

ASX Announcement – Australian Unity Office Fund

6 December 2021

Sale of 32 Phillip Street, Parramatta and deferral of Merger Proposal meetings

Australian Unity Investment Real Estate Limited (**AUIREL**) as responsible entity of Australian Unity Office Fund (**ASX: AOF**) (**AOF RE**) provides the following market update.

Sale of 32 Phillip Street, Parramatta

AOF RE refers to previous disclosures regarding the intention to progress the sale of 32 Phillip Street, Parramatta.

AOF RE is pleased to announce an unconditional contract has been entered into for the sale of 32 Phillip Street, Parramatta. The sale price of \$66.0 million reflects a 5% premium to the asset's independent valuation of \$62.75 million as at 30 June 2021. Settlement is expected to occur on or before 20 January 2022.

Capital management and other initiatives

Following the sale of 32 Phillip Street, Parramatta, AOF RE intends to explore various capital management initiatives, including the potential for an on-market buyback and/or a special distribution. Initially, the proceeds from the sale will be used to reduce AOF's borrowings and gearing.

AOF RE will continue to focus on active portfolio management, including progressing asset management and value add initiatives at 10 Valentine Avenue, Parramatta and 30 Pirie Street, Adelaide. AOF RE will also continue to explore and implement other initiatives to maximise value for AOF unitholders.

Merger Proposal update

AOF RE refers to the announcements dated 15 November 2021 regarding the proposed merger of AOF with Australian Unity Diversified Property Fund (**DPF**) to create 'Australian Unity Property Fund' (**AUPF**) (**Merger Proposal**).

As required under the Merger Implementation Deed (**MID**), AOF RE has obtained the consent of Australian Unity Property Limited as responsible entity of DPF (**DPF RE**) to proceed with the sale of 32 Phillip Street, Parramatta. Once finalised, AOF RE will also seek DPF RE's consent to any proposed capital management initiatives.

Separately, as part of ongoing active engagement with AOF unitholders in relation to the Merger Proposal, recent feedback received from a small number of AOF's largest unitholders is that they are currently not supportive of the Merger Proposal in its present form.

AOF RE is of the view that further engagement with AOF unitholders and other stakeholders is required to understand their feedback and determine if there are opportunities to make refinements to the Merger Proposal.

DPF RE has agreed to approach the Supreme Court of New South Wales (**Court**) as soon as possible, and prior to the DPF unitholder meeting scheduled for 10 December 2021, to seek an

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order from the Court to adjourn the DPF unitholder meeting to early February 2022. It is proposed that the general meeting of AOF unitholders to consider the Merger Proposal be opened by the Chair as scheduled on Friday 10 December solely for the purpose of the Chair to formally adjourn the meeting to a later date in line with the adjournment of the DPF unitholder meeting.

AOF RE will consult with DPF RE to agree the form of any supplementary disclosure to AOF unitholders and DPF unitholders and update the market as appropriate.

Further information

AOF Unitholders can obtain further information in relation to AOF by visiting the AOF website or calling the AOF unitholder information line on 1300 158 729 (within Australia) or +61 2 9066 4058 (outside Australia) between 9.00am and 5.00pm (AEDT) Monday to Friday.

Authorised by:

AUIREL Board Sub-Committee

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About AOF

AOF is an ASX-listed REIT that wholly owns a diversified portfolio of properties located across Australian metropolitan and CBD markets in Sydney, Adelaide, Melbourne, Brisbane and Canberra.

This announcement is issued by Australian Unity Investment Real Estate Limited ABN 86 606 414 368 AFSL 477434 (AUIREL). AUIREL is owned equally by subsidiaries of Australian Unity Limited ABN 23 087 648 888 and Keppel Capital Holdings Pte Ltd CRN 201302079N, the asset management arm of Singapore-based Keppel Corporation Limited CRN 196800351N.

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