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14 December 2020

Ineligible Retail Securityholder Letter

Please find attached a letter sent to Ineligible Retail Securityholders today with information on the recently announced Entitlement Offer and their ineligibility to participate.

If you have any questions in relation to any of the above matters, please contact the Abacus Property Group Information Line on 1300 139 440 (local call from within Australia) or +61 2 9290 9691 (from outside Australia) from 8.30am to 5.30pm (Sydney, Australia time) Monday to Friday during the Retail Entitlement Offer period.

END

INVESTOR & MEDIA ENQUIRIES

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Dear Securityholder

Abacus Property Group Entitlement Offer – Notification to Ineligible Securityholders

On 8 December 2020, Abacus Group Holdings Limited, Abacus Storage Operations Limited, Abacus Funds Management Limited as responsible entity of Abacus Trust and Abacus Income Trust, Abacus Group Projects Limited and Abacus Storage Funds Management Limited as responsible entity of Abacus Storage Property Trust (ASX: ABP) (**Abacus**) announced a fully underwritten pro-rata accelerated institutional non-renounceable entitlement offer of new fully paid stapled securities in Abacus (**New Securities**) at an offer price of A\$2.90 per New Security (**Issue Price**) to raise approximately A\$402 million (**Entitlement Offer**).

The Entitlement Offer is being made to eligible Abacus Securityholders on the basis of an entitlement to subscribe for 1 New Security for every 4.8 existing fully paid stapled security (**Entitlement**) in Abacus (**Abacus Securities**) held and recorded on Abacus' register of securityholders as at 7.00 pm (Sydney, Australia time) on 10 December 2020 (**Record Date**). The Entitlement Offer consists of an institutional component (**Institutional Entitlement Offer**) which closed on 8 December 2020 and a retail component (**Retail Entitlement Offer**) which opened on 14 December 2020.

Details of Retail Entitlement Offer

The Entitlement Offer is being made by Abacus in accordance with section 708AA and 1012DAA of the *Corporations Act 2001* (**Corporations Act**) as modified by the Australian Securities and Investments Commission Corporations (Non-Traditional Rights Issues) Instrument 2016/84, meaning that no prospectus or product disclosure statement needs to be prepared with respect to the Entitlement Offer.

This letter has been sent to you to inform you about the Entitlement Offer and to explain why you are ineligible to subscribe for New Securities under the Entitlement Offer. This letter is not an offer to issue New Securities to you, nor an invitation for you to apply for New Securities. **You are not required to do anything in response to this letter but there may be financial implications for you as a result of the Entitlement Offer that you should be aware of.**

Details of the Institutional Entitlement Offer

On 9 December 2020, Abacus announced that it had successfully completed the Institutional Entitlement Offer. Through the Institutional Entitlement Offer, Abacus has raised approximately \$356 million.

Abacus Securityholders who were eligible to participate in the Institutional Entitlement Offer (**Eligible Institutional Securityholders**) were those:

- (a) to whom ASX Listing Rule 7.7.1(a) did not apply;
- (b) who successfully received an offer under the Institutional Entitlement Offer (as the underwriter and Abacus determined in their absolute discretion); and



- (c) who, if they were a nominee, were only an Eligible Institutional Securityholder to the extent that they held Abacus Securities for beneficiaries who would have been Eligible Institutional Securityholders, had they held the Abacus Securities themselves.

Details of the Retail Entitlement Offer

The Retail Entitlement Offer is being made to Eligible Retail Securityholders (defined below).

Securityholders who are eligible to participate in the Retail Entitlement Offer (**Eligible Retail Securityholders**) are those securityholders of Abacus on the Record Date (being 7.00pm (Sydney, Australia time) on Thursday, 10 December 2020) who:

- (d) are registered as a holder of Abacus Securities as at 7.00 pm (Sydney, Australia time) on the Record Date;
- (e) have a registered address in Australia or New Zealand as noted on Abacus register of securityholders or persons that Abacus has determined in its discretion are Eligible Retail Securityholders;
- (f) are not in the United States and are not a person (including nominees and custodians) acting for the account or benefit of a person in the United States in respect of the relevant underlying holders of Abacus Securities;
- (g) were not invited to participate in the Institutional Entitlement Offer and were not treated as an ineligible institutional securityholder under the Institutional Entitlement Offer (other than as a nominee or custodian, in each case in respect of other underlying holdings); and
- (h) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without a product disclosure statement, disclosure document or any lodgement, filing, registration or qualification.

A booklet in relation to the Retail Entitlement Offer was lodged with the ASX today and is being mailed to Eligible Retail Securityholders.

Eligibility criteria

Abacus has determined, pursuant to section 9A(3) of the Corporations Act and Listing Rule 7.7.1(a) of the ASX Listing Rules, that it would be unreasonable to make offers to Abacus Securityholders in countries outside Australia and New Zealand in connection with the Retail Entitlement Offer and outside of Australia, New Zealand and certain additional countries in connection with the Institutional Entitlement Offer. This is because of the small number of Abacus Securityholders in each of those countries, the number and value of Abacus Securities those Abacus Securityholders hold and the cost of complying with the applicable regulations in these countries.

Unfortunately, Abacus has determined that you do not satisfy the eligibility criteria stated above. Accordingly, Abacus wishes to advise you that it will not be extending the Entitlement Offer to you and you will not be able to subscribe for New Securities under the Entitlement Offer. You will not be sent a copy of the Retail Offer Booklet.

Institutional Entitlement Bookbuild

A number of New Securities equal to the number of Entitlements not taken up by Eligible Institutional Securityholders (along with those New Securities which would have been offered to ineligible institutional securityholders and ineligible retail securityholders had they been eligible to participate) were offered for sale by the Underwriter on behalf of Abacus to institutional investors (which may have included Eligible Institutional Securityholders) in a bookbuild process following the Institutional Entitlement Offer (the **Institutional Entitlement Bookbuild**). The Institutional Entitlement Bookbuild was completed on 8 December 2020.



Appointment of sale nominee

Macquarie Securities (Australia) Limited (ABN 58 002 832 126) has been appointed under section 615 of the Corporations Act to act as the sale nominee in connection with the Entitlement Offer (**Sale Nominee**). The Sale Nominee will sell the rights to subscribe for New Securities under the Entitlement Offer that would have been issued to securityholders who are ineligible to participate in the Entitlement Offer and remit any net proceeds of the sale to those securityholders. This sale occurred during the Institutional Entitlement Bookbuild referenced in the previous paragraph. As the Entitlement Offer is non-renounceable, the net proceeds will be nil.

Further information

If you have any questions in relation to any of the above matters, please contact the Abacus Retail Offer Information Line on 1300 139 440 (local call from within Australia) or +61 2 9290 9691 (from outside Australia) from 8.30am to 5.30pm (Sydney, Australia time) Monday to Friday during the Retail Entitlement Offer period.

On behalf of the Board and management of Abacus, thank you for your continued support of Abacus.

Yours sincerely

Robert Baulderstone
Company Secretary
Abacus Property Group

This letter is not a prospectus or offering document under Australian law or under any other law. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Securities in any jurisdiction outside Australia and New Zealand. This letter is for information purposes only and does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any New Securities in Abacus.

This notice does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to any person who is acting for the account or benefit of any person in the United States (to the extent such person is acting for the account or benefit of a person in the United States), or in any other jurisdiction in which, or to any person to whom, such an offer would be illegal. Neither the entitlements nor the New Securities have been or will be registered under the U.S. Securities Act of 1933 (the **Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements may not be taken up by or exercised by, and the New Securities may not be offered or sold, directly or indirectly, in the United States or to any person who is acting for the account or benefit of a person in the United States (to the extent such person is acting for the account or benefit of a person in the United States), unless they are registered under the Securities Act (which Abacus has no intention or obligation to do or procure) or unless they are offered or sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable securities laws of any state or other jurisdiction of the United States. The New Securities to be offered and sold in the Retail Entitlement Offer may only be offered and sold outside the United States in "offshore transactions" (as defined in Regulation S under the Securities Act) in reliance on Regulation S under the Securities Act.

The provision of this document is not, and should not be considered as, financial product advice. The information in this document is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, tax adviser, stockbroker or other professional adviser.