

Announcement

27 October 2023

Australian Unity Diversified Property Fund (Fund) – ARSN 106 724 038

Proposed merger with Cromwell Direct Property Fund not proceeding

Australian Unity Property Limited (AUPL), as responsible entity of Australian Unity Diversified Property Fund (AUDPF), refers to its [announcement](#) on 7 July 2023 in relation to its entry into a Merger Implementation Deed (MID) with Cromwell Funds Management Limited (CFML) as responsible entity of Cromwell Direct Property Fund (CDPF) to merge AUDPF and CDPF via a trust scheme (Proposed Merger).

Since the announcement of the Proposed Merger, market conditions impacting commercial property investment have materially changed and, consequently, have increased uncertainty in relation to the Proposed Merger. Given these developments, the parties have determined that proceeding with the Proposed Merger is no longer in the best interests of the respective funds' investors.

Accordingly, AUPL and CFML have now agreed to terminate the MID effective today, meaning that the Proposed Merger will not proceed.

Quarterly Capped Withdrawal Facility – August 2023 and November 2023

Given the focus on capital management initiatives and AUPL's commitment to deliver value for all unitholders, and in light of the MID being terminated, the AUDPF standard Capped Withdrawal Facility (CWF) will no longer be processed for the August 2023 window. However, the November 2023 CWF will be processed under the existing terms and conditions of the CWF (noting the maximum amount available is limited to 2.5% of AUDPF's net asset value at the closing date of the CWF).

The November 2023 CWF is currently open and will close at 3.00pm on 21 November 2023 AEDT with payments to be made on or about 28 November 2023. AUDPF unitholders who have already submitted a withdrawal request for the August 2023 CWF will have their request processed under the November 2023 CWF. AUDPF unitholders may also cancel or replace their August 2023 CWF withdrawal request. Please refer to the Product Disclosure Statement (PDS) available [here](#) and Capped Withdrawal Facility booklet available [here](#) for further information on the CWF.

Next steps

AUPL are continuing to evaluate the next steps for AUDPF to prudently manage its capital position and continue to deliver value for all unitholders. AUDPF's gearing as at 19 October is 40.5% following the recent disposals of Woodvale Boulevard and 620 Mersey Road, Osborne in September 2023 and October 2023, respectively, resulting in AUDPF being well placed in the near term to navigate the current market conditions.

Thank you for your engagement in the Proposed Merger and for investing in AUDPF.

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More information

Should AUDPF unitholders have any queries in relation to this announcement, please contact the AUDPF Unitholder Information Line on 1300 237 569 (or +61 2 9066 4055) (outside Australia), between 8.30am and 5.00pm Monday to Friday (Sydney time) or your financial adviser.

We regularly provide up to date information about AUDPF, including quarterly Fund Updates and continuous disclosure information. These contain current information about the AUDPF's gearing, interest cover, borrowings, diversification, valuation policy, related party transactions, distribution practices and withdrawal rights.

Please refer to the 'Fund information' section of this website or contact Investor Services on 1300 997 774 or +61 3 9616 8687 (if calling from overseas) for copies of the Fund Update.