



Managed by  
HMC Funds Management Limited  
(ACN 105 078 635; AFSL 237257)  
as responsible entity of the  
HomeCo Daily Needs REIT (ARSN 645 086 620)

## ASX RELEASE

19 April 2021

The Manager  
Market Announcements Office  
ASX Limited  
20 Bridge Street  
Sydney NSW 2000

Dear Sir/Madam,

### Notice under section 1012DAA(2)(f) of the *Corporations Act 2001* (Cth)

This notice is given by HMC Funds Management Limited (ACN 105 078 635) (**Responsible Entity**) as responsible entity of HomeCo Daily Needs REIT (ARSN 645 086 620) (**HDN**) under section 1012DAA(2)(f) of the *Corporations Act 2001* (Cth) as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Instrument 21-0274 (**Corporations Act**).

The Responsible Entity has today announced a pro rata accelerated non-renounceable entitlement offer (the **Entitlement Offer**) of 1 new fully paid ordinary unit in HDN (**New Unit**) for every 2.36 fully paid ordinary units in HDN held as at 7.00pm (Sydney time) on 21 April 2021 (**Record Date**). The Entitlement Offer includes the issue of up to 1 additional New Unit (**Bonus Unit**) for every 20 New Units issued, subject to eligible unitholders holding a number of units in excess of their holding on the Record Date, on the date which is 3 months after the date of issue of New Units under the retail component of the Entitlement Offer.

The Responsible Entity confirms the following:

- (a) the New Units will be offered for issue by the Responsible Entity without disclosure to investors under Part 7.9 of the Corporations Act and without a product disclosure statement for the New Units being prepared or lodged with ASIC;
- (b) this notice is being given under section 1012DAA(2)(f) of the Corporations Act;
- (c) as a disclosing entity, HDN is subject to regular reporting and disclosure obligations;
- (d) as at the date of this notice, the Responsible Entity has complied with:
  - (i) the provisions of Chapter 2M of the Corporations Act as they apply to HDN; and
  - (ii) section 674 of the Corporations Act as it applies to HDN;
- (e) as at the date of this notice, there is no excluded information of the type referred to in sections 1012DAA(8) and 1012DAA(9) of the Corporations Act; and

19 Bay Street  
Double Bay NSW 2028  
1300 466 326  
info@home-co.com.au

HMC Funds Management Limited  
(ACN 105 078 635; AFSL 237257) as  
responsible entity of the HomeCo Daily Needs  
REIT (ARSN 645 086 620)

- (f) the potential effect that the issue of New Units and Bonus Units will have on the control of HDN, and the consequences of that effect, will depend on a number of factors, including investor demand, existing unitholdings and the number of Bonus Units ultimately issued. However, given:
- (i) the structure of the Entitlement Offer as a pro rata issue; and
  - (ii) the underwriting arrangements in place for the Entitlement Offer and the current level of holders of substantial holdings (based on substantial holding notices that have been given to HDN and lodged with ASX on or prior to the date of this notice),

the Responsible Entity does not expect that the Entitlement Offer will have a material effect on the control of HDN and, as such, does not expect any material consequences to flow from that.

Home Consortium Limited (**HCL**), an entity within the Home Consortium stapled group, currently has a voting power of 26.6% in HDN. HCL has provided a commitment to HDN that it will take up its entitlement under the Entitlement Offer.

Home Consortium Developments Limited (**HCDL**), also an entity within the Home Consortium stapled group and an associate of HCL, has also agreed to sub-underwrite up to \$26.7 million of the retail component of the Entitlement Offer. HCDL is not sub-underwriting any of the institutional component of the Entitlement Offer. Through its sub-underwriting commitment, if HCDL is required to take up its full sub-underwriting commitment, it and its associates would increase their voting power in HDN by 3% up to 29.6% in reliance on the exception under item 9 of section 611 of the Corporations Act from section 606 of the Corporations Act. As such, any impact on control of HDN from the sub-underwriting arrangements is expected to be immaterial.

For completeness, even if HCL, HCDL and their associates are the only eligible unitholders that satisfy the conditions to be issued Bonus Units, there will be no change in their overall unitholding as a result of the proposed concurrent selective buy-back of ordinary units in HDN held by Home Consortium Limited, equal to the number of Bonus Units to be issued. If other HDN unitholders are eligible to receive Bonus Units, HCL's, HCDL's and their associates' interest in HDN will be reduced through the selective buy-back, although it is not expected to result in a material reduction of their interest in HDN.

Yours sincerely



**Andrew Selim**  
General Counsel and Company Secretary

Authorised for release by the Board of the Responsible Entity