



**APN Regional Property Fund
Extraordinary General Meeting
Tuesday 28 May 2019
Commencing 3.00pm**

**Hall & Wilcox
Level 11, Rialto South Tower
525 Collins Street
Melbourne Vic 3000**

Meeting Script

Extraordinary General Meeting – Tuesday 28 May 2019 at 3.00pm

[Slide 1 – Cover Slide]

Introduction

Good afternoon Ladies and Gentlemen and welcome to this Extraordinary General Meeting for the APN Regional Property Fund.

My name is Geoff Brunsdon and I am the Chairman of APN Funds Management Limited, the Responsible Entity of the APN Regional Property Fund.

As it is now 3.00pm and we have a quorum present, I have pleasure in declaring the meeting open.

[Slide 2 – Agenda]

Meeting outline

The meeting today has two principal objectives:

- To consider and, if thought fit, pass a resolution to voluntarily withdraw the Fund from the official list of the National Stock Exchange of Australia and withdraw the Units in the Fund from quotation on the National Stock Exchange of Australia; and
- To give you the opportunity to ask any questions you may have of Directors, Management or Advisors who are present here today.

[Slide 3 – Directors and Management]

Introduce Directors and Management

I would like to begin by introducing my fellow directors and some key members of the Management and advisory teams:

- Michael Johnstone – Independent Director, APN Funds Management Limited
- Jennifer Horrigan – Independent Director, APN Funds Management Limited
- Howard Brenchley – Independent Director, APN Funds Management Limited
- Tom Forrest – Fund Manager of the APN Regional Property Fund and Head of Direct Property at APN Property Group

In the audience:

- Chantal Churchill – Company Secretary
- Michael Groth – Chief Financial Officer
- Joseph De Rango – Head of Business Development and Corporate Finance

Introduce Advisors

We are joined today by the Fund's lawyers, represented by James Morvell and Vanessa Murphy of Hall & Wilcox.

[Slide 4 and 5 – Notice of Meeting]

Notice of Meeting

The purpose of the meeting called today is for Unitholders to consider and vote on the ordinary resolution to delist the Fund as follows:

“To voluntarily withdraw the Fund from the official list of the National Stock Exchange of Australia and withdraw the Units in the Fund from quotation on the National Stock Exchange of Australia.”

As you have all received a copy of the notice of meeting and explanatory memorandum, I propose to take this document as read. However, I will touch on a couple of key points as follows;

The Fund recently undertook a recapitalisation transaction that comprised a concurrent withdrawal offer, rights issue and public offer of Units. As part of the Recapitalisation process, my fellow Directors and I carefully considered a range of options for the Fund, including;

- the continuation of the Fund’s listing on the NSX,
- the potential listing of the Fund on the Australian Securities Exchange, and
- the winding up of the Fund and realisation of its assets.

The Fund was listed on the NSX (then the Bendigo Stock Exchange) in 2004. At that time, the real property portfolio of the Fund comprised several properties, most of which were shopping centres. Over time the assets of the Fund have changed in nature, and today the Fund’s assets comprise two A-grade office buildings in Newcastle.

The Board and Management received feedback from a significant number of existing and new investors expressing frustration that they cannot complete on-market trades of the Fund’s units at prices they consider to be reasonable based on the underlying Net Asset Value (NAV) per unit.

The Board has taken this feedback into account in considering the Fund’s status as a listed managed investment scheme and the proposal of the Resolution to Unitholders.

Further, the Board considers that, while the Fund’s assets are delivering stable returns for investors, the mandate of the Fund and the current intentions of the Board in respect

of the Fund's portfolio (ie that there is no current intention to acquire additional assets), mean that its nature is more closely aligned with a fixed term, unlisted property fund.

Following the strong investor sentiment received that the Fund should be delisted from the NSX, the Board has formed the view that it is in the best interests of unitholders to propose the Resolution, and if it is passed, apply for voluntary withdrawal of the Units from quotation on NSX.

As such, the Board of Directors of APN Funds Management Limited has recommended that Unitholders vote FOR this resolution.

[Slide 6 – Formal business of the meeting]

Admission Cards

I will now move to the formal business of the meeting.

You should have received a coloured admission card when you registered at the meeting here today. These cards will be required by those wishing to participate in the formal business of the meeting.

- **White cards** have been issued to all unitholders and proxyholders entitled to speak and vote at this meeting.
- **Blue cards** have been issued to non-voting unitholders.
- **Green cards** have been issued to visitors who are not entitled to speak or vote.

Unitholders attending in their own right who have also been appointed as a proxy will have been issued with more than one card.

If you have been issued with an incorrect card, please see the registration staff now.

You will have an opportunity to ask specific questions on the resolutions to be considered. It would be appreciated if you could please hold any general questions you may have until after the formal business is completed.

Preamble to Resolutions

There is 1 Resolution to be considered by Unitholders and I propose to keep the process as short as possible by noting in advance, the following items:

- The resolution set out in the Notice of Meeting will be shown on the screen behind me together with a summary of the proxy instructions received by the Company Secretary in respect of each Resolution;

- I intend to vote all open proxies that I hold **in favour** of the resolutions;
- Finally, when called upon to vote would you please do so by completing your white voting card.

[Slide 7 – Ordinary Resolution]

Resolution 1

I now put to the meeting the resolution;

“To voluntarily withdraw the Fund from the official list of the National Stock Exchange of Australia and withdraw the Units in the Fund from quotation on the National Stock Exchange of Australia.”

Ladies and Gentlemen, this resolution will be decided on a poll.

The Resolution will be passed as an ordinary resolution if more than 50% of the votes cast by Unitholders entitled to vote on the Resolution are cast in favour of the Resolution. All unitholders and proxyholders who are present should participate in the poll. The poll will be undertaken by unitholders and proxyholders completing the **White Voting Cards** that have been distributed upon entry.

If you are a proxyholder and have directed votes as shown on the summary of votes attached to your Voting Card, you need do nothing other than complete the bottom of the Voting Card and lodge it in a ballot box. However, it is necessary to lodge your Voting Card for your votes to be counted.

If you are a proxyholder with open votes you need to mark a box beside the motion to indicate how you wish to cast your open votes. Unitholders also need to mark a box beside the motion to indicate how you wish to cast your votes.

Unitholders are also asked to complete the bottom of the Voting Card. If you have any difficulties, staff will help you if you indicate you need assistance.

[Slide 8 – Questions]

Ladies and Gentlemen, this completes the formal business of the meeting. Whilst the poll results are tallied, I would be happy to take any general questions you may have and I will invite Mr Forrest and Mr De Rango to assist me in answering these questions.

Poll results

[Slide 9 – Poll results]

I can now advise you of the results of the poll. The results of the poll are as follows:

Resolution 1

Votes For: [xx] units representing [xx%] of votes cast
Votes Against: [xx] units representing [xx%] of votes cast

I therefore declare the motion [carried/lost].

If there are no further questions, I will close the meeting.

Thank you for your attendance today and to those unitholders who participated by proxy.

The Directors and Management would be pleased if you would join them for light refreshments and an opportunity to ask additional questions.

Thank you.

[Slide 10 – Meeting close and thank you]



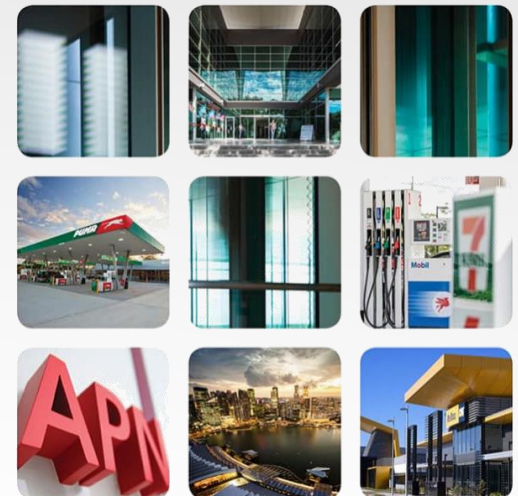
EXTRAORDINARY GENERAL MEETING

28 MAY 2019

APN | Regional Property Fund

Agenda

- Welcome
- Notice of Meeting
- Formal business of the meeting
- Meeting close



Directors and Management



Presenting

Geoff Brunsdon
Chairman



Michael Johnstone
Independent Director



Jennifer Horrigan
Independent Director



Howard Brenchley
Independent Director



Chantal Churchill
Company Secretary



Tom Forrest
Fund Manager and
Head of Direct Property

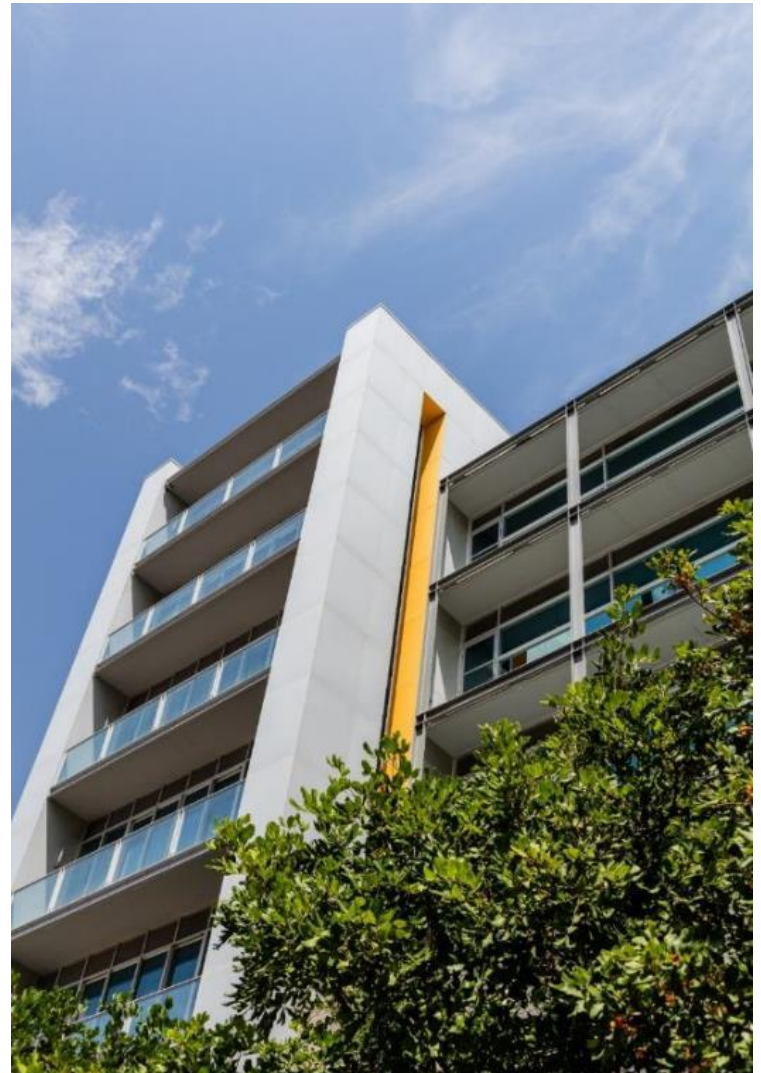
NOTICE OF MEETING



Notice of Meeting

- Ordinary Resolution 1:

“To voluntarily withdraw the Fund from the official list of the National Stock Exchange of Australia and withdraw the Units in the Fund from quotation on the National Stock Exchange of Australia.”



FORMAL BUSINESS OF THE MEETING



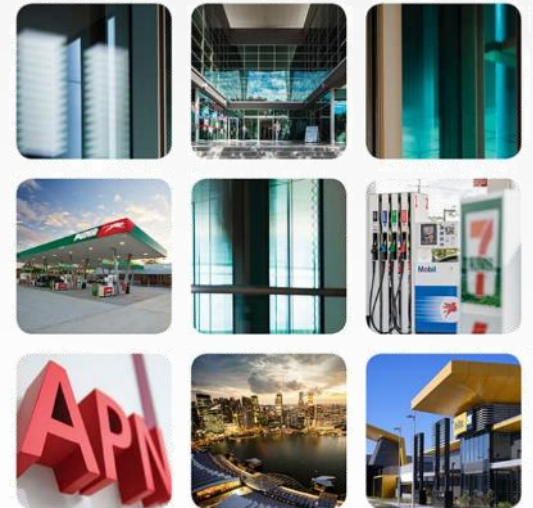
Ordinary Resolution

“To voluntarily withdraw the Fund from the official list of the National Stock Exchange of Australia and withdraw the Units in the Fund from quotation on the National Stock Exchange of Australia.”

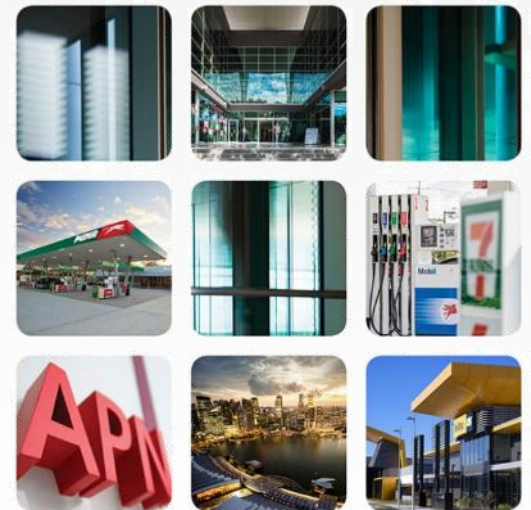
Summary of Proxy instructions

	For	Open	Against	Abstain
Votes	14,068,658	-	94,852	-
Percentage	99.33%	-	0.67%	-

QUESTIONS



POLL RESULTS



MEETING CLOSE

THANK YOU



Contact details

Contact and further information

- Investor Services: 1800 996 456 (toll free)
- Adviser Services: 1300 027 636
- Website: www.apngroup.com.au

APN Property Group Limited

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