pursuant to, or is otherwise permitted by this document, the Deed Poll, or the Supplemental Deeds or is required by law.

3.4 Regulatory Approvals and FIRB conditions

- (a) Without limiting clauses 3.3 and 3.5, and except to the extent prohibited by law or a Regulatory Authority, each of IAP RE, CHPIP and PGGM must:
 - (i) promptly apply for all relevant Regulatory Approvals necessary to give effect to the Schemes (including the ASIC relief, ASX waivers and the ASX approval contemplated in clause 3.1) and take all steps reasonably required as part of the approval process, including responding to requests for information from the relevant Regulatory Authority;
 - (ii) keep the other party reasonably informed of progress in relation to the relevant Regulatory Approval (including in relation to any material matters raised by, or conditions or other arrangements proposed by, or to, the relevant Regulatory Authority) and provide the other party with all information reasonably requested in connection with the progress of the Regulatory Approval; and
 - (iii) subject to clause 3.4(b), to the extent a Regulatory Approval is expressed to be conditional, act reasonably and in good faith in

considering whether to accept any such condition as being reasonably satisfactory,

provided that before providing any document or other information to the other party under this clause 3.4, the relevant party may redact any part of that document, or not disclose any part of that information, which contains or constitutes competitively sensitive or privileged information relating to the existing business or affairs of the party, to the extent that it reasonably considers that the disclosure of such information to the other party would be unlawful or damaging to the commercial or legal interests of the disclosing party (including, in the case of the CHPIP, the Charter Hall Group and PGGM and, in the case of IAP RE, the IAP Group Members), or would be reasonably likely to jeopardise any attorney-client, work product or other legal privilege.

- (b) The parties acknowledge that the standard tax conditions published at the time of the no objection notification in Guidance Note 12 issued by the Foreign Investment Review Board are acceptable.

3.5 Notifications

Each party must:

- (a) keep the other party promptly and reasonably informed of the steps it has taken and of its progress towards satisfaction of the Conditions Precedent;
- (b) promptly notify the other party in writing if it becomes aware that any Condition Precedent has been satisfied, in which case the notifying party must also provide reasonable evidence that the Condition Precedent has been satisfied; and
- (c) promptly notify the other party in writing of a failure to satisfy a Condition Precedent or of any fact or circumstance that results in that Condition Precedent becoming incapable of being satisfied or that may result in that Condition Precedent not being satisfied in accordance with its terms.

3.6 Failure of Conditions Precedent

- (a) If:
 - (i) there is a breach or non-fulfilment of a Condition Precedent that is not waived in accordance with clause 3.2 by the time or date specified in this document for the satisfaction of the Condition Precedent;
 - (ii) there is an act, failure to act or occurrence which will prevent a Condition Precedent being satisfied by the time or date specified in this document for the satisfaction of the Condition Precedent (and the breach or non-fulfilment which would otherwise occur has not already been waived in accordance with this document); or
 - (iii) one or more of the Conditions Precedent has not been satisfied or waived by the End Date or becomes incapable of being satisfied by the End Date,

either party may serve a notice on the other party and the parties must then consult in good faith with a view to determining whether:

Annexure C: Deed Poll (continued)

- (iv) the Schemes may proceed by way of alternative means or methods;
- (v) to extend the relevant time for satisfaction of the Condition Precedent;
- (vi) to change the date of the application to be made to the Court for the granting of the Judicial Advice or to adjourn such application (as applicable) to another date agreed by the parties; or
- (vii) to extend the End Date,

provided that, notwithstanding anything in this document, each party may make a determination with respect to matters in clauses 3.6(a)(iv) to 3.6(a)(vii) in its sole, absolute and unfettered discretion.

- (b) If CHPIP and IAP RE are unable to reach agreement under any of clauses 3.6(a)(iv) to 3.6(a)(vii) within 5 Business Days after delivery of the notice under that clause (or any shorter period ending at 5.00pm on the day before the Second Court Date), either party may terminate this document in accordance with clause 15.1(a), provided that where:
 - (i) the Condition Precedent to which the notice relates is for the benefit of that party (whether or not the Condition Precedent is also for the benefit of the other party); and
 - (ii) there has been no failure by that party to comply with its obligations under this document, where that failure directly and materially contributed to the Condition Precedent to which the notice relates becoming incapable of satisfaction, or being breached or not fulfilled before the End Date,

in which case clause 15.5 will apply.

3.7 Certificates in relation to Conditions Precedent

- (a) On the Second Court Date, each party must provide to the Court a certificate (or such other evidence as the Court may request) confirming (in respect of matters within its knowledge) whether or not as at 8.00am on the Second Court Date the Conditions Precedent have been satisfied or waived in accordance with this document.
- (b) Each party must provide to the other party a draft of the certificate to be provided by it pursuant to clause 3.7(a) by 5.00pm on the day that is two Business Days prior to the Second Court Date, and must provide to the other party on the Second Court Date a copy of the final certificate or other evidence provided to the Court.

4 Schemes

4.1 Schemes

IAP RE must propose the Schemes under which:

- (a) all the Scheme IPF I Units held by Scheme Participants at the Record Date will be transferred to CHPIP;
- (b) all the Scheme IPF II Units held by Scheme Participants at the Record Date will be transferred to CHPIP Nominee; and

- (c) each Scheme Participant will be entitled to receive the Scheme Consideration.

4.2 Relationship between the Schemes

- (a) The IPF I Trust Scheme and IPF II Trust Scheme are inter-conditional so that each Scheme must become Effective for the Schemes to proceed.
- (b) The Unstapling and the Schemes are inter-conditional so that the Unstapling may only occur if the Schemes are to be implemented immediately afterwards, and the Schemes will only be implemented if the Unstapling occurs.

4.3 Scheme Consideration

Subject to and in accordance with this document and the Schemes, each Scheme Participant is entitled to receive the Scheme Consideration in respect of each Scheme Security held by that Scheme Participant.

4.4 Payment of Scheme Consideration

- (a) Subject to this document and the terms of the Schemes, CHPIP undertakes and warrants to IAP RE (in its own right and separately as trustee or nominee of each Scheme Participant) that, in consideration of the transfer to it of each Scheme IPF I Unit and to CHPIP Nominee of each Scheme IPF II Unit held by a Scheme Participant, CHPIP will, on the Implementation Date:
 - (i) accept that transfer to it of each Scheme IPF I Unit and procure that the CHPIP Nominee accepts the transfer to it of each Scheme IPF II Unit; and
 - (ii) pay or procure the payment of the Scheme Consideration to each Scheme Participant in accordance with the Schemes.
- (b) Where the calculation of the Scheme Consideration to be provided to a Scheme Participant would result in the Scheme Participant becoming entitled to a fraction of a cent, the fractional entitlement will be rounded up or down (as applicable) to the nearest cent.
- (c) In the event CHPIP Nominee does not accept the transfer to it of each Scheme IPF II Unit in accordance with clause 4.4(a)(i), CHPIP undertakes and warrants to IAP RE (in its own right and separately as trustee or nominee of each Scheme Participant) that it will, on the Implementation Date, accept the transfer to it of each Scheme IPF II Unit.

4.5 No amendment to the Schemes without consent

IAP RE must not consent to any modification of, or amendment to, or the making or imposition by the Court of any condition in respect of, the Schemes without the prior written consent of CHPIP (not to be unreasonably withheld or delayed).

5 Implementation

5.1 General obligations

- (a) IAP RE and CHPIP must each:

Annexure C: Deed Poll (continued)

- (i) use all reasonable endeavours and commit necessary resources (including management and corporate relations resources and the resources of external advisers); and
- (ii) procure that its officers and advisers work in good faith and in a timely and co-operative fashion with the other party (including by attending meetings and by providing information), to produce the Scheme Booklet and implement the Schemes as soon as reasonably practicable,

and in accordance with a timetable to be agreed between the parties on or after the date of this document and approved by the JSE ("**Timetable**").

- (b) Failure by a party to meet any timeframe or deadline set out in the Timetable will not constitute a breach of clause 5.1(a) to the extent that such failure is due to circumstances and matters outside the party's control (including a delay caused by a Regulatory Authority).
- (c) Each party must keep the other informed about their progress against the Timetable and notify each other if it believes that any of the dates in the Timetable are not achievable.
- (d) To the extent that any of the dates or timeframes set out in the Timetable become unachievable due to matters outside of a party's control (including due to any delays caused by a Regulatory Authority), the parties will consult in good faith to agree to any necessary extension to ensure such matters are completed within the shortest possible timeframe.

5.2 IAP RE's obligations

IAP RE must take all reasonable steps to propose and implement the Schemes on a basis consistent with this document as soon as reasonably practicable and in particular, must:

- (a) **(preparation of Scheme Booklet)** prepare and despatch the Scheme Booklet in accordance with all applicable laws, the ASX Listing Rules, Guidance Note 15 and, as applicable, Regulatory Guide 74;
- (b) **(liaison with ASIC)** provide an advanced copy of the Scheme Booklet to ASIC for its review and approval;
- (c) **(Independent Expert)** promptly appoint the Independent Expert and provide any assistance and information reasonably requested by the Independent Expert to enable the Independent Expert to prepare its report for the Scheme Booklet as soon as practicable;
- (d) **(consultation with CHPIP)** consult with CHPIP as to the content and presentation of the Scheme Booklet, which includes:
 - (i) allowing CHPIP a reasonable opportunity to review and make comments on successive drafts of the Scheme Booklet (accepting that any review of the Independent Expert's Report is limited to review for factual accuracy of those parts that include information relating to CHPIP);
 - (ii) taking any reasonable comments made by CHPIP into account in good faith when producing a revised draft of the Scheme Booklet; and

- (iii) obtain CHPIP's written consent to the inclusion of the CHPIP Information (including in respect of the form and context in which the CHPIP Information appears in the Scheme Booklet) prior to lodgement with ASIC;
- (e) **(supplementary disclosure)** if, after despatch of the Scheme Booklet until the date of the Scheme Meetings, IAP RE becomes aware:
 - (i) that information included in the Scheme Booklet is or has become misleading or deceptive in any material respect (whether by omission or otherwise); or
 - (ii) of information that is required to be disclosed to IAP Securityholders under any applicable law but was not included in the Scheme Booklet,

consult with CHPIP in good faith as to the need for, and the form of, any supplementary disclosure to IAP Securityholders, and promptly make any disclosure that IAP RE considers reasonably necessary in the circumstances, having regard to applicable laws and to ensure that there would be no breach of clause 13.1(h) if it applied as at the date that information arose;
- (f) **(ASIC relief)** as soon as reasonably practicable after the date of this document, apply to ASIC for the ASIC relief contemplated by clause 3.1(b);
- (g) **(ASX confirmation)** seek confirmation from ASX under ASX Listing Rule 15.1 that ASX does not object to the proposed amendments to each IAP Constitution as set out in each Supplemental Deed or the Scheme Booklet;
- (h) **(JSE dispensations and confirmations)** apply to the JSE for:
 - (i) relief from the requirements in sections 1.14 to 1.16 of the JSE Listings Requirements that:
 - (A) a circular which complies with the requirements contained in section 1.15 of the JSE Listings Requirements be despatched to IAP Securityholders;
 - (B) IAP Securityholders approve the removal of the IAP Stapled Securities from the JSE lists in accordance with section 1.15 and 1.16 of the JSE Listings Requirements; and
 - (C) an independent fairness opinion be obtained in accordance with section 1.15 of the JSE Listings Requirements; and
 - (ii) confirmation of which disclosures, if any, are required by the JSE to be included in the Scheme Booklet,

(the "**Preferred JSE Relief**");
- (i) **(if Preferred JSE Relief not obtained)** in the event the Preferred JSE Relief is not obtained:
 - (i) if the JSE consents, update the Scheme Booklet to incorporate requirements of a circular in accordance with the requirements contained in section 1.15 of the JSE Listings Requirements,

Annexure C: Deed Poll (continued)

which includes a statement by the IAP RE Board confirming that the Scheme Consideration is fair (and that the IAP RE Board has been advised by an independent expert acceptable to the JSE);

- (ii) put the resolution to IAP Securityholders at the Scheme Meeting to approve the removal of the IAP Stapled Securities from the JSE lists in accordance with section 1.15 and 1.16 of the JSE Listings Requirements;
- (iii) provide an advanced copy of the JSE circular to JSE for its review and informal comment, informal approval and formal approval;
- (iv) promptly appoint an independent expert to prepare its report in accordance with section 1.15 of the JSE Listings Requirements wherein it confirms that the Scheme Consideration is fair, which, if the JSE consents, may be comprised in the Independent Expert's Report;
- (v) consult with CHPIP as to the content and presentation of the JSE circular, which includes:
 - (A) allowing CHPIP a reasonable opportunity to review and make comments on successive drafts of JSE circular (accepting that any review of the independent expert report contemplated in paragraph 15 of the JSE Listings Requirements is limited to review for factual accuracy of those parts that include information relating to CHPIP);
 - (B) taking any reasonable comments made by CHPIP into account in good faith when producing a revised draft of the JSE circular; and
 - (C) obtain CHPIP's written consent to the inclusion of the information relating to the CHPIP Group (including in respect of the form and context in which the information appears in the JSE Circular) prior to lodgement with JSE;
- (vi) if, after despatch of the JSE circular until the date of the Scheme Meetings, IAP RE becomes aware that there has been a significant change affecting the Schemes or a significant new matter has arisen that could influence an IAP Securityholders assessment of the Schemes consult with CHPIP in good faith as to the need for, and the form of, any supplementary disclosure to IAP Securityholders, and promptly advise the JSE and make any disclosure that IAP RE considers reasonably necessary in the circumstances, having regard to paragraph 11.56 of the JSE Listings Requirements; and
- (vii) approve the responsibility statement to be included in the JSE circular which provides that the Board collectively and individually accept full responsibility for the information which relate to IAP and confirms to the best of their knowledge that there are no facts which have been omitted which would make any statement false or misleading and that the circular contains all information relating to IAP required by the JSE Listings Requirements;

- (j) **(SARB)** as soon as reasonably practicable after the date of this document, apply to SARB for approval of the removal of the IAP Stapled Securities from the JSE lists;
- (k) **(Court documents)** prepare all documents necessary for the Court proceedings (including any appeals) relating to the Schemes in accordance with applicable laws;
- (l) **(First Judicial Advice)** lodge all documents with the Court and take all other reasonable steps so that an application is heard by the Court for the First Judicial Advice;
- (m) **(Scheme Meetings)** subject to the Court providing the First Judicial Advice, convene the Scheme Meetings to be held on the date specified in the Timetable, hold the Scheme Meetings and put the Scheme Resolutions to IAP Securityholders at the Scheme Meetings, in each case taking all reasonable steps necessary to comply with the orders of the Court, Guidance Note 15, the IAP Constitutions, the Corporations Act and the ASX Listing Rules (as applicable);
- (n) **(adjournment or postponement)** not adjourn or postpone the Scheme Meetings or request the Court to adjourn or postpone the Scheme Meetings, First Court Date or Second Court Date, without prior consultation with CHPIP;
- (o) **(proxy reports)** keep CHPIP reasonably informed on the status of proxy forms received for the Scheme Meetings, including over the period commencing 10 Business Days before the Scheme Meetings and ending on the deadline for receipt of proxy forms;
- (p) **(Second Judicial Advice)** if IAP Securityholders approve the Scheme Resolutions by the requisite majorities under sections 601GC(1) and item 7 of Section 611 of the Corporations Act, and it can reasonably be expected that all of the Conditions Precedent (other than the Condition Precedent in clause 3.1(k) (in relation to the Second Judicial Advice only)) will be satisfied or waived in accordance with this document before 8.00am on the Second Court Date, lodge all documents with the Court and take all other reasonable steps so that an application is heard by the Court for the Second Judicial Advice;
- (q) **(execution and lodgement of each Supplemental Deed)** if the Court grants the Second Judicial Advice, as soon as practicable after, and in any event no later than 5.00pm on the first Business Day after the later of the Second Court Date and the date on which all of the Conditions Precedent are satisfied or waived in accordance with this document, execute each Supplemental Deed and lodge with ASIC a copy of each executed Supplemental Deed;
- (r) **(implementation of the Schemes)** if the Court grants the Second Judicial Advice:
 - (i) **(suspension of trading)** apply to ASX and JSE to suspend trading in IAP Stapled Securities on the ASX and JSE (as applicable) with effect from the close of trading on the Effective Date;
 - (ii) **(Register)** instruct the Registry to close the Register as at the Record Date to determine the identity of Scheme Participants and their entitlements to Scheme Consideration;

Annexure C: Deed Poll (continued)

- (iii) **(instruments of transfer)** subject to CHPIP satisfying its obligations under clause 4.4, on the Implementation Date:
 - (A) Unstaple the IPF I Units and the IPF II Units in accordance with the Unstapling;
 - (B) immediately following the Unstapling of the IPF I Units from the IPF II Units, execute proper instruments of transfer and effect the transfer of Scheme IPF I Units to CHPIP and Scheme IPF II Units to the CHPIP Nominee in accordance with the Schemes; and
 - (C) register all transfers of Scheme IPF I Units held by Scheme Participants to CHPIP and register all transfers of Scheme IPF II Units held by Scheme Participants to CHPIP Nominee;
- (s) **(information)** instruct the Registry to deliver to CHPIP or its nominee:
 - (i) a complete copy of the Register:
 - (A) as at the date of this document, as soon as practicable (and in any event within 2 Business Days) after the date of this document; and
 - (B) as at the Record Date, as soon as practicable (and in any event within 1 Business Day) after the Record Date,

in each case which must include the name, registered address and registered holding of each IAP Securityholder and Scheme Participant as at the date of this document or the Record Date, respectively. The details and information to be provided under this sub-clause must be provided in such form as the CHPIP or its nominee may reasonably require (provided that IAP RE need not provide any such details or information to the extent it would cause a party or an IAP Group Member to contravene applicable Privacy Laws) and shall, for the avoidance of doubt, constitute Confidential Information for the purposes of the Confidentiality Deed (and be subject to clause 5 (Privacy) of the Confidentiality Deed); and
 - (ii) promptly, at CHPIP's reasonable request and subject to applicable Privacy Laws, any information held by the Registry required for CHPIP to provide the Scheme Consideration to each Scheme Participant in accordance with the terms of this document, the Deed Poll and the Supplemental Deeds;
- (t) **(Debt Facilities and Derivatives)** use reasonable endeavours to assist, and comply with any reasonable directions of, CHPIP from time to time to enable the repayment or redemption of any Debt Facility (as specified in that direction) or Derivative (as specified in that direction) to occur on or as soon as practicable after the Implementation Date provided that IAP RE is under no obligation to deliver a binding repayment notice or take any other step prior to the Implementation Date that would commit IAP RE to repaying the Debt Facility or cancelling a Derivative;
- (u) **(listing)** take all reasonable steps to maintain IAP's listing on ASX and JSE, notwithstanding any suspension of the quotation of IAP Stapled Securities, up to and including the Implementation Date, including making appropriate applications to ASX, ASIC and JSE; and

- (v) **(other steps)** do all other things necessary to give effect to the Schemes and the orders of the Court approving the Schemes and ensure that the Schemes are effected in accordance with applicable laws and regulations.

5.3 CHPIP's obligations

CHPIP must take all reasonable steps to assist IAP RE to implement the Schemes on a basis consistent with this document and as soon as reasonably practicable, and in particular must:

- (a) **(CHPIP Information)** as soon as reasonably practicable after the date of this document, prepare and promptly provide to IAP RE for inclusion in the Scheme Booklet (to the extent not already provided as at the date of this document) the CHPIP Information, including all information regarding the CHPIP Group in accordance with all applicable laws, the ASX Listing Rules, Guidance Note 15 and, as applicable, Regulatory Guide 74;
- (b) **(review of Scheme Booklet)** provide reasonable assistance with the preparation and verification of the Scheme Booklet, including review the drafts of the Scheme Booklet prepared by IAP RE and provide comments promptly on those drafts in good faith;
- (c) **(approval of Scheme Booklet)** procure that a meeting of the directors of CHPIP is convened to approve:
 - (i) those sections of the Scheme Booklet that comprise CHPIP Information as being in a form appropriate for inclusion in the Scheme Booklet and despatch to IAP Securityholders; and
 - (ii) consenting in writing to the inclusion of the CHPIP Information in the Scheme Booklet in the form and context in which that information appears, and to despatch of that information in that form to IAP Securityholders,

and provide IAP RE with a copy of an extract of the applicable resolutions from the applicable minutes of meeting, as soon as practicable after those minutes have been prepared and signed;
- (d) **(further CHPIP Information)**
 - (i) promptly inform IAP RE if it becomes aware that the CHPIP Information contains a statement that, in the form and context in which it appears in the Scheme Booklet, is or has become misleading or deceptive in any material respect (including because of any material omission); and
 - (ii) provide to IAP RE any further or new CHPIP Information (including any information which may arise after the Scheme Booklet has been sent to IAP Securityholders and until the date of the Scheme Meetings) as may be necessary to ensure that the CHPIP Information contained in the Scheme Booklet is not, having regard to applicable disclosure requirements, false, misleading or deceptive in any material respect (including because of any material omission) and to ensure that there would be no breach of clause 13.4(i) if it applied as at the date on which such further or new CHPIP Information arose;
- (e) **(accuracy of CHPIP Information)** confirm in writing to IAP RE that the CHPIP Information (including any further CHPIP Information

Annexure C: Deed Poll (continued)

contemplated by clause 5.3(d) above) does not contain any material statement that is false or misleading in a material respect including because of any material omission from that statement;

- (f) **(Independent Expert information)** as expeditiously as practicable, provide any assistance or information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report;
- (g) **(reasonable assistance)** provide reasonable assistance to IAP RE to assist IAP RE:
 - (i) in applying for the ASIC relief required in connection with the Schemes and provide any necessary consents in relation to such applications;
 - (ii) to resolve any matter raised by ASIC regarding the Scheme Booklet or the Schemes during its review of the Scheme Booklet; and
 - (iii) in applying for the Preferred JSE Relief and provide any necessary consents in relation to such applications;
- (h) **(if Preferred JSE Relief is not obtained)** in the event the Preferred JSE Relief is not obtained:
 - (i) as soon as reasonably practicable after the date of this document, prepare and promptly provide to IAP RE for inclusion in the JSE circular to be prepared in accordance with paragraph 1.15 of the JSE Listings Requirements (to the extent not already provided as at the date of this document) the information regarding CHPIP Group required to be disclosed in the circular in terms of the JSE Listings Requirements;
 - (ii) provide reasonable assistance with the preparation and verification of the JSE circular, including review the drafts of the JSE circular prepared by IAP RE and provide comments promptly on those drafts in good faith;
 - (iii) procure that a meeting of the directors of CHPIP is convened to approve:
 - (A) the responsibility statement to be included in the JSE circular which provides that the directors collectively and individually accept full responsibility for the information which relate to the CHPIP Group and confirms to the best of their knowledge that there are no facts which have been omitted which would make any statement false or misleading and that the circular contains all information relating to the CHPIP Group required by the JSE Listings Requirements; and
 - (B) consenting in writing to the inclusion of the information relating to CHPIP Group included in the JSE circular in the form and context in which that information appears, and to despatch of that information in that form to IAP Securityholders; and
 - (iv) provide IAP RE with a copy of an extract of the applicable resolutions from the applicable minutes of meeting, as soon as practicable after those minutes have been prepared and signed;

- (i) **(Court documents and representation)** provide reasonable assistance to IAP RE with the preparation of documents necessary for the Court proceedings and, if requested by IAP RE, ensure that it is represented by counsel at the Court hearings convened for the purposes of the Judicial Advice in relation to the Schemes, at which, through its counsel and if requested by the Court, CHPIP must undertake to do all things and take all steps within its power as may be necessary in order to ensure the fulfilment of its obligations under this document and the Schemes;
- (j) **(Deed Poll)** no later than one Business Day prior to the First Court Date, execute the Deed Poll;
- (k) **(Scheme Consideration)** if the Schemes become Effective, pay or procure the payment of the Scheme Consideration in the manner and amount contemplated by clause 4.4(a)(ii) and in accordance with the Schemes and the Deed Poll on the Implementation Date;
- (l) **(IAP Information)** during the period until the IAP Information becomes available, only use the IAP Information with the prior consent of IAP RE (not to be unreasonably withheld); and
- (m) **(other steps)** do all other things necessary to give effect to the Schemes and the orders of the Court approving the Schemes and ensure that the Schemes are effected in accordance with applicable laws and regulations.

5.4 Responsibility statement

- (a) The responsibility statement to appear in the Scheme Booklet, in a form to be agreed by the parties, will contain words to the effect of:
 - (i) IAP RE has prepared, and is responsible for, the content of the Scheme Booklet other than, to the maximum extent permitted by law, the CHPIP Information, the Independent Expert's Report or any other report or letter issued to IAP RE by a third party; and
 - (ii) CHPIP has prepared, and is responsible for, the CHPIP Information in the Scheme Booklet (and no other part of the Scheme Booklet) and that IAP RE and its Directors and officers do not assume any responsibility for the accuracy or completeness of the sections of the Scheme Booklet that CHPIP has prepared and has responsibility for.
- (b) The parties agree that the Independent Expert is responsible for the Independent Expert's Report.

5.5 Disagreement on content of Scheme Booklet

- (a) If CHPIP and IAP RE disagree on the form or content of the Scheme Booklet, they must consult in good faith to try to settle an agreed form of the Scheme Booklet. If complete agreement is not reached after reasonable consultation, then:
 - (i) if the disagreement relates to the form or content of the CHPIP Information (or any information solely derived from or prepared solely in reliance, on the CHPIP Information), contained in the Scheme Booklet, IAP RE will, acting in good faith and acting reasonably, make such amendments to that information as CHPIP reasonably requires; and

Annexure C: Deed Poll (continued)

- (ii) if the disagreement relates to the form or content of any other part of the Scheme Booklet, the IAP RE Board will, acting in good faith, decide the final form or content of that information in the Scheme Booklet.
- (b) At no time shall the form or content of any part of the Scheme Booklet cause the Scheme Booklet to not comply with all applicable laws, the ASX Listing Rules, Guidance Note 15 and ASIC Regulatory Guide 74.

5.6 Verification

IAP RE must undertake appropriate verification processes in relation to the IAP Information included in the Scheme Booklet, and CHPIP must undertake appropriate verification processes in relation to the CHPIP Information in the Scheme Booklet.

5.7 Third party consents

- (a) The parties acknowledge that IAP Group Members are party to certain material contracts, agreements, arrangements or commitments which contain change of control provisions, unilateral termination rights or similar clauses that may be triggered or exercised as a result of the Schemes or implementation of the Schemes ("**Consent Contracts**").
- (b) In respect of the Consent Contracts, CHPIP must, acting reasonably, formulate a proposed course of action to initiate contact with the relevant counterparties to request that they provide any consents or confirmations ("**Consents**") required or appropriate, provided that:
 - (i) CHPIP must not agree or commit to any course of action which would adversely impact on an IAP Group Member or the ITAP Fund if the Schemes are not implemented (to be determined by IAP RE in its sole discretion, acting reasonably);
 - (ii) no CHPIP Group Member, or any Associate or Representative of any CHPIP Group Member, (each a "**CHPIP Party**") may contact any counterparties in respect of the Consent Contracts without IAP RE or without IAP RE's prior written consent (which is not to be unreasonably withheld, conditioned or delayed), provided that CHPIP Parties are permitted to have contact with Mr Cliff Zhang on behalf of Templewater;
 - (iii) CHPIP must:
 - (A) consult with, promptly notify and provide information to IAP RE about any proposed approach by a CHPIP Party to a counterparty;
 - (B) keep IAP RE informed of any meeting or teleconference between a CHPIP Party and a counterparty, and allow IAP RE and its Representatives the opportunity to be present at such meetings or teleconferences;
 - (C) provide IAP RE with copies of any proposed correspondence with a counterparty in advance so that IAP RE has a reasonable opportunity to comment on such correspondence before submission, and incorporate the reasonable comments of IAP RE; and
 - (D) promptly inform IAP RE of the content of any discussions with a counterparty (including at any

meeting or teleconference in which IAP RE or its Representatives is not in attendance);

- (c) IAP RE must:
 - (i) consult with CHPIP (acting reasonably and in good faith) in respect of reasonable requests for assistance in obtaining the Consents; and
 - (ii) promptly provide to CHPIP any information reasonably required by counterparties in connection with obtaining a Consent (but nothing in this clause 5.7 requires IAP RE to incur material expense, or IAP RE to pay any money to a counterparty). A failure to obtain any required Consents, or the exercise of a termination right by the relevant counterparty, will not in and of itself constitute a breach of this document by any party and, together with any consequences that arise, will be disregarded when assessing the operation of any other provision of this document;
- (d) CHPIP must use all reasonable endeavours to comply with any requirements of the counterparties that are required under the relevant agreements to be complied with by an assignee, transferee or new controller of IAP RE or the other relevant IAP Group Member; and
- (e) CHPIP is responsible for any costs and expenses paid or payable to a counterparty in connection with a Consent that is required to be obtained under this clause 5.7.

5.8 No partnership or joint venture

Subject to this document, nothing in this clause requires either party to act at the direction of the other. The business of each party will continue to operate independently from the other until the Implementation Date. The parties agree that nothing in this document constitutes the relationship of a partnership or a joint venture between the parties.

5.9 Proxy solicitation

Notwithstanding any over provision of this document or the Confidentiality Deed, the parties acknowledge that CHPIP may develop and implement a program for securityholder engagement and proxy solicitation in support of the Schemes, provided that if IAP RE requests, CHPIP must:

- (a) consult with, and consider in good faith any input received from IAP RE in the relation to that program; and
- (b) provide IAP RE with regular updates regarding that program (including a summary of feedback received from securityholders through that program).

6 Board Recommendation and intentions

6.1 IAP RE Board Recommendation and Voting Statement

- (a) The Public Announcement to be issued by IAP RE immediately after execution of this document shall state (on the basis of written statements or resolutions made by each Director) that:

Annexure C: Deed Poll (continued)

- (i) the IAP RE Board unanimously recommends that IAP Securityholders vote in favour of the Schemes at the Scheme Meetings and all resolutions necessary to implement the Schemes, in the absence of a Superior Proposal and subject to the Independent Expert concluding that the Schemes are fair and reasonable to, and therefore in the best interests of, IAP Securityholders (the “**Recommendation**”); and
 - (ii) each Director will, vote (or procure the voting of) all IAP Stapled Securities held or controlled by him or her in favour of the Schemes at the Scheme Meetings and all resolutions necessary to implement the Schemes, in the absence of a Superior Proposal and subject to the Independent Expert concluding that the Schemes are fair and reasonable to, and therefore in the best interests of, IAP Securityholders (the “**Voting Statement**”).
- (b) IAP RE must use reasonable endeavours to procure that:
- (i) the Scheme Booklet includes the Recommendation;
 - (ii) the Scheme Booklet includes a Voting Statement from each Director; and
 - (iii) the Directors do not change or withdraw their Recommendation or Voting Statement.

6.2 Withdrawal of Recommendation or Voting Statement

The obligations in clause 6.1 will cease to apply:

- (a) if the Independent Expert opines in the Independent Expert’s Report (or any update of, or any revision, amendment or supplement to, the Independent Expert’s Report) that the Schemes are not fair and reasonable to, and therefore not in the best interests of, IAP Securityholders;
- (b) if IAP RE receives a Competing Proposal, where the IAP RE Board has determined after consultation with its legal and financial advisors and subject to compliance with the obligations in clause 9 (“Exclusivity”) and acting in good faith, that the Competing Proposal is a Superior Proposal; or
- (c) in respect of the Recommendation or Voting Statement of any Director:
 - (i) if a Court, ASIC, the Takeovers Panel or other Regulatory Authority requires or requests that Director to change, withdraw, qualify or modify, or abstain from making, his or her Recommendation or Voting Statement; or
 - (ii) IAP RE reasonably determines that, in order to satisfy what the IAP RE Board considers to be its statutory or fiduciary duties and acting in good faith after consultation with its legal and financial advisors, the relevant Director has an interest in the Schemes that renders it inappropriate for him or her to make or maintain such Recommendation or Voting Statement.

6.3 IAP RE Directors

IAP RE represents and warrants to CHPIP that it has been advised by each Director in office at the date of this document that he or she will make and maintain the Recommendation and Voting Statement in accordance with clause 6.1.

6.4 Qualification of Recommendation

For the purposes of clause 6.1, customary qualifications and explanations contained in:

- (a) the Public Announcement to be released by IAP RE, the Scheme Booklet or any other public announcement in relation to a Recommendation or Voting Statement to the effect that the Recommendation or Voting Statement is made:
 - (i) in the absence of a Superior Proposal; or
 - (ii) in respect of any public announcement issued before the despatch of the Scheme Booklet to IAP Securityholders, or in respect of the Scheme Booklet or any public announcements issued at the time of or after the despatch of the Scheme Booklet, *'subject to the Independent Expert concluding in the Independent Expert's Report (and continuing to conclude) that the Schemes are fair and reasonable to, and therefore in the best interests of, IAP Securityholders'*; or
- (b) any public announcement or other statement made by IAP RE, the IAP RE Board or any Director to the effect that no action should be taken by IAP Securityholders pending the assessment of a Competing Proposal by the IAP RE Board,

will not be regarded as a failure to make, or an adverse change, withdrawal, adverse modification or adverse qualification of, a Recommendation or Voting Statement, or an endorsement of a Competing Proposal, and will not contravene this clause 6 or trigger a right for CHPIP to terminate this document. The parties agree that a failure by IAP RE to comply with clause 6.1 does not, in and of itself, constitute a material breach of this document for the purposes of clause 15.1(b).

7 Directors and employees

7.1 Release of IAP RE and IAP RE Directors and officers

Subject to the Corporations Act, CHPIP releases its rights, and agrees with IAP RE that it will not make a claim, against any IAP Indemnified Party (other than IAP RE) as at the date of this document and from time to time in connection with:

- (a) any breach of any representations and warranties of IAP RE or any other IAP Group Member in this document; or
- (b) any disclosures containing any statement which is false or misleading whether in content or by omission; or
- (c) any failure to provide information,

whether current or future, known or unknown, arising at common law, in equity, under statute or otherwise, except where the IAP Indemnified Party has engaged

Annexure C: Deed Poll (continued)

in fraud. Nothing in this clause 7.1 limits CHPIP's rights to terminate this document under clause 15.1.

7.2 **Benefit for IAP Indemnified Parties**

IAP RE receives and holds the benefit of this clause to the extent it relates to each IAP Indemnified Party on behalf of each of them.

7.3 **Directors' and officers' insurance**

- (a) Subject to the Schemes becoming Effective and subject to the Corporations Act, CHPIP undertakes in favour of each IAP Group Member and each other person who is an IAP Indemnified Party that it will:
 - (i) for a period of 7 years from the Implementation Date, ensure that the constitutions of each IAP Group Member continue to contain such rules as are contained in those constitutions at the date of this document that provide for each company to indemnify each of its current and previous directors and officers against any liability incurred by that person in his or her capacity as a director or officer of the company to any person other than a IAP Group Member;
 - (ii) procure that each IAP Group Member complies with any deeds of indemnity, access and insurance made by them in favour of their respective directors and officers from time to time and without limiting the foregoing, ensure that the directors' and officers' run-off insurance cover for those directors and officers is maintained in the form as entered into pursuant to and in accordance with IAP RE's existing policies immediately prior to the date of this document, subject to clause 7.4, for a period of 7 years from the retirement date of each director and officer; and
 - (iii) not take any action or make any omission which would prejudice or adversely affect any such directors' and officers' run-off insurance cover taken out pursuant to and in accordance with IAP RE's existing policies immediately prior to the date of this document.
- (b) CHPIP acknowledges that, notwithstanding any other provision of this document, IAP RE may, prior to the Implementation Date, enter into arrangements to secure directors' and officers' run-off insurance for up to such seven year period ("**D&O Policy**"), and that any actions to facilitate that insurance or in connection therewith will not be an IAP Prescribed Occurrence or breach any provision of this document, provided that:
 - (i) the scope of cover of the policy will be on the same or substantially the same terms as the existing insurance policies in place for directors or officers of IAP Group at the date of this document;
 - (ii) IAP RE has consulted reasonably and in good faith with CHPIP in relation to the applicable D&O Policy prior to securing the relevant policy; and
 - (iii) IAP RE has used reasonable endeavours to minimise its costs in relation to obtaining the D&O Policy.

7.4 Period of undertaking

The undertakings contained in clause 7.3(a) are given until the earlier of the end of the relevant period specified in that clause or the relevant IAP Group Member ceasing to be part of the CHPIP Group.

7.5 Benefit of undertaking for IAP

IAP RE acknowledges that it receives and holds the benefit of clause 7.3 to the extent it relates to each director and officer of an IAP Group Member on behalf of each of them.

8 Conduct of business

8.1 Overview

- (a) From the date of this document up to and including the Implementation Date, IAP RE must, and must cause each IAP Group Member to:
 - (i) conduct its business in the ordinary course and in substantially the same manner as previously conducted;
 - (ii) not take or fail to take any action that constitutes an IAP Prescribed Occurrence to the extent it is within IAP RE's control;
 - (iii) ensure that neither it, nor any other IAP Group Member nor the trustee and/or responsible entity of any IAP Group Member, waives any of its rights, or otherwise grants any concessions, under its leasing arrangements in respect of the Properties;
 - (iv) use reasonable endeavours, and procure that each IAP Group Member uses reasonable endeavours, to:
 - (A) preserve and maintain the value of the business and assets of the IAP Group;
 - (B) keep available the services of the directors, officers and key employees of each member of the IAP Group; and
 - (C) maintain and preserve their relationships with Regulatory Authorities, customers, suppliers and others having business dealings with any IAP Group Member,
 in each case, in accordance with the ordinary course of business;
 - (v) subject to clause 8.1(a)(vi), not acquire, lease or dispose of, or agree to acquire, lease or dispose of, any entity, business or assets where the value of such entity, business or assets, or the amount involved in the relevant transaction, exceeds \$250,000 (either individually or, in the case of related businesses or class of assets or a series of related transactions, collectively), other than:
 - (A) in the case of any type of transaction, as legally committed in any contract Fairly Disclosed in the Due Diligence Material; or

Annexure C: Deed Poll (continued)

- (B) in the case of a lease of a Property only, as contemplated by a signed heads of agreement Fairly Disclosed in the Due Diligence Material;
- (vi) not acquire or dispose or agree to acquire or dispose any Property; and
- (vii) not enter into any contract or commitment (or any series of related contracts or commitments) including equity commitments into the ITAP Fund, that requires or is likely to result in expenditure by IAP Group in excess of \$250,000 in any given year other than:
 - (A) in the case of any type of transaction, as legally committed in any contract Fairly Disclosed in the Due Diligence Material; or
 - (B) in the case of a lease of a Property only, as contemplated by a signed heads of agreement Fairly Disclosed in the Due Diligence Material.

For the avoidance of doubt, nothing in this clause 8 restricts the ability of IAP RE to respond to a Competing Proposal in accordance with clause 9.

8.2 Exceptions to conduct of business provisions

Nothing in this clause 8 restricts the ability of IAP RE or any IAP Group Member from taking any action which:

- (a) is expressly required or permitted by this document, the Schemes;
- (b) is undertaken in its capacity as trustee, responsible entity, manager (including an asset manager, property manager or investment manager), adviser, or in such other capacity, of a trust, fund, company, partnership or other investment vehicle which it operates, manages or advises (either partially or wholly) as at the date of this document on behalf of one or more Third Parties, in circumstances where the relevant appointment documents in respect of such roles are Fairly Disclosed in the Due Diligence Material (including taking any actions which are necessary, prudent or otherwise in the best interests of the beneficiaries, unitholders, investors or other Third Party clients). For the avoidance of doubt, nothing in clause 8 restricts an IAP Group Member from making decisions and taking actions in its capacity as trustee or manager of the ITAP Fund, its controlled entities or its existing or proposed investments (including acquiring, disposing, or procuring funding for such investments, or establishing vehicles in respect of such investments). This clause 8.2(b) does not apply to any action which IAP RE or an IAP Group Member takes in its capacity as responsible entity or manager of IAP or as trustee or manager of a wholly owned sub-trust of IPF I;
- (c) is required by, or to ensure compliance with:
 - (i) its contractual obligations Fairly Disclosed in the Due Diligence Materials; or
 - (ii) applicable law, regulation, licence conditions, a requirement or order of a court or Regulatory Authority, the rules or requirements of the ASX or JSE, its fiduciary duties;

- (d) has been Fairly Disclosed in the Due Diligence Material, other than where such action results in expenditure by an IAP Group Member which is greater than \$250,000 (either individually or, in the case of related businesses or class of assets or a series of related transactions, collectively);
- (e) is reasonably necessary or prudent in response to legal proceedings, where the substance of those proceedings has been Fairly Disclosed to CHPIP in the Due Diligence Material;
- (f) required to respond to an emergency, disaster or health advice of any Regulatory Authority; or
- (g) has been agreed to in writing by CHPIP or any of its Representatives (such consent not to be unreasonably withheld or delayed).

8.3 Access to people and IAP Information

- (a) Between the date of this document and the Implementation Date, IAP RE must provide CHPIP and its officers and advisers with reasonable access to IAP RE's officers and advisers and documents, records, and other information which CHPIP reasonably requires for the purposes of:
 - (i) applying for all relevant Regulatory Approvals;
 - (ii) the implementation and facilitation of the Schemes, including satisfying the Conditions Precedent; or
 - (iii) any other purpose that is agreed in writing between the parties.
- (b) The obligations in clause 8.3(a) do not require IAP RE to:
 - (i) do anything which would cause undue disruption to the operation of its business in the ordinary course;
 - (ii) require an IAP Group Member to take any action that would reasonably be expected to conflict with or violate the entity's constituent documents or any law;
 - (iii) require an IAP Group Member to take any action that would breach an obligation to any person (including any confidentiality obligations) or prejudice its relationship with Regulatory Authorities, ratings agencies, financiers, investors, partners, joint-venturers, developers, counterparties, suppliers, licensors, licensees, lessees and others having business dealings with it;
 - (iv) provide information to CHPIP concerning the IAP RE's Directors' and management's consideration of the Schemes; or
 - (v) provide any confidential, competitively sensitive or privileged information where the provision of such information is reasonably likely to cause prejudice to the commercial or legal interests of IAP taken as a whole, or would be reasonably likely to jeopardise any attorney-client, work product or other legal privilege.
- (c) The parties acknowledge that all information that is provided pursuant to this clause 8.3 will be provided subject to the terms of the Confidentiality Deed.

Annexure C: Deed Poll (continued)

8.4 Permitted Distribution

- (a) Notwithstanding any other provision in this document, CHPIP acknowledges and agrees that subject to clause 8.4(b), IAP RE may (in its discretion) declare and determine to pay to IAP Securityholders a Permitted Distribution.
- (b) If IAP RE declares or determines to pay a Permitted Distribution in accordance with clause 8.4(a):
 - (i) any such Permitted Distribution must be paid in cash;
 - (ii) any such Permitted Distribution must be announced no later than the Implementation Date;
 - (iii) the record date of any such Permitted Distribution must be a date on or before the Record Date; and
 - (iv) any such Permitted Distribution must comply with the Corporations Act.
- (c) Where a Permitted Distribution is paid to IAP Securityholders in respect of part of an income year, CHPIP and IAP RE agree that the taxable income of IPF I for the full year must be determined and allocated between CHPIP and IAP Securityholders in a fair and reasonable manner.

8.5 Other Distributions

Other than a Permitted Distribution, IAP RE in its own right and in its capacity as responsible entity of IPF I and IPF II must not declare, pay, make or incur a liability to pay or make, a distribution of income, profits, assets or capital, other than by agreement with CHPIP.

8.6 Performance Rights

- (a) IAP RE must, prior to the Record Date, take such steps as are required to arrange that each Performance Right:
 - (i) is cancelled and cash-settled; or
 - (ii) is cancelled for no consideration; or
 - (iii) vests and becomes Scheme Securities.
- (b) To avoid doubt, CHPIP acknowledges and agrees that, despite any other provision of this document:
 - (i) the IAP RE Board can exercise such discretions and authorise such actions and take such steps under the Performance Rights Plan Rules (or otherwise) as it considers necessary or desirable to give effect to the arrangements and payments contemplated by clause 8.6(a); and
 - (ii) no action or matter contemplated in this clause 8.6 will give rise to, or in any way contribute to, any breach of a Condition Precedent or any breach of any provision of this document.

9 Exclusivity

9.1 No existing discussions

IAP RE represents and warrants that as at the date of this document, other than the discussions with CHPIP in respect of the Schemes, neither it nor any of its Representatives is currently in negotiations or discussions in respect of any actual, proposed or potential Competing Proposal with any Third Party.

9.2 No-shop

During the Exclusivity Period, IAP RE must ensure that neither it nor any of its Representatives directly or indirectly:

- (a) solicits, invites, encourages or initiates any enquiries, negotiations or discussions; or
- (b) communicates any intention to do any of these things,

with a view to obtaining, or which may be reasonably expected to lead to, a Competing Proposal.

9.3 No-talk

Subject to clause 9.5, during the Exclusivity Period, IAP RE must ensure that neither it nor any of its Representatives:

- (a) negotiates or enters into; or
- (b) participates in negotiations or discussions with any other person regarding,

a Competing Proposal or any agreement, understanding or arrangement that may be reasonably expected to lead to a Competing Proposal, even if that person's Competing Proposal was not directly or indirectly solicited, invited, encouraged or initiated by IAP RE or any of its Representatives or the person has publicly announced the Competing Proposal.

9.4 Due diligence information

Subject to clauses 9.5 and 9.6, during the Exclusivity Period, IAP RE must ensure that neither it nor any of its Representatives:

- (a) enables a Third Party to undertake due diligence investigations on any IAP Group Member or their businesses or operations; or
- (b) makes available to any Third Party, or permits any Third Party to receive, any non-public information relating to any IAP Group Member or their businesses or operations,

in connection with the formulation, development or finalisation of a Competing Proposal.

9.5 Exceptions

Clauses 9.3, 9.4 and 9.7(b)(ii) do not apply to the extent that they restrict IAP RE or the IAP RE Board from taking or omitting to take any action with respect to an actual, proposed or potential Competing Proposal where the IAP RE Board has determined:

Annexure C: Deed Poll (continued)

- (a) after consultation with its legal and financial advisors and acting in good faith, such a Competing Proposal is, or could reasonably be considered to become, a Superior Proposal, taking into account all material terms and conditions of the Competing Proposal; and
- (b) after receiving advice from its legal advisers, to take or omit to take such action in order to satisfy what the IAP RE Board considers to be the fiduciary or statutory obligations of the Directors.

9.6 Further exceptions

Nothing in this clause 9 prevents IAP RE from:

- (a) providing information required to be provided by law, including to satisfy its obligations of disclosure under the ASX Listing Rules, the JSE Listings Requirements or to any Regulatory Authority; or
- (a) continuing to make normal presentations to, and to respond to enquiries from, brokers, portfolio investors, analysts and IAP Securityholders in the ordinary course.

9.7 Notice of approaches

- (a) During the Exclusivity Period, IAP RE must promptly notify CHPIP if it or its Representatives become aware (and in any event within 2 Business Days of becoming aware) of any actual, proposed or potential Competing Proposal (whether or not in writing).
- (b) A notification given under this clause 9.7 must include:
 - (i) the material terms and conditions (including price) of the actual, proposed or potential Competing Proposal; and
 - (ii) subject to clause 9.5, the identity of the relevant person making or proposing to make the Competing Proposal (and if different, details of the proposed bidder or acquirer).

9.8 Matching right

During the Exclusivity Period, IAP RE must not enter into any legally binding agreement, arrangement or understanding (whether or not in writing) pursuant to which IAP RE agrees to implement or give effect to a Competing Proposal, unless:

- (a) the IAP RE Board determines, after consultation with its legal and financial advisers and acting in good faith and in order to satisfy what the IAP RE Board considers to be its statutory or fiduciary duties, that the Competing Proposal is, or could be reasonably considered to lead to, a Superior Proposal, provided that the Competing Proposal was not directly or indirectly brought about by, or facilitated by, a breach of this clause 9;
- (b) IAP RE has, in accordance with clause 9.7(b), provided CHPIP with the material terms and conditions of the bona fide, written Competing Proposal, including the price and identity of the person making the bona fide, written Competing Proposal;
- (c) IAP RE has given CHPIP at least 5 Business Days after the date of the provision of the information referred to in clause 9.8(b) to provide an equivalent or superior proposal to the terms of the bona fide, written Competing Proposal ("**Counterproposal**"); and

- (d) CHPIP has not announced or otherwise proposed in writing to IAP RE a proposal that the IAP RE Board, acting reasonably and in good faith, determines to be superior to the terms of the Competing Proposal by the expiry of the 5 Business Day period referred to in clause 9.8(c).

Any material modification to any Competing Proposal notified to CHPIP under clause 9.8(b) (which will include any modification relating to the price or value of any Competing Proposal) will be taken to make that proposal a new Competing Proposal in respect of which IAP RE must comply with its obligations under this clause 9.8 again.

9.9 Counterproposal

- (a) If CHPIP provides IAP RE with a Counterproposal before the expiry of the 5 Business Day period in clause 9.8(c), IAP RE must use reasonable endeavours to procure that the IAP RE Board reviews the Counterproposal and if the IAP RE Board, acting reasonably and in good faith, determines that the Counterproposal would provide an equivalent or superior outcome for IAP Securityholders as a whole compared with the Competing Proposal, taking into account all of the material terms and conditions of the Counterproposal, then:
 - (i) IAP RE and CHPIP must use their reasonable endeavours to agree the amendments to this document and the Schemes that are reasonably necessary to reflect the Counterproposal and to implement the Counterproposal, in each case as soon as reasonably practicable; and
 - (ii) IAP RE must use its reasonable endeavours to procure that each Director continues to recommend the Schemes (as modified by the Counterproposal) to IAP Securityholders, and vote or procure the voting of all IAP Securities held or controlled by him or her in favour of Schemes (as modified by the Counterproposal) other than as permitted by this document.
- (b) Despite any other provision in this document, any public announcement or other statement by IAP RE, the IAP RE Board or any Director to the effect that:
 - (i) the IAP RE Board has determined that a Competing Proposal is a Superior Proposal and has commenced the matching right process set out in clause 9.8; or
 - (ii) IAP Securityholders should take no action pending the completion of the matching right process set out in clause 9.8,
 does not:
 - (iii) constitute a failure to make, or an adverse change, withdrawal, adverse modification or adverse qualification of, a Recommendation or an endorsement of a Competing Proposal;
 - (iv) contravene clause 6.1 or any other provision of this document;
 - (v) give rise to an obligation to pay the Break Fee under clause 10; or
 - (vi) give rise to a termination right under clause 15 or any other provision of this document.

Annexure C: Deed Poll (continued)

10 Break Fee

10.1 Background

This clause 10 has been agreed in circumstances where:

- (a) IAP RE believes, having taken advice from its legal advisers and financial advisers, that the Schemes will provide significant benefits to IAP Securityholders, and IAP RE acknowledges that, it is appropriate for IAP RE to agree to the payments referred to in this clause 10 in order to secure for IAP Securityholders the opportunity to vote on the Schemes;
- (b) CHPIP has requested that provision be made for the Break Fee, without which CHPIP would not have entered into this document;
- (c) both the CHPIP Board and IAP RE Board believe that it is appropriate for both parties to agree to the payment referred to in this clause to secure CHPIP's participation in the Schemes; and
- (d) both parties have received legal advice on this document and the operation of this clause.

10.2 Break Fee triggers

Subject to clauses 10.3 and 10.7, IAP RE agrees to pay the Break Fee to CHPIP if:

- (a) **(Competing Proposal)** during the Exclusivity Period, a Competing Proposal is announced and within 12 months of the date of this document, the Third Party who announced or made the Competing Proposal (or any of its Associates):
 - (i) completes in all material respects a transaction of the kind referred to in paragraphs (b), (c) or (d) of the definition of Competing Proposal; or
 - (ii) otherwise acquires (either alone or in aggregate with any of its Associates) a Relevant Interest in at least 50% of IAP Stapled Securities ("**Relevant Threshold**") under a transaction. In determining whether the Relevant Threshold has been met, any IAP Stapled Securities acquired from 360 Capital or its Associates will be excluded;
- (b) **(change of Recommendation)** during the Exclusivity Period, CHPIP has terminated this document in accordance with clause 15.3 or IAP RE has terminated this document in accordance with clause 15.4, unless:
 - (i) the Independent Expert concludes that in the opinion of the Independent Expert the Schemes are not fair and reasonable to, and therefore not in the best interests of, IAP Securityholders (except in circumstances where the sole or predominate reason for that conclusion is the announcement of a Competing Proposal);
 - (ii) the withdrawal or adverse change or modification or the relevant Recommendation or Voting Statements is permitted by clauses 6.2(c), 6.4 or 9.9(b); or
 - (iii) as a result of any matter or thing giving IAP RE the right to terminate this document pursuant to clauses 15.1(b), or 15.2(b)

or 15.1(d) and IAP RE has validly served a written notice on CHPIP in accordance with the terms of this document; or

- (c) **(termination)** CHPIP validly terminates this document in accordance with clauses 15.1(b) or 15.2(a), other than where, at the time of such termination, IAP RE has the right to terminate this document pursuant to clauses 15.1(b) or 15.2(b).

10.3 No amount payable if Schemes become Effective

Notwithstanding the occurrence of any event in clause 10.2, if the Schemes become Effective:

- (a) no amount is payable by IAP RE under clause 10.2; and
- (b) if any amount has already been paid under clause 10.2 it must be refunded by CHPIP less the incremental costs incurred CHPIP as a result of the event giving rise to the obligation to pay the Break Fee.

10.4 Timing of payment

- (a) A demand by CHPIP for payment of the Break Fee under clause 10.2 must:
- (i) be in writing;
 - (ii) be made after the occurrence of the event in that clause giving rise to the right to payment;
 - (iii) state the circumstances which give rise to the demand; and
 - (iv) nominate an account in the name of CHPIP into which IAP RE must pay the Break Fee.
- (b) IAP RE must pay the Break Fee to CHPIP without withholding or set off within 5 Business Days of receipt by IAP RE of a valid demand for payment from CHPIP under clause 10.4(a), which demand may only be made after the occurrence of an event referred to in clause 10.2.

10.5 Nature of payment

- (a) The Break Fee is an amount to compensate CHPIP for:
- (i) advisory costs
 - (ii) costs of management and directors' time;
 - (iii) out-of-pocket expenses;
 - (iv) the distraction of CHPIP's management from conducting CHPIP's business as usual caused by pursuing the Schemes;
 - (v) reasonable opportunity costs incurred by CHPIP in pursuing the Schemes or in not pursuing alternative acquisitions or strategic initiatives which CHPIP could have developed to further its business and objectives; and
 - (vi) damage to CHPIP's reputation associated with a failed transaction and the implications of that damage to CHPIP's business.

Annexure C: Deed Poll (continued)

- (b) The parties agree that the costs incurred are of a nature that they cannot be accurately quantified and that a genuine pre-estimate of the costs would equal or exceed the amount payable under clause 10.2.

10.6 IAP RE's limitation of liability

Notwithstanding any other provision of this document:

- (a) a payment by IAP RE in accordance with this clause 10 represents the sole and absolute amount of liability of IAP RE and any IAP Group Member under or in connection with this document and no further damages, fees, expenses or reimbursements of any kind will be payable by IAP RE in connection with this document, other than in relation to a wilful or intentional breach by IAP RE of this document;
- (b) the amount of the Break Fee paid to CHPIP under this clause 10 shall be reduced by the amount of any loss or damage recovered by CHPIP in relation to a breach of this document;
- (c) where the Break Fee has already been paid, CHPIP must, within 5 Business Days of the event contemplated by clause 10.6(b) which would have reduced the amount payable, refund an amount to IAP RE which is equivalent to that calculated under clause 10.6(b); and
- (d) clause 10.6(a) does not apply to restrict any application to a court or claim for specific performance or injunctive relief (and IAP RE acknowledges that damages may not be an adequate remedy and, accordingly, CHPIP may seek injunctive relief or specific performance as a remedy in circumstances where IAP RE fails to comply with the terms of this document).

10.7 Compliance with law

- (a) This clause 10 does not impose an obligation on IAP RE to the extent that the agreement by the parties under this clause 10 or any part of it:
 - (i) is declared by the Takeovers Panel to constitute 'unacceptable circumstances'; or
 - (ii) is determined to be unenforceable or unlawful (including by virtue of it being a breach of the fiduciary or statutory duties of the members of the IAP RE Board) by a court,

subject to all proper avenues of appeal and review, judicial and otherwise, having been exhausted. For the avoidance of doubt, any part of the Break Fee that would not constitute 'unacceptable circumstances' or that is not unenforceable or unlawful (as applicable) must be paid to CHPIP.
- (b) The parties must not make or cause or permit to be made any application to a Court, arbitral tribunal or the Takeovers Panel for or in relation to a determination referred to in this clause 10.7.

10.8 Break Fee payable only once

Notwithstanding any other provision of this document, where the Break Fee becomes payable to CHPIP under clause 10.2 and is actually paid to CHPIP, CHPIP cannot make any claim against IAP RE for payment of any subsequent Break Fee.

11 Reverse Break Fee

11.1 Background

This clause 11 has been agreed in circumstances where:

- (a) IAP RE requested that provision be made for the payment of the Reverse Break Fee, without which IAP RE would not have entered into this document;
- (b) both the CHPIP Board and IAP RE Board believe that it is appropriate for both parties to agree to the payment referred to in this clause to secure IAP RE's participation in the Schemes; and
- (c) both parties have received legal advice on this document and the operation of this clause.

11.2 Reverse Break Fee trigger

Subject to clauses 11.3 and 11.7, CHPIP agrees to pay the Reverse Break Fee to IAP RE if IAP RE validly terminates this document in accordance with clauses 15.1(b) or 15.2(b), other than where, at the time of such termination, CHPIP has the right to terminate this document pursuant to clauses 15.1(b) or 15.2(a).

11.3 No amount payable if Schemes become Effective

Notwithstanding the occurrence of any event in clause 11.2, if the Schemes become Effective:

- (a) no amount is payable by CHPIP under clause 11.2; and
- (b) if any amount has already been paid under clause 11.2 it must be refunded by IAP RE less the incremental costs incurred by IAP RE as a result of the event giving rise to the obligation to pay the Reverse Break Fee.

11.4 Timing of payment

- (a) A demand by IAP RE for payment of the Reverse Break Fee under clause 11.2 must:
 - (i) be in writing;
 - (ii) be made after the occurrence of the event in that clause giving rise to the right to payment;
 - (iii) state the circumstances which give rise to the demand; and
 - (iv) nominate an account in the name of IAP RE into which CHPIP must pay the Reverse Break Fee.
- (b) CHPIP must pay the Reverse Break Fee to IAP RE without withholding or set off within 5 Business Days of receipt by CHPIP of a valid demand for payment from IAP RE under clause 11.4(a), which demand may only be made after the occurrence of an event referred to in clause 11.2.

11.5 Nature of payment

- (a) The Reverse Break Fee is an amount to compensate IAP RE for:

Annexure C: Deed Poll (continued)

- (i) advisory costs;
 - (ii) costs of management and directors' time;
 - (iii) out-of-pocket expenses;
 - (iv) the distraction of IAP RE's management from conducting IAP RE's business as usual caused by pursuing the Schemes;
 - (v) reasonable opportunity costs incurred by IAP RE in pursuing the Schemes or in not pursuing strategic initiatives which IAP RE could have developed to further its business and objectives; and
 - (vi) damage to IAP's reputation associated with a failed transaction and the implications of that damage to IAP RE's business.
- (b) The parties agree that the costs incurred are of a nature that they cannot be accurately quantified and that a genuine pre-estimate of the costs would equal or exceed the amount payable under clause 11.2.

11.6 CHPIP limitation of liability

Notwithstanding any other provision of this document:

- (a) a payment of the Reverse Break Fee by CHPIP in accordance with this clause 11 represents the sole and absolute amount of liability of CHPIP under or in connection with this document and no further damages, fees, expenses or reimbursements of any kind will be payable by CHPIP in connection with this document, other than in relation to a wilful or intentional breach by CHPIP of this document;
- (b) the amount of the Reverse Break Fee paid to IAP RE under this clause 11 shall be reduced by the amount of any loss or damage recovered by IAP RE in relation to a breach of this document;
- (c) where the Reverse Break Fee has already been paid, IAP RE must, within 5 Business Days of the event contemplated by clause 11.6(b) which would have reduced the amount payable, refund an amount to CHPIP which is equivalent to that calculated under clause 11.6(b); and
- (d) clause 11.6(a) does not apply to restrict any application to a court or claim for specific performance or injunctive relief (and CHPIP acknowledges that damages may not be an adequate remedy and, accordingly, IAP RE may seek injunctive relief or specific performance as a remedy in circumstances where CHPIP fails to comply with the terms of this document).

11.7 Reverse Break Fee payable only once

Notwithstanding any other provision of this document, where the Reverse Break Fee becomes payable to IAP RE under clause 11.2 and is actually paid to IAP RE, IAP RE cannot make any claim against CHPIP for payment of any subsequent Reverse Break Fee.

12 CHPIP Guarantor Undertaking

12.1 Undertaking

In consideration of IAP RE entering into this document at the request of the CHPIP Guarantor, the CHPIP Guarantor unconditionally and irrevocably undertakes to IAP RE that it will provide or procure the provision of funds (whether by debt or equity) to CHPIP in an amount(s) and on terms and conditions as are necessary to ensure the due and punctual performance by CHPIP of all of its obligations under this document (including any obligation on CHPIP to procure performance by the CHPIP Nominee).

12.2 Unconditional nature of obligation

Neither this document nor the obligations of the CHPIP Guarantor under it will be affected by anything which but for this provision might operate to release, prejudicially affect or discharge the document or the obligations of the CHPIP Guarantor or in any way relieve the CHPIP Guarantor from any obligation. This includes:

- (a) the grant to any person of any time, waiver or other indulgence, or the discharge or release of any person;
- (b) any transaction or arrangement between IAP RE and any person;
- (c) IAP RE becoming a party to or bound by any compromise, moratorium, assignment of property, scheme of arrangement, deed of company arrangement, composition of debts or scheme of reconstruction by or relating to any person;
- (d) IAP RE exercising or delaying or refraining from exercising or enforcing any document or agreement or any right, power or remedy conferred on it by law or by any document or agreement;
- (e) all or any part of any document or agreement held by IAP RE at any time or of any right, obligation, power or remedy changing, ceasing or being transferred (this includes amendment, variation, novation, replacement, rescission, invalidity, extinguishment, repudiation, avoidance, unenforceability, frustration, failure, expiry, termination, loss, release, discharge, abandonment or assignment);
- (f) the taking or perfection of any document or agreement or failure to take or perfect any document or agreement;
- (g) the failure by any person or IAP RE to notify the CHPIP Guarantor of any default by any person under any document or agreement or other circumstance;
- (h) any change in any circumstance (including in the members or constitution of any person);
- (i) any increase in the Losses owing by CHPIP or CHPIP Nominee to IAP RE under or in connection with this document for any reason (including as a result of anything referred to above);
- (j) any legal limitation, disability, liquidation, incapacity or thing affecting any person or the operation of any law, including any law relating to liquidation, fiduciary or other duties or obligations or the protection of creditors;

Annexure C: Deed Poll (continued)

- (k) any release, discharge, termination, rescission, repudiation, extinguishment, abandonment or disclaimer;
- (l) any failure by any person to execute, or to execute properly, an agreement or document or to comply with some requirement; or
- (m) an agreement, document, obligation or transaction being or becoming illegal, invalid, void, voidable or unenforceable in any respect,

whether with or without the consent or knowledge of the CHIPIP Guarantor. None of the paragraphs in this clause 12.2 limits the generality of any other.

12.3 Principal and independent obligation

This clause 12 is a principal and independent obligation on the CHIPIP Guarantor. It is not ancillary or collateral to any other document, agreement, right or obligation and extends to cover this document as amended, varied or replaced, whether with or without the consent of the CHIPIP Guarantor.

12.4 Limit of undertaking

Despite anything else in this document, the aggregate of the liability of the CHIPIP Guarantor to IAP RE under this document shall not exceed the liability of CHIPIP under or in connection with this document.

12.5 CHIPIP Guarantor Representations and Warranties

CHIPIP Guarantor represents and warrants to IAP RE that:

- (a) **(corporate status, capacity and solvency)** on each date from the date of this document until (and including) the Second Court Date:
 - (i) it is a corporation validly existing under the laws of its place of incorporation;
 - (ii) it has the power to enter into and perform its obligations under this document and to carry out the transactions contemplated by this document;
 - (iii) it has taken all necessary corporate action to authorise the entry into this document and it has taken or will take all necessary corporate action to authorise the performance of this document;
 - (iv) its obligations under this document are valid and binding and are enforceable against it in accordance with its terms;
 - (v) the execution and performance by it of this document, and each transaction contemplated by this document, did not and will not violate in any respect a provision of:
 - (A) a law, judgment, ruling, order or decree binding on it;
 - (B) its constitution; or
 - (C) any other document or agreement that is binding on it; and
 - (vi) it is not the subject of an Insolvency Event;

- (b) **(trustee status, capacity and solvency)** on each date from the date of this document until (and including) the Second Court Date:
- (i) the CHPIP Guarantor Trust has been duly established and has not been terminated;
 - (ii) it was validly appointed trustee of the CHPIP Guarantor Trust in accordance with the terms of the CHPIP Guarantor Trust Deed, it is the sole trustee of the CHPIP Guarantor Trust, and no action has been taken to remove or replace it as the trustee of the CHPIP Guarantor Trust;
 - (iii) it is not in default under the terms of the CHPIP Guarantor Trust Deed and has no notice of any circumstances which will or are reasonably likely to lead to the removal of CHWML as trustee of the CHPIP Guarantor Trust;
 - (iv) it has not been removed from the office of trustee nor ceased to act and no additional trustee has been appointed;
 - (v) no action has been taken or proposed to, either:
 - (A) terminate the CHPIP Guarantor Trust; or
 - (B) wind-up the CHPIP Guarantor Trust whether under Chapter 5C of the Corporations Act or otherwise;
 - (vi) it has the authorisations necessary for it to enter into the documents contemplated by this document or the Schemes, to which it is a party, perform obligations under them and allow them to be enforced (including any authorisation required under the CHPIP Guarantor Trust Deed (if any));
 - (vii) it has not exercised its powers under the CHPIP Guarantor Trust Deed to release, abandon or restrict any power conferred on it by the CHPIP Guarantor Trust Deed; and
 - (viii) it has the right to be fully indemnified out of the assets of the CHPIP Guarantor Trust in respect of all its obligations and liabilities under this document other than in the case of CHWML's fraud, negligence or breach of trust.

13 Representations and warranties

13.1 IAP RE Representations and Warranties

IAP RE represents and warrants to CHPIP that, except as consented to in writing by CHPIP:

- (a) **(corporate status, capacity and solvency)** on each date from the date of this document until (and including) the Second Court Date:
- (i) it is a corporation validly existing under the laws of its place of incorporation;
 - (ii) it has the power to enter into and perform its obligations under this document and to carry out the transactions contemplated by this document;

Annexure C: Deed Poll (continued)

- (iii) it has taken all necessary corporate action to authorise the entry into this document and has taken or will take all necessary corporate action to authorise the performance of this document;
- (iv) its obligations under this document are valid and binding and are enforceable against it in accordance with its terms;
- (v) the execution and performance by it of this document and each transaction contemplated by this document did not and will not violate in any respect a provision of:
 - (A) any law, treaty, judgment, ruling, order or decree binding on it;
 - (B) its constitution; or
 - (C) any other document or agreement that is binding on it; and
- (vi) no IAP Group Member is Insolvent.
- (b) **(trustee status, capacity and solvency)** on each date from the date of this document until (and including) the Second Court Date:
 - (i) each of IPF I and IPF II have been duly established and have not been terminated and are registered managed investment schemes;
 - (ii) it was validly appointed trustee of each of IPF I and IPF II in accordance with the terms of the respective IAP Constitutions, it is the sole trustee of each of IPF I and IPF II, and no action has been taken to remove or replace it as the trustee of either IPF I or IPF II;
 - (iii) it is not in default under the terms of either IAP Constitution and has no notice of any circumstances which will or are reasonably likely to lead to the removal of IAP RE as trustee of either IPF I or IPF II;
 - (iv) it has not been removed from the office of trustee nor ceased to act and no additional trustee has been appointed;
 - (v) no action has been taken or proposed to, either:
 - (A) terminate either IPF I or IPF II; or
 - (B) wind-up IPF I or IPF II whether under Chapter 5C of the Corporations Act or otherwise;
 - (vi) subject to the amendments to each IAP Constitution contemplated by this document, true copies of each IAP Constitution (including any amending documents) have been provided to CHPIP;
 - (vii) it has the authorisations necessary for it to enter into the documents contemplated by this document or the Schemes to which it is a party, perform obligations under them and allow them to be enforced (including any authorisation required under each IAP Constitution) (if any);

- (viii) It has not exercised its powers under either IAP Constitution to release, abandon or restrict any power conferred on it by either IAP Constitution; and
 - (ix) it has the right to be fully indemnified out of the assets of each of IPF I and IPF II in respect of its obligations and liabilities under this document in accordance with the terms of the IAP Constitutions;
- (c) **(capital structure)** as at the date of this document:
- (i) IAP has 677,569,754 IAP Stapled Securities on issue; and
 - (ii) there are 795,612 Performance Rights on issue,
- and there are no other securities in IAP issued and outstanding as at the date of this document;
- (d) **(no Regulatory Approvals)** no approval from any Regulatory Authority is required to be obtained by IAP RE in order to execute and perform this document, other than those Regulatory Approvals Fairly Disclosed in the Due Diligence Materials or in writing to CHPIP prior to the date of this document;
- (e) **(continuous disclosure)** it has complied in all material respects with its continuous disclosure obligations under ASX Listing Rule 3.1 and sections 3.4(a) and 3.9 of the JSE Listings Requirements and as at the date of this document is not withholding any information from public disclosure in reliance on ASX Listing Rule 3.1A (other than the information in relation to the Schemes);
- (f) **(no regulatory action)** as at the date of this document, no regulatory action of any nature of which IAP RE is aware has been taken or threatened that may prevent or in any way restrict its ability to fulfil its obligations under this document, the Supplemental Deeds or under the Schemes;
- (g) **(information)** at the time IAP RE commenced sending the Scheme Booklet to IAP Securityholders, the information contained in the Scheme Booklet (other than the CHPIP Information and the Independent Expert's Report) is true and correct in all material respects, complies with all applicable laws, and will not be misleading or deceptive in any material respect (including by way of omission or otherwise);
- (h) **(basis of information)** the IAP Information:
- (i) has been prepared and included in the Scheme Booklet in good faith and on the understanding that CHPIP has relied on that information for the purposes of considering and approving the CHPIP Information in the Scheme Booklet and determining to proceed with the Schemes; and
 - (ii) is in a form and context in which it appears in the Scheme Booklet will comply in all material respects with the requirements of the Corporations Act, the ASX Listing Rules, Regulatory Guide 74 and Guidance Note 15,
- and all information provided by or on behalf of IAP RE to the Independent Expert to enable the Independent Expert's Report to be prepared, as at the date that information is provided, has been provided in good faith and on the understanding that the Independent Expert will

Annexure C: Deed Poll (continued)

rely on the information for the purposes of preparing the Independent Expert's Report;

- (i) **(new information)** it will, as a continuing obligation (but in respect of the CHPIP Information, only to the extent that CHPIP provides IAP RE with updates to the CHPIP Information), ensure that the Scheme Booklet is updated or supplemented to include all further or new information which arises after the Scheme Booklet has been despatched to IAP Securityholders until the date of the Scheme Meetings which is necessary to ensure that the information contained in the Scheme Booklet is not misleading or deceptive in any material respect (including by way of omission);
- (j) **(compliance with laws)** as far as IAP RE is aware, each IAP Group Member has complied in all material respects with all Australian and foreign laws and regulations applicable to them and orders of Australian and foreign governmental agencies having jurisdiction over it and has all material licenses, permits and franchises necessary for it to conduct its respective businesses as it has been conducted in the 12 months prior to the date of this document; and
- (k) **(Due Diligence Material)** IAP RE has collated, and to the extent not prepared by third parties, prepared the Due Diligence Material in good faith, and the Due Diligence Material is, taken as a whole, complete in all material respects and not materially misleading (including by omission).

13.2 IAP RE's indemnity

IAP RE indemnifies the CHPIP Indemnified Parties against all Losses incurred directly or indirectly as a result of any of the representations and warranties in clause 13.1 not being true and correct.

13.3 CHPIP acknowledgement

CHPIP acknowledges and agrees that the IAP Representations and Warranties in clause 13.1 and the indemnity provided in clause 13.2 are given subject to those matters that:

- (a) are expressly provided for in this document;
- (b) are Disclosed; and
- (c) are within the actual knowledge of CHPIP as at the date of this document.

13.4 CHPIP Representations and Warranties

CHPIP represents and warrants to IAP RE that, except as consented to in writing by IAP RE:

- (a) **(corporate status, capacity and solvency)** on each date from the date of this document until (and including) the Second Court Date:
 - (i) each of itself and the CHPIP Nominee is a corporation validly existing under the laws of its place of incorporation;
 - (ii) it and the CHPIP Nominee have the power to enter into and perform their obligations under, or contemplated by this document, and to carry out the transactions contemplated by this document;

- (iii) it has taken all necessary corporate action to authorise the entry into this document, and it and the CHPIP Nominee have taken or will take all necessary corporate action to authorise the performance of this document;
 - (iv) its obligations under this document, and the obligations of CHPIP Nominee contemplated by this document, are valid and binding and are enforceable against it in accordance with its terms;
 - (v) the execution and performance by it of this document and each transaction contemplated by this document did not and will not violate in any respect a provision of:
 - (A) any law, treaty, judgment, ruling, order or decree binding on it;
 - (B) its constitution, the constitution of the CHPIP Trust or the constitution of CHPIP Nominee; or
 - (C) any other document or agreement that is binding on it (including the Memorandum of Understanding); and
 - (vi) no CHPIP Group Member is Insolvent.
- (b) **(trustee status, capacity and solvency)** on each date from the date of this document until (and including) the Second Court Date:
- (i) the CHPIP Trust has been duly established and has not been terminated and is not a registered managed investment scheme;
 - (ii) it was validly appointed trustee of the CHPIP Trust in accordance with the terms of the CHPIP Trust Deed, it is the sole trustee of the CHPIP Trust, and no action has been taken to remove or replace it as the trustee of the CHPIP Trust;
 - (iii) it is not in default under the terms of the CHPIP Trust Deed and has no notice of any circumstances which will or are reasonably likely to lead to the removal of it as trustee of the CHPIP Trust;
 - (iv) it has not been removed from the office of trustee nor ceased to act and no additional trustee has been appointed;
 - (v) no action has been taken or proposed to, either:
 - (A) terminate the CHPIP Trust; or
 - (B) wind-up the CHPIP Trust whether under Chapter 5C of the Corporations Act or otherwise;
 - (vi) it has the authorisations necessary for it to enter into the document contemplated by this document or the Schemes to which it is a party, perform obligations under them and allow them to be enforced (including any authorisation required under the CHPIP Trust Deed) (if any);
 - (vii) It has not exercised its powers under the CHPIP Trust Deed to release, abandon or restrict any power conferred on it by the CHPIP Trust Deed; and

Annexure C: Deed Poll (continued)

- (viii) it has the right to be fully indemnified out of the assets of each the CHPIP Trust in respect of its obligations and liabilities under this document other than in the case of CHPIP's fraud, negligence or breach of trust;
- (c) **(no Regulatory Approvals)** no approval from any Regulatory Authority is required to be obtained by CHPIP or the CHPIP Nominee in order to execute and perform this document, other than those Regulatory Approvals disclosed to IAP RE in writing prior to the date of this document;
- (d) **(no regulatory action)** as at the date of this document, no regulatory action of any nature of which CHPIP is aware has been taken or threatened that may prevent or in any way restrict its ability to fulfil its obligations under this document, the Supplemental Deeds or under the Schemes or the Deed Poll;
- (e) **(no voting power)** other than under the Memorandum of Understanding, no CHPIP Group Member nor any of their Associates has any voting power in, or any right to acquire, any IAP Stapled Securities (whether issued or not or held by a CHPIP Group Member or not), and no CHPIP Group Member nor any of their Associates, have entered into any agreement, arrangement or understanding that confers rights or interests the economic effect of which is equivalent or substantially equivalent to holding, acquiring or disposing of IAP Stapled Securities (including cash-settled derivative contracts, contracts for difference or other derivative contracts);
- (f) **(no dealing with IAP Securityholders)** other than the Memorandum of Understanding, neither it nor any of the CHPIP Group Members has any agreement, arrangement or understanding with any IAP Securityholder under which that IAP Securityholder (or an Associate of that IAP Securityholder) would be entitled to receive consideration for their IAP Stapled Securities different from the Scheme Consideration or under which the IAP Securityholder agrees to vote in favour of the Schemes or against any Competing Proposal;
- (g) **(no dealings with directors or employees)** other than as disclosed to IAP RE and approved by the IAP RE Board, no CHPIP Group Member has any agreement, arrangement or understanding with any Director or officer of IAP RE relating in any way to the Schemes or operations of IAP RE after the Effective Date;
- (h) **(no agreement)** other than the Memorandum of Understanding and any agreements entered into to give effect to the transactions contemplated by it, none of CHPIP nor any of the CHPIP Group Members has entered into any arrangement, agreement or understanding which:
 - (i) restricts or limits in any way any person from seeking to acquire any assets or IAP Stapled Securities; or
 - (ii) relates to the assets or securities (including IAP Stapled Securities) of IAP, including for the avoidance of doubt any form of voting or consortium arrangements (other than the Memorandum of Understanding and any arrangements between CHPIP Group Members to pursue the Schemes);
- (i) **(information)** as at the date of the Scheme Booklet, the CHPIP Information contained in the Scheme Booklet is true and correct in all material respects, complies with all applicable laws, and will not be

misleading or deceptive in any material respect (including by way of omission or otherwise);

- (j) **(basis of information)** the CHPIP Information included in the Scheme Booklet as at the date of the Scheme Booklet:
 - (i) will be provided to IAP RE in good faith and on the understanding that IAP RE and each other IAP Group Member will rely on that information for the purposes of preparing the Scheme Booklet and determining to proceed with the Schemes; and
 - (ii) as at the date the Scheme Booklet is despatched to IAP Securityholders, will comply in all material respects with the requirements of the Corporations Act, the ASX Listing Rules, Regulatory Guide 74 and Guidance Note 15,

and all information provided by or on behalf of CHPIP to the Independent Expert to enable the Independent Expert's Report to be prepared, as at the date that information is provided, has been provided in good faith and on the understanding that the Independent Expert will rely on the information for the purposes of preparing the Independent Expert's Report;

- (k) **(new information)** it will, as a continuing obligation, provide to IAP RE all further or new information which arises after the Scheme Booklet has been despatched to IAP Securityholders until the date of the Scheme Meetings which is necessary to ensure that the CHPIP Information is not misleading or deceptive in any material respect (including by way of omission);
- (l) **(reasonable basis)** it has a reasonable basis to expect that it will, by the Implementation Date, have available to it sufficient cash amounts (whether from internal cash reserves or external funding arrangements, including equity and debt financing or a combination of both) to satisfy CHPIP's obligations to pay the Scheme Consideration in accordance with its obligations under this document, the Schemes and the Deed Poll; and
- (m) **(unconditional cash reserves on the Second Court Date and the Implementation Date)** it will, by 8.00am on the Second Court Date and on the Implementation Date, have available to it on an unconditional basis (other than, on the Second Court Date, conditions relating to the approval of the Court and other conditions within the sole control of CHPIP) sufficient cash reserves (whether from internal cash reserves or external funding arrangements, including equity and debt financing or a combination of both) to satisfy CHPIP's obligations to pay the Scheme Consideration in accordance with its obligations under this document, the Schemes and the Deed Poll.

13.5 CHPIP's indemnity

CHPIP indemnifies the IAP Indemnified Parties against all Losses incurred directly or indirectly as a result of any of the representations and warranties in clause 13.4 not being true and correct.

13.6 IAP RE acknowledgement

IAP RE acknowledges and agrees that the CHPIP Representations and Warranties in clause 13.4 and the indemnity provided in clause 13.5 are given subject to those matters that are expressly provided for in this document.

Annexure C: Deed Poll (continued)

13.7 Reliance by parties

Each party ("**Representor**") acknowledges that:

- (a) in entering this document, the other party has relied on the representations and warranties provided by the Representor under this clause 13; and
- (b) it has not entered into this document in reliance on any warranty or representation made by or on behalf of the other party except those warranties and representations set out in this document.

13.8 Forecasts and budgets

In connection with this document:

- (a) CHPIP acknowledges and agrees that:
 - (i) IAP RE and its Representatives make no representation or warranty in respect of any future matter, estimate, forecast or budget ("**Forward Looking Information**");
 - (ii) Forward Looking Information is inherently uncertain and may prove to be incorrect;
 - (iii) CHPIP has not relied on any Forward Looking Information in determining whether or not to enter into this document;
 - (iv) to the maximum extent permitted by law, IAP RE and its Representatives will not be liable for any claim by CHPIP or its Representatives using or acting on any Forward Looking Information; and
 - (v) to the extent permitted by law, CHPIP waives and must procure that each of its Representatives waive all rights and claims, that they may otherwise have against IAP RE or any of its Representatives in relation to any Forward Looking Information or any Due Diligence Material, except as expressly set out in this document; and
- (b) IAP RE acknowledges and agrees that:
 - (i) CHPIP and each of its Representatives make no representation or warranty in respect of any Forward Looking Information;
 - (ii) Forward Looking Information is inherently uncertain and may prove to be incorrect;
 - (iii) IAP RE has not relied on any Forward Looking Information in determining whether or not to enter into this document;
 - (iv) to the maximum extent permitted by law, CHPIP and each of its Representatives will not be liable for any claim by IAP RE or its Representatives using or acting on any Forward Looking Information; and
 - (v) to the extent permitted by law, IAP RE waives and must procure that each of its Representatives waive all rights and claims, that they may otherwise have against CHPIP or any of its Representatives in relation to any Forward Looking Information, except as expressly set out in this document.

14 Limitation of Liability

14.1 Limitation of Liability – IAP RE

- (a) Subject to clause 14.1(d), IAP RE's liability under this document is limited to IAP RE's capacity as responsible entity of each of IPF I and IPF II respectively, and IAP RE is not liable in any other capacity.
- (b) Subject to clause 14.1(d), the liability of IAP RE in respect of any cause of action, claim or loss arising:
 - (i) under or in connection with this document;
 - (ii) in connection with any transaction, conduct or any other agreement contemplated by this document; or
 - (iii) under or in connection with (to the extent permitted by law) any representation or undertaking given or to be given in connection with this document,

(each, a "**Trust Claim**"), is limited to the trustee's rights, property and undertaking which are the subject of IPF I and IPF II respectively, of whatever kind and wherever situated and whether present or future ("**Trust Assets**"). Subject to clause 14.1(d), the right of CHPIP to recover any amount in respect of any (and all) Trust Claims is limited to a right to recover an amount not exceeding the amount which IAP RE is entitled and able to recover from the relevant Trust Assets (after taking account of the costs of exercising its right of indemnity or exoneration) and if, after exercise of those rights, any such amount remains outstanding, no further Trust Claim may be made against IAP RE personally.

- (c) Subject to clause 14.1(d), CHPIP agrees and acknowledges that it must not, in respect of any Trust Claim:
 - (i) bring proceedings against IAP RE in its personal capacity;
 - (ii) seek to appoint an administrator or liquidator to IAP RE;
 - (iii) commence the winding-up, dissolution or administration of IAP RE; or
 - (iv) appoint a receiver, receiver and manager, administrative receiver or similar official to all or any of the assets of IAP RE,

except to the extent that the steps taken affect any Trust Assets or IAP RE's right of recourse against, and indemnity from, the Trust Assets and nothing else.
- (d) If IAP RE acts in bad faith, negligently, fraudulently, dishonestly, with wilful misconduct or in breach of trust, or otherwise acts with a result that:
 - (i) IAP RE's right of indemnity, exoneration or recoupment of the Trust Assets; or
 - (ii) the actual amount recoverable by IAP RE in exercise of those rights,

is reduced in whole or in part or does not exist, then to the extent that such right or the amount so recoverable is reduced or does not exist, IAP

Annexure C: Deed Poll (continued)

RE will be personally liable and clauses 14.1(a), 14.1(b) and 14.1(c) do not apply.

14.2 Limitation of Liability – CHPIP and CHPIP Guarantor

IAP RE acknowledges and agrees that:

- (a) CHWML enters into this document in its capacity as trustee of the CHPIP Trust and as trustee of the CHPIP Guarantor Trust only;
- (b) the recourse of the parties to CHWML in respect of any obligations and liabilities of CHWML under or in connection with this document (whether that liability arises under a specific provision of this document, for breach of contract, tort (including negligence) or otherwise) is limited to the extent to which CHWML can be satisfied out of the CHPIP Trust's assets and/or the CHPIP Guarantor Trust's assets (as applicable) out of which CHWML is actually indemnified in respect of such obligations and liabilities;
- (c) the parties may not sue CHWML in any capacity other than as trustee of the CHPIP Trust and/or CHPIP Guarantor's Trust, including seeking the appointment of a receiver (except in relation to property of the CHPIP Trust and/or CHPIP Guarantor Trust), a liquidator, an administrator or any similar person to CHWML or prove in any liquidation, administration or arrangement of or affecting CHWML (except in relation to property of the CHPIP Trust and/or CHPIP Guarantor Trust);
- (d) the provisions of this clause 14.2 do not apply to any obligation or liability of CHWML in its capacity as trustee of the CHPIP Trust and/or CHPIP Guarantor Trust (as applicable) to the extent that it is not satisfied because under the constituent documents of the CHPIP Trust and/or CHPIP Guarantor Trust (as applicable) or by operation of law there is a reduction in the extent of CHWML's indemnification out of the CHPIP Trust and/or CHPIP Guarantor Trust assets (as applicable) as a result of fraud, negligence or breach of trust on the part of CHWML; and
- (e) if a party does not recover the full amount of any money owing to it arising from non-performance by CHWML of any of its obligations, or non-payment by CHWML of any of its liabilities, under or in respect of this document, by enforcing the rights referred to in clause 14.2(b), that party may not (except in the case of fraud, negligence or breach of trust by CHWML) seek to recover the shortfall by:
 - (i) bringing proceedings against CHWML in its personal capacity; or
 - (ii) applying to have CHWML wound up.
- (f) This clause 14.2 applies despite any other provision of this document, the constituent documents of the CHPIP Trust and/or CHPIP Guarantor Trust or any principle of equity or law to the contrary and extends to all liabilities and obligations of CHWML in relation to any representation, warranty, conduct, omission, agreement or transaction related to this document, including under the constituent documents of the CHPIP Trust and/or CHPIP Guarantor Trust.

15 Termination

15.1 Termination by either party

Either party (**terminating party**) may terminate this document by notice to the other:

- (a) **(consultation or appeal failure)** in accordance with clause 3.6;
- (b) **(material breach)** if at any time prior to 8.00am on the Second Court Date the other party is in material breach of any clause of this document (other than a breach of an IAP Representation and Warranty or a CHPIP Representation and Warranty), provided that the terminating party has given notice to the other party setting out the relevant circumstances and stating an intention to terminate this document, and the relevant circumstances have continued to exist for 5 Business Days (or any shorter period ending at 5.00pm on the Business Day before the Second Court Date) from the time such notice is given;
- (c) **(End Date)** if the Schemes have not become Effective on or before the End Date; or
- (d) **(Scheme Resolutions unapproved)** if the Scheme Resolutions are not approved by the requisite majority at the Scheme Meetings.

15.2 Termination for breach of representations and warranties

- (a) CHPIP may, at any time before 8.00am on the Second Court Date, terminate this document for breach of an IAP Representation and Warranty only if:
 - (i) CHPIP has given written notice to IAP RE setting out the relevant circumstances and stating an intention to terminate or to allow the Schemes to lapse;
 - (ii) the relevant breach continues to exist 5 Business Days (or any shorter period ending at 5.00pm on the Business Day before the Second Court Date) after the date on which the notice is given under clause 15.2(a)(i); and
 - (iii) the loss that would reasonably be expected to follow from such a breach is material in the context of the Schemes taken as a whole.
- (b) IAP RE may, at any time before 8.00am on the Second Court Date, terminate this document for breach of a CHPIP Representation and Warranty only if:
 - (i) IAP RE has given written notice to CHPIP setting out the relevant circumstances and stating an intention to terminate or to allow the Schemes to lapse;
 - (ii) the relevant breach continues to exist 5 Business Days (or any shorter period ending at 5.00pm on the Business Day before the Second Court Date) after the date on which the notice is given under clause 15.2(b)(i); and
 - (iii) the loss that would reasonably be expected to follow from such a breach is material in the context of the Schemes taken as a whole.

Annexure C: Deed Poll (continued)

15.3 Termination by CHPIP

CHPIP may terminate this document at any time before 8.00am on the Second Court Date by notice in writing to CHPIP if:

- (a) either a majority of the Directors or a majority of the independent Directors have changed, withdrawn, or adversely modified their Recommendation or Voting Statement or made a public statement supporting or endorsing a Competing Proposal; or
- (b) IAP RE enters into an agreement to implement a Competing Proposal.

15.4 Termination by IAP RE

IAP RE may terminate this document at any time before 8.00am on the Second Court Date by notice in writing to CHPIP if:

- (a) a majority of the independent Directors have withdrawn their Recommendation or Voting Statement or made a public statement supporting or endorsing a Competing Proposal; and
- (b) IAP RE has complied with its obligations set out in clause 9 ("Exclusivity") and clause 10 ("Break Fee") (including payment of the Break Fee, if applicable).

15.5 Effect of Termination

In the event of termination of this document by either CHPIP or IAP RE pursuant to clauses 3.6, 15.1, 15.2, 15.3, or 15.4, this document will have no further force or effect and the parties will have no further obligations under this document, provided that:

- (a) this clause 15 and clauses 1, 13.2, 13.5, 14, and 17 to 23 (inclusive) will survive termination; and
- (b) each party will retain any accrued rights and remedies in respect of any past breach of this document.

16 Public announcements

16.1 Public Announcement of Schemes

Immediately after signing this document, IAP RE and CHPIP must issue their respective Public Announcement of the proposed Schemes in the forms contained in Annexure A.

16.2 Required disclosure

Where a party is required by any applicable law, an ASX Listing Rule or in the case of IAP RE, the JSE Listings Requirements, to make any announcement or make any disclosure in connection with the Schemes, it may do so only after it has, to the extent legally permissible, given the other party as much notice as practically possible and has reasonably consulted with the other party and its legal advisers. For the avoidance of doubt, nothing in this clause 16.2 prevents a party from making any announcement in the ordinary course in relation to its business generally.

16.3 Other announcements

Subject to clauses 16.1 and 16.2, no party may make any public announcement or disclosure in connection with the Schemes (including disclosure to a Regulatory Authority) or disclosure in connection with the Schemes or any other transaction contemplated by this document other than in a form approved by each party (acting reasonably). Each party will use all reasonable endeavours to provide such approval as soon as practicable and such approval will not be unreasonably withheld, conditioned or delayed. For the avoidance of doubt, this clause 16 does not apply to any announcement or disclosure relating to a Competing Proposal.

17 Confidential Information

17.1 Disclosure of confidential information

Each party acknowledges and agrees that it continues to be bound by the Confidentiality Deed in respect of all information received by it from the other party on, before or after the date of this document, save that the terms of this document will prevail over the Confidentiality Deed to the extent of any inconsistency.

18 Foreign resident CGT Withholding

18.1 Withholding

If CHPIP is required by Subdivision 14-D of Schedule 1 of the *Taxation Administration Act 1953* (Cth) (**Subdivision 14-D**) to pay amounts to the ATO in respect of the acquisition of the Scheme Securities or the acquisition by the CHPIP Nominee of the IPF II Units, CHPIP is permitted to deduct such amounts from the payment of the Scheme Consideration to those IAP Securityholders, and remit such amounts to the ATO. The aggregate sum payable to relevant IAP Securityholders shall not be increased to reflect the deduction and the net aggregate sum payable to those IAP Securityholders (less the amounts remitted to the ATO) shall be taken to be in full and final satisfaction of the amounts owing to those IAP Securityholders.

18.2 Clarification

- (a) IAP RE agrees that CHPIP may approach the ATO to obtain clarification as to the application of Subdivision 14-D to the Schemes and will provide such information and assistance that CHPIP reasonably requires in making that approach.
- (b) CHPIP agrees:
 - (i) to provide IAP RE a reasonable opportunity to review the form and content of all materials to be provided to the ATO, and to take into account IAP RE's comments on those documents and more generally in relation to CHPIP's engagement with the ATO; and
 - (ii) not to contact any IAP Securityholders in connection with the application of Subdivision 14-D to the Schemes without IAP RE's prior written consent.

Annexure C: Deed Poll (continued)

18.3 Consultation

- (a) The parties agree to consult in good faith as to the application of Subdivision 14-D, including taking into account any clarification provided by the ATO following the process mentioned in clause 18.2.
- (b) The parties agree to take all actions that they agree (each acting reasonably) are necessary or desirable following that consultation which may include, without limitation, ensuring that relevant representations are obtained from IAP Securityholders.

19 Notices and other communications

19.1 Form – all communications

Unless this document expressly states otherwise, all notices, demands, certificates, consents, approvals, waivers and other communications in connection with this document must be in writing, in English, and signed by the sender (if an individual) or an Authorised Officer of the sender.

All communications (other than email communications) must also be marked for the attention of the person referred to in the Details (or, if the recipient has notified otherwise, then marked for attention in the way last notified).

19.2 Form – communications sent by email

Communications sent by email need not be marked for attention in the way stated in clause 19.1 ("Form – all communications"). However, the email must state the first and last name of the sender. Communications sent by email are taken to be signed by the named sender.

19.3 Delivery

Communications must be:

- (a) left at the address set out or referred to in the Details;
- (b) sent by prepaid ordinary post (airmail if appropriate) to the address set out or referred to in the Details; or
- (c) sent by email to the address set out or referred to in the Details.

If the intended recipient has notified a changed address or email address, then communications must be sent to that address or email address.

19.4 When effective

Communications take effect from the time they are received or taken to be received under clause 19.5 ("When taken to be received") (whichever happens first) unless a later time is specified in the communication.

19.5 When taken to be received

Communications are taken to be received:

- (a) if sent by post, 3 Business Days after posting (or 7 days after posting if sent from one country to another);
- (b) if sent by email:

- (i) when the sender receives an automated message confirming delivery; or
- (ii) 4 hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first.

19.6 Receipt outside business hours

Despite anything else in this clause 18, if communications are received or taken to be received under clause 19.5 ("When taken to be received") after 5.00pm in the place of receipt on a Business Day or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

20 GST

20.1 Definitions and interpretation

For the purposes of this clause:

- (a) "**GST Act**" means the *A New Tax System (Goods and Services Tax) Act 1999* (Cth);
- (b) a term which has a defined meaning in the GST Act has the same meaning when used in this clause, unless the contrary intention appears; and
- (c) each periodic or progressive component of a supply to which section 156-5(1) of the GST Act applies will be treated as if it were a separate supply for the purpose of attributing any GST.

20.2 GST exclusive

Unless this document expressly states otherwise, all consideration to be provided under this document is exclusive of GST.

20.3 Payment of GST

- (a) If GST is payable, or notionally payable, on a supply in connection with this document, the party providing the consideration for the supply agrees to pay to the supplier an additional amount equal to the amount of GST payable on that supply, but excluding any excess GST ("**GST Amount**").
- (b) Subject to the prior receipt of a tax invoice, the GST Amount is payable at the same time as the GST-exclusive consideration for the supply, or the first part of the GST-exclusive consideration for the supply (as the case may be), is payable or is to be provided.
- (c) This clause does not apply to the extent that the consideration for the supply is expressly stated to include GST, or the supply is subject to a reverse-charge.

Annexure C: Deed Poll (continued)

20.4 Adjustment events

If an adjustment event arises for a supply made in connection with this document, the GST Amount must be recalculated to reflect that adjustment. The supplier or the recipient (as the case may be) agrees to make any payments necessary to reflect the adjustment and the supplier agrees to issue an adjustment note.

20.5 Reimbursements

Any payment, indemnity, reimbursement or similar obligation that is required to be made in connection with this document which is calculated by reference to an amount paid by another party must be reduced by the amount of any input tax credits which the other party (or the representative member of any GST group of which the other party is a member) is entitled to. If the reduced payment is consideration for a taxable supply, clause 20.3 will apply to the reduced payment.

21 Costs

21.1 Costs

The parties agree to pay their own Costs in connection with the preparation, negotiation, execution and completion of this document, except for amounts covered by clause 21.2 ("Stamp duty and registration fees").

21.2 Stamp duty and registration fees

CHPIP:

- (a) agrees to pay or reimburse all stamp duty, registration fees and similar taxes payable or assessed as being payable in connection with this document or any other transaction contemplated by this document (including any fees, fines, penalties and interest in connection with any of those amounts) and for the avoidance of doubt includes all landholder duty arising in connection with the implementation of the Scheme; and
- (b) indemnifies IAP RE against, and agrees to reimburse and compensate it for, any liability in respect of any amount under clause 21.2(a).

CHPIP agrees to pay all amounts due to IAP RE under this clause in full within 3 Business Days of demand from CHPIP.

22 General

22.1 Variation and waiver

A provision of this document, or right, power or remedy created under it, may not be varied or waived except in writing signed by the party to be bound.

22.2 Consents, approvals or waivers

By giving any approval, consent or waiver a party does not give any representation or warranty as to any circumstance in connection with the subject matter of the consent, approval or waiver.

22.3 Discretion in exercising rights

Unless this document expressly states otherwise, a party may exercise a right, power or remedy or give or refuse its consent, approval or a waiver in connection with this document in its absolute discretion (including by imposing conditions).

22.4 Partial exercising of rights

Unless this document expressly states otherwise, if a party does not exercise a right, power or remedy in connection with this document fully or at a given time, they may still exercise it later.

22.5 Conflict of interest

Each party may exercise their rights, powers and remedies in connection with this document even if this involves a conflict of duty or they have a personal interest in their exercise.

22.6 Remedies cumulative

The rights, powers and remedies in connection with this document are in addition to other rights, powers and remedies given by law independently of this document.

22.7 Indemnities and reimbursement obligations

Any indemnity, reimbursement or similar obligation in this document.

- (a) is a continuing obligation despite the satisfaction of any payment or other obligation in connection with this document, any settlement or any other thing;
- (b) is independent of any other obligations under this document; and
- (c) continues after this document, or any obligation arising under it, ends.

It is not necessary for a party to incur expense or make payment before enforcing a right of indemnity in connection with this document.

22.8 Inconsistent law

To the extent the law permits, this document prevails to the extent it is inconsistent with any law.

22.9 Supervening law

Any present or future law which operates to vary the obligations of a party in connection with this document with the result that another party's rights, powers or remedies are adversely affected (including, by way of delay or postponement) is excluded except to the extent that its exclusion is prohibited or rendered ineffective by law.

22.10 Counterparts

This document may consist of a number of copies, each signed by one or more parties to it. If so, the signed copies are treated as making up a single document.

22.11 Entire agreement

This document, the Supplemental Deeds, Deed Poll and the Confidentiality Deed constitute the entire agreement between the parties about their subject matter

Annexure C: Deed Poll (continued)

and supersedes all previous agreements, understandings and negotiations on those subject matters.

22.12 Further steps

Each party agrees to do anything (such as obtaining consents, signing and producing documents, producing receipts and getting documents completed and signed), which the other party asks and considers necessary to:

- (a) bind the party and any other person intended to be bound under this document; or
- (b) show whether the party is complying with this document.

22.13 No liability for Loss

Unless this document expressly states otherwise, a party is not liable for any Loss arising in connection with the exercise or attempted exercise of, failure to exercise, or delay in exercising, a right, power or remedy in connection with this document.

22.14 Severability

If the whole or any part of a provision of this document is void, unenforceable or illegal in a jurisdiction it is severed for that jurisdiction. The remainder of this document has full force and effect and the validity or enforceability of that provision in any other jurisdiction is not affected. This clause has no effect if the severance alters the basic nature of this document or is contrary to public policy.

22.15 Rules of construction

No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of, or seeks to rely on, this document or any part of it.

22.16 Assignment

A party may not assign or otherwise deal with its rights under this document or allow any interest in them to arise or be varied without the consent of the other party.

22.17 Enforceability

For the purpose of this document:

- (a) IAP RE is taken to be acting as agent and trustee on behalf of and for the benefit of all IAP Indemnified Parties; and
- (b) CHPIP is taken to be acting as agent and trustee on behalf of and for the benefit of all CHPIP Indemnified Parties,

and all of those persons are to this extent taken to be parties to this document.

22.18 No representation or reliance

Each party acknowledges that:

- (a) no party (nor any person acting on its behalf) has made any representation or other inducement to it to enter into this document, except for representations or inducements expressly set out in this document;

- (b) it does not enter into this document in reliance on any representation or other inducement by or on behalf of any other party, except for any representation or inducement expressly set out in this document; and
- (c) clauses 22.18(a) and 22.18(b) above do not prejudice any rights a party may have in relation to information which had been filed by the other party with ASIC, ASX or JSE.

23 Governing law

23.1 Governing law and jurisdiction

The law in force in the place specified in the Details governs this document. The parties submit to the non-exclusive jurisdiction of the courts of that place.

23.2 Serving documents

Without preventing any other method of service, any document in an action in connection with this document may be served on a party by being delivered or left at that party's address for service of notices under clause 19.3 ("Delivery").

Annexure C: Deed Poll (continued)

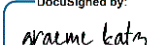
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Scheme Implementation Agreement

Signing page

DATED: 30 March 2022

EXECUTED by IRONGATE FUNDS
MANAGEMENT LIMITED (ACN 071
514 246) as responsible entity of each
of IRONGATE PROPERTY FUND I
(ARSN 162 067 736) and the
IRONGATE PROPERTY FUND II
(ARSN 644 081 309) in accordance
with section 127(1) of the *Corporations
Act 2001* (Cth) by authority of its
directors:

DocuSigned by:

F3BC12EBF84343A.....
Signature of director


graeme katz
.....
Name of director (block letters)

DocuSigned by:

B85CAAD5170644D.....
Signature of director/company
secretary*
*delete whichever is not applicable
Lucy Spenceley
.....
Name of director/company secretary*
(block letters)
*delete whichever is not applicable

CHPIP

EXECUTED by CHARTER HALL
WHOLESALE MANAGEMENT
LIMITED (ACN 006 765 206) as trustee
of the CHARTER HALL PGM
INDUSTRIAL PARTNERSHIP NO.2
(ABN 98 732 489 194) in accordance
with section 127(1) of the *Corporations
Act 2001* (Cth) by authority of its
directors:


.....
Signature of director

DAVID HARRISON
.....
Name of director (block letters)




.....
Signature of company
secretary

MARK BRYANT
.....
Name of company secretary
(block letters)

CHPIP Guarantor

EXECUTED by CHARTER HALL
WHOLESALE MANAGEMENT
LIMITED (ACN 006 765 206) as trustee
of the CHARTER HALL PGM
INDUSTRIAL PARTNERSHIP (ABN
29 250 100 507) in accordance with
section 127(1) of the *Corporations Act
2001* (Cth) by authority of its directors:


.....
Signature of director

DAVID HARRISON
.....
Name of director (block letters)



.....
Signature of company
secretary

MARK BRYANT
.....
Name of company secretary
(block letters)

Annexure C: Deed Poll (continued)

Scheme Implementation Agreement

Annexure A Public Announcement

IRONGATE

ASX ANNOUNCEMENT

30 March 2022

Irongate Group (ASX: IAP)

Irongate recommends proposal and enters into an SIA and withdrawal of cautionary statement

Summary:

- Irongate Group (**IAP**) has entered into a scheme implementation agreement (**SIA**) with Charter Hall PGGM Industrial Partnership No.2 (**Partnership**), under which the Partnership would acquire 100% of the units in Irongate Property Fund I, and Charter Hall Holdings Pty Limited or its subsidiary would acquire 100% of the units in Irongate Property Fund II by way of trust schemes of arrangement (**Schemes**).
- IAP securityholders will receive cash consideration of A\$1.90 per IAP stapled security under the Schemes.¹
- IAP securityholders will retain entitlement to the distribution for the period ending 31 March 2022 up to 4.67 A\$ cents per IAP stapled security.²
- The IAP Board unanimously recommends that IAP securityholders vote in favour of the Schemes, in the absence of a superior proposal and subject to the independent expert concluding that the Schemes are fair and reasonable, and therefore in the best interests of IAP securityholders.
- The Schemes are subject to certain conditions which must be satisfied before they can be implemented.
- IAP securityholders do not need to take any action at the present time.

Further detail:

IAP today announces that it has entered into a SIA with the Partnership³, pursuant to which

- the Partnership would acquire 100% of the units in Irongate Property Fund I; and
- Charter Hall Holdings Pty Limited or its subsidiary would acquire 100% of the units in Irongate Property Fund II.

(together, the **Proposal**)

¹ IAP securityholders holding IAP stapled securities on the South African securities register will receive cash consideration per IAP stapled security in South African Rand of R20.87, based on the South African Rand to A\$ ratio of 0.091 as at 29 March 2022

² IAP securityholders will be entitled to a distribution for the period ending 31 March 2022, up to 4.67 A\$ cents per IAP stapled security. Any distribution declared or paid which is in excess of 4.67 A\$ cents per IAP stapled security will reduce the cash consideration by an equivalent amount

³ The Partnership is managed by Charter Hall (ASX: CHC) and comprises Dutch pension fund PGGM and Charter Hall

Irongate Group

Sydney Level 13, 95 Pitt Street NSW 2000
+61 2 7906 2000 info@irongategroup.com.au

Melbourne Brisbane
irongategroup.com.au

Annexure C: Deed Poll (continued)

IRONGATE

The Proposal is to be implemented by way of the Schemes, which will require IAP securityholder approval. Detailed information in relation to the Schemes will be sent to IAP securityholders in due course.

Value of the Proposal

Subject to the Proposal being implemented, IAP securityholders will receive cash consideration of A\$1.90 per IAP stapled security (**Consideration**). IAP securityholders will retain entitlement to the distribution for the period ending 31 March 2022 up to 4.67 A\$ cents per IAP stapled security.⁴

The Consideration of A\$1.90 per IAP stapled security reflects a:

- 21.0% premium to the closing price of A\$1.57 per IAP stapled security on 28 January 2022, being the last trading day prior to announcement of the Proposal;
- 11.8% premium to the pro forma 31 March 2022 net tangible assets (**NTA**) of A\$1.70 per IAP stapled security taking into account the revised preliminary independent valuation update described in more detail below;
- 10.5% premium to the highest of three non-binding indicative offers (**NBIO**) from 360 Capital Group and 360 Capital REIT (together with their associated entities) (together, **360 Capital**) of A\$1.72 per IAP stapled security announced 14 December 2021; and
- 22.6% premium to the 9 December 2021 equity raising price of A\$1.55 per IAP stapled security.

Background to the Schemes

On 15 October 2021, IAP received an initial 360 Capital NBIO which contained a proposal to acquire 100% of IAP stapled securities via an agreed trust scheme for \$1.65 per IAP stapled security⁵.

The IAP Board, having consulted with its legal and financial advisers, unanimously rejected the initial 360 Capital NBIO. Subsequently, 360 Capital submitted an improved NBIO on 11 November 2021 for A\$1.70 per IAP stapled security⁶, and a further improved NBIO on 14 December 2021 for A\$1.72 per IAP stapled security. In each instance, the IAP Board rejected the 360 Capital NBIOs.

On 29 January 2022, the IAP Board received the Proposal, and in conjunction with its advisers, assessed the Proposal and determined to grant the Partnership a period of due diligence in order to advance the Proposal, including the negotiation of the SIA.

In connection with the Proposal, the Partnership also entered into a memorandum of understanding with 360 Capital (**MOU**), which provided the Partnership with a call option over 360 Capital's existing 19.9% securityholding in IAP. The MOU also provided 360 Capital with a

⁴ IAP securityholders will be entitled to a distribution for the period ending 31 March 2022, up to 4.67 A\$ cents per IAP stapled security. Any distribution declared or paid which is in excess of 4.67 A\$ cents per IAP stapled security will reduce the cash consideration by an equivalent amount

⁵ Adjusted for a 4.53 A\$ cents per IAP stapled security for the period ending 30 September 2021

⁶ Adjusted for a 4.53 A\$ cents per IAP stapled security for the period ending 30 September 2021

IRONGATE

call option to acquire certain IAP property assets⁷. Notwithstanding the call option granted to 360 Capital under the MOU, the Proposal is not conditional upon 360 Capital completing the acquisitions contemplated in the MOU, meaning the Partnership will retain responsibility for funding the Proposal.

Preliminary independent property valuation update

To assist in evaluating the Proposal, IAP has undertaken external valuations for 34 of its properties, representing 92% of IAP's properties by number. IAP will adopt these valuations as part of the year-end reporting process for 31 March 2022.

Two investment properties as well as one investment property under development have been internally valued as at 31 March 2022.

The preliminary draft valuations (including both external and internal valuations) have resulted in a portfolio uplift of A\$105.4m⁸, representing an increase of 7.0%⁹ over the pro-forma property valuations as at 9 December 2021¹⁰.

The unaudited valuations are expected to increase IAP's pro-forma NTA to A\$1.70 per IAP stapled security, an increase of 10.4% over the pro-forma NTA as at 9 December 2021⁹.

Investment Properties	Unaudited Valuations 31 Mar 22 (A\$m)	WACR 31 Mar 22 (%)	WACR 9 Dec 21 ⁸ (%)	Mvmt (bps)	Valuation uplift ⁹ (%)
Office	1,090	5.53	5.72	-19	4.3
Industrial	590	4.80	5.26	-46	12.5
Portfolio	1,680	5.27	5.57	-30	7.0

All preliminary valuations are subject to finalisation and audit, and also assume no material change in market conditions prior to 31 March 2022. The final audited valuations and NTA per IAP stapled security will be available upon release of IAP's FY22 full year results in early May 2022.

Directors' recommendation

The directors of IAP unanimously recommend that IAP securityholders vote in favour of the Schemes, in the absence of a superior proposal and subject to the independent expert concluding that the Schemes are fair and reasonable to, and therefore in the best interests of IAP securityholders.

⁷ The MOU also provided 360 Capital with a call option to acquire four property assets, IAP's funds management business and IAP's co-investment stake in the Irongate Templewater Australia Fund (ITAP). However, IAP has subsequently been advised by the Partnership that 360 Capital does not intend to exercise its call option relating to 100 Willis Street, Wellington, NZ, IAP's funds management business and IAP's co-investment stake in ITAP.

⁸ Assumes an A\$/NZ\$ FX rate of 1.07125.

⁹ Movement in value is calculated using \$NZ value for 100 Willis Street, Wellington, NZ to exclude currency impact.

¹⁰ Per the IAP investor presentation dated 9 December 2021.

Annexure C: Deed Poll (continued)

IRONGATE

Subject to those same qualifications, each director of IAP intends to vote all the IAP stapled securities held or controlled by them in favour of the Schemes.

IAP chairman, Richard Longes, stated “the Proposal is attractive for IAP securityholders, as it reflects a premium to IAP’s historic trading prices and the revised updated independent valuation of IAP’s portfolio. After careful consideration, the directors of IAP have concluded that the Proposal is in the best interests of IAP securityholders and unanimously recommend that securityholders vote in favour of the Schemes, subject to no superior proposal and the independent expert concluding that the Schemes are fair and reasonable to, and therefore in the best interests of IAP securityholders.”

Independent expert

An independent expert will opine on whether the Schemes are fair and reasonable and therefore in the best interests of IAP securityholders.

The independent expert’s report will be provided to IAP securityholders as part of the scheme booklet.

Details of the SIA

The implementation of the Schemes is subject to IAP securityholders approving the Schemes by the requisite majorities at the meetings expected to be held in June 2022 (**Scheme Meetings**).

The implementation of the Schemes is also subject to other conditions customary for a transaction of this nature, including:

- necessary ASIC, ASX, JSE and SARB approvals and exemptions being obtained for the Proposal and delisting of IAP stapled securities from the ASX and JSE;
- other regulatory approvals, including FIRB and OIO;
- no prescribed occurrence, regulatory actions or legal restraints preventing the Proposal from proceeding;
- the independent expert concluding that the Schemes are fair and reasonable, and therefore in the best interests of IAP securityholders; and
- court approval.

The SIA contains customary exclusivity provisions, including no shop, no talk, notification obligations and matching rights. A break fee will be payable by IAP to the Partnership in certain circumstances and a reverse break fee will be payable by the Partnership to IAP in certain circumstances.

The Schemes are not subject to any due diligence, financing or material adverse change conditions.

A full copy of the SIA, including all applicable conditions, is attached to this announcement.

Indicative timetable and next steps

IAP securityholders do not need to take any action at the present time.

IRONGATE

A scheme booklet, containing information relating to the Schemes, reasons for the IAP directors' unanimous recommendation, the independent expert's report and details of the Scheme Meetings, is expected to be sent to IAP securityholders during May 2022.

The key dates and times will be announced when the scheme booklet is sent to IAP securityholders.

WITHDRAWAL OF CAUTIONARY STATEMENT

Further to the information set out in this announcement, the cautionary announcement released on SENS on 31 January 2022 (and the subsequent renewals thereof) is hereby withdrawn and caution is no longer required to be exercised by IAP securityholders when dealing in IAP stapled securities.

Advisors

IAP's financial advisors are Macquarie Capital and JP Morgan, its Australian legal advisor is King & Wood Mallesons and its South African legal advisor is Cliffe Dekker Hofmeyr.

This announcement has been authorised for release by the IAP Board.

ENDS

FOR FURTHER INFORMATION, PLEASE CONTACT:

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Investor Relations and Company Secretary

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Irongate Group

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+61 2 7906 2000 info@irongategroup.com.au

Melbourne Brisbane
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Irongate Group comprises Irongate Property Fund I (ARSN 162 067 736) and Irongate Property Fund II (ARSN 644 081 309) and is listed on the ASX Limited and the JSE Limited. Irongate Property Fund I is a registered managed investment scheme in Australia and is registered in South Africa as a foreign collective investment scheme. Irongate Property Fund II is a registered managed investment scheme in Australia and is exempted from registration in South Africa as a foreign collective investment scheme. The responsible entity of Irongate Property Fund I and Irongate Property Fund II is Irongate Funds Management Limited (ABN 93 071 514 246, AFSL No. 290 909).

Annexure C: Deed Poll (continued)



ASX Release

Charter Hall managed partnership enters in to a SIA to acquire Irongate Group

30 March 2022

Charter Hall Limited
ACN 113 531 150
Charter Hall Funds
Management Limited
ABN 31 082 991 786
Level 20, No. 1 Martin Place
Sydney NSW 2000
GPO Box 2704
Sydney NSW 2001
T +61 2 8651 9000
F +61 2 9221 4655
www.charterhall.com.au

Charter Hall Group (ASX: CHC) is pleased to announce that a Charter Hall managed partnership comprising Dutch pension fund PGGM and Charter Hall (the **Partnership**) has entered into a Scheme Implementation Agreement (**SIA**) with Irongate Group (ASX: IAP) to acquire all IAP stapled securities via trust schemes of arrangement, subject to certain conditions (the **Transaction**).

Under the terms of the SIA, IAP securityholders will receive \$1.90 cash per IAP stapled security and be entitled to retain the distribution for the period ending 31 March 2022 of up to 4.67 cents per IAP stapled security¹.

The IAP Board has unanimously recommended that IAP securityholders vote in favour of the Transaction, subject to no superior proposal emerging and an independent expert concluding that the Transaction is fair and reasonable, and therefore in the best interest of, IAP securityholders.

Under the Transaction:

- Charter Hall will own a 12% stake in the Partnership, with PGGM owning the remaining 88% interest;
- The Partnership will fund the initial acquisition of IAP and post the asset sales (discussed below), will own a \$1.6 billion portfolio of IAP's industrial and office properties;
- Pursuant to the Memorandum of Understanding (**MOU**) entered into with 360 Capital, the Partnership has agreed to sell three IAP properties to 360 Capital for aggregate consideration of \$256.7 million shortly after implementation of the schemes². The Transaction is not conditional upon 360 Capital completing the acquisitions, meaning that the Partnership will retain responsibility for funding the Transaction; and
- Charter Hall has agreed to acquire IAP's funds management business for \$5.0 million and associated co-investment stakes for \$22.5 million. The Partnership will nominate Charter Hall as the acquirer of all of the units in Irongate Property Fund II on implementation of the Transaction.

Charter Hall Managing Director and Group CEO, David Harrison said, "We are pleased to continue our partnership with PGGM with the expansion of our industrial and logistics mandate. This Transaction further demonstrates Charter Hall's track record of structuring and executing take private transactions alongside our wholesale capital partners, following the successful acquisition of ALE Property Group by Charter Hall Long WALE REIT and Hostplus in 2021."

The Transaction is conditional upon a number of matters set out in the SIA, including IAP securityholder approval of the trust schemes of arrangement and other customary conditions³.

The Partnership has engaged Barrenjoey Advisory Pty Limited and Morgan Stanley Australia Limited as its financial advisors and Allens as its legal advisors in relation to the Transaction.

¹ The offer price of \$1.90 per IAP stapled security will be reduced by any subsequent distribution announced or paid in respect of IAP, excluding the distribution for the period ending 31 March 2022 of up to 4.67 cents per IAP stapled security.

² The MOU entered into on 28 January 2022 contained an agreement to on-sell four properties, as well as IAP's funds management business and associated co-investment stakes, to 360 Capital. During due diligence it was agreed that the Partnership would retain 100 Willis Street, Wellington and Charter Hall would acquire IAP's funds management business on the same terms.

³ Customary conditions are set out in the SIA and include: receipt of customary ASIC relief and ASX, JSE and SARB approvals and exemptions, receipt of court approvals, FIRB and OIO approvals, an independent expert concluding the Transaction is fair and reasonable, and therefore in the best interests of, IAP securityholders and no Prescribed Occurrence, regulatory actions or legal restraints preventing the Proposal per the SIA.

The indicative implementation timetable is subject to approval by the Johannesburg Stock Exchange and will be published in the scheme booklet to be sent to IAP securityholders (expected to be in May 2022). The parties currently anticipate targeting implementation of the Transaction in late July 2022.

Announcement Authorised by the Chair and Managing Director and Group CEO

Charter Hall Group (ASX: CHC)

With over 30 years' experience in property investment and funds management, we're one of Australia's leading fully integrated property groups. We use our property expertise to access, deploy, manage and invest equity across our core sectors – Office, Industrial & Logistics, Retail and Social Infrastructure.

Operating with prudence, we've curated a diverse \$61.3 billion property portfolio of 1,516 properties. With partnership at the heart of our approach, we're creating places that help grow communities; turning them into the best they can be and unlocking hidden value. Taking a long-term view, our \$13.2 billion development pipeline delivers sustainable, technologically enabled projects for our customers.

Charter Hall has also extended its Fund Management capability into another asset class with the 50% acquisition of the \$18.2 billion listed equities Fund Manager Paradise Investment Management (PIM), which invests on behalf of wholesale and retail investors across domestic and global listed equities.

The impacts of what we do are far-reaching. From helping businesses succeed by supporting their evolving workplace needs, to providing investors with superior returns for a better retirement, we're powered by the drive to go further.

For further enquiries, please contact
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Annexure C: Deed Poll (continued)

Scheme Implementation Agreement

Annexure B Deed Poll



Execution Version

Deed Poll

Dated

Given by Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGM Industrial Partnership No.2 (ABN 98 732 489 194) ("**CHPIP**")

Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGM Industrial Partnership (ABN 29 250 100 507) ("**CHPIP Guarantor**")

In favour of each Scheme Participant

King & Wood Mallesons
Level 61
Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
Australia
T +61 2 9296 2000
F +61 2 9296 3999
DX 113 Sydney
www.kwm.com

Annexure C: Deed Poll (continued)

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Deed Poll

Details

Parties

CHPIP	Name	Charter Hall Wholesale Management Limited as trustee of the Charter Hall PGGM Industrial Partnership No.2 (ABN 98 732 489 194)
	ACN	006 765 206
	Formed in	Australia
	Address	Level 20, No.1 Martin Place, Sydney NSW 2000
	Email	Mark.Bryant@charterhall.com.au Copy to: Kate.Towey@allens.com.au and Vijay.Cugati@allens.com.au
	Attention	Mark Bryant

CHPIP Guarantor	Name	Charter Hall Wholesale Management Limited as trustee of the Charter Hall PGGM Industrial Partnership (ABN 29 250 100 507)
	ACN	006 765 206
	Formed in	Australia
	Address	Level 20, No.1 Martin Place, Sydney NSW 2000
	Email	Mark.Bryant@charterhall.com.au Copy to: Kate.Towey@allens.com.au and Vijay.Cugati@allens.com.au
	Attention	Mark Bryant

In favour of	Each registered holder of IAP Stapled Securities as at the Record Date (" Scheme Participants ")
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Governing law	New South Wales, Australia
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Recitals	A CHPIP, CHPIP Guarantor and IAP RE in its capacity as responsible entity of each of IPF I and IPF II, have entered into a scheme implementation agreement dated [date] (" Scheme Implementation Agreement ").
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Annexure C: Deed Poll (continued)

- B** IAP RE has agreed in the Scheme Implementation Agreement to propose the Schemes, pursuant to which, subject to the satisfaction or waiver of certain conditions precedent, CHPIP will acquire all of the Scheme IPF I Units and Charter Hall Holdings Pty Limited (ACN 051 363 547) or its wholly owned subsidiary ("**CHPIP Nominee**") will acquire all of the Scheme IPF II Units from Scheme Participants for the Scheme Consideration.
- C** In accordance with the Scheme Implementation Agreement, each of CHPIP and CHPIP Guarantor are entering into this document for the purpose of covenanting in favour of each Scheme Participant that they will observe and perform the obligations contemplated of them under the Schemes.
-

Deed Poll

General terms

1 Definitions and interpretation

1.1 Definitions

Terms defined in the Scheme Implementation Agreement, a copy of which is set out in the Annexure to this document, have the same meaning in this document, unless the context requires otherwise.

1.2 General interpretation

The provisions of clause 1.2 ("General Interpretation") and clause 14.2 ("Limitation of Liability – CHPIP and CHPIP Guarantor") of the Scheme Implementation Agreement form part of this document as if set out in full in this document, and on the basis that references to 'this document' in those clauses are references to this document and clause references are amended as applicable.

2 Nature of deed poll

Each of CHPIP and CHPIP Guarantor acknowledges that:

- (a) this document may be relied on and enforced by any Scheme Participant in accordance with its terms even though the Scheme Participants are not a party to it; and
- (b) under the Schemes, each Scheme Participant irrevocably appoints IAP RE as its agent and attorney to enforce this document against CHPIP and CHPIP Guarantor (as applicable) on behalf of that Scheme Participant.

3 Conditions precedent and termination

3.1 Conditions precedent

Each of CHPIP's and CHPIP Guarantor's obligations (as relevant) under this document are subject to the Schemes becoming Effective.

3.2 Termination

If the Scheme Implementation Agreement is terminated before the Effective Date, the Schemes do not become Effective on or before the End Date or the Scheme terminates, the obligations of CHPIP and CHPIP Guarantor under this document will automatically terminate and the terms of this document will be of no further force or effect unless IAP RE, CHPIP and CHPIP Guarantor otherwise agree in accordance with the Scheme Implementation Agreement.

Annexure C: Deed Poll (continued)

3.3 Consequences of termination

If this document is terminated under clause 3.2, then, in addition and without prejudice to any other rights, powers or remedies available to Scheme Participants:

- (a) each of CHPIP and CHPIP Guarantor is released from their obligations under this document except those obligations contained in clause 9.5 and any other obligations which by their nature survive termination; and
- (b) each Scheme Participant retains the rights, powers or remedies they have against CHPIP and CHPIP Guarantor in respect of any breach of its obligations under this document that occurred before termination of the document.

4 Compliance with Scheme obligations

4.1 Obligations of CHPIP and CHPIP Guarantor

Subject to clause 3, in consideration for the transfer of the Scheme IPF I Units and the Scheme IPF II Units in accordance with the Schemes, each of CHPIP and CHPIP Guarantor covenants in favour of each Scheme Participant that each will observe and perform all obligations contemplated of them under the Schemes, including in each case the relevant obligations relating to the payment of the Scheme Consideration in accordance with the terms of the Schemes.

4.2 Manner of payment

- (a) IAP RE shall nominate a trust account ("**Trust Account**") and provide notice in writing of the trust account details to CHPIP and CHPIP Guarantor at least five business days before the Implementation Date.
- (b) CHPIP's obligation to pay, or procure the payment of, the aggregate Scheme Consideration to IAP RE on behalf of each Scheme Participant will be satisfied by CHPIP, by no later than the Business Day before the Implementation Date, an amount in Australian currency is deposited into the Trust Account in immediately available funds equal to, subject to clause 4.2(c), the aggregate Scheme Consideration payable to all Scheme Participants in respect of the Scheme Securities. All interest earned on that amount is for the benefit of CHPIP.
- (c) Where an amount is required to be paid by CHPIP to the ATO pursuant to clause 18 ("Foreign resident CGT Withholding") of the Scheme Implementation Agreement ("**ATO Payment**"), the aggregate Scheme Consideration required to be deposited into the Trust Account under clause 4.2(b) is reduced by the amount equal to the ATO Payment.

5 Representations and warranties

5.1 CHPIP representations and warranties

CHPIP represents and warrants that:

- (a) **(corporate status, capacity and solvency)**
 - (i) it is a corporation validly existing under the laws of its place of incorporation;

- (ii) it has power to enter into and perform its obligations under, or contemplated by this document, and to carry out the transactions contemplated by this document;
 - (iii) it has taken all necessary corporate action to authorise the entry into this document, and it has taken or will take all necessary corporate action to authorise the performance of this document;
 - (iv) the execution and performance by it of this document and each transaction contemplated by this document did not and will not violate in any respect, a provision of:
 - (A) any law, treaty, judgment, ruling, order or decree binding on it;
 - (B) its constitution or the constitution of the CHPIP Trust; or
 - (C) any other document or agreement that is binding on it (including the Memorandum of Understanding); and
 - (v) its obligations under this document are valid and binding and are enforceable against it in accordance with its terms;
 - (vi) it is not Insolvent;
- (b) **(trustee status, capacity and solvency)**
- (i) the CHPIP Trust has been duly established and has not been terminated;
 - (ii) it was validly appointed trustee of the CHPIP Trust in accordance with the terms of the CHPIP Trust Deed, it is the sole trustee of the CHPIP Trust and no action has been taken to remove or replace it as the trustee of the CHPIP Trust;
 - (iii) it is not in default under the terms of the CHPIP Trust Deed and has no notice of any circumstances which will or are reasonably likely to lead to the removal of it as trustee of the CHPIP Trust;
 - (iv) it has not been removed from the office of trustee nor ceased to act and no additional trustee has been appointed;
 - (v) no action has been taken or proposed to, either:
 - (A) terminate the CHPIP Trust; or
 - (B) wind up the CHPIP Trust whether under Chapter 5C of the Corporations Act or otherwise;
 - (vi) it has the authorisations necessary for it to enter into this document and the Schemes, perform obligations under them and allow them to be enforced (including any authorisations required under the CHPIP Trust Deed);
 - (vii) it has not exercised its powers under the CHPIP Trust Deed to release, abandon or restrict any power conferred on it by the CHPIP Trust Deed; and
 - (viii) it has the right to be fully indemnified out of the assets of the CHPIP Trust in respect of all its obligations and liabilities under

Annexure C: Deed Poll (continued)

this document other than in the case of CHPIP's fraud, negligence or breach of trust.

5.2 CHPIP Guarantor representations and warranties

CHPIP Guarantor represents and warrants:

(a) (corporate status, capacity and solvency)

- (i) it is a corporation validly existing under the laws of its place of incorporation;
- (ii) it has the power to enter into and perform its obligations under this document and to carry out the transactions contemplated by this document;
- (iii) it has taken all necessary corporate action to authorise the entry into this document and it has taken or will take all necessary corporate action to authorise the performance of this document;
- (iv) its obligations under this document are valid and binding and are enforceable against it in accordance with its terms;
- (v) the execution and performance by it of this document, and each transaction contemplated by this document, did not and will not violate in any respect, a provision of:
 - (A) a law, judgment, ruling, order or decree binding on it;
 - (B) its constitution; or
 - (C) any other document or agreement that is binding on it; and
- (vi) it is not Insolvent;

(b) (trustee status, capacity and solvency)

- (i) the CHPIP Guarantor Trust has been duly established and has not been terminated;
- (ii) it was validly appointed trustee of the CHPIP Guarantor Trust in accordance with the terms of the CHPIP Guarantor Trust Deed, it is the sole trustee of the CHPIP Guarantor Trust, and no action has been taken to remove or replace it as the trustee of the CHPIP Guarantor Trust;
- (iii) it is not in default under the terms of the CHPIP Guarantor Trust Deed and has no notice of any circumstances which will or are reasonably likely to lead to the removal of CHWML as trustee of the CHPIP Guarantor Trust;
- (iv) it has not been removed from the office of trustee nor ceased to act and no additional trustee has been appointed;
- (v) no action has been taken or proposed to, either:
 - (A) terminate the CHPIP Guarantor Trust; or
 - (B) wind-up the CHPIP Guarantor Trust whether under Chapter 5C of the Corporations Act or otherwise;

- (vi) it has the authorisations necessary for it to enter into the documents contemplated by this document or the Schemes, to which it is a party, perform obligations under them and allow them to be enforced (including any authorisation required under the CHPIP Guarantor Trust Deed (if any));
- (vii) it has not exercised its powers under the CHPIP Guarantor Trust Deed to release, abandon or restrict any power conferred on it by the CHPIP Guarantor Trust Deed; and
- (viii) it has the right to be fully indemnified out of the assets of the CHPIP Guarantor Trust in respect of all its obligations and liabilities under this document other than in the case of CHWML's fraud, negligence or breach of trust.

6 Continuing obligations

This document is irrevocable and, subject to clause 3, remains in full force and effect until:

- (a) each of CHPIP and CHPIP Guarantor having fully performed its obligations under this document; or
- (b) termination of this document under clause 3.2.

7 Further assurances

Each of CHPIP and CHPIP Guarantor will, on its own behalf and, to the extent authorised by the Schemes, on behalf of each Scheme Participant, do all things and execute all deeds, instruments, transfers or other documents as may be necessary or desirable to give full effect to the provisions of this document and the transactions contemplated by it.

8 Notices

8.1 Form – all communications

Unless this document expressly states otherwise, all notices, demands, certificates, consents, approvals, waivers and other communications in connection with this document must be in writing, in English, and signed by the sender (if an individual) or an Authorised Officer of the sender.

All communications (other than email communications) must also be marked for the attention of the person referred to in the Details (or, if the recipient has notified otherwise, then marked for attention in the way last notified).

8.2 Form – communications sent by email

Communications sent by email need not be marked for attention in the way stated in clause 8.1 ("Form – all communications"). However, the email must state the first and last name of the sender. Communications sent by email are taken to be signed by the named sender.

Annexure C: Deed Poll (continued)

8.3 Delivery

Communications must be:

- (a) left at the address set out or referred to in the Details;
- (b) sent by prepaid ordinary post (airmail if appropriate) to the address set out or referred to in the Details; or
- (c) sent by email to the address set out or referred to in the Details.

If the intended recipient has notified a changed address or email address, then communications must be sent to that address or email address.

8.4 When effective

Communications take effect from the time they are received or taken to be received under clause 8.5 ("When taken to be received") (whichever happens first) unless a later time is specified in the communication.

8.5 When taken to be received

Communications are taken to be received:

- (a) if sent by post, 3 Business Days after posting (or 7 days after posting if sent from one country to another);
- (b) if sent by email:
 - (i) when the sender receives an automated message confirming delivery; or
 - (ii) 4 hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first.

8.6 Receipt outside business hours

Despite anything else in this clause 8, if communications are received or taken to be received under clause 8.5 ("When taken to be received") after 5.00pm in the place of receipt on a Business Day or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

9 General

9.1 No waiver

No failure to exercise nor any delay in exercising any right, power or remedy by any of CHPIP or CHPIP Guarantor or by any Scheme Participant operates as a waiver. A single or partial exercise of any right, power or remedy does not preclude any other or further exercise of that or any other right, power or remedy. A waiver of any right, power or remedy on one or more occasions does not operate as a waiver of that right, power or remedy on any other occasion, or of any other right, power or remedy. A waiver is not valid or binding on the person granting that waiver unless made in writing and signed by the party granting the waiver.

9.2 Remedies cumulative

The rights, powers and remedies of CHPIP, CHPIP Guarantor and of each Scheme Participant in connection with this document are in addition to, and do not exclude or limit, any right, power or remedy provided by law or equity or by any agreement.

9.3 Amendment

No amendment or variation of this document is valid or binding unless:

- (a) either:
 - (i) before the Second Court Date, the amendment or variation is agreed to in writing by IAP RE, CHPIP and CHPIP Guarantor (which such agreement may be given or withheld without reference to or approval by any Scheme Participant); or
 - (ii) on or after the Second Court Date, the amendment or variation is agreed to in writing by IAP RE, CHPIP and CHPIP Guarantor (which such agreement may be given or withheld without reference to or approval by any Scheme Participant), and is approved by the Court; and
- (b) CHPIP and CHPIP Guarantor each enters into a further deed poll in favour of the Scheme Participants giving effect to that amendment or variation.

9.4 Assignment or other dealings

The rights and obligations created by this document are personal to CHPIP, CHPIP Guarantor and each Scheme Participant, and CHPIP, CHPIP Guarantor and each Scheme Participant may not assign, encumber or otherwise deal with its rights under this document or allow any interest in them to arise or be varied without the consent of CHPIP, CHPIP Guarantor and IAP RE. Any purported dealing in contravention of this clause 9.4 is invalid.

9.5 Costs and duty

CHPIP and CHPIP Guarantor must bear their own costs arising out of the negotiation, preparation and execution of this document. All duty (including stamp duty and any fees, fines, penalties and interest) payable or assessed as being payable in connection with this document and any instrument executed under or any transaction evidenced by this document must be borne by CHPIP. CHPIP must indemnify each Scheme Participant on demand against any liability for that duty (including any related fines, penalties and interest). CHPIP Guarantor unconditionally and irrevocably guarantees CHPIP's obligations under this clause.

9.6 Governing law and jurisdiction

- (a) The law in force in the place specified in the Details governs this document.
- (b) CHPIP and CHPIP Guarantor submit to the non-exclusive jurisdiction of the courts of that place and courts competent to determine appeals from those courts in respect of any proceedings arising out of or in connection with this document.

Annexure C: Deed Poll (continued)

- (c) CHPIP and CHPIP Guarantor irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

EXECUTED as a deed poll

Deed Poll

Signing page

DATED: _____

CHPIP

EXECUTED by CHARTER HALL
WHOLESALE MANAGEMENT
LIMITED (ACN 006 765 206) as trustee
of the CHARTER HALL PGM
INDUSTRIAL PARTNERSHIP NO.2
(ABN 98 732 489 194) in accordance
with section 127(1) of the *Corporations
Act 2001* (Cth) by authority of its
directors:

.....
Signature of director

.....
Name of director (block letters)

.....
Signature of director/company
secretary*
*delete whichever is not applicable

.....
Name of director/company secretary*
(block letters)
*delete whichever is not applicable

CHPIP Guarantor

EXECUTED by CHARTER HALL
WHOLESALE MANAGEMENT
LIMITED (ACN 006 765 206) as trustee
of the CHARTER HALL PGM
INDUSTRIAL PARTNERSHIP (ABN
29 250 100 507) in accordance with
section 127(1) of the *Corporations Act
2001* (Cth) by authority of its directors:

.....
Signature of director

.....
Name of director (block letters)

.....
Signature of director/company
secretary

.....
Name of director/company secretary
(block letters)

Annexure C: Deed Poll (continued)

Deed Poll

Annexure A Scheme Implementation
Agreement

Scheme Implementation Agreement

Annexure C Supplemental Deeds

Part A - IPF I Supplemental Deed

Annexure C: Deed Poll (continued)

KING&WOOD
MALLESONS
金杜律师事务所

Execution Version

Supplemental Deed Poll - Irongate Property Fund I

Dated

Irongate Funds Management Limited (ACN 071 514 246)
("Responsible Entity")

King & Wood Mallesons
Level 61
Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
Australia
T +61 2 9296 2000
F +61 2 9296 3999
DX 113 Sydney
www.kwm.com

Supplemental Deed Poll - Irongate Property Fund I

Details

Responsible Entity	Name	Irongate Funds Management Limited
	ACN	071 514 246
	Address	Level 13, 95 Pitt Street, Sydney NSW 2000
Governing law	New South Wales, Australia	
Recitals	A	The Responsible Entity is the responsible entity of the trust known as the Irongate Property Fund I (ARSN 162 067 736) (" Trust "), constituted under a trust deed dated 12 December 2012, as amended from time to time (" Constitution ").
	B	The Trust is registered as a managed investment scheme pursuant to section 601EB of the Corporations Act (" Registered Scheme ").
	C	The units of the Trust are stapled to the units of Irongate Property Fund II (ARSN 644 081 309) (" IPF II ") and are quoted and traded on ASX and JSE as stapled securities of Irongate Group (ASX and JSE: IAP).
	D	The Responsible Entity, CHPIP and CHPIP Guarantor have agreed, by executing the Scheme Implementation Agreement, to propose and implement the Trust Scheme.
	E	The Constitution must be amended to facilitate the Trust Scheme.
	F	Section 601GC(1)(a) of the Corporations Act provides that the constitution of a managed investment scheme may be modified, or repealed and replaced with a new constitution by special resolution of the members of the scheme.
	G	Clauses 24.1 and 24.2 of the Constitution provide that while the Trust is a Registered Scheme, the Constitution may be modified, or repealed and replaced with a new deed by Special Resolution (as that term is defined in the Constitution) of the Unitholders, subject to any approval required by any applicable law, the approval of the JSE and compliance with any applicable Listing Requirements in relation to such modification or repeal and replacement.
	H	The Responsible Entity proposes to execute this supplemental deed poll and lodge it with ASIC to modify the Constitution, as set out in this supplemental deed poll, to

Annexure C: Deed Poll (continued)

give effect to the Special Resolution to modify the Constitution that was passed by Unitholders at a meeting held on [date] 2022.

General terms

1 Definitions and interpretation

1.1 Terms defined in the Constitution

Capitalised terms used in this supplemental deed poll have the meaning given in the Constitution, unless the contrary intention appears.

1.2 Definitions

CHPIP means Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGGM Industrial Partnership No.2 (ABN 98 732 489 194).

CHPIP Guarantor means Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGGM Industrial Partnership (ABN 29 250 100 507).

Constitution means the trust deed constituting the Trust, as approved by unitholders on 12 December 2012, as amended from time to time.

Details means the section of this supplemental deed poll entitled "Details".

Effective means in relation to the Trust Scheme, the coming into effect of the amendments to the Constitution (which will occur on the date and at the time a copy of the amended Constitution, or of the amendments, is lodged with ASIC under section 601GC(2) of the Corporations Act).

Effective Date means the date on which the Trust Scheme has become Effective.

IPF II means the trust known as 'Irongate Property Fund II' (ARSN 644 081 309).

Scheme Implementation Agreement means the document of that name between the Responsible Entity, CHPIP and CHPIP Guarantor dated [date] 2022, as amended from time to time.

Trust means the trust known as 'Irongate Property Fund I' (ARSN 162 067 736).

Trust Scheme means the arrangement set out in the Scheme Implementation Agreement and facilitated by the amendments to the Constitution set out in this supplemental deed poll.

Unitholders means the unitholders of the Trust.

1.3 Headings

Headings are inserted for convenience only and do not affect the interpretation of this supplemental deed poll.

Annexure C: Deed Poll (continued)

1.4 Benefit of this supplemental deed poll

This document is made by the Responsible Entity with the intent that the benefit of this supplemental deed poll shall enure to the benefit of the Unitholders jointly and severally.

2 Conditions

- (a) This document is conditional upon and will have no force or effect until the satisfaction or waiver of each of the conditions precedent stipulated in clause 3.1 ("Conditions Precedent") of the Scheme Implementation Agreement.
- (b) This supplemental deed poll is binding on the Responsible Entity, each Unitholder and any other person claiming through any of them as if each was a party to this supplemental deed poll.

3 Amendments to the Constitution

Subject to clause 2, the Responsible Entity declares with effect on and from the Effective Date, that by this supplemental deed poll the Constitution is modified in the manner set out in Schedule 1 of this supplemental deed poll.

4 No redeclaration etc

The Responsible Entity declares that it is not, by this supplemental deed poll:

- (a) redeclaring the Trust or declaring any trust;
- (b) resettling any trust;
- (c) causing the transfer, vesting or accruing of any property comprising the assets of the Trust in any person;
- (d) rescinding any trust; or
- (e) entering into a new constitution.

5 Governing law

This document is governed by the laws in force in the place specified in the Details. Each person affected by it irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of that place and the courts of appeal from them.

6 Effective Date

In accordance with section 601GC(2) of the Corporations Act, the amendments to the Constitution contained in this supplemental deed poll will take effect when a copy of this supplemental deed poll is lodged with ASIC.

7 No merger

Each obligation set out in this supplemental deed poll which is capable of having future operation continues in force after the Effective Date (as defined in Schedule 1) although this supplemental deed poll has otherwise been fully performed.

EXECUTED as a deed poll

Annexure C: Deed Poll (continued)

Supplemental Deed Poll - Irongate Property Fund I

Schedule 1 Amendments to the Constitution

The Constitution is amended as follows:

1 Clause 28 - Trust Scheme

A new clause 28 is inserted immediately after clause 27 of the Constitution, as set out below:

28 Trust Scheme

28.1 Definitions

The following definitions apply in this clause 28 unless the context requires otherwise:

CHPIP means Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGM Industrial Partnership No.2 (ABN 98 732 489 194).

CHPIP Guarantor means Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGM Industrial Partnership (ABN 29 250 100 507).

Deed Poll means the deed poll dated [date] executed by CHPIP and CHPIP Guarantor in favour of the Scheme Unitholders.

Effective means, in relation to the Trust Scheme, the supplemental deed poll making amendments to this Constitution to facilitate the Trust Scheme, including the insertion of clause 28, taking effect pursuant to section 601GC(2) of the Corporations Act.

Effective Date means the date on which the Trust Scheme becomes Effective.

Encumbrance means any security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power or title retention or flawed deposit arrangement and any "security interest" as defined in sections 12(1) or 12(2) of the PPSA or any agreement to create any of them or allow them to exist.

Implementation Date means the 5th Business Day following the Record Date, or such other date as may be agreed in writing between CHPIP, CHPIP Guarantor and the Responsible Entity.

Record Date means 7.00 pm (Sydney time) on the date that is five Business Days after the Effective Date, or such other date as may be agreed in writing between the IAP RE and CHPIP.

Registered Address means, in relation to a Scheme Unitholder, the address of that Scheme Unitholder shown on the Register as at the Record Date.

Registry means such suitably qualified person that is from time to time appointed by the Responsible Entity to operate the Register.

Scheme Consideration means an amount equal to \$1.90 in aggregate for each Scheme Unit and Scheme IPF II Unit.

Scheme Implementation Agreement means the agreement of that name between the Responsible Entity, CHPIP and CHPIP Guarantor dated [date], as amended from time to time.

Scheme Meeting means the meeting of Unitholders held on [date] 2022 to consider the Scheme Resolutions, and includes any adjournment of that meeting.

Scheme Resolutions means the resolutions of the Unitholders to approve the Trust Scheme, including:

- (a) an ordinary resolution approving for the purpose of item 7 of section 611 of the Corporations Act the acquisition by CHPIP of all of the Scheme Units;
- (b) a special resolution for the purpose of section 601GC(1) of the Corporations Act to approve amendments to this Constitution to facilitate the implementation of the Trust Scheme; and
- (c) a special resolution approving the Responsible Entity to determine that the Stapling provisions of this deed will cease to apply and the Unstapling Date for the purpose of item 3.5 of Schedule 2 of this deed.

Scheme IPF II Unit means each Attached Security on issue as at the Record Date.

Scheme Unit means a Unit on issue as at the Record Date.

Scheme Unitholders means each person who is registered on the Register as a holder of Units as at the Record Date.

Trust Scheme means the arrangement by which all of the Scheme Units will be transferred to CHPIP, as set out in this clause 28.

28.2 Implementation of Trust Scheme

- (a) Each Scheme Unitholder and the Responsible Entity must do all things and execute all deeds, instruments, transfers or other documents as the Responsible Entity considers are necessary or desirable to give full effect to the terms of the Trust Scheme and the transactions contemplated by it.
- (b) Each Scheme Unitholder, without the need for any further act by that Holder, irrevocably appoints the Responsible Entity as that Holder's attorney and agent for the purpose of:
 - (1) doing all things and executing all deeds, instruments, transfers or other documents as may be necessary or desirable to give full effect to the terms of the Trust Scheme and the transactions contemplated by it, including executing and delivering any transfer of the Scheme Units; and

Annexure C: Deed Poll (continued)

- (2) enforcing the Deed Poll against CHPIP and CHPIP Guarantor,

and the Responsible Entity accepts such appointment. The Responsible Entity, as attorney and as agent of each Holder, may sub-delegate its functions, authorities or powers under this clause 28(b) to all or any of its directors and officers (jointly, severally, or jointly and severally). Each Holder indemnifies the Responsible Entity and each of its directors and officers against all losses, liabilities, charges, costs and expenses arising from the exercise of powers under this clause 28.2(b).

- (c) Without limiting the Responsible Entity's other powers under this clause 28, the Responsible Entity has power to do all things that it considers necessary, desirable or reasonably incidental to give effect to the Trust Scheme, the Scheme Implementation Agreement and the transactions contemplated by them.
- (d) Subject to the Corporations Act, the Responsible Entity, CHPIP or any of their directors, officers, employees or associates may do any act, matter or thing described in or contemplated by this clause 28 even if they have an interest (financial or otherwise) in the outcome of such exercise.
- (e) Each Scheme Unitholder will be entitled to receive the Scheme Consideration for each Scheme Unit and Scheme IPF II Unit held by that Scheme Unitholder.
- (f) Without limiting the Responsible Entity's powers under this clause 28, subject to CHPIP and the CHPIP Guarantor having complied with their obligations under clause 4.2(b) of the Deed Poll:
- (1) on the Implementation Date, the Responsible Entity must determine in accordance with item 3.5(a) of Schedule 2 that the Stapling provisions of the Constitution will cease to apply on the Implementation Date and that the Implementation Date is to be the "Unstapling Date" for the purpose of item 3.5(a) of Schedule 2 of the Constitution;
 - (2) on the Effective Date, the Responsible Entity, as the Scheme Unitholder's agent and attorney under clause 28.2(b)(1) above, is empowered to transfer the Scheme Units and the Scheme IPF II Units on the Implementation Date for a price equal to the Scheme Consideration, in accordance with the terms of the Scheme Implementation Agreement and the Deed Poll; and
 - (3) by no later than the Implementation Date, the Responsible Entity must execute a transfer of the Scheme Units on behalf of each Scheme Unitholder as agent and attorney appointed under clause 28.2(b)(1) above in the manner and form which the Responsible Entity considers necessary and deliver the transfer to the Registry for registration.
 - (4) immediately after receipt of the transfer in accordance with clause 28.2(f)(3), but subject to the stamping of the transfer (if required), or the transfer being effected

under section 1074D of the *Corporations Act* (as the case may be), entering, or procuring the entry of, the name and address of CHPIP in the Register as the holder of all of the Scheme Units transferred to CHPIP in accordance with the Trust Scheme.

- (g) This clause 28:
- (1) binds the Responsible Entity and all of the Holders from time to time (including those who do not attend the Scheme Meeting, those who do not vote at the Scheme Meeting and those who vote against the Scheme Resolutions); and
 - (2) to the extent of any inconsistency, overrides the other provisions of this Constitution (but, for the avoidance of doubt, remains subject to the Corporations Act, the Listing Rules and the Listing Requirements).

28.3 Warranty by Scheme Unitholders

Each Scheme Unitholder warrants to CHPIP and is deemed to have authorised the Responsible Entity to warrant to CHPIP as agent and attorney for the Scheme Unitholder by virtue of this clause 28.3, that:

- (a) all their Scheme Units (including any rights and entitlements attaching to those securities) transferred to CHPIP under the Trust Scheme, will, as at the date of the transfer, be fully paid and free from all Encumbrances;
- (b) they have full power and capacity to sell and to transfer their Scheme Units (including any rights and entitlements attaching to those securities) to CHPIP under the Trust Scheme; and
- (c) they have agreed to the variation, cancellation or modification of the rights attached to their Scheme Units (if any) in accordance with the Trust Scheme without the need for any further act by the Scheme Unitholder.

28.4 Transfer free of Encumbrances

To the extent permitted by law, all Scheme Units (including any rights and entitlements attaching to those securities) which are transferred to CHPIP under the Trust Scheme will, at the date of the transfer of them to CHPIP, vest in CHPIP free from all Encumbrances.

28.5 Appointment of CHPIP as sole proxy

Subject to the provision of the Scheme Consideration for the Scheme Units, on and from the Implementation Date until the Responsible Entity registers CHPIP as the holder of all the Scheme Units in the Register, each Scheme Unitholder:

- (a) irrevocably appoints the Responsible Entity as attorney and agent (and directs the Responsible Entity in such capacity) to appoint CHPIP and each of CHPIP's directors from time to time (jointly and each of them individually) as its sole proxy, and where applicable, corporate representative, to attend Unitholder meetings, exercise the votes attaching to Units registered in its name and sign any Unitholder resolution, and no Scheme Unitholder may itself attend or vote at any of those meetings or

Annexure C: Deed Poll (continued)

sign any resolutions, whether in person, by proxy, or by corporate representative (other than pursuant to this clause 28.5(a); and

- (b) must take all other actions in the capacity of the registered holder of Units as CHPIP directs.

The Responsible Entity undertakes in favour of each Scheme Unitholder that it will appoint CHPIP and each of CHPIP's directors from time to time (jointly and each of them individually) as that Scheme Unitholder's proxy or, where applicable, corporate representative, in accordance with clause 28.5(a).

28.6 Payment to Scheme Unitholders

- (a) On the Implementation Date, subject to CHPIP having satisfied its obligations under clause 4.2(b) of the Deed Poll, the Responsible Entity must pay or procure the payment from the Trust Account to each Scheme Unitholder the Scheme Consideration as that Scheme Unitholder is entitled under clause 28.2(e).
- (b) The obligations of the Responsible Entity under clause 28.6(a) will be satisfied by the Responsible Entity (in its absolute discretion):
 - (1) where a Scheme Unitholder has, before the Record Date, made a valid election in accordance with the requirements of the Registry to receive dividend payments from the Responsible Entity by electronic funds transfer to a bank account nominated by the Scheme Unitholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election; or
 - (2) otherwise, whether or not the Scheme Unitholder has made an election referred to in paragraph (1), dispatching, or procuring the dispatch of, a cheque for the relevant amount in Australian currency to the Scheme Unitholder by prepaid post to their Registered Address (as at the Record Date), such cheque being drawn in the name of the Scheme Unitholder (or in the case of Joint Holders, in accordance with the procedures set out in clause 28.7).
- (c) Notwithstanding anything to the contrary in this deed, the Scheme Consideration paid to Scheme Unitholders included in the Register maintained by, or on behalf of, the Responsible Entity in South Africa (as a sub-register of the Register), will be paid to such Scheme Unitholders in a ZAR (Rand) equivalent of the Scheme Consideration determined by the ZAR (Rand) / AUD (Australian Dollar) spot rate quoted by Reuters as at the date and time determined by the Responsible Entity provided that CHPIP shall have no obligation to make available to the Responsible Entity funds denominated in ZAR (Rand) and no obligation to gross-up for any conversion costs or rounding differences.

28.7 Joint Holders

In the case of Scheme Units held by Joint Holders:

- (a) any cheque required to be sent under the Trust Scheme will be made payable to the joint holders and sent to either, at the sole discretion of the Responsible Entity, the holder whose name appears first in the Register as at the Record Date; and
- (b) any other document required to be sent under the Scheme, will be forwarded to either, at the sole discretion of the Responsible Entity, the holder whose name appears first in the Register as at the Record Date.

28.8 Fractional entitlements

Where the calculation of the aggregate Scheme Consideration to be provided to a particular Scheme Unitholder would result in the Scheme Unitholder becoming entitled to a fraction of a cent, the fractional entitlement will be rounded down to the nearest whole cent.

28.9 Unclaimed monies

- (a) The *Unclaimed Money Act 1995* (NSW) will apply in relation to any amount payable to a Scheme Unitholder under the Trust Scheme which becomes 'unclaimed money' (as defined in section 7 of that Act).
- (b) The Responsible Entity may cancel a cheque issued on account of the Scheme Consideration if the cheque:
 - (1) is returned to the Responsible Entity; or
 - (2) has not been presented for payment within 12 months after the date on which the cheque was sent.

28.10 Orders of a court or Government Agency

- (a) The Responsible Entity may deduct and withhold from any Scheme Consideration which would otherwise be payable to a Scheme Unitholder any amount which CHPIP or the Responsible Entity determine is required to be deducted and withheld from that consideration under any applicable law, including any order, direction or notice made or given by a court of competent jurisdiction or by another Government Agency.
- (b) To the extent that amounts are so deducted or withheld, such deducted or withheld amounts will be treated for all purposes under the Trust Scheme as having been paid to the person in respect of which such deduction or withholding was made, provided that such deducted or withheld amounts are actually remitted to the appropriate Government Agency on or before the Implementation Date.
- (c) If written notice is given to the Responsible Entity (or the Registry) of an order, direction or notice made or given by a court of competent jurisdiction or by another Government Agency that:

Annexure C: Deed Poll (continued)

- (i) requires consideration which would otherwise be payable or provided to a Scheme Unitholder under the Trust Scheme must instead be paid or provided to a Government Agency or other third party (either through payment of a sum or the issuance of a security), then, the Responsible Entity shall be entitled to procure that payment or provision of that consideration is made in accordance with that order, direction or notice (and payment or provision of that consideration in accordance with that order, direction or notice will be treated for all purposes under the Trust Scheme as having been paid or provided to that Scheme Unitholder); or
- (ii) prevents the Responsible Entity from providing consideration to any particular Scheme Unitholder under the Trust Scheme, or the payment or provision of such consideration is otherwise prohibited by applicable law, the Responsible Entity shall be entitled to retain the Scheme Consideration to which that Scheme Unitholder would otherwise be entitled to under the Trust Scheme, until such time as payment or provision of the Scheme Consideration under the Trust Scheme is permitted by that order or direction or otherwise by law.

28.11 No disposals after the Effective Date

- (a) If the Trust Scheme becomes Effective, a holder of Scheme Units (and any person claiming through that holder) must not dispose of or purport or agree to dispose of any Scheme Units or any interest in them after the Effective Date in any way except pursuant to the Trust Scheme and any such disposal will be void and of no legal effect whatsoever.
- (b) The Responsible Entity will not accept for registration or recognise for any purpose any transmission, application or transfer in respect of Scheme Units received after the Record Date (except a transfer to CHPIP pursuant to the Trust Scheme or any subsequent transfer by CHPIP or its successors in title).

28.12 Lapsing

Clause 28 will lapse and have no further force or effect if the Trust Scheme lapses in accordance with the Scheme Implementation Agreement.

Supplemental Deed Poll - Irongate Property Fund I
Signing page

DATED: _____

EXECUTED by IRONGATE FUNDS)	
MANAGEMENT LIMITED (ACN 071)	
514 246) as responsible entity of)	
IRONGATE PROPERTY FUND I)	
(ARSN 162 067 736) in accordance)	
with section 127(1) of the Corporations)	
Act 2001 (Cth) by authority of its)	
directors:)
)	Signature of director/company
)	secretary*
)	*delete whichever is not applicable
.....)	
Signature of director)
)	Name of director/company secretary*
)	(block letters)
.....)	*delete whichever is not applicable
Name of director (block letters))	

Annexure C: Deed Poll (continued)

Scheme Implementation Agreement

Part B - IPF II Supplemental Deed

KING&WOOD
MALLESONS
金杜律师事务所

Execution Version

Supplemental Deed Poll - Irongate Property Fund II

Dated

Irongate Funds Management Limited (ACN 071 514 246)
("Responsible Entity")

King & Wood Mallesons
Level 61
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1 Farrer Place
Sydney NSW 2000
Australia
T +61 2 9296 2000
F +61 2 9296 3999
DX 113 Sydney
www.kwm.com

Annexure C: Deed Poll (continued)

Supplemental Deed Poll - Irongate Property Fund II

Details

Responsible Entity	Name	Irongate Funds Management Limited
	ACN	071 514 246
	Address	Level 13, 95 Pitt Street, Sydney NSW 2000
Governing law		New South Wales, Australia
Recitals	A	The Responsible Entity is the responsible entity of the trust known as the Irongate Property Fund II (ARSN 644 081 309) (" Trust "), constituted under a trust deed dated 3 September 2020, as amended from time to time (" Constitution ").
	B	The Trust is registered as a managed investment scheme pursuant to section 601EB of the Corporations Act (" Registered Scheme ").
	C	The units of the Trust are stapled to the units of Irongate Property Fund I (ARSN 162 067 736) (" IPF I ") and are quoted and traded on ASX and JSE as stapled securities of Irongate Group (ASX and JSE: IAP).
	D	The Responsible Entity, CHPIP and CHPIP Guarantor have agreed, by executing the Scheme Implementation Agreement, to propose and implement the Trust Scheme.
	E	The Constitution must be amended to facilitate the Trust Scheme.
	F	Section 601GC(1)(a) of the Corporations Act provides that the constitution of a managed investment scheme may be modified, or repealed and replaced with a new constitution by special resolution of the members of the scheme.
	G	Clauses 24.1 and 24.2 of the Constitution provide that while the Trust is a Registered Scheme, the Constitution may be modified, or repealed and replaced with a new deed by Special Resolution (as that term is defined in the Constitution) of the Unitholders, subject to any approval required by any applicable law, the approval of the JSE and compliance with any applicable Listing Requirements in relation to such modification or repeal and replacement.
	H	The Responsible Entity proposes to execute this supplemental deed poll and lodge it with ASIC to modify the Constitution, as set out in this supplemental deed poll, to

give effect to the Special Resolution to modify the Constitution that was passed by Unitholders at a meeting held on [date] 2022.

Annexure C: Deed Poll (continued)

General terms

1 Definitions and interpretation

1.1 Terms defined in the Constitution

Capitalised terms used in this supplemental deed poll have the meaning given in the Constitution, unless the contrary intention appears.

1.2 Definitions

CHPIP means Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGGM Industrial Partnership No.2 (ABN 98 732 489 194).

CHPIP Guarantor means Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGGM Industrial Partnership (ABN 29 250 100 507).

Constitution means the trust deed constituting the Trust, as approved by unitholders on 3 September 2020, as amended from time to time.

Details means the section of this supplemental deed poll entitled "Details".

Effective means in relation to the Trust Scheme, the coming into effect of the amendments to the Constitution (which will occur on the date and at the time a copy of the amended Constitution, or of the amendments, is lodged with ASIC under section 601GC(2) of the Corporations Act).

Effective Date means the date on which the Trust Scheme has become Effective.

IPF I means the trust known as 'Irongate Property Fund I' (ARSN 162 067 736).

Scheme Implementation Agreement means the document of that name between the Responsible Entity, CHPIP and CHPIP Guarantor dated [date] 2022, as amended from time to time.

Trust means the trust known as 'Irongate Property Fund I' (ARSN 162 067 736).

Trust Scheme means the arrangement set out in the Scheme Implementation Agreement and facilitated by the amendments to the Constitution set out in this supplemental deed poll.

Unitholders means the unitholders of the Trust.

1.3 Headings

Headings are inserted for convenience only and do not affect the interpretation of this supplemental deed poll.

1.4 Benefit of this supplemental deed poll

This document is made by the Responsible Entity with the intent that the benefit of this supplemental deed poll shall enure to the benefit of the Unitholders jointly and severally.

2 Conditions

- (a) This document is conditional upon and will have no force or effect until, the satisfaction or waiver of each of the conditions precedent stipulated in clause 3.1 ("Conditions Precedent") of the Scheme Implementation Agreement.
- (b) This supplemental deed poll is binding on the Responsible Entity, each Unitholder and any other person claiming through any of them as if each was a party to this supplemental deed poll.

3 Amendments to the Constitution

Subject to clause 2, the Responsible Entity declares with effect on and from the Effective Date, that by this supplemental deed poll the Constitution is modified in the manner set out in Schedule 1 of this supplemental deed poll.

4 No redeclaration etc

The Responsible Entity declares that it is not, by this supplemental deed poll:

- (a) redeclaring the Trust or declaring any trust;
- (b) resettling any trust;
- (c) causing the transfer, vesting or accruing of any property comprising the assets of the Trust in any person;
- (d) rescinding any trust; or
- (e) entering into a new constitution.

5 Governing law

This document is governed by the laws in force in the place specified in the Details. Each person affected by it irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of that place and the courts of appeal from them.

6 Effective Date

In accordance with section 601GC(2) of the Corporations Act, the amendments to the Constitution contained in this supplemental deed poll will take effect when a copy of this supplemental deed poll is lodged with ASIC.

Annexure C: Deed Poll (continued)

7 No merger

Each obligation set out in this supplemental deed poll which is capable of having future operation continues in force after the Effective Date (as defined in Schedule 1) although this supplemental deed poll has otherwise been fully performed.

EXECUTED as a deed poll

Supplemental Deed Poll - Irongate Property Fund II

Schedule 1 Amendments to the Constitution

The Constitution is amended as follows:

1 Clause 28 - Trust Scheme

A new clause 28 is inserted immediately after clause 27 of the Constitution, as set out below:

28 Trust Scheme

28.1 Definitions

The following definitions apply in this clause 28 unless the context requires otherwise:

CHPIP means Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGM Industrial Partnership No.2 (ABN 98 732 489 194).

CHPIP Guarantor means Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGM Industrial Partnership (ABN 29 250 100 507).

Deed Poll means the deed poll dated [date] executed by CHPIP and CHPIP Guarantor in favour of the Scheme Unitholders.

Effective means, in relation to the Trust Scheme, the supplemental deed poll making amendments to this Constitution to facilitate the Trust Scheme, including the insertion of clause 28, taking effect pursuant to section 601GC(2) of the Corporations Act.

Effective Date means the date on which the Trust Scheme becomes Effective.

Encumbrance means any security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power or title retention or flawed deposit arrangement and any "security interest" as defined in sections 12(1) or 12(2) of the PPSA or any agreement to create any of them or allow them to exist.

Implementation Date means the 5th Business Day following the Record Date, or such other date as may be agreed in writing between CHPIP, CHPIP Guarantor and the Responsible Entity.

Record Date means 7.00 pm (Sydney time) on the date that is five Business Days after the Effective Date, or such other date as may be agreed in writing between the IAP RE and CHPIP.

Registered Address means, in relation to a Scheme Unitholder, the address of that Scheme Unitholder shown on the Register as at the Record Date.

Annexure C: Deed Poll (continued)

Registry means such suitably qualified person that is from time to time appointed by the Responsible Entity to operate the Register.

Scheme Consideration means an amount equal to \$1.90 in aggregate for each Scheme Unit and Scheme IPF I Unit.

Scheme Implementation Agreement means the agreement of that name between the Responsible Entity, CHPIP and CHPIP Guarantor dated [date], as amended from time to time.

Scheme Meeting means the meeting of Unitholders held on [date] 2022 to consider the Scheme Resolutions, and includes any adjournment of that meeting.

Scheme Resolutions means the resolutions of the Unitholders to approve the Trust Scheme, including:

- (a) an ordinary resolution approving for the purpose of item 7 of section 611 of the Corporations Act the acquisition by CHPIP of all of the Scheme Units;
- (b) a special resolution for the purpose of section 601GC(1) of the Corporations Act to approve amendments to this Constitution to facilitate the implementation of the Trust Scheme; and
- (c) a special resolution approving the Responsible Entity to determine that the Stapling provisions of this deed will cease to apply and the Unstapling Date for the purpose of item 3.5 of Schedule 2 of this deed.

Scheme IPF I Unit means each Attached Security on issue as at the Record Date.

Scheme Unit means a Unit on issue as at the Record Date.

Scheme Unitholders means each person who is registered on the Register as a holder of Units as at the Record Date.

Trust Scheme means the arrangement by which all of the Scheme Units will be transferred to CHPIP, as set out in this clause 28.

28.2 Implementation of Trust Scheme

- (a) Each Scheme Unitholder and the Responsible Entity must do all things and execute all deeds, instruments, transfers or other documents as the Responsible Entity considers are necessary or desirable to give full effect to the terms of the Trust Scheme and the transactions contemplated by it.
- (b) Each Scheme Unitholder, without the need for any further act by that Holder, irrevocably appoints the Responsible Entity as that Holder's attorney and agent for the purpose of:
 - (1) doing all things and executing all deeds, instruments, transfers or other documents as may be necessary or desirable to give full effect to the terms of the Trust Scheme and the transactions contemplated by it, including executing and delivering any transfer of the Scheme Units; and

- (2) enforcing the Deed Poll against CHPIP and CHPIP Guarantor,

and the Responsible Entity accepts such appointment. The Responsible Entity, as attorney and as agent of each Holder, may sub-delegate its functions, authorities or powers under this clause 28(b) to all or any of its directors and officers (jointly, severally, or jointly and severally). Each Holder indemnifies the Responsible Entity and each of its directors and officers against all losses, liabilities, charges, costs and expenses arising from the exercise of powers under this clause 28.2(b).

- (c) Without limiting the Responsible Entity's other powers under this clause 28, the Responsible Entity has power to do all things that it considers necessary, desirable or reasonably incidental to give effect to the Trust Scheme, the Scheme Implementation Agreement and the transactions contemplated by them.
- (d) Subject to the Corporations Act, the Responsible Entity, CHPIP or any of their directors, officers, employees or associates may do any act, matter or thing described in or contemplated by this clause 28 even if they have an interest (financial or otherwise) in the outcome of such exercise.
- (e) Each Scheme Unitholder will be entitled to receive the Scheme Consideration for each Scheme Unit and Scheme IPF I Unit held by that Scheme Unitholder.
- (f) Without limiting the Responsible Entity's powers under this clause 28, subject to CHPIP and the CHPIP Guarantor having complied with their obligations under clause 4.2(b) of the Deed Poll:
- (1) on the Implementation Date, the Responsible Entity must determine in accordance with item 3.5(a) of Schedule 2 that the Stapling provisions of the Constitution will cease to apply on the Implementation Date and that the Implementation Date is to be the "Unstapling Date" for the purpose of item 3.5(a) of Schedule 2 of the Constitution;
 - (2) on the Effective Date, the Responsible Entity, as the Scheme Unitholder's agent and attorney under clause 28.2(b)(1) above, is empowered to transfer the Scheme Units and the Scheme IPF I Units on the Implementation Date for a price equal to the Scheme Consideration, in accordance with the terms of the Scheme Implementation Agreement and the Deed Poll; and
 - (3) by no later than the Implementation Date, the Responsible Entity must execute a transfer of the Scheme Units on behalf of each Scheme Unitholder as agent and attorney appointed under clause 28.2(b)(1) above in the manner and form which the Responsible Entity considers necessary and deliver the transfer to the Registry for registration.
 - (4) immediately after receipt of the transfer in accordance with clause 28.2(f)(3), but subject to the stamping of the transfer (if required), or the transfer being effected

Annexure C: Deed Poll (continued)

under section 1074D of the *Corporations Act* (as the case may be), entering, or procuring the entry of, the name and address of CHPIP in the Register as the holder of all of the Scheme Units transferred to CHPIP in accordance with the Trust Scheme.

- (g) This clause 28:
- (1) binds the Responsible Entity and all of the Holders from time to time (including those who do not attend the Scheme Meeting, those who do not vote at the Scheme Meeting and those who vote against the Scheme Resolutions); and
 - (2) to the extent of any inconsistency, overrides the other provisions of this Constitution (but, for the avoidance of doubt, remains subject to the Corporations Act, the Listing Rules and the Listing Requirements).

28.3 Warranty by Scheme Unitholders

Each Scheme Unitholder warrants to CHPIP and is deemed to have authorised the Responsible Entity to warrant to CHPIP as agent and attorney for the Scheme Unitholder by virtue of this clause 28.3, that:

- (a) all their Scheme Units (including any rights and entitlements attaching to those securities) transferred to CHPIP under the Trust Scheme, will, as at the date of the transfer, be fully paid and free from all Encumbrances;
- (b) they have full power and capacity to sell and to transfer their Scheme Units (including any rights and entitlements attaching to those securities) to CHPIP under the Trust Scheme; and
- (c) they have agreed to the variation, cancellation or modification of the rights attached to their Scheme Units (if any) in accordance with the Trust Scheme without the need for any further act by the Scheme Unitholder.

28.4 Transfer free of Encumbrances

To the extent permitted by law, all Scheme Units (including any rights and entitlements attaching to those securities) which are transferred to CHPIP under the Trust Scheme will, at the date of the transfer of them to CHPIP, vest in CHPIP free from all Encumbrances.

28.5 Appointment of CHPIP as sole proxy

Subject to the provision of the Scheme Consideration for the Scheme Units, on and from the Implementation Date until the Responsible Entity registers CHPIP as the holder of all the Scheme Units in the Register, each Scheme Unitholder:

- (a) irrevocably appoints the Responsible Entity as attorney and agent (and directs the Responsible Entity in such capacity) to appoint CHPIP and each of CHPIP's directors from time to time (jointly and each of them individually) as its sole proxy, and where applicable, corporate representative, to attend Unitholder meetings, exercise the votes attaching to Units registered in its name and sign any Unitholder resolution, and no Scheme Unitholder may itself attend or vote at any of those meetings or

sign any resolutions, whether in person, by proxy, or by corporate representative (other than pursuant to this clause 28.5(a); and

- (b) must take all other actions in the capacity of the registered holder of Units as CHPIP directs.

The Responsible Entity undertakes in favour of each Scheme Unitholder that it will appoint CHPIP and each of CHPIP's directors from time to time (jointly and each of them individually) as that Scheme Unitholder's proxy or, where applicable, corporate representative, in accordance with clause 28.5(a).

28.6 Payment to Scheme Unitholders

- (a) On the Implementation Date, subject to CHPIP having satisfied its obligations under clause 4.2(b) of the Deed Poll, the Responsible Entity must pay or procure the payment from the Trust Account to each Scheme Unitholder the Scheme Consideration as that Scheme Unitholder is entitled under clause 28.2(e).
- (b) The obligations of the Responsible Entity under clause 28.6(a) will be satisfied by the Responsible Entity (in its absolute discretion):
 - (1) where a Scheme Unitholder has, before the Record Date, made a valid election in accordance with the requirements of the Registry to receive dividend payments from the Responsible Entity by electronic funds transfer to a bank account nominated by the Scheme Unitholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election; or
 - (2) otherwise, whether or not the Scheme Unitholder has made an election referred to in paragraph (1), dispatching, or procuring the dispatch of, a cheque for the relevant amount in Australian currency to the Scheme Unitholder by prepaid post to their Registered Address (as at the Record Date), such cheque being drawn in the name of the Scheme Unitholder (or in the case of Joint Holders, in accordance with the procedures set out in clause 28.7).
- (c) Notwithstanding anything to the contrary in this deed, the Scheme Consideration paid to Scheme Unitholders included in the Register maintained by, or on behalf of, the Responsible Entity in South Africa (as a sub-register of the Register), will be paid to such Scheme Unitholders in a ZAR (Rand) equivalent of the Scheme Consideration determined by the ZAR (Rand) / AUD (Australian Dollar) spot rate quoted by Reuters as at the date and time determined by the Responsible Entity provided that CHPIP shall have no obligation to make available to the Responsible Entity funds denominated in ZAR (Rand) and no obligation to gross-up for any conversion costs or rounding differences.

Annexure C: Deed Poll (continued)

28.7 Joint Holders

In the case of Scheme Units held by Joint Holders:

- (a) any cheque required to be sent under the Trust Scheme will be made payable to the joint holders and sent to either, at the sole discretion of the Responsible Entity, the holder whose name appears first in the Register as at the Record Date; and
- (b) any other document required to be sent under the Scheme, will be forwarded to either, at the sole discretion of the Responsible Entity, the holder whose name appears first in the Register as at the Record Date.

28.8 Fractional entitlements

Where the calculation of the aggregate Scheme Consideration to be provided to a particular Scheme Unitholder would result in the Scheme Unitholder becoming entitled to a fraction of a cent, the fractional entitlement will be rounded down to the nearest whole cent.

28.9 Unclaimed monies

- (a) The *Unclaimed Money Act 1995* (NSW) will apply in relation to any amount payable to a Scheme Unitholder under the Trust Scheme which becomes 'unclaimed money' (as defined in section 7 of that Act).
- (b) The Responsible Entity may cancel a cheque issued on account of the Scheme Consideration if the cheque:
 - (1) is returned to the Responsible Entity; or
 - (2) has not been presented for payment within 12 months after the date on which the cheque was sent.

28.10 Orders of a court or Government Agency

- (a) The Responsible Entity may deduct and withhold from any Scheme Consideration which would otherwise be payable to a Scheme Unitholder any amount which CHPIP or the Responsible Entity determine is required to be deducted and withheld from that consideration under any applicable law, including any order, direction or notice made or given by a court of competent jurisdiction or by another Government Agency.
- (b) To the extent that amounts are so deducted or withheld, such deducted or withheld amounts will be treated for all purposes under the Trust Scheme as having been paid to the person in respect of which such deduction or withholding was made, provided that such deducted or withheld amounts are actually remitted to the appropriate Government Agency on or before the Implementation Date.
- (c) If written notice is given to the Responsible Entity (or the Registry) of an order, direction or notice made or given by a court of competent jurisdiction or by another Government Agency that:

- (i) requires consideration which would otherwise be payable or provided to a Scheme Unitholder under the Trust Scheme must instead be paid or provided to a Government Agency or other third party (either through payment of a sum or the issuance of a security), then, the Responsible Entity shall be entitled to procure that payment or provision of that consideration is made in accordance with that order, direction or notice (and payment or provision of that consideration in accordance with that order, direction or notice will be treated for all purposes under the Trust Scheme as having been paid or provided to that Scheme Unitholder); or
- (ii) prevents the Responsible Entity from providing consideration to any particular Scheme Unitholder under the Trust Scheme, or the payment or provision of such consideration is otherwise prohibited by applicable law, the Responsible Entity shall be entitled to retain the Scheme Consideration to which that Scheme Unitholder would otherwise be entitled to under the Trust Scheme, until such time as payment or provision of the Scheme Consideration under the Trust Scheme is permitted by that order or direction or otherwise by law.

28.11 No disposals after the Effective Date

- (a) If the Trust Scheme becomes Effective, a holder of Scheme Units (and any person claiming through that holder) must not dispose of or purport or agree to dispose of any Scheme Units or any interest in them after the Effective Date in any way except pursuant to the Trust Scheme and any such disposal will be void and of no legal effect whatsoever.
- (b) The Responsible Entity will not accept for registration or recognise for any purpose any transmission, application or transfer in respect of Scheme Units received after the Record Date (except a transfer to CHPIP pursuant to the Trust Scheme or any subsequent transfer by CHPIP or its successors in title).

28.12 Lapsing

Clause 28 will lapse and have no further force or effect if the Trust Scheme lapses in accordance with the Scheme Implementation Agreement.

Annexure C: Deed Poll (continued)

Supplemental Deed Poll - Irongate Property Fund II

Signing page

DATED: _____

EXECUTED by IRONGATE FUNDS
MANAGEMENT LIMITED (ACN 071
514 246) as responsible entity of
IRONGATE PROPERTY FUND II
(ARSN 644 081 309) in accordance
with section 127(1) of the *Corporations
Act 2001* (Cth) by authority of its
directors:

Signature of director

Name of director (block letters)

Signature of director/company
secretary*
*delete whichever is not applicable

Name of director/company secretary*
(block letters)
*delete whichever is not applicable

ANNEXURE D:

Supplemental Deeds

Annexure D: Supplemental Deeds

KING&WOOD
MALLESONS
金杜律师事务所

Execution Version

Supplemental Deed Poll - Irongate Property Fund I

Dated

Irongate Funds Management Limited (ACN 071 514 246)
("Responsible Entity")

King & Wood Mallesons

Level 61
Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
Australia
T +61 2 9296 2000
F +61 2 9296 3999
DX 113 Sydney
www.kwm.com

Supplemental Deed Poll - Irongate Property Fund I

Details

Responsible Entity	Name	Irongate Funds Management Limited
	ACN	071 514 246
	Address	Level 13, 95 Pitt Street, Sydney NSW 2000
<hr/>		
Governing law	New South Wales, Australia	
<hr/>		
Recitals	A	The Responsible Entity is the responsible entity of the trust known as the Irongate Property Fund I (ARSN 162 067 736) (" Trust "), constituted under a trust deed dated 12 December 2012, as amended from time to time (" Constitution ").
	B	The Trust is registered as a managed investment scheme pursuant to section 601EB of the Corporations Act (" Registered Scheme ").
	C	The units of the Trust are stapled to the units of Irongate Property Fund II (ARSN 644 081 309) (" IPF II ") and are quoted and traded on ASX and JSE as stapled securities of Irongate Group (ASX and JSE: IAP).
	D	The Responsible Entity, CHPIP and CHPIP Guarantor have agreed, by executing the Scheme Implementation Agreement, to propose and implement the Trust Scheme.
	E	The Constitution must be amended to facilitate the Trust Scheme.
	F	Section 601GC(1)(a) of the Corporations Act provides that the constitution of a managed investment scheme may be modified, or repealed and replaced with a new constitution by special resolution of the members of the scheme.
	G	Clauses 24.1 and 24.2 of the Constitution provide that while the Trust is a Registered Scheme, the Constitution may be modified, or repealed and replaced with a new deed by Special Resolution (as that term is defined in the Constitution) of the Unitholders, subject to any approval required by any applicable law, the approval of the JSE and compliance with any applicable Listing Requirements in relation to such modification or repeal and replacement.
	H	The Responsible Entity proposes to execute this supplemental deed poll and lodge it with ASIC to modify the Constitution, as set out in this supplemental deed poll, to

Annexure D: Supplemental Deeds (continued)

give effect to the Special Resolution to modify the Constitution that was passed by Unitholders at a meeting held on [date] 2022.

General terms

1 Definitions and interpretation

1.1 Terms defined in the Constitution

Capitalised terms used in this supplemental deed poll have the meaning given in the Constitution, unless the contrary intention appears.

1.2 Definitions

CHPIP means Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGGM Industrial Partnership No.2 (ABN 98 732 489 194).

CHPIP Guarantor means Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGGM Industrial Partnership (ABN 29 250 100 507).

Constitution means the trust deed constituting the Trust, as approved by unitholders on 12 December 2012, as amended from time to time.

Details means the section of this supplemental deed poll entitled "Details".

Effective means in relation to the Trust Scheme, the coming into effect of the amendments to the Constitution (which will occur on the date and at the time a copy of the amended Constitution, or of the amendments, is lodged with ASIC under section 601GC(2) of the Corporations Act).

Effective Date means the date on which the Trust Scheme has become Effective.

IPF II means the trust known as 'Irongate Property Fund II' (ARSN 644 081 309).

Scheme Implementation Agreement means the document of that name between the Responsible Entity, CHPIP and CHPIP Guarantor dated 30 March 2022, as amended from time to time.

Trust means the trust known as 'Irongate Property Fund I' (ARSN 162 067 736).

Trust Scheme means the arrangement set out in the Scheme Implementation Agreement and facilitated by the amendments to the Constitution set out in this supplemental deed poll.

Unitholders means the unitholders of the Trust.

1.3 Headings

Headings are inserted for convenience only and do not affect the interpretation of this supplemental deed poll.

Annexure D: Supplemental Deeds (continued)

1.4 Benefit of this supplemental deed poll

This document is made by the Responsible Entity with the intent that the benefit of this supplemental deed poll shall enure to the benefit of the Unitholders jointly and severally.

2 Conditions

- (a) This document is conditional upon and will have no force or effect until, the satisfaction or waiver of each of the conditions precedent stipulated in clause 3.1 ("Conditions Precedent") of the Scheme Implementation Agreement.
- (b) This supplemental deed poll is binding on the Responsible Entity, each Unitholder and any other person claiming through any of them as if each was a party to this supplemental deed poll.

3 Amendments to the Constitution

Subject to clause 2, the Responsible Entity declares with effect on and from the Effective Date, that by this supplemental deed poll the Constitution is modified in the manner set out in Schedule 1 of this supplemental deed poll.

4 No redeclaration etc

The Responsible Entity declares that it is not, by this supplemental deed poll:

- (a) redeclaring the Trust or declaring any trust;
- (b) settling or resettling any trust;
- (c) causing the transfer, vesting or accruing of any property comprising the assets of the Trust in any person;
- (d) rescinding any trust; or
- (e) entering into a new constitution.

5 Governing law

This document is governed by the laws in force in the place specified in the Details. Each person affected by it irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of that place and the courts of appeal from them.

6 Effective Date

In accordance with section 601GC(2) of the Corporations Act, the amendments to the Constitution contained in this supplemental deed poll will take effect when a copy of this supplemental deed poll is lodged with ASIC.

7 No merger

Each obligation set out in this supplemental deed poll which is capable of having future operation continues in force after the Effective Date (as defined in Schedule 1) although this supplemental deed poll has otherwise been fully performed.

EXECUTED as a deed poll

Annexure D: Supplemental Deeds (continued)

Supplemental Deed Poll - Irongate Property Fund I

Schedule 1 Amendments to the Constitution

The Constitution is amended as follows:

1 Clause 28 - Trust Scheme

A new clause 28 is inserted immediately after clause 27 of the Constitution, as set out below:

28 Trust Scheme

28.1 Definitions

The following definitions apply in this clause 28 unless the context requires otherwise:

CHPIP means Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGGM Industrial Partnership No.2 (ABN 98 732 489 194).

CHPIP Guarantor means Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGGM Industrial Partnership (ABN 29 250 100 507).

Deed Poll means the deed poll dated 18 May 2022 executed by CHPiP and CHPiP Guarantor in favour of the Scheme Unitholders.

Effective means, in relation to the Trust Scheme, the supplemental deed poll making amendments to this Constitution to facilitate the Trust Scheme, including the insertion of clause 28, taking effect pursuant to section 601GC(2) of the Corporations Act.

Effective Date means the date on which the Trust Scheme becomes Effective.

Encumbrance means any security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power or title retention or flawed deposit arrangement and any "security interest" as defined in sections 12(1) or 12(2) of the PPSA or any agreement to create any of them or allow them to exist.

Implementation Date means the 5th Business Day following the Record Date, or such other date as may be agreed in writing between CHPiP, CHPiP Guarantor and the Responsible Entity.

Record Date means 7.00 pm (Sydney time) on the date that is five Business Days after the Effective Date, or such other date as may be agreed in writing between the IAP RE and CHPiP.

Registered Address means, in relation to a Scheme Unitholder, the address of that Scheme Unitholder shown on the Register as at the Record Date.

Registry means such suitably qualified person that is from time to time appointed by the Responsible Entity to operate the Register.

Scheme Consideration means an amount equal to \$1.90 in aggregate for each Scheme Unit and Scheme IPF II Unit.

Scheme Implementation Agreement means the agreement of that name between the Responsible Entity, CHPIP and CHPIP Guarantor dated 30 March 2022, as amended from time to time.

Scheme Meeting means the meeting of Unitholders held on [date] 2022 to consider the Scheme Resolutions, and includes any adjournment of that meeting.

Scheme Resolutions means the resolutions of the Unitholders to approve the Trust Scheme, including:

- (a) an ordinary resolution approving for the purpose of item 7 of section 611 of the Corporations Act the acquisition by CHPIP of all of the Scheme Units;
- (b) a special resolution for the purpose of section 601GC(1) of the Corporations Act to approve amendments to this Constitution to facilitate the implementation of the Trust Scheme; and
- (c) a special resolution approving the Responsible Entity to determine that the Stapling provisions of this deed will cease to apply and the Unstapling Date for the purpose of item 3.5 of Schedule 2 of this deed.

Scheme IPF II Unit means each Attached Security on issue as at the Record Date.

Scheme Unit means a Unit on issue as at the Record Date.

Scheme Unitholders means each person who is registered on the Register as a holder of Units as at the Record Date.

Trust Scheme means the arrangement by which all of the Scheme Units will be transferred to CHPIP, as set out in this clause 28.

28.2 Implementation of Trust Scheme

- (a) Each Scheme Unitholder and the Responsible Entity must do all things and execute all deeds, instruments, transfers or other documents as the Responsible Entity considers are necessary or desirable to give full effect to the terms of the Trust Scheme and the transactions contemplated by it.
- (b) Each Scheme Unitholder, without the need for any further act by that Holder, irrevocably appoints the Responsible Entity as that Holder's attorney and agent for the purpose of:
 - (1) doing all things and executing all deeds, instruments, transfers or other documents as may be necessary or desirable to give full effect to the terms of the Trust Scheme and the transactions contemplated by it, including executing and delivering any transfer of the Scheme Units; and

Annexure D: Supplemental Deeds (continued)

- (2) enforcing the Deed Poll against CHPIP and CHPIP Guarantor,

and the Responsible Entity accepts such appointment. The Responsible Entity, as attorney and as agent of each Holder, may sub-delegate its functions, authorities or powers under this clause 28(b) to all or any of its directors and officers (jointly, severally, or jointly and severally). Each Holder indemnifies the Responsible Entity and each of its directors and officers against all losses, liabilities, charges, costs and expenses arising from the exercise of powers under this clause 28.2(b).

- (c) Without limiting the Responsible Entity's other powers under this clause 28, the Responsible Entity has power to do all things that it considers necessary, desirable or reasonably incidental to give effect to the Trust Scheme, the Scheme Implementation Agreement and the transactions contemplated by them.
- (d) Subject to the Corporations Act, the Responsible Entity, CHPIP or any of their directors, officers, employees or associates may do any act, matter or thing described in or contemplated by this clause 28 even if they have an interest (financial or otherwise) in the outcome of such exercise.
- (e) Each Scheme Unitholder will be entitled to receive the Scheme Consideration for each Scheme Unit and Scheme IPF II Unit held by that Scheme Unitholder.
- (f) Without limiting the Responsible Entity's powers under this clause 28, subject to CHPIP and the CHPIP Guarantor having complied with their obligations under clause 4.2(b) of the Deed Poll:
- (1) on the Implementation Date, the Responsible Entity must determine in accordance with item 3.5(a) of Schedule 2 that the Stapling provisions of the Constitution will cease to apply on the Implementation Date and that the Implementation Date is to be the "Unstapling Date" for the purpose of item 3.5(a) of Schedule 2 of the Constitution;
 - (2) on the Effective Date, the Responsible Entity, as the Scheme Unitholder's agent and attorney under clause 28.2(b)(1) above, is empowered to transfer the Scheme Units and the Scheme IPF II Units on the Implementation Date for a price equal to the Scheme Consideration, in accordance with the terms of the Scheme Implementation Agreement and the Deed Poll; and
 - (3) by no later than the Implementation Date, the Responsible Entity must execute a transfer of the Scheme Units on behalf of each Scheme Unitholder as agent and attorney appointed under clause 28.2(b)(1) above in the manner and form which the Responsible Entity considers necessary and deliver the transfer to the Registry for registration.
 - (4) immediately after receipt of the transfer in accordance with clause 28.2(f)(3), but subject to the stamping of the transfer (if required), or the transfer being effected

under section 1074D of the *Corporations Act* (as the case may be), entering, or procuring the entry of, the name and address of CHPIP in the Register as the holder of all of the Scheme Units transferred to CHPIP in accordance with the Trust Scheme.

- (g) This clause 28:
- (1) binds the Responsible Entity and all of the Holders from time to time (including those who do not attend the Scheme Meeting, those who do not vote at the Scheme Meeting and those who vote against the Scheme Resolutions); and
 - (2) to the extent of any inconsistency, overrides the other provisions of this Constitution (but, for the avoidance of doubt, remains subject to the Corporations Act, the Listing Rules and the Listing Requirements).

28.3 Warranty by Scheme Unitholders

Each Scheme Unitholder warrants to CHPIP and is deemed to have authorised the Responsible Entity to warrant to CHPIP as agent and attorney for the Scheme Unitholder by virtue of this clause 28.3, that:

- (a) all their Scheme Units (including any rights and entitlements attaching to those securities) transferred to CHPIP under the Trust Scheme, will, as at the date of the transfer, be fully paid and free from all Encumbrances;
- (b) they have full power and capacity to sell and to transfer their Scheme Units (including any rights and entitlements attaching to those securities) to CHPIP under the Trust Scheme; and
- (c) they have agreed to the variation, cancellation or modification of the rights attached to their Scheme Units (if any) in accordance with the Trust Scheme without the need for any further act by the Scheme Unitholder.

28.4 Transfer free of Encumbrances

To the extent permitted by law, all Scheme Units (including any rights and entitlements attaching to those securities) which are transferred to CHPIP under the Trust Scheme will, at the date of the transfer of them to CHPIP, vest in CHPIP free from all Encumbrances.

28.5 Appointment of CHPIP as sole proxy

Subject to the provision of the Scheme Consideration for the Scheme Units, on and from the Implementation Date until the Responsible Entity registers CHPIP as the holder of all the Scheme Units in the Register, each Scheme Unitholder:

- (a) irrevocably appoints the Responsible Entity as attorney and agent (and directs the Responsible Entity in such capacity) to appoint CHPIP and each of CHPIP's directors from time to time (jointly and each of them individually) as its sole proxy, and where applicable, corporate representative, to attend Unitholder meetings, exercise the votes attaching to Units registered in its name and sign any Unitholder resolution, and no Scheme Unitholder may itself attend or vote at any of those meetings or

Annexure D: Supplemental Deeds (continued)

sign any resolutions, whether in person, by proxy, or by corporate representative (other than pursuant to this clause 28.5(a)); and

- (b) must take all other actions in the capacity of the registered holder of Units as CHPIP directs.

The Responsible Entity undertakes in favour of each Scheme Unitholder that it will appoint CHPIP and each of CHPIP's directors from time to time (jointly and each of them individually) as that Scheme Unitholder's proxy or, where applicable, corporate representative, in accordance with clause 28.5(a).

28.6 Payment to Scheme Unitholders

- (a) On the Implementation Date, subject to CHPIP having satisfied its obligations under clause 4.2(b) of the Deed Poll, the Responsible Entity must pay or procure the payment from the Trust Account to each Scheme Unitholder the Scheme Consideration as that Scheme Unitholder is entitled under clause 28.2(e).
- (b) The obligations of the Responsible Entity under clause 28.6(a) will be satisfied by the Responsible Entity (in its absolute discretion):
 - (1) where a Scheme Unitholder has, before the Record Date, made a valid election in accordance with the requirements of the Registry to receive dividend payments from the Responsible Entity by electronic funds transfer to a bank account nominated by the Scheme Unitholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election; or
 - (2) otherwise, whether or not the Scheme Unitholder has made an election referred to in paragraph (1), dispatching, or procuring the dispatch of, a cheque for the relevant amount in Australian currency to the Scheme Unitholder by prepaid post to their Registered Address (as at the Record Date), such cheque being drawn in the name of the Scheme Unitholder (or in the case of Joint Holders, in accordance with the procedures set out in clause 28.7).
- (c) Notwithstanding anything to the contrary in this deed, the Scheme Consideration paid to Scheme Unitholders included in the Register maintained by, or on behalf of, the Responsible Entity in South Africa (as a sub-register of the Register), will be paid to such Scheme Unitholders in a ZAR (Rand) equivalent of the Scheme Consideration determined by the ZAR (Rand) / AUD (Australian Dollar) spot rate quoted by Reuters as at the date and time determined by the Responsible Entity provided that CHPIP shall have no obligation to make available to the Responsible Entity funds denominated in ZAR (Rand) and no obligation to gross-up for any conversion costs or rounding differences.

28.7 Joint Holders

In the case of Scheme Units held by Joint Holders:

- (a) any cheque required to be sent under the Trust Scheme will be made payable to the joint holders and sent to either, at the sole discretion of the Responsible Entity, the holder whose name appears first in the Register as at the Record Date; and
- (b) any other document required to be sent under the Scheme, will be forwarded to either, at the sole discretion of the Responsible Entity, the holder whose name appears first in the Register as at the Record Date.

28.8 Fractional entitlements

Where the calculation of the aggregate Scheme Consideration to be provided to a particular Scheme Unitholder would result in the Scheme Unitholder becoming entitled to a fraction of a cent, the fractional entitlement will be rounded down to the nearest whole cent.

28.9 Unclaimed monies

- (a) The *Unclaimed Money Act 1995* (NSW) will apply in relation to any amount payable to a Scheme Unitholder under the Trust Scheme which becomes 'unclaimed money' (as defined in section 7 of that Act).
- (b) The Responsible Entity may cancel a cheque issued on account of the Scheme Consideration if the cheque:
 - (1) is returned to the Responsible Entity; or
 - (2) has not been presented for payment within 12 months after the date on which the cheque was sent.

28.10 Orders of a court or Government Agency

- (a) The Responsible Entity may deduct and withhold from any Scheme Consideration which would otherwise be payable to a Scheme Unitholder any amount which CHPIP or the Responsible Entity determine is required to be deducted and withheld from that consideration under any applicable law, including any order, direction or notice made or given by a court of competent jurisdiction or by another Government Agency.
- (b) To the extent that amounts are so deducted or withheld, such deducted or withheld amounts will be treated for all purposes under the Trust Scheme as having been paid to the person in respect of which such deduction or withholding was made, provided that such deducted or withheld amounts are actually remitted to the appropriate Government Agency on or before the Implementation Date.
- (c) If written notice is given to the Responsible Entity (or the Registry) of an order, direction or notice made or given by a court of competent jurisdiction or by another Government Agency that:

Annexure D: Supplemental Deeds (continued)

- (i) requires consideration which would otherwise be payable or provided to a Scheme Unitholder under the Trust Scheme must instead be paid or provided to a Government Agency or other third party (either through payment of a sum or the issuance of a security), then, the Responsible Entity shall be entitled to procure that payment or provision of that consideration is made in accordance with that order, direction or notice (and payment or provision of that consideration in accordance with that order, direction or notice will be treated for all purposes under the Trust Scheme as having been paid or provided to that Scheme Unitholder); or
- (ii) prevents the Responsible Entity from providing consideration to any particular Scheme Unitholder under the Trust Scheme, or the payment or provision of such consideration is otherwise prohibited by applicable law, the Responsible Entity shall be entitled to retain the Scheme Consideration to which that Scheme Unitholder would otherwise be entitled to under the Trust Scheme, until such time as payment or provision of the Scheme Consideration under the Trust Scheme is permitted by that order or direction or otherwise by law.

28.11 No disposals after the Effective Date

- (a) If the Trust Scheme becomes Effective, a holder of Scheme Units (and any person claiming through that holder) must not dispose of or purport or agree to dispose of any Scheme Units or any interest in them after the Effective Date in any way except pursuant to the Trust Scheme and any such disposal will be void and of no legal effect whatsoever.
- (b) The Responsible Entity will not accept for registration or recognise for any purpose any transmission, application or transfer in respect of Scheme Units received after the Record Date (except a transfer to CHPIP pursuant to the Trust Scheme or any subsequent transfer by CHPIP or its successors in title).

28.12 Lapsing

Clause 28 will lapse and have no further force or effect if the Trust Scheme lapses in accordance with the Scheme Implementation Agreement.

Supplemental Deed Poll - Irongate Property Fund I

Signing page

DATED: _____

EXECUTED by IRONGATE FUNDS
MANAGEMENT LIMITED (ACN 071
514 246) as responsible entity of
IRONGATE PROPERTY FUND I
(ARSN 162 067 736) in accordance
with section 127(1) of the *Corporations
Act 2001* (Cth) by authority of its
directors:

.....
Signature of director

.....
Name of director (block letters)

.....
Signature of director/company
secretary*
*delete whichever is not applicable

.....
Name of director/company secretary*
(block letters)
*delete whichever is not applicable

Annexure D: Supplemental Deeds (continued)

KING&WOOD
MALLESONS
金杜律师事务所

Execution Version

Supplemental Deed Poll - Irongate Property Fund II

Dated

Irongate Funds Management Limited (ACN 071 514 246)
("Responsible Entity")

King & Wood Mallesons

Level 61
Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
Australia
T +61 2 9296 2000
F +61 2 9296 3999
DX 113 Sydney
www.kwm.com

Supplemental Deed Poll - Irongate Property Fund II

Details

Responsible Entity	Name	Irongate Funds Management Limited
	ACN	071 514 246
	Address	Level 13, 95 Pitt Street, Sydney NSW 2000
<hr/>		
Governing law	New South Wales, Australia	
<hr/>		
Recitals	A	The Responsible Entity is the responsible entity of the trust known as the Irongate Property Fund II (ARSN 644 081 309) (" Trust "), constituted under a trust deed dated 3 September 2020, as amended from time to time (" Constitution ").
	B	The Trust is registered as a managed investment scheme pursuant to section 601EB of the Corporations Act (" Registered Scheme ").
	C	The units of the Trust are stapled to the units of Irongate Property Fund I (ARSN 162 067 736) (" IPF I ") and are quoted and traded on ASX and JSE as stapled securities of Irongate Group (ASX and JSE: IAP).
	D	The Responsible Entity, CHPIP and CHPIP Guarantor have agreed, by executing the Scheme Implementation Agreement, to propose and implement the Trust Scheme.
	E	The Constitution must be amended to facilitate the Trust Scheme.
	F	Section 601GC(1)(a) of the Corporations Act provides that the constitution of a managed investment scheme may be modified, or repealed and replaced with a new constitution by special resolution of the members of the scheme.
	G	Clauses 24.1 and 24.2 of the Constitution provide that while the Trust is a Registered Scheme, the Constitution may be modified, or repealed and replaced with a new deed by Special Resolution (as that term is defined in the Constitution) of the Unitholders, subject to any approval required by any applicable law, the approval of the JSE and compliance with any applicable Listing Requirements in relation to such modification or repeal and replacement.
	H	The Responsible Entity proposes to execute this supplemental deed poll and lodge it with ASIC to modify the Constitution, as set out in this supplemental deed poll, to

Annexure D: Supplemental Deeds (continued)

give effect to the Special Resolution to modify the Constitution that was passed by Unitholders at a meeting held on [date] 2022.

General terms

1 Definitions and interpretation

1.1 Terms defined in the Constitution

Capitalised terms used in this supplemental deed poll have the meaning given in the Constitution, unless the contrary intention appears.

1.2 Definitions

CHPIP means Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGGM Industrial Partnership No.2 (ABN 98 732 489 194).

CHPIP Guarantor means Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGGM Industrial Partnership (ABN 29 250 100 507).

Constitution means the trust deed constituting the Trust, as approved by unitholders on 3 September 2020, as amended from time to time.

Details means the section of this supplemental deed poll entitled "Details".

Effective means in relation to the Trust Scheme, the coming into effect of the amendments to the Constitution (which will occur on the date and at the time a copy of the amended Constitution, or of the amendments, is lodged with ASIC under section 601GC(2) of the Corporations Act).

Effective Date means the date on which the Trust Scheme has become Effective.

IPF I means the trust known as 'Irongate Property Fund I' (ARSN 162 067 736).

Scheme Implementation Agreement means the document of that name between the Responsible Entity, CHPIP and CHPIP Guarantor dated 30 March 2022, as amended from time to time.

Trust means the trust known as 'Irongate Property Fund I' (ARSN 162 067 736).

Trust Scheme means the arrangement set out in the Scheme Implementation Agreement and facilitated by the amendments to the Constitution set out in this supplemental deed poll.

Unitholders means the unitholders of the Trust.

1.3 Headings

Headings are inserted for convenience only and do not affect the interpretation of this supplemental deed poll.

Annexure D: Supplemental Deeds (continued)

1.4 Benefit of this supplemental deed poll

This document is made by the Responsible Entity with the intent that the benefit of this supplemental deed poll shall enure to the benefit of the Unitholders jointly and severally.

2 Conditions

- (a) This document is conditional upon and will have no force or effect until, the satisfaction or waiver of each of the conditions precedent stipulated in clause 3.1 ("Conditions Precedent") of the Scheme Implementation Agreement.
- (b) This supplemental deed poll is binding on the Responsible Entity, each Unitholder and any other person claiming through any of them as if each was a party to this supplemental deed poll.

3 Amendments to the Constitution

Subject to clause 2, the Responsible Entity declares with effect on and from the Effective Date, that by this supplemental deed poll the Constitution is modified in the manner set out in Schedule 1 of this supplemental deed poll.

4 No redeclaration etc

The Responsible Entity declares that it is not, by this supplemental deed poll:

- (a) redeclaring the Trust or declaring any trust;
- (b) settling or resettling any trust;
- (c) causing the transfer, vesting or accruing of any property comprising the assets of the Trust in any person;
- (d) rescinding any trust; or
- (e) entering into a new constitution.

5 Governing law

This document is governed by the laws in force in the place specified in the Details. Each person affected by it irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of that place and the courts of appeal from them.

6 Effective Date

In accordance with section 601GC(2) of the Corporations Act, the amendments to the Constitution contained in this supplemental deed poll will take effect when a copy of this supplemental deed poll is lodged with ASIC.

7 No merger

Each obligation set out in this supplemental deed poll which is capable of having future operation continues in force after the Effective Date (as defined in Schedule 1) although this supplemental deed poll has otherwise been fully performed.

EXECUTED as a deed poll

Annexure D: Supplemental Deeds (continued)

Supplemental Deed Poll - Irongate Property Fund II

Schedule 1 Amendments to the Constitution

The Constitution is amended as follows:

1 Clause 28 - Trust Scheme

A new clause 28 is inserted immediately after clause 27 of the Constitution, as set out below:

28 Trust Scheme

28.1 Definitions

The following definitions apply in this clause 28 unless the context requires otherwise:

CHH means Charter Hall Holdings Pty. Limited (ACN 051 363 547).

CHPIP means Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGGM Industrial Partnership No.2 (ABN 98 732 489 194).

CHPIP Guarantor means Charter Hall Wholesale Management Limited (ACN 006 765 206) as trustee of the Charter Hall PGGM Industrial Partnership (ABN 29 250 100 507).

Deed Poll means the deed poll dated 18 May 2022 executed by CHPIP and CHPIP Guarantor in favour of the Scheme Unitholders.

Effective means, in relation to the Trust Scheme, the supplemental deed poll making amendments to this Constitution to facilitate the Trust Scheme, including the insertion of clause 28, taking effect pursuant to section 601GC(2) of the Corporations Act.

Effective Date means the date on which the Trust Scheme becomes Effective.

Encumbrance means any security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power or title retention or flawed deposit arrangement and any "security interest" as defined in sections 12(1) or 12(2) of the PPSA or any agreement to create any of them or allow them to exist.

Implementation Date means the 5th Business Day following the Record Date, or such other date as may be agreed in writing between CHPIP, CHPIP Guarantor and the Responsible Entity.

Record Date means 7.00 pm (Sydney time) on the date that is five Business Days after the Effective Date, or such other date as may be agreed in writing between the IAP RE and CHPIP.

Registered Address means, in relation to a Scheme Unitholder, the address of that Scheme Unitholder shown on the Register as at the Record Date.

Registry means such suitably qualified person that is from time to time appointed by the Responsible Entity to operate the Register.

Scheme Consideration means an amount equal to \$1.90 in aggregate for each Scheme Unit and Scheme IPF I Unit.

Scheme Implementation Agreement means the agreement of that name between the Responsible Entity, CHPIP and CHPIP Guarantor dated 30 March 2022, as amended from time to time.

Scheme Meeting means the meeting of Unitholders held on [date] 2022 to consider the Scheme Resolutions, and includes any adjournment of that meeting.

Scheme Resolutions means the resolutions of the Unitholders to approve the Trust Scheme, including:

- (a) an ordinary resolution approving for the purpose of item 7 of section 611 of the Corporations Act the acquisition by CHH of all of the Scheme Units;
- (b) a special resolution for the purpose of section 601GC(1) of the Corporations Act to approve amendments to this Constitution to facilitate the implementation of the Trust Scheme; and
- (c) a special resolution approving the Responsible Entity to determine that the Stapling provisions of this deed will cease to apply and the Unstapling Date for the purpose of item 3.5 of Schedule 2 of this deed.

Scheme IPF I Unit means each Attached Security on issue as at the Record Date.

Scheme Unit means a Unit on issue as at the Record Date.

Scheme Unitholders means each person who is registered on the Register as a holder of Units as at the Record Date.

Trust Scheme means the arrangement by which all of the Scheme Units will be transferred to CHH, as set out in this clause 28.

28.2 Implementation of Trust Scheme

- (a) Each Scheme Unitholder and the Responsible Entity must do all things and execute all deeds, instruments, transfers or other documents as the Responsible Entity considers are necessary or desirable to give full effect to the terms of the Trust Scheme and the transactions contemplated by it.
- (b) Each Scheme Unitholder, without the need for any further act by that Holder, irrevocably appoints the Responsible Entity as that Holder's attorney and agent for the purpose of:
 - (1) doing all things and executing all deeds, instruments, transfers or other documents as may be necessary or desirable to give full effect to the terms of the Trust Scheme and the transactions contemplated by it, including executing and delivering any transfer of the Scheme Units; and

Annexure D: Supplemental Deeds (continued)

- (2) enforcing the Deed Poll against CHPIP and CHPIP Guarantor,

and the Responsible Entity accepts such appointment. The Responsible Entity, as attorney and as agent of each Holder, may sub-delegate its functions, authorities or powers under this clause 28(b) to all or any of its directors and officers (jointly, severally, or jointly and severally). Each Holder indemnifies the Responsible Entity and each of its directors and officers against all losses, liabilities, charges, costs and expenses arising from the exercise of powers under this clause 28.2(b).

- (c) Without limiting the Responsible Entity's other powers under this clause 28, the Responsible Entity has power to do all things that it considers necessary, desirable or reasonably incidental to give effect to the Trust Scheme, the Scheme Implementation Agreement and the transactions contemplated by them.
- (d) Subject to the Corporations Act, the Responsible Entity, CHH or any of their directors, officers, employees or associates may do any act, matter or thing described in or contemplated by this clause 28 even if they have an interest (financial or otherwise) in the outcome of such exercise.
- (e) Each Scheme Unitholder will be entitled to receive the Scheme Consideration for each Scheme Unit and Scheme IPF I Unit held by that Scheme Unitholder.
- (f) Without limiting the Responsible Entity's powers under this clause 28, subject to CHPIP and the CHPIP Guarantor having complied with their obligations under clause 4.2(b) of the Deed Poll:
- (1) on the Implementation Date, the Responsible Entity must determine in accordance with item 3.5(a) of Schedule 2 that the Stapling provisions of the Constitution will cease to apply on the Implementation Date and that the Implementation Date is to be the "Unstapling Date" for the purpose of item 3.5(a) of Schedule 2 of the Constitution;
 - (2) on the Effective Date, the Responsible Entity, as the Scheme Unitholder's agent and attorney under clause 28.2(b)(1) above, is empowered to transfer the Scheme Units and the Scheme IPF I Units on the Implementation Date for a price equal to the Scheme Consideration, in accordance with the terms of the Scheme Implementation Agreement and the Deed Poll; and
 - (3) by no later than the Implementation Date, the Responsible Entity must execute a transfer of the Scheme Units on behalf of each Scheme Unitholder as agent and attorney appointed under clause 28.2(b)(1) above in the manner and form which the Responsible Entity considers necessary and deliver the transfer to the Registry for registration.
 - (4) immediately after receipt of the transfer in accordance with clause 28.2(f)(3), but subject to the stamping of the transfer (if required), or the transfer being effected

under section 1074D of the *Corporations Act* (as the case may be), entering, or procuring the entry of, the name and address of CHH in the Register as the holder of all of the Scheme Units transferred to CHH in accordance with the Trust Scheme.

- (g) This clause 28:
- (1) binds the Responsible Entity and all of the Holders from time to time (including those who do not attend the Scheme Meeting, those who do not vote at the Scheme Meeting and those who vote against the Scheme Resolutions); and
 - (2) to the extent of any inconsistency, overrides the other provisions of this Constitution (but, for the avoidance of doubt, remains subject to the Corporations Act, the Listing Rules and the Listing Requirements).

28.3 Warranty by Scheme Unitholders

Each Scheme Unitholder warrants to CHH and is deemed to have authorised the Responsible Entity to warrant to CHH as agent and attorney for the Scheme Unitholder by virtue of this clause 28.3, that:

- (a) all their Scheme Units (including any rights and entitlements attaching to those securities) transferred to CHH under the Trust Scheme, will, as at the date of the transfer, be fully paid and free from all Encumbrances;
- (b) they have full power and capacity to sell and to transfer their Scheme Units (including any rights and entitlements attaching to those securities) to CHH under the Trust Scheme; and
- (c) they have agreed to the variation, cancellation or modification of the rights attached to their Scheme Units (if any) in accordance with the Trust Scheme without the need for any further act by the Scheme Unitholder.

28.4 Transfer free of Encumbrances

To the extent permitted by law, all Scheme Units (including any rights and entitlements attaching to those securities) which are transferred to CHH under the Trust Scheme will, at the date of the transfer of them to CHH, vest in CHH free from all Encumbrances.

28.5 Appointment of CHH as sole proxy

Subject to the provision of the Scheme Consideration for the Scheme Units, on and from the Implementation Date until the Responsible Entity registers CHH as the holder of all the Scheme Units in the Register, each Scheme Unitholder:

- (a) irrevocably appoints the Responsible Entity as attorney and agent (and directs the Responsible Entity in such capacity) to appoint CHH and each of CHH's directors from time to time (jointly and each of them individually) as its sole proxy, and where applicable, corporate representative, to attend Unitholder meetings, exercise the votes attaching to Units registered in its name and sign any Unitholder resolution, and no Scheme Unitholder may itself attend or vote at any of those meetings or

Annexure D: Supplemental Deeds (continued)

sign any resolutions, whether in person, by proxy, or by corporate representative (other than pursuant to this clause 28.5(a)); and

- (b) must take all other actions in the capacity of the registered holder of Units as CHH directs.

The Responsible Entity undertakes in favour of each Scheme Unitholder that it will appoint CHH and each of CHH's directors from time to time (jointly and each of them individually) as that Scheme Unitholder's proxy or, where applicable, corporate representative, in accordance with clause 28.5(a).

28.6 Payment to Scheme Unitholders

- (a) On the Implementation Date, subject to CHPIP having satisfied its obligations under clause 4.2(b) of the Deed Poll, the Responsible Entity must pay or procure the payment from the Trust Account to each Scheme Unitholder the Scheme Consideration as that Scheme Unitholder is entitled under clause 28.2(e).
- (b) The obligations of the Responsible Entity under clause 28.6(a) will be satisfied by the Responsible Entity (in its absolute discretion):
 - (1) where a Scheme Unitholder has, before the Record Date, made a valid election in accordance with the requirements of the Registry to receive dividend payments from the Responsible Entity by electronic funds transfer to a bank account nominated by the Scheme Unitholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election; or
 - (2) otherwise, whether or not the Scheme Unitholder has made an election referred to in paragraph (1), dispatching, or procuring the dispatch of, a cheque for the relevant amount in Australian currency to the Scheme Unitholder by prepaid post to their Registered Address (as at the Record Date), such cheque being drawn in the name of the Scheme Unitholder (or in the case of Joint Holders, in accordance with the procedures set out in clause 28.7).
- (c) Notwithstanding anything to the contrary in this deed, the Scheme Consideration paid to Scheme Unitholders included in the Register maintained by, or on behalf of, the Responsible Entity in South Africa (as a sub-register of the Register), will be paid to such Scheme Unitholders in a ZAR (Rand) equivalent of the Scheme Consideration determined by the ZAR (Rand) / AUD (Australian Dollar) spot rate quoted by Reuters as at the date and time determined by the Responsible Entity provided that CHPIP shall have no obligation to make available to the Responsible Entity funds denominated in ZAR (Rand) and no obligation to gross-up for any conversion costs or rounding differences.

28.7 Joint Holders

In the case of Scheme Units held by Joint Holders:

- (a) any cheque required to be sent under the Trust Scheme will be made payable to the joint holders and sent to either, at the sole discretion of the Responsible Entity, the holder whose name appears first in the Register as at the Record Date; and
- (b) any other document required to be sent under the Scheme, will be forwarded to either, at the sole discretion of the Responsible Entity, the holder whose name appears first in the Register as at the Record Date.

28.8 Fractional entitlements

Where the calculation of the aggregate Scheme Consideration to be provided to a particular Scheme Unitholder would result in the Scheme Unitholder becoming entitled to a fraction of a cent, the fractional entitlement will be rounded down to the nearest whole cent.

28.9 Unclaimed monies

- (a) The *Unclaimed Money Act 1995* (NSW) will apply in relation to any amount payable to a Scheme Unitholder under the Trust Scheme which becomes 'unclaimed money' (as defined in section 7 of that Act).
- (b) The Responsible Entity may cancel a cheque issued on account of the Scheme Consideration if the cheque:
 - (1) is returned to the Responsible Entity; or
 - (2) has not been presented for payment within 12 months after the date on which the cheque was sent.

28.10 Orders of a court or Government Agency

- (a) The Responsible Entity may deduct and withhold from any Scheme Consideration which would otherwise be payable to a Scheme Unitholder any amount which CHPIP or the Responsible Entity determine is required to be deducted and withheld from that consideration under any applicable law, including any order, direction or notice made or given by a court of competent jurisdiction or by another Government Agency.
- (b) To the extent that amounts are so deducted or withheld, such deducted or withheld amounts will be treated for all purposes under the Trust Scheme as having been paid to the person in respect of which such deduction or withholding was made, provided that such deducted or withheld amounts are actually remitted to the appropriate Government Agency on or before the Implementation Date.
- (c) If written notice is given to the Responsible Entity (or the Registry) of an order, direction or notice made or given by a court of competent jurisdiction or by another Government Agency that:

Annexure D: Supplemental Deeds (continued)

- (i) requires consideration which would otherwise be payable or provided to a Scheme Unitholder under the Trust Scheme must instead be paid or provided to a Government Agency or other third party (either through payment of a sum or the issuance of a security), then, the Responsible Entity shall be entitled to procure that payment or provision of that consideration is made in accordance with that order, direction or notice (and payment or provision of that consideration in accordance with that order, direction or notice will be treated for all purposes under the Trust Scheme as having been paid or provided to that Scheme Unitholder); or
- (ii) prevents the Responsible Entity from providing consideration to any particular Scheme Unitholder under the Trust Scheme, or the payment or provision of such consideration is otherwise prohibited by applicable law, the Responsible Entity shall be entitled to retain the Scheme Consideration to which that Scheme Unitholder would otherwise be entitled to under the Trust Scheme, until such time as payment or provision of the Scheme Consideration under the Trust Scheme is permitted by that order or direction or otherwise by law.

28.11 No disposals after the Effective Date

- (a) If the Trust Scheme becomes Effective, a holder of Scheme Units (and any person claiming through that holder) must not dispose of or purport or agree to dispose of any Scheme Units or any interest in them after the Effective Date in any way except pursuant to the Trust Scheme and any such disposal will be void and of no legal effect whatsoever.
- (b) The Responsible Entity will not accept for registration or recognise for any purpose any transmission, application or transfer in respect of Scheme Units received after the Record Date (except a transfer to CHH pursuant to the Trust Scheme or any subsequent transfer by CHH or its successors in title).

28.12 Lapsing

Clause 28 will lapse and have no further force or effect if the Trust Scheme lapses in accordance with the Scheme Implementation Agreement.

Supplemental Deed Poll - Irongate Property Fund II

Signing page

DATED: _____

EXECUTED by **IRONGATE FUNDS MANAGEMENT LIMITED (ACN 071 514 246)** as responsible entity of **IRONGATE PROPERTY FUND II (ARSN 644 081 309)** in accordance with section 127(1) of the *Corporations Act 2001* (Cth) by authority of its directors:

.....
Signature of director

.....
Name of director (block letters)

.....
Signature of director/company secretary*

*delete whichever is not applicable

.....
Name of director/company secretary* (block letters)

*delete whichever is not applicable

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Corporate directory

Irongate Group

Irongate Property Fund I

ARSN 162 067 736

Irongate Property Fund II

ARSN 644 081 309

Responsible Entity

Irongate Funds Management Limited

ACN 071 514 246

AFSL No. 290909

Level 13, 95 Pitt Street
Sydney NSW 2000
Australia

Australian legal adviser

King & Wood Mallesons

Level 61, 1 Farrer Place
Governor Phillip Tower
Sydney NSW 2000
Australia

South African legal adviser

Cliffe Dekker Hofmeyr

11 Buitengracht Street
Cape Town
Western Cape 8001
South Africa

Financial advisers

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Level 4, 50 Martin Place
Sydney NSW 2000
Australia

J.P. Morgan Securities Australia Limited

Level 18, J.P. Morgan House
85 Castlereagh Street
Sydney NSW 2000
Australia

Sponsor

Investec Bank Limited

100 Grayston Drive
Sandown
Santon
2196
South Africa

Independent Expert

Deloitte Corporate Finance Pty Limited

Grosvenor Place
225 George Street
Sydney NSW 2000
Australia

Australian tax adviser

KPMG

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300 Barangaroo Avenue
Sydney NSW 2000
Australia

IAP Australian Registry

Computershare Investor Services Pty Limited

GPO Box 2975
Melbourne VIC 3001
Australia

IAP South African Registry

Computershare Investor Services Proprietary Limited

Rosebank Towers
15 Biermann Avenue, Rosebank
Johannesburg 2196
South Africa

Stock exchange listings

IAP Securities are dual listed on the ASX
(ASX Code: IAP) and the JSE (JSE Code: IAP)

Company website

irongategroup.com.au

Investor website

irongategroup.com.au/investor-centre

IRONGATE

irongategroup.com.au

