

Continuous Disclosure Notice

NEWMARK HARDWARE TRUST (ARSN 161 274 111)

3 December 2020

PROPOSED MERGER WITH NEWMARK CAPITAL (CHADSTONE) PROPERTY TRUST

On 9 November 2020, unitholders of the Newmark Hardware Trust (**Hardware Trust**) voted overwhelmingly in favour of approving changes to the Hardware Trust's constitution. You will find notice of the resolution [here](#).

These changes are necessary for the Hardware Trust to be restructured and listed on the Australian Securities Exchange (ASX) if Newmark Capital, as responsible entity, decides it to be in the best interests of unitholders.

Since the vote, Newmark Capital has been considering listing the Hardware Trust, as well as contemplating other options, one of which would be to merge the Hardware Trust with the Newmark Capital (Chadstone) Property Trust (**Chadstone Trust**) and listing the merged group on the ASX (**Restructure Proposal**).

About the Newmark Capital (Chadstone) Property Trust

Newmark Capital is also trustee of the Chadstone Trust a single-asset, fixed-term, wholesale unit trust that owns the HomePlus+ Chadstone Homemaker Centre in Chadstone, Victoria (**Chadstone Property**). The Chadstone Property is currently 100% leased, with tenants including Bunnings, The Good Guys, Freedom, Snooze and Barbeques Galore, a WALE (by income) of 3.8 years at 30 September 2020 and a valuation of \$80.0 million at 30 June 2020.

With the expiry of the Chadstone Trust's second term approaching, Newmark Capital is currently deciding the best outcome for unitholders of which one option is the Restructure Proposal.

About the Restructure Proposal

For the Restructure Proposal to be considered, Newmark Capital issued a Notice of Meeting on 1 December 2020 to unitholders of the Chadstone Trust proposing similar changes to the Chadstone Trust's trust deed as per the Hardware Trust.

If unitholders of the Chadstone Trust approve the proposed changes and Newmark Capital decides to proceed with the Restructure Proposal, Newmark Capital will implement a formal protocol for the management of its separate duties to act in the best interests of unitholders of the Hardware and Chadstone Trusts. Newmark Capital will also undertake a due diligence process, including obtaining independent valuations of the Trusts' assets, obtain legal, tax and other professional advice and prepare a Product Disclosure Statement for existing and prospective investors.

Newmark Capital will only implement the Restructure Proposal or any other restructure or transaction involving the Hardware Trust, if it decides it to be in the best interests of unitholders and is considered independently from the interests of any other person or group, including unitholders of the Chadstone Trust.

Contact us

If you have any questions about the Hardware Trust or your unitholding, please contact us on 03 9066 3966 or email investor@newmarkcapital.com.au.

Important information

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