

fatPROPHETS
GLOBAL PROPERTY FUND

26 November 2019

The Manager
Company Announcements
Australian Stock Exchange Ltd
20 Bridge Street
SYDNEY NSW 2000
via: www.asxonline.com

Dear Sir/Madam

Confirmation of despatch of letter to unitholders

Further to its announcement on 25 November 2019, One Managed Investment Funds Limited in its capacity as responsible entity of the Fat Prophets Global Property Fund (ASX: FPP) confirms that the **enclosed** letter was despatched to unitholders.

Sarah Wiesener
Director
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25 November 2019

Fully underwritten non-renounceable rights issue – information for unitholders

One Managed Investment Funds Limited (ACN 117 400 987) (**Responsible Entity**) as responsible entity of the Fat Prophets Global Property Fund (ARSN 619 970 786) (**Fund**) is pleased to invite Eligible Unitholders (as defined below) to participate in a fully underwritten pro rata non-renounceable offer of one ordinary unit in the Fund (**New Units**) for every two ordinary units held in the Fund (**Units**), at a price of \$0.92 per New Unit (**Offer Price**), to raise approximately \$6.985 million (**Offer**).

The Offer is open to unitholders whose details appear on the Fund's register of unitholders as at 5.00pm (AEDT) on Friday, 29 November 2019 (**Record Date**) and whose registered address is in Australia or New Zealand or a Unitholder that the Responsible Entity has otherwise determined is eligible to participate in the Offer (**Eligible Unitholders**).

Entitlements not taken up may become available as additional Units. Eligible Unitholders may, in addition to their entitlements, apply for the New Units over and above their entitlement at the Offer Price (**Additional Units**) regardless of the size of their present holding. Any Additional Units not subscribed for will be issued to the underwriter of the Offer.

The Offer will be conducted under section 1012DAA of the *Corporations Act 2001* (Cth) (**Act**) and does not require a product disclosure statement. Eligible Unitholders will be sent a short-form offer document relating to the Offer (**Offer Document**) and a personalised Entitlement and Acceptance Form (**Acceptance Form**) on or about Tuesday, 3 December 2019 (**Opening Date**).

Key information about the Offer

The Offer is non-renounceable, meaning the entitlements will not be tradeable on the ASX or otherwise transferable to any other person. If an Eligible Unitholder does not take up their entitlement by the closing date of the Offer (being Tuesday, 24 December 2019) (**Closing Date**), that Eligible Unitholder's entitlement under the Offer will lapse and its interest in the Fund will be diluted.

The Offer is proposed to be fully underwritten by Lanyon Asset Management Pty Limited (ACN 140 631 714). The Underwriter will be paid an underwriting fee equal to an amount that is 3% of \$5,739,382 (being approximately \$172,181), which is the amount proposed to be raised under the Offer less the amount equal to the value of the entitlements offered to the Fund's top two major unitholders.

The New Units issued under the Offer and the Additional Units will be fully paid and will rank equally with the Fund's existing issued Units. Fractional entitlements will be rounded up to the nearest whole number of new Units.

The issue price reflects:

- an 8.2% discount to 2 week VWAP of Units up to 18 November 2019; and
- a 24.6% discount to NTA as at 31 October 2019.

The Entitlement of Eligible Unitholders to participate in the Offer will be determined on the Record Date and each Eligible Unitholder will be entitled to subscribe for one New Unit for every two Units held at the Record Date, at a price of \$0.92 per New Unit.

The entitlement will be shown on an Acceptance Form which will accompany the Offer Document in respect of the Offer.

Eligible Unitholders may do any one of the following actions:

- take up their entitlement in full;
- take up their entitlement in full and also apply for Additional Units;
- take up part of their entitlement and allow the balance to lapse; or
- allow all of their entitlement to lapse.

The Responsible Entity has made an application to the ASX for official quotation of the New Units. The Responsible Entity expects that the New Units will be issued on Thursday, 2 January 2020.

Key dates

The following table sets out the indicative timetable for the Offer:

Event	Date
Announcement of the Offer	Before commencement of trading on 25 November 2019
Lodgement of Appendix 3B, Offer Document and notice under section 1012DAA(2)(f) of the Act with ASX	Before commencement of trading on 25 November 2019
Notices to Eligible Unitholders setting out Appendix 3B information and timetable	25 November 2019
Ex date	28 November 2019
Record Date	29 November 2019
Offer opens – despatch of Offer Document and Acceptance Form	3 December 2019
Last date to extend the Closing Date	19 December 2019
Closing Date	24 December 2019
New Units quoted on deferred settlement basis	27 December 2019
Notify the ASX of undersubscriptions	30 December 2019
Allotment and issue of New Units	2 January 2020
Despatch of holding statements	3 January 2020
Trading of New Units on ASX expected to commence	3 January 2020

The dates set out in this table are subject to change and are indicative only. The Responsible Entity reserves the right to alter this timetable at any time, subject to the Act and the Listing Rules, without notice. In addition, the Responsible Entity, subject to the requirements of the Listing Rules and the Act, reserves the right to withdraw the Offer without prior notice, or vary any of the important dates set out in this Offer, including extending the Offer.

Purpose of the Offer

The purpose of the Offer is to increase the size of the Fund and to apply the proceeds to investment opportunities consistent with the Fund's investment strategy. The Offer will also have the dual benefit of lowering the management expense ratio following the expiry of the fee cap on certain management costs that the Fund benefited from for a period of two years following quotation of the Units on the ASX, as well as increasing liquidity.

Since initial public offering of Units, the Fund has delivered on its strategy, paying three regular distributions to investors and materially increasing NTA from \$1.058 to \$1.221 during the 24-month period from listing for total returns at the NTA level of over 23% including distributions. Low global interest rates have been favourable to the real estate investment trust (REIT) sector globally as investors seek yield and capital appreciation backed by real estate assets.

Capital structure

Assuming full subscription under the Offer, the total number of Units issued in the Fund immediately following the Offer will be as follows:

	Units
Units on issue at the date of the Offer Document	15,185,556
Maximum number of New Units under the Offer Document	7,592,778
Total number of Units on issue on completion of the Offer	22,778,334

Overseas unitholders

The Offer Document and the Acceptance Form do not, and are not intended to, constitute an offer of New Units in any place outside Australia or New Zealand in which, or to any person to whom, it would not be lawful to make such an offer or to issue the Offer or the Acceptance Form.

As at the date of this letter, the Fund does not have any unitholders with a registered address outside Australia and New Zealand. The distribution of this Offer Document and the accompanying form in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Offer Document and the accompanying form should seek advice on and observe those restrictions. Any failure to comply with those restrictions may constitute a violation of applicable securities laws.

Further information

Eligible Unitholders do not need to take any action at this time.

On the Opening Date (being Tuesday, 3 December 2019), the Offer Document and a personalised Acceptance Form will be mailed to each Eligible Unitholder at the address listed on the Fund's register. Eligible Unitholders wishing to participate in the Offer will need to complete the Acceptance Form and return it with payment by the Closing Date.

The Closing Date for acceptance and payment is currently expected to be 5:00pm (AEDT) on Tuesday, 24 December 2019.

A copy of the Offer Document has been lodged with the ASX and is available on the Fund's ASX announcement platform at www.asx.com.au/asx/share-price-research/company/FPP or on the Fund's website at www.fpproperty.com.au. For further information, please contact the Responsible Entity on +61 2 8277 0000 or graham.hook@oneinvestment.com.au, or the Unit Registry on 1300 554 474.

