

# **Landsdowne Investment Company Limited**

**(ACN 658 476 058)**

## **Replacement Prospectus**

For the offer of 150,000 Preference Shares at an Offer Price of A\$100 per Preference Share to raise A\$15 million with the ability to accept oversubscriptions up to an additional 15,000 Preference Shares at an issue price of A\$100 per Preference Share to raise up to \$1.5 million **(Oversubscription) (Offer)** and for the admission of the Company to the Official List of the National Stock Exchange of Australia.

### **Important notice**

This is an important document, which should be read in its entirety before making any investment decision. You should obtain independent advice if you have any questions about any of the matters contained in this Prospectus.

# CONTENTS

Important Information .....	3
Chairman's Letter .....	7
1 Investment Overview .....	8
2 Details of the Offer .....	21
3 Company Overview .....	26
4 Key Individuals, Interests and Benefits.....	35
5 Financial Information .....	44
6 Risks Factors .....	47
7 Additional Information .....	54
Glossary.....	61
Corporate Directory .....	64

# Important Information

## Purpose of the Offer and the Prospectus

The Offer contained in this Replacement Prospectus (**Prospectus**) is an invitation to acquire Preference Shares in Landsdowne Investment Company Limited (ACN 658 476 058) (**Landsdowne** or the **Company**).

## Lodgement and listing

This Prospectus is dated 21 December 2022 and was lodged with ASIC on that date. It replaces the original prospectus dated 23 November 2022 and lodged with ASIC on that date (**Original Prospectus**). This Prospectus will be lodged with the NSX and application will be made for listing of the Preference Shares on the NSX. This Prospectus differs from the Original Prospectus.

The fact that the NSX may list the Preference Shares of the Company is not to be taken in any way as an indication of the merits of the Company or the listed Preference Shares.

Neither ASIC nor the NSX takes responsibility for the contents of this Prospectus or makes any representations as to its accuracy or completeness, and each expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon any part of the contents of this Prospectus.

## Authorised Intermediary

The issuer of the Prospectus is the Company. Offers of the Preference Shares under this Prospectus will be made under an arrangement between the Company and Pritchard & Partners Pty Limited (ACN 073 393 049; Australian Financial Services Licence number 260 967) (**Authorised Intermediary**) under section 911A(2)(b) of the *Corporations Act 2001 (Cth)* (**Corporations Act**).

The Company has authorised the Authorised Intermediary to make offers to arrange for the issue of the Preference Shares under the Prospectus and the Company will issue the Preference Shares in accordance with the offer.

## Expiry Date

No Preference Shares will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

## Note to Applicants

The information in this Prospectus is not financial product advice and does not take into account your investment objectives, financial situation or particular needs. This Prospectus should not be construed as financial, taxation, legal or other advice.

This Prospectus is important and should, along with each of the documents incorporated by reference, be read in its entirety prior to deciding whether to invest in the Company's Preference Shares. There are risks associated with an investment in the Preference Shares. Some of the risks that should be considered are set out in Section 6 (Risk Factors) of this Prospectus. You should carefully consider these risks in light of your personal circumstances (including financial and tax issues).

There may also be risks in addition to these that should be considered in light of your personal circumstances. If you do not fully understand this Prospectus or are in doubt as to how to deal with it, you should seek professional guidance from your stockbroker, lawyer, accountant or other professional adviser before deciding whether to invest in the Shares.

No person named in this Prospectus guarantees the Company's performance or any return on investment made pursuant to this Prospectus.

## **Target Market Determination**

In addition to considering the risks associated with an investment in the Preference Shares, you should consider the Target Market Determination prepared by the Company, pursuant to the 'Design and Distribution Obligations' set out in Part 7.8A of the Corporations Act and the relevant DDO Legislation, which requires the Company to set out the class of consumers that comprise the Offer's target market. You should consider this Target Market Determination to ensure that you form part of the target market of the Company. You can access the Target Market Determination on the Company's website free of charge at [www.landsdowneinvestment.au](http://www.landsdowneinvestment.au). If you are uncertain as to whether you fall within the target market, you should seek professional guidance tailored to your personal circumstances prior to making an investment decision.

## **No offering where offering would be illegal**

This Prospectus does not constitute an Offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Preference Shares or the Offer, or to otherwise permit a public offering of Preference Shares, in any jurisdiction outside Australia. The taxation treatment of Australian securities may not be the same as those for securities in foreign jurisdictions. If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The distribution of this Prospectus outside Australia may be restricted by law and therefore any person who resides outside Australia and who receives this Prospectus should seek advice on and observe any such restrictions. Any person who has a registered address in any other country who receives this Prospectus may only apply for Preference Shares where that person is able to reasonably demonstrate to the satisfaction of the Company that the person may participate in the Offer relying on a relevant exception from, or are not otherwise subject to, the lodgement, filing, registration or other requirements of any applicable securities laws in the jurisdiction in which they have a registered address.

The Company will not offer to sell, nor solicit an offer to purchase, any securities in any jurisdiction where such offer, sale or solicitation may not lawfully be made. Any failure to comply with these restrictions may constitute violation of applicable laws.

## **Notice to United States residents**

The securities being offered pursuant to this Prospectus have not been registered under the US Securities Act 1933 (**US Securities Act**) and may not be offered or sold in the United States absent registration or an applicable exemption from registration under the US Securities Act and applicable State securities laws. This Prospectus does not constitute an offer or invitation to sell, or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful. Any hedging transactions involving these securities may not be conducted unless in compliance with the US Securities Act and applicable State securities laws.

## **Disclaimer**

No person is authorised by the Company to give any information or make any representation that is not contained in the Prospectus. Any information or representation not contained in this Prospectus may not be relied on as having been authorised by the Company, its Directors or any other person. The Company's business, financial condition, results of operations and prospects may have changed since the date of this Prospectus.

This Prospectus contains forward-looking statements concerning the Company's business, operations, financial performance and condition as well as the Company's plans, objectives and expectations for its business, operations and financial performance and condition. Any statements contained in this Prospectus that are not of historical facts may be deemed to be forward-looking statements. You can identify these statements by words such as "aim", "anticipate", "assume", "believe", "could", "due", "estimate", "expect", "goal", "intend", "may", "objective", "plan", "predict", "potential", "positioned", "should", "target", "will", "would" and other similar expressions that are predictions of or indicate future events and future trends.

These forward-looking statements are based on current expectations, estimates and projections about the Company's business and the industry in which the Company operates and management's beliefs and assumptions. These forward-looking statements are not guarantees of future performance or development and involve known and unknown risks, uncertainties and other factors that are in some cases beyond the Company's control. As a result, any or all of the Company's forward-looking statements in this Prospectus may turn out to be inaccurate. Factors that may cause such differences include, but are not limited to, the risks described in Section 6 (Risks Factors).

Readers are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on the forward-looking statements. These forward-looking statements speak only as at the date of this Prospectus. Unless required by law, the Company does not intend to publicly update or revise any forward-looking statements to reflect new information or future events or otherwise. You should, however, review the factors and risks the Company describes in the reports to be filed from time to time with the NSX after the date of this Prospectus.

This Prospectus contains market data and industry forecasts that were obtained from industry publications, third-party market research and publicly available information. These publications generally state that the information contained in them has been obtained from sources believed to be reliable, but the Company has not independently verified the accuracy and completeness of such information.

Some numerical figures included in this Prospectus have been subject to rounding adjustments. Accordingly, numerical figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that preceded them.

This Prospectus may also include trademarks, trade names and service marks that are the property of other organisations.

#### **Exposure Period**

The Corporations Act prohibits the Company from processing Applications under the Offer in the seven-day period after the lodgement of the Prospectus with ASIC (**Exposure Period**). The Exposure Period may be extended by ASIC by up to a further seven days. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. This prospectus will be made generally available without the Application Form during the Exposure Period by being posted on the Company's website at [www.landsdowneinvestment.au](http://www.landsdowneinvestment.au). Applications received during the Exposure Period will not be processed until after the expiry of that period. No preference will be conferred on Applications received during that Exposure Period.

#### **Electronic Prospectus**

This Prospectus will also be made available in electronic form on the Company's website: [www.landsdowneinvestment.au](http://www.landsdowneinvestment.au). Any references to documents included on the Company's website are for convenience only, and none of the documents or other information available on the website is incorporated by reference in this Prospectus. Persons who access the electronic version of this Prospectus should ensure that they download and read the entire Prospectus. If unsure about the completeness of the Prospectus received electronically, or a print out of it, you should contact the Company. A paper copy of the Prospectus will be available free of charge by contacting:

#### **Newcastle Capital Markets Registries Pty Ltd (Share Registry)**

Tel: 1800 134 234 (within Australia)

Tel: +61 2 4920 2877 (outside Australia)

Applications for Preference Shares under this Prospectus may only be made on a printed copy of the Application Form attached to or accompanying this Prospectus. The Corporations Act prohibits any person from passing the Application Form on to another person unless it is attached to a hard copy of the Prospectus or the complete and unaltered electronic version of the Prospectus. If this Prospectus is found to be deficient, any Applications may need to be dealt with in accordance with section 724 of the Corporations Act.

## **Privacy**

By filling out the Application Form to apply for Preference Shares you are providing personal information to the Company through their Share Registry, Newcastle Capital Markets Registries Pty Ltd, which is contracted by the Company to manage Applications in accordance with the Company's Privacy Policy which is available at [www.landsdowneinvestment.au](http://www.landsdowneinvestment.au). The Company and the Share Registry on its behalf, may collect, hold and use that personal information in order to process your Application, service your needs as a Shareholder, provide facilities and services that you request and administer the Company.

If you do not provide the information requested in the Application Form, the Company and the Share Registry may not be able to process or accept your Application. Your personal information may also be used from time to time to inform you about other products and services offered by the Company, which it considers may be of interest to you. Your personal information may also be provided to the Company's members, agents and service providers on the basis that they deal with such information in accordance with the Company's privacy policy. The members, agents and service providers of the Company may be located outside Australia where your personal information may not receive the same level of protection as that afforded under Australian law.

The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be shared are:

- the Share Registry for ongoing administration of the Shareholder register;
- the Australian Tax Office and other government bodies as required by law;
- printers and other companies for the purpose of preparation and distribution of statements and for handling mail;
- market research companies for the purpose of analysing the Shareholder base and for product development and planning; and
- legal and accounting firms, auditors, contractors, consultants and other Advisers for the purpose of administering, and advising on, the Preference Shares and for associated actions.

Under the *Privacy Act 1988* (Cth), you may request access to your personal information held by (or on behalf of) the Company.

## **Defined words and abbreviations**

Defined terms and abbreviations used in this Prospectus are defined in the Glossary.

## **Time**

All references to time in this Prospectus refer to Australian Eastern Standard Time unless stated otherwise.

## **Photographs and diagrams**

Photographs and diagrams used in this Prospectus that do not have descriptions are for illustration only and should not be interpreted to mean that any person shown in them endorses this Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only. Unless otherwise stated, all data contained in graphs and tables is based on information available as at the date of this Prospectus.

# Chairman's Letter

21 December 2022

Dear Investors,

On behalf of the Board of Directors, I am pleased to invite you to become an investor in Landsdowne Investment Company Limited (the **Company**).

The Company has been established to invest in the RAM Australia Diversified Property Fund (ARSN 653 735 258) (**RAM Property Fund**) and the RAM Australia Credit Fund (**RAM Credit Fund**) (together, the **Underlying Funds**). The proceeds from the Offer will be invested directly in the Underlying Funds, providing investors with exposure to the investments and strategy of the Underlying Funds.

The RAM Property Fund is an unlisted, registered managed investment scheme, investing in Australian commercial property assets, either existing or via development (greenfield or brownfield), that satisfy certain characteristics (such as lot size, occupancy level, and lease term). It currently has a total net assets value of approximately A\$188 million, as at the date of this Prospectus, and aims to provide its investors with a stable quarterly income stream with the potential for capital growth.

The RAM Credit Fund is an unlisted, unregistered managed investment scheme, comprising of investments in cash products (including call and term deposits, and negotiable certificates of deposits) and interests in loan investments (including residential and commercial mortgages). It currently has a total net assets value of approximately A\$310 million, as at the date of this Prospectus.

The Company makes the offer of 150,000 new fully paid Preference Shares at an issue price of \$100 per share, to raise a minimum of \$15,000,000, with the capacity to accept oversubscriptions of up to an additional 15,000 shares at \$100 each, to raise up to a further \$1,500,000 (the **Offer**). Under the terms of the Offer, the investors will receive a cumulative preferential dividend of A\$4.25 per annum, which will accrue at the rate of \$1.0625 on a quarterly basis.

This Prospectus provides detailed information about the Offer, and I encourage you to read this Prospectus in full and carefully consider all risks involved including the related party risk set out in section 6.3 and conflict of interest risk as detailed in section 6.4.3.

On behalf of the Directors, I invite you to subscribe for Preference Shares in the Company and I look forward to welcoming you as a Shareholder of Landsdowne Investment Company Limited.

Yours sincerely



Steven Shane Pritchard  
Executive Chairman  
Landsdowne Investment Company Limited

# 1 Investment Overview

The information set out in this Section is intended to be a summary only and should be read in conjunction with the more detailed information appearing elsewhere in this Prospectus. You should read this Prospectus carefully and in its entirety. If you are in doubt as to the course you should follow, please consult your professional advisers.

## 1.1 Summary of the Offer

This Prospectus provides investors with the opportunity to participate in the initial public offering of Preference Shares in the Company at an Offer Price of A\$100 per Preference Share to raise A\$15 million and up to A\$1.5 million in oversubscriptions.

### *The Offer*

Key Offer statistics	Without Oversubscriptions	With Oversubscriptions
Offer Price per Preference Share	A\$100	
Total number of Preference Shares to be issued	150,000	165,000
Number of Shares currently held by Existing Shareholders <sup>1</sup>	1,200	1,200
Total number of Shares on issue on Completion of the Offer <sup>2</sup>	2,651,200	2,666,200
Total cash proceeds to the Company from the Offer	A\$15,000,000	A\$16,500,000
Costs of the Offer <sup>3</sup>	320,000	320,000

<sup>1</sup> Comprised of 1,200 voting Class B Ordinary Shares currently held by Fleet Funds Management Pty Ltd (FFMP) as trustee for the Fleet Absolute Returns Fund. Steven Shane Pritchard and Enzo Pirillo are both controllers of FFMP. For more details on the interests and benefits held by the Directors of the Company refer to section 4.2.

<sup>2</sup> Includes 2,500,000 non-voting Class A Ordinary shares to be issued to Certain CT Pty Limited for the issue price of \$1.00 per share to raise a total of \$2,500,000 prior to or at the same time as the Preference Shares offered under this Prospectus.

<sup>3</sup> Refer to Section 7.3 for a detailed breakdown of the costs of the Offer.



## ***Important dates***

Event	Date and time (Australian Eastern Standard Time)
Lodgement of this Original Prospectus with ASIC	23 November 2022
Lodgement of this Prospectus with ASIC	21 December 2022
Opening Date	22 December 2022
Closing Date	14 January 2023
Issue of Preference Shares and expected dispatch of Holding Statements	18 January 2023
Preference Shares expected to begin trading on the NSX	24 January 2023

These dates are indicative only and may change. Landsdowne reserves the right to vary the dates and times set out above subject to Corporations Act and other applicable laws. Landsdowne reserves the right to vary the times and dates of the Offer including to close the Offer early, extend the Offer or to accept late Applications, either generally or in particular cases, without notification. Applications received under the Offer are irrevocable and may not be varied or withdrawn except as required by law. Investors are therefore encouraged to submit their Application Forms as early as possible after the Offer opens.

## ***How to invest***

Applications for Preference Shares can only be made by completing and lodging the Application Form attached to or accompanying this Prospectus. Instructions on how to apply for Preference Shares are set out in Section 2.4 of this Prospectus and on the back of the Application Form.

## ***Admission to the Official List of the NSX***

The Prospectus is issued for the purpose of qualifying the Company for admission to the Official List of the NSX. The Company will apply to the NSX for listing and quotation of the Preference Shares within seven days after the date of the Prospectus. There is no present intention for the Ordinary Shares in the Company to be quoted on the NSX.

If the NSX does not grant permission for Official Quotation of the Preference Shares within three months after the date of this Prospectus, or such longer period permitted by the Corporations Act, none of the Preference Shares offered for subscription under this Prospectus will be allotted or issued and Application Monies will be refunded. No interest will be paid on any Application Monies refunded as a result of the withdrawal of the Offer.

## 1.2 Overview of Landsdowne

Topic	Summary	For more information
<b>Who is the issuer of this Prospectus?</b>	Landsdowne Investment Company Limited (ACN 658 476 058), a public company incorporated in Australia.	Section 3
<b>What is the purpose of this Prospectus?</b>	<p>This Prospectus is issued:</p> <ul style="list-style-type: none"> <li>for the offer of 150,000 Preference Shares at an Offer Price of A\$100 per Preference Share to raise A\$15 million with the ability to accept oversubscriptions up to an additional 15,000 Preference Shares at an issue price of A\$100 per Preference Share to raise up to \$1.5 million; and</li> <li>for the admission of the Company to the Official List of the National Stock Exchange of Australia.</li> </ul>	Section 2.1
<b>What is the Company's business model and investment strategy?</b>	<p>The Company is a newly incorporated Australian public company which has not yet conducted any operations. It will raise funds from the Offer to initially invest in the following two unlisted managed investment schemes managed by Real Asset Management Pty Ltd:</p> <ul style="list-style-type: none"> <li>RAM Australia Diversified Property Fund, which invests in Australian commercial property assets, either existing or via development (greenfield or brownfield); and</li> <li>RAM Australia Credit Fund, which invests in cash products and loan investments including residential and commercial mortgages and mortgage backed securities.</li> </ul> <p>The Company aims to:</p> <ul style="list-style-type: none"> <li>to preserve the capital of the company over the longer term;</li> <li>to achieve a regular income stream for the holders of the preference shares; and</li> <li>to deliver a moderate level of income and capital growth to the ordinary shareholder.</li> </ul> <p>The Company's investment strategy includes:</p> <ul style="list-style-type: none"> <li>generally investing in investments that it believes will be suitable to hold for the medium to long term; and</li> <li>investing in actively managed investment schemes and other collective investment vehicles.</li> </ul> <p>However, the Company's initial Investment Portfolio will consist of investments in the RAM Property Fund and the RAM Credit Fund, together the Underlying Funds. The Company will invest directly in the Underlying Funds, and so provide investors with exposure to the investments of the Underlying Funds. The Company's investment strategy thus captures the investment objectives of the Underlying Funds.</p>	Section 3.2
<b>Who manages the Company's Investment Portfolio?</b>	The Company's Investment Portfolio will be managed by the Board.	Section 4.1

Topic	Summary	For more information												
<b>What is the Company's financial position?</b>	The Company is yet to commence trading or any business activities, and its audited statement of its financial position as at 30 June 2022 is set out in Section 5. The Company has \$1,200 of share capital as at the date of this Prospectus, and no other assets or debt.	Section 6.3												
<b>Who are the directors and key managers?</b>	<p>The Company consists of two Executive Directors and one Non-Executive Director, being:</p> <ul style="list-style-type: none"> <li>Steven Shane Pritchard (Chairman and Executive Director)</li> <li>Enzo Pirillo (Executive Director)</li> <li>Brett Andrew Hall (Non-Executive Director)</li> </ul>	Section 4.1												
<b>What are the Directors to be paid?</b>	The aggregate annual fee to be paid to the Directors is A\$60,000 per annum, including superannuation.	Section 4.2.1(a)												
<b>Will any related party have a significant interest in the Company or the Offer?</b>	<p>1,200 voting Class B Ordinary shares are currently held by Fleet Funds Management Pty Ltd (<b>FFMP</b>) as trustee for the Fleet Absolute Returns Fund. Steven Shane Pritchard and Enzo Pirillo are controllers of FFMP.</p> <p>Upon listing, 2,500,000 non-voting Class A Ordinary shares will be held by Certane CT Pty Limited in its capacity as the custodian for the Newcastle Securities and General Trust of which Hamilton Asset Management Limited is the trustee (<b>Certane Trustee</b>). The directors of the Company are the same as the directors of Certane Trustee. The majority of units in the Newcastle Securities and General Trust are owned entities associated with directors of the Company.</p>	Section 4.2.1												
<b>What is the Offer?</b>	<p>The Company is offering 150,000 Preference Shares at an Offer Price of A\$100 per Preference Share to raise A\$15 million with the ability to accept oversubscriptions up to an additional 15,000 Preference Shares at an issue price of A\$100 per Preference Share to raise up to \$1.5 million. For rights and liabilities attaching to the Preference Shares, please see Section 7.1.</p> <p>The Offer is open to retail and wholesale investors who have received this Prospectus and have a registered address in Australia or New Zealand.</p>	Section 2.1												
<b>The Company's capital structure following completion of the Offer</b>	<p>On completion of the Offer, the capital structure of the Company will be as set out below.</p> <table> <tr> <th></th><th>No Oversubscription</th><th>With Oversubscription</th></tr> <tr> <td><b>Preference Shares</b></td><td>150,000</td><td>165,000</td></tr> <tr> <td><b>Class A Ordinary Shares</b></td><td>2,500,000</td><td>2,500,000</td></tr> <tr> <td><b>Class B Ordinary</b></td><td>1,200</td><td>1,200</td></tr> </table>		No Oversubscription	With Oversubscription	<b>Preference Shares</b>	150,000	165,000	<b>Class A Ordinary Shares</b>	2,500,000	2,500,000	<b>Class B Ordinary</b>	1,200	1,200	Section 1.7
	No Oversubscription	With Oversubscription												
<b>Preference Shares</b>	150,000	165,000												
<b>Class A Ordinary Shares</b>	2,500,000	2,500,000												
<b>Class B Ordinary</b>	1,200	1,200												

Topic	Summary	For more information			
	<b>Shares</b> <table> <tr> <td><b>Total Shares</b></td><td>2,651,200</td><td>2,666,200</td></tr> </table>	<b>Total Shares</b>	2,651,200	2,666,200	
<b>Total Shares</b>	2,651,200	2,666,200			
<b>What is the minimum application amount?</b>	The minimum application amount is \$2,000 (20 Preference Shares) and thereafter by multiples of \$500. There is no maximum application amount.	Section 2.5.3			
<b>What do Applicants pay when applying under the Offer?</b>	<p>All Applicants pay \$100 for each new Preference Share offered under this Prospectus.</p> <p>The Company does not intend to charge its Shareholders any management fees.</p>	Section 2			
<b>How can I apply?</b>	<p>To participate in the Offer please complete the Application Form attached to this Prospectus and send it, together with a cheque, bank draft or money order for any Application Monies to:</p> <p><b>Mailing Address</b>  Newcastle Capital Markets Registries Pty Ltd  PO Box 402  Hamilton. NSW. 2303.</p> <p><b>Hand Delivery</b>  10 Murray Street,  Hamilton. NSW. 2303.</p>	Section 2.5			
<b>Will the Preference Shares be listed?</b>	The Company will apply within 7 days of the date of this Prospectus to seek quotation of the Preference Shares on the NSX.	Section 2.10			
<b>What are the tax implications of investing in the Preference Shares?</b>	The tax consequences for you of any investment in the Preference Shares will depend upon your particular circumstances. Applicants should obtain their own tax advice before deciding to invest.	Sections 2.11 and 7.8			
<b>Is there a cooling off period?</b>	No.	-			
<b>Is the Offer underwritten?</b>	Yes. The Offer is underwritten by Henley Underwriting & Investment Company Pty Limited up to \$15 million.	Sections 2.1 and 4.4			
<b>Will there be any escrow arrangements in relation to the Preference Shares?</b>	No mandatory or voluntary escrow applies to the Preference Shares post-Listing.	-			
<b>What is the Company's dividend policy?</b>	<p><b>Preference Shares</b></p> <p>The Company intends to pay dividends to its Preference Shareholders from its profit, in the following manner:</p> <ul style="list-style-type: none"> <li>Preference Shareholders can receive a cumulative preferential dividend of \$4.25 per annum;</li> </ul>	Section 2.3.1 and 5.4			

Topic	Summary	For more information
	<ul style="list-style-type: none"> <li>this shall accrue at the rate of \$1.0625 for each 3 month period (except that of the first accruing period after the issue date, and the period immediately prior to the Redemption Date);</li> <li>the value of the dividend will be calculated pro rata to the actual number of days lapsed; and</li> <li>the accrued dividend will be paid within 30 days of the end of an accrual period.</li> </ul> <p>However, there may not be a liquid market for the Preference Shares and Preference Shareholders who wish to dispose of their Preference Shares may not be able to do so at an acceptable price, or at all.</p> <p><b>Ordinary Shares</b></p> <p>Dividends may not be paid on Ordinary Shares, unless dividends on the Preference Shares has been paid in full.</p> <p>Prior to the payment of any dividends on Ordinary Shares, the Company will review its working capital requirements to ensure that it holds sufficient working capital for the one year period after the payment of the ordinary dividend.</p> <p>However, dividends may be low and there may be periods in which dividends are not paid at all. Subject to the working capital requirements review mentioned above, the amount of any dividend will be at the discretion of the Board and will depend on a number of factors, including financial conditions, capital requirements, prudent business practices, laws relating to dividends, and other factors that the Board from time-to-time considers relevant.</p> <p>No assurances can be given by any person, including Directors, about the payment of any dividend.</p>	
<b>How can I obtain further information?</b>	If you would like more information or have any questions relating to the Offer, please call the Share Registry on 1800 134 234 or the Company on +61 2 4920 2877.	Corporate Directory

### 1.3 Key risk factors

The key risks as listed in the table below are not exhaustive and an investment in the Company should be considered speculative. Before making an investment decision, potential investors should read the entire Prospectus. In particular, investors should give full consideration to the detailed discussion of the risks that are associated with, and which could affect the financial performance of, an investment in the Company, as set out in Section 6.

Risk factors	Summary	For more information
<b>Company Specific Risks</b>		
<b>Concentration Risk</b>	The Company holds units mainly in Underlying Funds. As such, the returns of the Company will be dependent on the performance of those Underlying Funds.	Section 6.3

Risk factors	Summary	For more information
<b>Operational Risks of the Underlying Funds</b>	The returns of the Company is dependent on the performance of the Underlying Funds.	Section 6.3
<b>Fund Risk</b>	The trustee of each of the Underlying Funds may elect, in accordance with the constitution of the relevant Underlying Fund and the Corporations Act, to terminate the Underlying Fund for any reason.	Section 6.3
<b>Related party risks</b>	<p>The Chairman is not an independent Director. All of the issued shares in the Company, being 1,200 voting Class B Ordinary shares are currently held by FFMP as trustee for the Fleet Absolute Returns Fund. The Chairman, Steven Shane Pritchard and the Executive Director, Enzo Pirillo are controllers of FFMP.</p> <p>Upon listing, 2,500,000 non-voting Class A Ordinary shares will be held by Certane CT Pty Limited in its capacity as the custodian for the Newcastle Securities and General Trust of which Hamilton Asset Management Limited is the trustee. The Directors of the Company, Steven Pritchard, Enzo Pirillo and Brett Hall, are also directors of Certane Trustee. The majority of units in the Newcastle Securities and General Trust are owned entities associated with directors of the Company. Enzo Pirillo is also a director in Real Asset Management Pty Ltd, the Investment Manager, Administrator and Unit Registry for RAM Property Fund, the Trustee for the RAM Credit Fund, and the Trustee for 188 ECT Capital Stable Fund, a potential major institutional investor in the Company. There is a risk that the interests of a related party may influence the decision-making of directors to the detriment of the interests of shareholders of the Company as a whole.</p> <p>In addition, the Company has entered into several agreements with its related parties (see Section 4.4 for further details). The terms of these arrangements were approved by the Company's Directors (without interested directors present) on the basis they are consistent with market practice and are on terms customary if the parties were dealing on arm's length terms.</p>	Section 6.3
<b>Conflict of Interest Risk</b>	The Responsible Entity/Trustee of the Underlying Funds, the Investment Manager of the Underlying Funds and their affiliates and their various service providers may from time to time act as issuer, investment manager, market maker, custodian, unit registry, broker, administrator, distributor or dealer to other parties or funds that have similar objectives to those of the Company. It is, therefore, possible that any of them may have potential conflicts of interest with the Company.	Section 6.3
<b>Potential Major Institutional Investor</b>	As 188 ECT Capital Stable Fund is a potential major institutional investor in the Company, the Trustee, on behalf of the 188 ECT Capital Stable Fund, may be entitled to the voting rights of Preference Shareholders, as set out in the Company's Constitution and in this Prospectus (see section 2). These rights	Sections 1.8 and 6.3

Risk factors	Summary	For more information
	include, the right to vote on a proposal to reduce the Company's Share capital, a resolution to approve the terms of a buy-back, to affect rights attached to the Share, on a proposal to wind up the Company or to dispose of the whole of the Company's property, business and undertaking. Should the 188 ECT Capital Stable Fund invest in the Company, there is a risk that the Trustee may vote on a resolution that may disadvantage minority shareholders.	
<b>Reinvestment Risk</b>	The risk that an Investor will be unable to reinvest cash flows from income and maturing investments at a rate comparable to their current rate of return.	Section 6.3
<b>SIV Compliance Risk</b>	The Company makes no guarantee as to the SIV compliance status of an investment in the Preference Shares and investors should seek their own advice on SIV compliance.	Section 6.3
<b>General Risks</b>		
<b>Past Performance Risk</b>	Past performance does not guarantee future performance.	Section 6.2
<b>Market Risk</b>	Fund performance is subject to general market conditions.	Section 6.2
<b>Return Risk</b>	Payment of distributions is subject to the Underlying Funds have sufficient distributable income to support its payments.	Section 6.2
<b>Performance Dispersion Risk</b>	Risk that the performance of the Company may vary from that of the Underlying Funds, due to, for example, differences in taxation treatment.	Section 6.2
<b>Operational Risks of the Underlying Funds</b>	The returns of the Company will be dependent on the performance of the Underlying Funds, with no guarantee that all barriers to success in the Underlying Funds will be foreseen.	Section 6.2
<b>Regulatory Risk</b>	Change in laws and regulations governing a security, sector or financial market could have an adverse impact on the Underlying Funds' investments and consequently the performance of the Company.	Section 6.2

## 1.4 Key Financial information

The following table presents a summary of the Company's financial data which has been derived from the Financial Information set out in Section 7.3.

This Financial Information has been prepared in accordance with the recognition and measurement principles prescribed in Australian Accounting Standards adopted by the Australian Accounting Standards Board which are consistent with International Financial Reporting Standards issued by the International Accounting Standards Board, and the accounting policies of the Company. The summarised financial data should be read together with the management discussion and analysis of the Financial Information in Section 6.3.

### *Pro Forma Statement of Financial Position following completion of the Offer*

	Position as at 30.06.22 \$	Without Oversubscription \$	With maximum Oversubscription \$
<b>Current assets</b>			
Cash	1,200	181,200	181,200
<b>Total current assets</b>	<b>1,200</b>	<b>181,200</b>	<b>181,200</b>
<b>Non-current assets</b>			
Investment in RAM Credit Fund		2,000,000	2,100,000
Investment in RAM Diversified Property Fund	-	15,000,000	16,400,000
<b>Total non-current assets</b>	<b>-</b>	<b>17,000,000</b>	<b>18,500,000</b>
<b>Total assets</b>	<b>1,200</b>	<b>17,181,200</b>	<b>18,681,200</b>
<b>Non-current liabilities</b>			
Redeemable preference shares	-	15,000,000	16,500,000
Less transaction costs	-	320,000	320,000
<b>Total non-current liabilities</b>	<b>-</b>	<b>14,680,000</b>	<b>16,180,000</b>
<b>Total liabilities</b>	<b>-</b>	<b>14,680,000</b>	<b>16,180,000</b>
<b>Net assets</b>	<b>1,200</b>	<b>2,501,200</b>	<b>2,501,200</b>
<b>Equity</b>			
2,500,000 Class A Ordinary Shares	-	2,500,000 <sup>1</sup>	2,500,000
1,200 Class B Ordinary Shares	1,200	1,200	1,200
<b>Total equity</b>	<b>1,200</b>	<b>2,501,200</b>	<b>2,501,200</b>

**Notes:**

1. Prior to or at the same time as the issuance of the Preference Shares under this Prospectus, the Company will issue 2,500,000 Class A Ordinary Shares for the issue price of \$1.00 per share to raise \$2,500,000.

The pro forma balance sheet has been prepared on the basis of estimated fees and costs of the issue which are set out in the following table.<sup>1</sup>

	Without Oversubscription (in AUD, exclusive if GST)	With maximum Oversubscription (in AUD, exclusive if GST)
ASIC - Fees	3,500	3,500
CHESS - Fees	5,000	5,000
Company incorporation	2,000	2,000
Contingency allowance	32,000	32,000
Legal fees	75,000	75,000
NSX Application fee	7,500	7,500
NSX Listing fee	5,000	5,000
Printing & Stationary	5,000	5,000
Share Registry costs	10,000	10,000
Authorised intermediary, nominated adviser and sponsoring broker fee	25,000	25,000
Underwriting	150,000	150,000
<b>Total Transaction costs</b>	<b>320,000</b>	<b>320,000</b>

**Notes:**

1. The Company does not intend to charge its Shareholders any management fees.

## 1.5 Directors and key management



Landsdowne has assembled a highly qualified and balanced Board, and a management team with extensive experience in the Australian wealth and asset management industry. Please refer to Section 4.1 for more details regarding experience of the Board the key management team.

Name and position	Experience
<p><b>Steven Shane Pritchard</b> Executive Director and Chairman</p>	<p>Steven is a director of Rees Pritchard Pty Limited, a firm of Certified Practising Accountants, and a director of Pritchard &amp; Partners Pty Limited, a financial adviser and stockbroker. He is also a director of a number of public and private investment companies.</p> <p>Steven was previously the Newcastle Branch Chairman of CPA Australia, where he received the President's Award for Service to CPA Australia.</p> <p>As a past member, director, chief executive officer and chairman of the Stock Exchange of Newcastle Limited (now the National Stock Exchange of Australia Limited), Steven developed and implemented a plan for the renaissance of NSX as an active stock exchange.</p> <p>From 2002 to 2012, he was Executive Chairman of Cameron Stockbrokers Limited (an ASX Participant).</p> <p>Steven has been providing investment advice to a wide range of private and corporate clients for over 30 years.</p>
<p><b>Enzo Pirillo</b> Executive Director, Company Secretary</p>	<p>Enzo is a director of Rees Pritchard Pty Limited, a firm of Certified Practising Accountants, and a director of Pritchard &amp; Partners Pty Limited, a stockbroker and financial adviser. He is also a director of a number of public and private investment companies.</p> <p>Enzo was instrumental in the establishment of Australian Derivative Registries Pty Limited and built the business up until it became the second largest provider of registry services to warrant issuers listed on ASX, before the business was sold to Link Market Services Limited in 2015.</p> <p>Enzo was previously a director and chief financial officer of Cameron Stockbrokers Limited.</p>
<p><b>Brett Andrew Hall</b> Non-Executive Director</p>	<p>Brett is a director of Rees Pritchard Pty Limited a firm of Certified Practising Accountants, and a director of Pritchard &amp; Partners Pty Limited, a stockbroker and financial adviser.</p> <p>Brett has been the Company Secretary of Florin Mining Investment Company Limited since 2007.</p> <p>Brett was previously the Newcastle Branch Chairman of CPA Australia, where he received the President's Award for Service to CPA Australia.</p>

## 1.6 Use of Funds

The Company expects to receive proceeds of up to A\$15 million from the issue of Preference Shares at the Offer Price of A\$100 per Preference Share and may receive up to A\$1.5 million in Oversubscriptions. The proposed use of funds generated from the Offer are set out in the table below:

Use of Funds	Without Oversubscription (\$)	With maximum Oversubscription (\$)	Percentage (%)
Investment in RAM Credit Fund	1,000,000	1,100,000	6.67
Investment in RAM Property Fund	14,000,000	15,400,000	93.33
<b>Total</b>	<b>15,000,000</b>	<b>16,500,000</b>	<b>100</b>

The costs of the Offer will be paid out of the Company's working capital. In the unlikely event that there is a working capital shortfall, the Company will redeem some of the Investment Portfolio. Please refer to Section 7.3 for more information about the costs of the Offer.

The allocation of the capital was selected in order to achieve the Company's stated objectives by investing in a mix of assets, that should over the longer term, achieve a regular income stream for the holders of the Preference Shares and to deliver a moderate level of income and capital growth to the Ordinary Shareholder. The Directors consider it appropriate to have a large weighting to unlisted property to achieve the investment objective of regular set income payments to the Preference Shareholders over the medium to long term. This investment decision reflects the quality of the underlying properties and tenants/long term leases, the potential growth in the income stream from contracted rental increases and mitigating reinvestment risk within the RAM Credit Fund. Further details regarding the Company's investment strategy, including objectives, philosophy, investment strategy, investment process, rebalancing strategy, and the initial investment portfolio are contained in Section 3.

The table below indicates the potential type of returns from each of the investments:

	Potential to provide regular income	Potential to provide capital growth
RAM Credit Fund	✓	
RAM Property Fund	✓	✓

Any future investments or rebalancing of the portfolio that the Company undertakes will be undertaken with regard to the Company's stated objectives and ensuring that they provide sufficient income to enable the payment of the Preference Share dividends. The key consideration of the rebalancing strategy is to ensure the portfolio is at all times earning an appropriate income return to achieve its investment objectives. From time to time it may be required to amend the composition of the portfolio to achieve its long term investment objectives. Over time investments will reach maturity, the outlook for investments can change and surplus income is expected to accrue within the Company, requiring a periodic rebalance within the portfolio and ensuring the Company's cash is appropriately invested at all times. Whilst the Company's near term income can be forecast with relatively high degrees of certainty, over the medium to longer term, the income stream available on similar risk investments will be influenced by, amongst other things, movements in the future path of interest rates, inflation, and market risk premiums. Further details regarding the Company's investment strategy, including objectives, philosophy, investment strategy, investment process, rebalancing strategy, and the initial investment portfolio are contained in Section 3.

## 1.7 Capital structure following the Offer

The current capital structure of Landsdowne as at the date of this Prospectus and the expected capital structure when the Offer has been completed will be as follows:

Share Class	As at date of Prospectus	Following completion of the Offer	
		Without Oversubscription	With maximum Oversubscription
Ordinary Shares	1,200 <sup>1</sup>	2,501,200 <sup>2</sup>	2,501,200
Preference Shares	0	150,000	165,000
<b>Total</b>	<b>1,200</b>	<b>2,651,200</b>	<b>2,666,200</b>

**Notes:**

- 1,200 voting Class B Ordinary shares are currently held by Fleet Funds Management Pty Ltd (FFMP) as trustee for the Fleet Absolute Returns Fund. Steven Pritchard and Enzo Pirillo are both controllers of FFMP. For more details on the interests and benefits held by the Directors of the Company refer to Section 4.2.
- Includes 2,500,000 non-voting Class A Ordinary shares to be issued to Certane CT Pty Limited for the issue price of \$1.00 per share to raise a total of \$2,500,000 prior to or at the same time as the Preference Shares offered under this Prospectus. Certane CT Pty Limited will hold the shares in its capacity as the custodian for the Newcastle Securities and General Trust of which Hamilton Asset Management Limited is the trustee. The Directors of Certane Trustee are the same as the directors of the Company, being Steven Pritchard, Enzo Pirillo and Brett Hall. The majority of units in the Newcastle Securities and General Trust are owned entities associated with directors of the Company.

## 1.8 Potential Major Institutional Investor

188 ECT Capital Stable Fund is a potential major institutional investor. The Trustee of the 188 ECT Capital Stable Fund is Real Asset Management Pty Ltd (ACN 162 123 408). Enzo Pirillo is a Director of Real Asset Management Pty Ltd. Real Asset Management Pty Ltd is the Investment Manager, Administrator, and Unit Registry for the RAM Property Fund, and the Trustee for the RAM Credit Fund. Real Asset Management Pty Ltd, and the 188 ECT Capital Stable Fund by extension, are thus related parties of the Company by virtue of Enzo Pirillo's directorship. However, Enzo does not participate in any decisions to invest in the Company, as the 188 ECT Capital Stable Fund has a separate investment committee that makes such investment decisions; a committee on which Enzo does not sit on. See Section 6.3 for further details.

As a potential major institutional investor, the Company is of the view that the voting power of the Trustee, on behalf of the 188 ECT Capital Stable Fund, in the Company will include the Preferences Shares in which the 188 ECT Capital Stable Fund may hold a relevant interest in. This potential interest entitles the 188 ECT Capital Stable Fund to the rights of Preference Shareholders, as set out in the Company's Constitution and this Prospectus (see Section 2 for further details). Specifically, these rights include:

- the same rights as holders of Ordinary Shares to receive notices, reports and accounts and to attend general meetings of the Company; and
- the right to vote in each of the following circumstances and in no others:
  - during a period during which a dividend (or part of a dividend) for the Share is in arrears;
  - on a proposal to reduce the Company's Share capital;
  - on a Resolution to approve the terms of a buy-back agreement;
  - on a proposal that affects rights attached to the Share;
  - on a proposal to wind up the Company;
  - on a proposal for the disposal of the whole of the Company's property, business and undertaking; and
  - during the winding up of the Company.

- (c) In circumstances where the Preference Shareholders are entitled to vote, they may cast one vote for each Preference Share held. For such resolutions, Ordinary Shareholders and Preference Shareholders will have the same voting rights.
- (d) In addition, under the Corporations Act, any proposal that might affect the rights attached to Preference Shares must be approved by special resolution (75% of votes cast) of Preference Shareholders and a separate resolution passed by special resolution of both Ordinary Shareholders and Preference Shareholders.

In addition to the risks outlined in Section 6.3, there is a risk that the exercise of the 188 ECT Capital Stable Fund's voting rights as a Preference Shareholder may impact, for example, any vote on a proposal to reduce the Company's Share capital, wind up the Company, affect rights attached to the Preference Share or approve the terms of a buy-back agreement. This may be the case if the 188 ECT Capital Stable Fund has sufficient shareholding (in other words, 75% or more) to vote on a resolution that may disadvantage minority shareholders.

## **1.9 Significant Investor Visa Holders**

An investment into the Preference Shares is potentially a compliant investment for investors who are significant investor visa holders under visa classes 188b and 188c (**SIV**) and for investors which are SIV compliant funds where the ultimate investors into those funds are significant investor visa holders.

Further, an investment into the Preference Shares may allow a greater exposure to the Underlying Funds in a SIV compliant manner than maybe available by way of direct investment into the Underlying Funds, but noting that an exposure to the Underlying Funds through the Preference Shares is intended to generate a specific return with a risk profile (as otherwise described in this Prospectus) rather than the returns associated with a direct equity investment into the Underlying Funds, which would have a return and risk profile in the nature of a mixture of fixed income and property investment.

The Company believes that the ability to take the additional exposure (with a different return and risk) to the Underlying Funds in a SIV compliant manner as described in the previous paragraph is a material reason why SIV investors and SIV compliant funds (such as the 188 ECT Capital Stable Fund) may invest in the Preference Shares and has been taken into account in the structuring of the Preference Shares and the decision to list the Company in the proposed manner and in particular to target investment from the 188 ECT Capital Stable Fund.

The Company makes no guarantee as to the SIV compliance status of an investment in the Preference Shares and investors should seek their own advice on SIV compliance.

## 2 Details of the Offer

### 2.1 The Offer

Landsdowne is seeking to raise A\$15 million through the issue of 150,000 Preference Shares at an issue price of A\$100, with the ability to accept oversubscriptions for up to 15,000 Preference Shares to raise up to an additional \$1.5 million.

The Offer is fully underwritten by Henley Underwriting & Investment Company Pty Limited (**Underwriter**). For a summary of the terms of the Underwriting Agreement please refer to section 4.4.

### 2.2 What are Preference Shares

Preference Shares are a separate class of shares that are essentially debt instruments, under which the Company agrees to pay quarterly dividends to Preference Shareholders.

### 2.3 Terms attached to the Preference Shares

#### 2.3.1 Dividends

Preference Shareholders have a right to a cumulative preferential dividend, in the following manner:

- Preference Shareholders can receive a cumulative preferential dividend of \$4.25 per annum;
- this shall accrue at the rate of \$1.0625 for each 3 month period (except that of the first accruing period after the issue date, and the period immediately prior to the Redemption Date);
- the value of the dividend will be calculated pro rata to the actual number of days lapsed; and
- the accrued dividend will be paid within 30 days of the end of an accrual period.

The payment of quarterly dividends are not guaranteed and are subject to the Company making sufficient profits to enable their payment.

There may not be a liquid market for the Preference Shares and Preference Shareholders who wish to dispose of their Preference Shares may not be able to do so at an acceptable price, or at all.

The Company has undertaken sensitivity analysis on its ability to maintain the payment of quarterly dividends.

If only the minimum subscriptions are received, the Company has calculated that if the distributions received from the RAM Credit Fund and RAM Property Fund decrease by greater than 3% per annum relative to the historical distributions from each Underlying Fund, the Company will be unable to pay its Preference Share dividend when due.

If the maximum subscriptions are received, the Company has calculated that if the distributions received from the RAM Credit Fund and RAM Property Fund decrease by greater than 3.5% per annum relative to the historical distributions from each Underlying Fund, the Company will be unable to pay its Preference Share dividend when due.

Assuming the Company has sufficient profits to enable it to pay its dividends, the holders of the Preference Shares will receive the dividends shown below for the various amounts invested:

Amount Invested	\$2,000.00 <sup>1</sup>	\$10,000.00	\$100,000.00
Number of Shares	20	100	1,000
Quarterly Dividend	\$21.25	\$106.25	\$1,062.50
Annual Dividend	\$85.00	\$425.00	\$4,250.00

<sup>1</sup> Note that the minimum application amount is \$2,000 (20 Preference Shares) and multiples of \$500 for any subsequent applications.

#### 2.3.2 Voting rights

Subject to the Act and the Listing Rules, all Preference Shares issued by the Company confer on the holders of those Preference Shares:

- (a) the same rights as holders of Ordinary Shares to receive notices, reports and accounts and to attend general meetings of the Company; and
- (b) the right to vote in each of the following circumstances and in no others:
  - during a period during which a dividend (or part of a dividend) for the Share is in arrears;
  - on a proposal to reduce the Company's Share capital;
  - on a Resolution to approve the terms of a buy-back agreement;
  - on a proposal that affects rights attached to the Share;
  - on a proposal to wind up the Company;
  - on a proposal for the disposal of the whole of the Company's property, business and undertaking; and
  - during the winding up of the Company.
- (c) In circumstances where the Preference Shareholders are entitled to vote, they may cast one vote for each Preference Share held. For such resolutions, Ordinary Shareholders and Preference Shareholders will have the same voting rights.
- (d) In addition, under the Corporations Act, any proposal that might affect the rights attached to Preference Shares must be approved by special resolution (75% of votes cast) of Preference Shareholders and a separate resolution passed by special resolution of both Ordinary Shareholders and Preference Shareholders.

### **2.3.3 When will the Company redeem my Preference Shares**

Subject to the Corporations Act and the Listing rules, Preference Shares are subject to the following conditions:

- (a) the Company shall redeem the Preference Shares on the eighth anniversary of their date of issue at the Redemption Price;
- (b) the Company may redeem the Preference Shares at any time after the first anniversary of their date of issue at the Redemption Price;
- (c) the Company may, rather than redeem the Preference Shares in accordance with (a) or (b) above, undertake a buy back of the Preference Shares at any time after the first anniversary of their date of issue at the Redemption Price; and
- (d) the Company may issue further redeemable Preference Shares ranking equally with or behind the A Class Redeemable Preference Shares as to both payment of dividends and repayment of capital on a winding up of the Company.

Redemption Price means the issue price of A\$100 per Preference Share plus any unpaid dividends payable for or in respect of the Preference Share accrued daily from the date of issue to the date of redemption (both inclusive).

### **2.3.4 Wind up rights**

If the Company is wound up, Preference Shareholders will be repaid their capital and any accrued dividends;

- after money owing to creditors has been paid; but
- before any money is paid to Ordinary Shareholders in the Company.

No other right to participate in surplus assets is held by Preference Shareholders.

## **2.4 Purpose of the Offer**

The Company is seeking to invest in a portfolio of managed investments. Refer to Section 3.

## **2.5 How to apply for Preference Shares under the Offer**

### **2.5.1 Completing the Application Form**

Except as set out below, to participate in the Offer, you must complete the Application Form attached to, or accompanying this Prospectus. The Application Form contains detailed instructions on how to complete the form.

### **2.5.2 Payment and submitting the Application Form**

Once your Application Form is completed, please send your Application Form and cheque or bank draft for the Application Monies to the Share Registry at the address set out below:

#### **Mailing Address**

Newcastle Capital Markets Registries Pty Ltd  
PO Box 402  
Hamilton NSW 2303

#### **Hand Delivery**

10 Murray Street,  
Hamilton NSW 2303

Cheque(s) or bank draft(s) must be:

- in Australian currency;
- drawn at an Australian branch of a financial institution;
- crossed "Not Negotiable"; and
- made payable: to "Landsdowne – Offer A/C"

If paying by cheque(s), Applicants should ensure that sufficient funds are held in the relevant account(s) to cover your cheque(s). If the amount of your cheque(s) for Application Monies (or the amount for which those cheques clear in time for the allocation) is insufficient to pay for the amount you have applied for in your Application Form, you may be taken to have applied for such lower amount as your cleared Application Monies will pay for (and to have specified that amount in your Application Form) or your Application may be rejected.

### **2.5.3 Acceptance of Applications**

Regardless of the method of lodgement, the Share Registry must receive the relevant Application by no later than the close of the Offer (unless Landsdowne varies the dates and times).

A completed Application Form constitutes an irrevocable offer to Landsdowne to subscribe for Preference Shares on the terms and conditions set out in this Prospectus (including any supplementary or replacement prospectus), and as set out in the Application Form.

Landsdowne reserves the right to:

- reject any Application, including Applications that have not been correctly completed or are accompanied by payments that are dishonoured;
- accept late Applications received after the close of the Offer;
- allocate to any Applicant a lesser number of Preference Shares than that for which any Applicant applied; and
- waive or correct any errors made by an Applicant in their Application.

Note that the minimum application amount is \$2,000 (20 Preference Shares) and multiples of \$500 for any subsequent applications. There is no maximum application amount.

#### **2.5.4 Withdrawal of the Offer**

The Company reserves the right to withdraw the Offer at any time before the issue of Preference Shares to Successful Applicants. If the Offer is withdrawn, then Application Monies will be refunded. No interest will be paid on any Application Monies refunded as a result of the withdrawal of the Offer or otherwise. The Company will retain any interest which accrues on Application Monies.

### **2.6 Minimum Subscription and oversubscriptions**

The minimum subscription is A\$15 million in respect of the Offer. The Company may accept up to an additional A\$1.5 million in oversubscriptions.

### **2.7 Fees**

The Company does not intend to charge its Shareholders any management fees.

### **2.8 Allocation of Preference Shares**

The acceptance of Applications and the allocation of Preference Shares are at the discretion of the Company. In consideration for the Directors agreeing to consider an Applicant's Application, the Applicant agrees its Application is an irrevocable offer, which cannot be withdrawn. The Company reserves the right to reject any Application and to allot to an Applicant a lesser number of Preference Shares than the number for which the Applicant applies. No Applicant under the Offer has any assurance of being allocated all or any Preference Shares applied for.

### **2.9 Application Monies**

All Application Monies will be held in a special purpose trust account until Preference Shares are issued to Successful Applicants.

Application Monies will be refunded (in full or in part) if:

- an Application is rejected;
- an Application is subject to scale-back;
- the Offer is withdrawn or cancelled;
- the Minimum Subscription is not met; or
- permission for quotation of the Preference Shares is not granted within three (3) months after the date of this Prospectus or such longer time as permitted by the Corporations Act.

No interest will be paid on any Application Monies that are refunded. After Listing, or if Listing does not occur, the Company will retain any interest earned on Application Monies. Refund cheques will be sent after the close of the Offer or as otherwise applicable under the circumstances outlined above.

### **2.10 NSX Listing**

The Company will apply for admission to the Official List of the NSX and Official Quotation of the Preference Shares on the NSX within seven days of the date of the Prospectus. Trading of Preference Shares on the NSX is expected to commence on 16 December 2022.



It is expected that the initial Holding Statements will be despatched by standard post on 12 December 2022 and that trading of Preference Shares on a normal settlement basis will commence on 16 December 2022. If you apply, then it is your responsibility to determine your allocation before you trade in Preference Shares. If you trade in Preference Shares before you receive your initial Holding Statement, then you do so at your own risk.

The fact that the NSX may agree to grant Official Quotation to any Preference Shares is not to be taken in any way as an indication of the merits of the Company or the Preference Shares offered. The NSX takes no responsibility for the contents of this Prospectus.

If permission for quotation of the Preference Shares is not granted within 3 months after the date of this Prospectus, Application Monies will be refunded without interest as soon as practicable.

## **2.11 Tax implications of investing in the Company**

The tax consequences of any investment in the Preference Shares will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether to invest. A general summary of the tax implications of investing in the Company is contained in Section 7.8.

## **2.12 Foreign investors**

This Prospectus does not constitute an offer in any jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer. No action has been taken to register or qualify the Offer under this Prospectus, or to permit a public offering of Preference Shares in any jurisdiction other than Australia. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law. It is the responsibility of any overseas Applicant to ensure compliance with all laws of any country relevant to their Application.

## 3 Company Overview

### 3.1 Introduction and corporate structure

The Company was incorporated as a public company in New South Wales in 2022. The Company has not carried on any business since the date of incorporation.

### 3.2 Overview of Business

The Company has been established to invest in a relatively concentrated Investment Portfolio to enable it to pay its preference shareholders a regular income and to provide its ordinary shareholders with some level of income and capital growth.

In making investment decisions, the Company will generally take a medium to long term view. The Company plans to limit its portfolio to not more than 10 investments.

The Company's initial Investment Portfolio will consist of investments in the RAM Property Fund and the RAM Credit Fund, together the Underlying Funds.

### Investment Objectives

The investment objectives of the Company are:

- to preserve the capital of the company over the longer term;
- to achieve a regular income stream for the holders of the preference shares; and
- to deliver a moderate level of income and capital growth to the ordinary shareholder.

### Investment Philosophy

The Company will generally invest in investments that it believes will be suitable to hold for the medium to long term.

The Company will invest in managed investment schemes and other collective investment vehicles however it may also invest directly in equity and debt securities from time to time.

The managed investment schemes that the Company invests in will generally be actively managed.

It is expected that the Company will predominately hold investments in the fixed interest and property, asset classes however, may from time to time invest in equities.

### Investment Strategy

To achieve its investment objectives, the Company intends to invest predominantly in managed funds whose objective is to provide investors with a regular income stream.

Whilst the direct Investment Portfolio is expected to be concentrated, diversification will be provided by way of exposure to the underlying assets held in the managed funds.

Specifically, the Company's initial Investment Portfolio will consist of investments in the Underlying Funds, being the RAM Property Fund and the RAM Credit Fund. The Company will invest directly in the Underlying Funds, and so provide investors with exposure to the investments of the Underlying Funds. The Company's investment strategy thus captures the investment objectives of the Underlying Funds, being:

- **RAM Property Fund:** the acquisition, either directly or indirectly, of commercial real property assets in Australia such as: suburban office with secure tenure; government tenants; logistics and warehousing; child

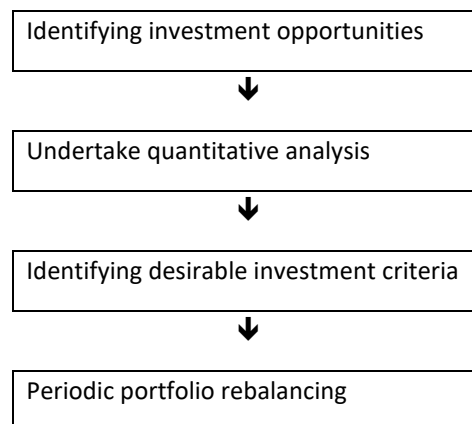
care and non-core health care; large format retail and service stations as well as Australian REIT's and other unlisted property funds;

- **RAM Credit Fund:** investments in cash products including call and term deposits held with Authorised Deposit-taking Institutions in Australia and negotiable certificates of deposit, bank bills and other cash-like instruments; and interests in loan investments, including residential mortgages, commercial mortgages, and mortgage backed securities.

Further details regarding each of the Underlying Funds can be found in Sections 2 and 4.4.

## Investment Process

The Company will adopt the investment process illustrated by the following flow chart:



### (a) Identifying investment opportunities

The board will engage in various activities for the purpose of identifying the managed funds to invest in. These activities may include but are not limited to the following;

- review the relevant product disclosure statements and information memorandum
- examining independent research where available
- review performance updates issued by the manager
- peruse annual reports
- identify market trends
- meeting the fund manager
- monitoring media coverage

### (b) Undertake financial analysis

The board will generally undertake a financial analysis of any proposed investment. This analysis will include;

- stability of distributions paid to investors
- historical total returns to investors in the fund
- forecast returns if available
- debt to equity ratio of the fund

**(c) Identifying desirable investment criteria**

- stable and growing income distributions
- good long term growth potential
- management record of performance and integrity

**(d) Periodic portfolio rebalancing**

- At least annually and, at maturity of any term investments, the Directors will consider the Company's investment process, the current investment outlook, and forward looking yields available across a range of investments.
- The key considerations of any rebalancing activity is to ensure that the Company's Investment Portfolio continues to achieve the regular income stream for Preference Shareholders while preserving the capital of the Company over the longer term.

## **Initial Investment Portfolio**

The initial Investment Portfolio will consist of investments in the RAM Australia Diversified Property Fund (ARSN 653 735 258) (**RAM Property Fund**) and the RAM Australia Credit Fund (**RAM Credit Fund**) (together, the **Underlying Funds**). The Company will invest directly in the Underlying Funds, and so provide investors with exposure to the investments of the Underlying Funds.

### **3.2.1 RAM Australia Diversified Property Fund**

The RAM Property Fund is an unlisted registered managed investment scheme. Significant details of the RAM Property Fund are set out in the table below.

<b>Fund Name</b>	RAM Australia Diversified Property Fund (RAM Property Fund)
<b>ARSN</b>	653 735 258
<b>Inception Date</b>	25 June 2021
<b>Responsible Entity</b>	Equity Trustees Limited (ACN 004 031 298, AFSL 240975)
<b>Investment Manager</b>	Real Asset Management Pty Ltd (ACN 162 123 408, AFSL 484 263)
<b>Custodian</b>	Mainstream Fund Services Pty Ltd
<b>Administrator</b>	Real Asset Management Pty Ltd (ACN 162 123 408, AFSL 484 263)
<b>Unit Registry</b>	Real Asset Management Pty Ltd (ACN 162 123 408, AFSL 484 263)
<b>Auditor</b>	PKF(NS) Audit & Assurance Limited Partnership
<b>Eligible Investors</b>	Australian Wholesale Investors
<b>Listing</b>	The units are not listed on any security exchange

<b>About the Fund</b>	<p>The RAM Property Fund invests in Australian commercial property assets, either existing or via development (greenfield or brownfield) with the following characteristics:</p> <ul style="list-style-type: none"> <li>(a) derive at least 50% of their income from one or a combination of, Suburban Office with secure tenure; Government tenanted assets; large format retail anchored by hardware, large format liquorbarns or suburban taverns; Petrol stations; Fast food drive through assets; Industrial Logistics and warehousing based assets; and Social infrastructure themed property including, but not limited to non-core medical uses and childcare assets;</li> <li>(b) occupancy levels greater than 90% (or 75% occupied with rental guarantees covering income on all other lettable area at acquisition);</li> <li>(c) lot size \$15 million - \$200 million (note that lot size can include a portfolio transaction); and</li> <li>(d) lease expiry profile of greater than 3 years.</li> </ul> <p>The investment manager also seeks to partner with developers to deliver "acceptable development opportunities" but will ensure a maximum exposure to these of 50% of the RAM Property Fund's gross asset value once the fund is past its initial two-year inception window.</p> <p>The RAM Property Fund typically acquires each of these kinds of assets indirectly through individual sub trusts established by a related part of the responsible entity. It may also invest in listed Australian Real Estate Investment Trusts from time to time for liquidity purposes or where no direct real property investments are available.</p> <p>The RAM Property Fund currently has a total net assets value of approximately \$188 million as at the date of this Prospectus.</p>
<b>Investment Objective</b>	<p>The RAM Property Fund aims to provide investors with a stable quarterly income stream with the potential for capital growth. It aims to deliver a total return (after fees) of 8-10% p.a.</p> <p>The investment objective is expressed after the deduction of management fees and expense recoveries but before taxation. The investment objective is not intended to be a forecast. It is only an indication of what the investment strategy aims to achieve over the medium to long term, assuming financial markets remain relatively stable during that time. The RAM Property Fund may not achieve its investment objective. Returns are not guaranteed.</p>
<b>Distributions</b>	<p>Distributions are generally made quarterly. The responsible entity also has the discretion to make interim distributions during the financial year. Distributions are reinvested into the RAM Property Fund unless an investor elects otherwise.</p> <p>The RAM Property Fund has a target distribution amount of 5.5% p.a., gross of the administration fee.</p>
<b>Fees and Costs</b>	<p>Investment management fee of 0.75% p.a.</p> <p>Responsible entity fee of up to 0.325% p.a.</p> <p>Performance fee of 20% of excess performance greater than the hurdle rate of 8%.</p> <p>Administration fee of 0.50% p.a. deducted from the distribution yield on a pro rata basis, and charged out of distributions payable.</p>

<b>Historical Performance</b>	The historical performance of the RAM Property Fund after any applicable fees and expenses is set out in the table below.			
	<b>RAM Property Fund</b>	<b>3m</b>	<b>1 Yr</b>	<b>3 Yr p.a.</b>
	<b>Income Return</b>	1.24%	5.10%	N/a
	<b>Capital Return</b>	0.12%	0.67%	N/a
	<b>Total Return (Net of all fees)</b>	1.36%	5.80%	N/a

### 3.2.2 RAM Australia Credit Fund

The RAM Credit Fund is an unlisted and unregistered managed investment scheme in New South Wales. Significant details of the RAM Credit Fund are set out in the table below.

<b>Fund Name</b>	RAM Australia Credit Fund
<b>ARSN</b>	N/A
<b>Inception Date</b>	6 October 2017
<b>Trustee</b>	Real Asset Management Pty Ltd (ACN 162 123 408, AFSL 484 263)
<b>Eligible Investors</b>	Australian Wholesale Investors
<b>Listing</b>	The units are not listed on any security exchange
<b>About the Fund</b>	<p>The RAM Credit Fund's investments comprise two components:</p> <ul style="list-style-type: none"> <li>(a) investments in cash products including: <ul style="list-style-type: none"> <li>a. call and term deposits held with Authorised Deposit-taking Institutions in Australia;</li> <li>b. negotiable certificates of deposit, bank bills and other cash-like instruments; and</li> </ul> </li> <li>(b) interests in loan investments, including: <ul style="list-style-type: none"> <li>a. residential mortgages, including but not limited to equitable interests in a portfolio of loans in the name of Brighten Home Loans Pty Ltd secured on Australian residential property under the Brighten Loan Program (described below). The Brighten Loan Program is managed and serviced by Brighten Financial Pty Ltd;</li> <li>b. commercial mortgages, including but not limited to equitable interests in a portfolio of commercial loans not regulated under the National Consumer Credit Protection Act, and secured on Australian property including retail, office, industrial, vacant land, and also property still under construction; and</li> <li>c. Mortgage Backed Securities, being notes issued by the trustee of one or more securitisation trusts, or securitisation warehouse trusts.</li> </ul> </li> </ul> <p>The RAM Credit Fund may invest through interposed entities or special purpose vehicles, such as unit trusts or companies, as it sees fit.</p>

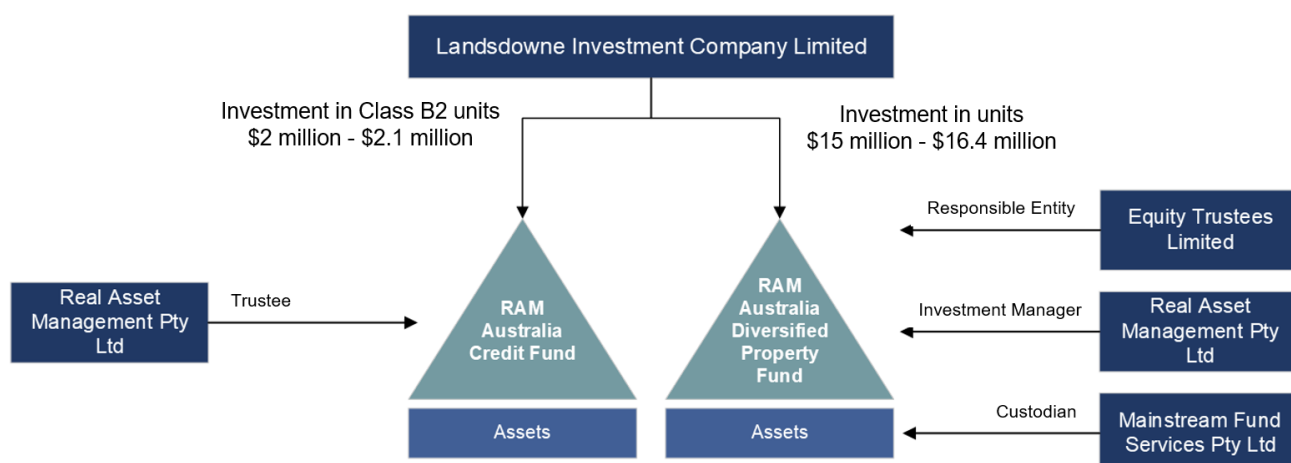
	Units in the RAM Credit Fund are divided into Class A Units, Class B Units, Class B2 Units, Class C Units, Class D Units, Class E Units and Class F Units. The different classes of units have different allocations of exposure to the investments. The Company will invest in Class B2 Units.		
	<b>Class B2 Units</b>		
	The value of the Class B2 Units are referable to an overall portfolio of Loan Investments:		
	<b>Loan Criteria</b>	<b>Residential Property</b>	<b>Commercial Property</b>
	<b>Maximum LVR</b>	80%	80%
	<b>Maximum individual facility size</b>	\$10m	\$15m
	<b>Maximum facility term</b>	<b>30 years</b>	<b>5 years</b>
	<b>Construction allowed</b>	Yes	Yes
	<b>Development allowed</b>	Yes	Yes
	<b>Security Requirement</b>	First Registered Mortgage	First Registered Mortgage
	<b>Maximum concentration limits</b>		
	<b>State or Territory</b>	NSW or VIC: 60%	
		QLD: 40%	
		SA or WA: 30%	
		TAS, ACT or NT: 15%	
	<b>Non-metropolitan</b>	30%	
<b>Brighten Loan Program</b>	The Brighten Loan Program is operated in the following manner:		
	(a) the trustee has entered into a bare trust deed with Brighten Home Loans Pty Ltd (a related body corporate of the trustee), who holds the funds allocated for the provision of the loans made under the program as the trustee's bare trustee;		
	(b) Brighten Financial Pty Ltd is appointed under a servicing agreement, whereby it agrees to originate and service loans made under the Brighten Loan Program, in consideration for the trustee providing the funding for the loans through Brighten Home Loans Pty Ltd.		

Investment Period	An Investment in Class B2 Units matures twelve months from the date of receipt by the Trustee of the RAM Credit Fund. Investors in Class B2 Units can withdraw their investment every 12 months (subject to the discretion of the Trustee).				
Distributions					
	Units	Initial Gross Distribution (per annum)			
	Class B2	6.0%			
	All distributions are quarterly fixed distributions, made after the deduction of any applicable Management Fees or Ongoing Costs, subject to the Fund having sufficient distributable income.				
Fees and Costs	Fee or Cost	Amount (exclusive of GST)			
	Contribution Fee	Class B2 Units: Up to 3%			
	Management Fee	Class B2: 0.50% p.a.			
	Ongoing Costs	0.15% of the Fund's GAV per annum (estimate only, and the actual amount may be higher or lower depending on the administration requirements of the Fund in a particular year)			
Historical Performance	The historical performance of the RAM Australia Credit Fund after any applicable fees and expenses is set out in the table below.				
	Class B2	3m	1 Yr	3 Yr p.a.	Since Inception p.a.
	Income Return	1.25%	4.81%	4.99%	4.84%
	Capital Return	0.00%	0.00%	0.00%	0.00%
	Total Return (Net of all fees)	1.25%	4.81%	4.99%	4.84%

### 3.3 Investment Structure

Upon completion of the Offer, the Company will adopt the initial investment structure as illustrated by the following chart.





### RAM Credit Fund

Real Asset Management Pty Ltd (ACN 162 123 408) is the trustee of the RAM Credit Fund. RAM Credit Fund is an unlisted, unregistered managed investment scheme and has a total net assets value of approximately \$310 million, as at the date of this Prospectus. The Company intends to invest \$1,000,000 without oversubscription or \$1,100,000 with maximum oversubscription from the Offer proceeds into the RAM Credit Fund by subscribing for Class B2 units in the RAM Credit Fund.

### RAM Property Fund

The RAM Property Fund is an unlisted, registered managed investment scheme. Equity Trustees Limited is the Trustee of the RAM Property Fund, Real Asset Management Pty Ltd is the investment manager of the RAM Property Fund. The Trustee has appointed Mainstream Fund Services Pty Ltd as custodian for the assets of the RAM Property Fund. As at the date of this Prospectus, the RAM Property Fund has a total net assets value of approximately \$188 million. The Company intends to invest \$14,000,000 without oversubscription or \$15,400,000 with maximum oversubscription from the Offer proceeds into the RAM Property Fund by subscribing for units in the RAM Property Fund.

As of the date of this Prospectus, there is no common shareholding between the Company and any of the trustees, investment manager, custodian of the RAM Credit Fund or the RAM Property Fund.

## 3.4 Registered certifications and licences

Subject to specific exceptions under the Corporations Act, an issuer of financial product (including securities) would generally need to hold an Australian financial services licence (**AFS Licence**) and satisfy the requirements and conditions under the AFS Licence. Alternatively, the Company may appoint a licensed intermediary in accordance with the Corporations Act to arrange for the issue, variation or disposal of any financial product that the Company intends to issue, vary or dispose of in the case where the Company do not hold an AFS Licence.

As the Company does not currently hold any AFS Licence, the Company has entered into an licensed intermediary arrangement with a third party AFS Licence holder to enable the Company to have the ability to issue financial products in order to execute its investment strategy.

Pritchard & Partners Pty Limited (ACN 073 393 049; Australian Financial Services Licence number 260 967) (**Arranger**) has been appointed under the Arranger Agreement dated 14 October 2022 as the licensed intermediary of the Company pursuant to section 911A(2)(b) of the Corporations Act 2001 (Cth) (**Corporations Act**) to arrange for the issue of Preference Shares under the Offer.

## 3.5 Employees

It is not currently proposed that the company will have any employees.

## 3.6 Financing and future funding

The Company is yet to commence trading or any business activities, however the audited statement of its financial position as at 30 June 2022 is set out in Section 6.4.3. The Company has \$1,200 of share capital injected by its existing shareholders, and no other assets or debt.

Prior to or at the same time as the issuance of the Preference Shares under this Prospectus, the Company will issue 2,500,000 Class A Ordinary Shares for the issue price of \$1.00 per share to raise \$2,500,000.

## 4 Key Individuals, Interests and Benefits

The Company appreciates investor expectations with respect to governance and communications. In that regard, the Board of the Company is comprised of three Australian resident Directors who have extensive skills and experience in both business operations and governance. The Board have a broad base of experiences covering operational, technical, corporate and commercial backgrounds spanning a number of decades across a range of different industries. The Board is well positioned to implement, oversee and monitor the Company's strategic objectives.

### 4.1 Board of directors and management team

At Listing, the Board will comprise three members, consisting of two Executive Directors and one Non-Executive Directors. The following table provides information regarding the Directors and the management team, including their positions and expertise.

	Experience
<b>Steven Shane Pritchard</b>  <b>Chairman and Executive Director</b>	<p>Steven is a director of Rees Pritchard Pty Limited, a firm of Certified Practising Accountants, and a director of Pritchard &amp; Partners Pty Limited, a financial adviser and stockbroker. He is also a director of a number of public and private investment companies.</p> <p>Steven was previously the Newcastle Branch Chairman of CPA Australia, where he received the President's Award for Service to CPA Australia.</p> <p>As a past member, director, chief executive officer and chairman of the Stock Exchange of Newcastle Limited (now the National Stock Exchange of Australia Limited), Steven developed and implemented a plan for the renaissance of NSX as an active stock exchange.</p> <p>From 2002 to 2012, he was Executive Chairman of Cameron Stockbrokers Limited (an ASX Participant).</p> <p>Steven has been providing investment advice to a wide range of private and corporate clients for over 30 years.</p>
<b>Expertise / Qualifications</b>	B Com, CPA, F Fin
<b>Independence or affiliations</b>	<p>Not independent. Steven currently is a Director of the following entities:</p> <ul style="list-style-type: none"> <li>• Rees Pritchard Pty Limited, the company accountant</li> <li>• Pritchard &amp; Partners Pty Limited, authorised intermediary, sponsoring broker and nominated adviser</li> <li>• Newcastle Capital Markets Registries Pty Limited, share register</li> <li>• Henley Underwriting and Investment Company Pty Limited, underwriter; and</li> <li>• Fleet Funds Management Pty Limited, owner of the Class B Ordinary Shares.</li> </ul>
<b>Legal or disciplinary action</b>	None
<b>Insolvent companies</b>	None

	Experience
<b>Enzo Pirillo</b>  <b>Executive Director</b>	<p>Enzo is a director of Rees Pritchard Pty Limited, a firm of Certified Practising Accountants, and a director of Pritchard &amp; Partners Pty Limited, a stockbroker and</p>

	<p>financial adviser. He is also a director of a number of public and private investment companies.</p> <p>Enzo was instrumental in the establishment of Australian Derivative Registries Pty Limited and built the business up until it became the second largest provider of registry services to warrant issuers listed on ASX, before the business was sold to Link Market Services Limited in 2015.</p> <p>Enzo was previously a director and chief financial officer of Cameron Stockbrokers Limited.</p>
<b>Expertise / Qualifications</b>	B.Com, CPA, F. Fin
<b>Independence or affiliations</b>	<p>Not independent. Enzo currently is a Director of the following entities:</p> <ul style="list-style-type: none"> <li>• Rees Pritchard Pty Limited, the company accountant</li> <li>• Pritchard &amp; Partners Pty Limited, authorised intermediary, sponsoring broker and nominated adviser</li> <li>• Newcastle Capital Markets Registries Pty Limited, share register</li> <li>• Henley Underwriting and Investment Company Pty Limited, underwriter; and</li> <li>• Fleet Funds Management Pty Limited, owner of the Class B Ordinary Shares.</li> <li>• Real Asset Management Pty Ltd, the Investment Manager, Administrator and Unit Registry for RAM Property Fund, and the Trustee for the RAM Credit Fund.</li> </ul>
<b>Legal or disciplinary action</b>	None
<b>Insolvent companies</b>	None

	Experience
<p><b>Brett Andrew Hall</b></p> <p><b>Non-Executive Director</b></p>	<p>Brett is a director of Rees Pritchard Pty Limited a firm of Certified Practising Accountants, and a director of Pritchard &amp; Partners Pty Limited, a stockbroker and financial adviser.</p> <p>Brett has been the Company Secretary of Florin Mining Investment Company Limited since 2007.</p> <p>Brett was previously the Newcastle Branch Chairman of CPA Australia, where he received the President's Award for Service to CPA Australia.</p>
<b>Expertise / Qualifications</b>	B. Com, FCPA
<b>Independence or affiliations</b>	<p>Not independent. Brett currently is a Director of the following entities:</p> <ul style="list-style-type: none"> <li>• Director of Rees Pritchard Pty Limited, the company accountant; and</li> <li>• Pritchard &amp; Partners Pty Limited, authorised intermediary, sponsoring broker and nominated adviser of the Company.</li> </ul>
<b>Legal or disciplinary action</b>	None
<b>Insolvent companies</b>	None

## 4.2 Interests and benefits

This Section sets out the extent of the interests and fees of certain persons involved in the Offer. Other than as set out below or elsewhere in this Prospectus, no:

- Director or proposed Director of the Company;

- person named in this Prospectus and who has performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- financial services licensee involved in the Offer; or
- promoter of the Company,

holds, at the time of lodgement of this Prospectus with ASIC, or has held in the two years before lodgement of this Prospectus with ASIC, an interest in:

- the formation or promotion of the Company;
- the property acquired or proposed to be acquired by Landsdowne in connection with its formation or promotion, or in connection with the Offer; or
- the Offer,

and no amount (whether in cash, Shares or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given to any such persons for services in connection with the formation or promotion of the Company or the Offer or to any Director or proposed Director to induce them to become, or qualify as, a Director of Landsdowne.

#### **4.2.1 Directors' interests and remuneration**

##### **(a) Directors' remuneration**

The aggregate annual fees agreed to be paid to the Directors is A\$60,000 per annum from the date of listing of the Company, with A\$20,000 being paid to Steven Pritchard, A\$20,000 being paid to Enzo Pirillo and A\$20,000 being paid to Brett Hall. All Directors fees include superannuation at the statutory rate.

Non-Executive Directors may be paid such additional or special remuneration as the Directors decide is appropriate where a Director performs extra work or services which are not in the capacity as a Director of the company.

There are no retirement benefit schemes for Directors other than statutory superannuation contributions.

##### **(b) Directors' interest in Shares and other securities**

Directors' and the Company Secretary's interests at the date of this Prospectus are as follows.

Name	Role	Shares
Steven Shane Pritchard	Executive Director and Chairman	1,200 B Ordinary Shares
Enzo Pirillo	Executive Director and Company Secretary	1,200 B Ordinary Share
Brett Andrew Hall	Non-Executive Director	Nil

Prior to or at the same time of the as the Preference Shares are offered under this Prospectus, 2,500,000 non-voting Class A Ordinary shares will be issued to Certane CT Pty Limited for the issue price of \$1.00 per share to raise a total of \$2,500,000. Certane CT Pty Limited will hold those shares in its capacity as the custodian for the Newcastle Securities and General Trust of which Hamilton Asset Management Limited is the trustee. The Directors of the trustee are the same as the directors of the Company, being Steven Pritchard, Enzo Pirillo and Brett Hall. The majority of units in the Newcastle Securities and General Trust are owned entities associated with directors of the Company.

#### **4.2.2 Interests of advisers**

Except as otherwise set out herein, no Director, expert or professional adviser named in this Prospectus now has, or during the last two years has had, any interest in the promotion of the Company or any property proposed to be acquired by the Company in connection with its formation or promotion. Further, no sums have been paid or agreed to be paid to a Director, expert or professional adviser in cash or securities or otherwise by any person (in the case of a Director) either to induce him or her to become, or to qualify him or her as, a Director or otherwise for services rendered by him or her in connection with the promotion or formation of the Company or (in the case of an expert or professional adviser) for services rendered by the expert or professional adviser in connection with the promotion or formation of the Company save and except that:

- Rees Pritchard Pty Ltd has acted as the accountant to the Company. In respect of this work, the Company has agreed to pay an amount of A\$35,000 (excluding GST) in respect of these services.
- Prichard & Partners Pty Limited has acted as sponsoring broker, nominated adviser and Arranger to the Company. The Company has agreed to pay an amount of A\$25,000 (excluding GST) in respect of these services.
- Henley Underwriting and Investment Company has acted as Underwriter to the Company. The Company has agreed to pay an amount of A\$150,000 (excluding GST) in respect of these services.
- Newcastle Capital Markets Registries Pty Ltd has acted as Share Register to the Company. The Company has agreed to pay an amount of A\$10,000 (excluding GST) in respect of these services.
- Baker & McKenzie has acted as Australian legal adviser to the Company and has performed work in relation to Australian legal matters. The Company has agreed to an amount of A\$75,000 (excluding GST and disbursement) in respect of these services.

At the date of this Prospectus, no such payments have been made save as set out herein and, and also save as set out herein, all such payments made in the period since incorporation of the Company have been paid or are payable in cash.

### **4.3 Corporate governance**

The Board recognises the importance of strong corporate governance and is committed to a high standard of both corporate governance and compliance. The Board will determine the appropriate governance arrangements, having regard to market practice, and ensuring that there are adequate arrangements to manage potential conflicts. The corporate governance arrangements established by the Board will be continually monitored in order to ensure that they remain effective and appropriate for the Company.

The key corporate governance policies and practices that will be adopted by the Board in respect of the Company are summarised below.

#### **Board Charter**

The Board has adopted a written charter to provide a framework for the effective operation of the Board. The Charter sets out the Board's structure, roles and responsibilities, the relationship and interaction between the Board, management and its committees.

The key functions of the Board include:

- strategic and financial performance, including developing and approving the corporate strategy, dividend policy, and financial plans;
- executive management of its Directors and other senior executives of the Company, including appointing key personnel, such as the Chief Executive Officer and Chief Financial Officer;
- audit and risk management, including ensuring that an effective audit, risk management, and regulatory compliance programmes are in place;
- corporate governance, including reviewing the Company's corporate governance policies and procedures;
- performance evaluation, such as reviewing and evaluating the performance of the Board; and
- promoting diversity in the workplace, and implementing and amending policies as necessary.

## Board Committees

The Board may from time to time establish appropriate committees to assist in the discharge of its responsibilities. Although the Board may delegate powers and responsibilities to these committees, the Board retains ultimate accountability for discharging its duties. The committees include:

- **Remuneration and Nomination Committee:** the Remuneration and Nomination Committee has been established to support and advise the Board in fulfilling its responsibilities to shareholders and employees of the Company, by (amongst other things) endeavouring to ensure fair remuneration of directors and senior executives, developing procedures for performance evaluation, and ensuring proper succession plans for Board members and senior executives; and
- **Audit and Risk Management Committee:** the Audit and Risk Committee assists the Board in fulfilling its responsibility for ensuring the integrity of the Company's financial reporting and implementation of a sound system of risk management and internal control. The Committee does this by, among other things, monitoring, reviewing and advising or reporting to the Board on the Company's financial reporting systems, risk management and internal control policies, and appointment of external auditors.

## Code of Conduct

The Board recognises the need to observe the highest standards of corporate practice and business conduct, and has adopted a formal Code of Conduct, which is followed by all Directors. The code sets out the Company's key values on various matters including among other things, ethical conduct, business conduct, compliance, privacy, security of information, financial integrity and conflicts of interest and how they should be applied.

## Securities Trading Policy

The Board has adopted a Securities Trading Policy which sets out the Company's policy on trading in shares or related securities of the Company by employees. The restrictions have been imposed to prevent breaches of the law, comply with the NSX Listing Rules, and to maintain investor confidence.

## Continuous Disclosure Policy

Once the Company is listed on the NSX, the Company will be required to comply with the continuous disclosure requirements of the NSX Listing Rules, in addition to those disclosure requirements to which the Company is currently subjected to under applicable law. The Board is committed to observing its continuous disclosure obligations and has adopted a continuous disclosure policy which establishes procedures that are aimed at ensuring that Directors and management are aware of and fulfil their obligations in relation to the timely disclosure of material price sensitive information.

## Whistleblower Policy

The Board has adopted a Whistleblower Policy, which encourages the reporting of suspected unethical, illegal, fraudulent, corrupt or dishonest conduct and provides that those who report may do so with confidence and without fear of intimidation, ramifications or adverse consequences. Reportable conduct under the whistleblower policy includes (but is not limited to):

- dishonest, corrupt, fraudulent or unlawful conduct or practices, including bribery;
- financial irregularities;
- unfair, dishonest or unethical dealings with a customer or third party; and
- unethical or serious improper conduct including breaches of any legal or regulatory obligations.

## Anti-Corruption Compliance Policy

The Board has adopted an Anti-corruption Compliance Policy to demonstrate its commitment to conducting its business and operations with honesty, integrity and the highest standards of personal and professional ethical behaviour, complementing its Code of Conduct. All employees, officers, Directors and agents acting for, or representing the Company, in all their dealings including (but not limited to) interactions with customers, retailers, local authorities, government bodies, subcontractors or service providers must not either directly or indirectly:

- offer, promise, give, solicit or accept any bribe or facilitation payments;
- falsify any books, record or accounts relating to the Company;

- offer to provide gifts, hospitality or any other benefit to public officials without prior approval of the Company Secretary;
- make any political or charitable donations on behalf of the Company which are or could be perceived to be a bribe;
- engage with or deal with third parties or agents acting for or representing the Company, such as giving secret commissions; and
- cause, authorise or wilfully ignore any conduct that is believed or suspected to be contrary to this policy or anti-corruption laws, or to aid or abet such conduct.

#### **Conflicts of Interest and Related Party Transactions Policy**

The Company has obligations under the Corporations Act and NSX Listing Rules to have in place adequate arrangements to identify and manage actual or potential conflicts of interest or duty and related party transactions. The Policy seeks to ensure that:

- the Company has in place adequate arrangements to identify and manage conflicts of interest or duty; and
- in relation to related party transactions and certain conflicted proposals, there are agreed principles in relation to the conduct by the parties to those transactions or proposals (including ensuring compliance with all Corporations Act requirements).

## **4.4 Material and Related Party contracts**

Related party transactions (that is, transactions between a public company and a director, an entity controlled by a director, or a parent company of the public company) are regulated in Australia under the Corporations Act by a requirement for disinterested shareholder approval, unless the transaction is on “arm’s length terms”, represents no more than reasonable remuneration, or complies with other limited exemptions.

The Company has obligations under the Corporations Act and NSX Listing Rules to have in place adequate arrangements to identify and manage actual or potential conflicts of interest or duty and related party transactions, under its Conflicts of Interest and Related Party Transactions Policy (see section 4.3).

The Company is party to the following arrangements with the Directors and entities associated with the Directors. The Board believes that the terms and conditions of the below related party transactions are no more favourable than those available, or which might reasonably be expected to be available, for similar transactions with unrelated entities on an arm’s length basis.

#### **• Intermediary Authorisation Deed**

The Company has entered into an intermediary authorisation (as defined by section 911A(2)(b) of the *Corporations Act 2001* (Cth)) with Pritchard & Partners Pty Limited, an entity associated with Steven Shane Pritchard and Enzo Pirillo (Directors of the Company), under which Pritchard & Partners Pty Limited would be appointed as the Sponsoring Broker and Nominated Adviser of the Company in relation with the initial public offering and listing of the Company on the National Stock Exchange of Australia Limited ('Listing').

In consideration for acting as intermediary, Sponsoring Broker and Nominated Advisor in relation with the Listing, Pritchard & Partners Pty Limited will be paid a fee of \$25,000 AUD (exclusive of GST) by the Company.

In consideration for acting as the Nominated Advisory of the Company on and from the Listing, the Company will be paid a fee of \$1,500 AUD (exclusive of GST) per month by the Company. Under the intermediary authorisation deed, this fee may be changed with mutual consent after 12 months from the date of the deed comes into force.

The Intermediary Authorisation Deed is governed by the laws of New South Wales.

#### **• Share Registry Agreement - Newcastle Registries Pty Limited**

The Company has entered into a Share Registry Agreement with Newcastle Registries Pty Limited ("Newcastle Registries") dated 10 October 2022 whereby Newcastle Registries shall provide share registry services on an



ongoing basis to the Company. Newcastle Registries is associated with and controlled by Steven Shane Pritchard (Director of the Company).

The Share Registry Agreement is governed by the laws of New South Wales.

- **Accountant - Rees Pritchard Pty Ltd**

The Company has engaged Rees Pritchard Pty Ltd, an entity associated with Steven Shane Pritchard (Director of the Company), to act as Accountant of the Company in accordance with the Terms of Engagement outlined in the Engagement Letter, dated 14 November 2022.

- **Underwriting Agreement - Henley Underwriting & Investment Company Pty Ltd**

The Company has entered into an Underwriting Agreement with Henley Underwriting & Investment Company Pty Ltd ("Underwriter"), an entity associated with Steven Shane Pritchard and Enzo Pirillo as Directors the Underwriter. The Underwriter and the Company have entered into an underwriting and offer management agreement ("Underwriting Agreement") pursuant to which the Underwriter has agreed to underwrite the issue to the extent of 150,000 New Shares (and up to a further 15,000 further Shares in oversubscriptions) (a total of \$15 million being underwritten, ), being the shortfall shares, on the terms contained in the Underwriting Agreement.

On the settlement date, the Company must pay the Underwriter a fee of \$150,000 for the provision of the services by the Underwriter. The Company must also pay or reimburse the Underwriter costs that are incidental to the Offer, including all reasonable out of pocket expenses incurred by the Underwriter, settlement expenses, any stamp duty or similar taxes after a written request for payment or reimbursement is made by the Underwriter, provided that the Underwriter have sought prior consent from the Company (which must not be unreasonably withheld or delayed) for any individual expense above \$1,000.

The obligations of the Underwriter to underwrite the 150,000 New Shares (and up to a further 15,000 further Shares in oversubscriptions) in the capital of the Company is subject to the following conditions precedent:

- the due diligence process is implemented and completed prior to the lodgement of the Prospectus to the satisfaction of the Underwriting, acting reasonably;
- the Underwriter receiving a copy of the final due diligence report in respect of the Offer prior to the lodgement of the Prospectus;
- the Company having obtained all relevant regulatory approvals, relief and modifications (as applicable) to enable the Offer and quotation and trading in the Shares;
- the Company lodging a copy of the Prospectus with ASIC in the form and substance acceptable to the Underwriter on the relevant lodgement date;
- the Company confirming that it became capable of accepting applications prior to the opening date of the Offer; and
- each material contract of the Company having been executed or adopted as applicable in a form and substance acceptable to the Underwriter by, or on, the lodgement date of the Prospectus and, if required by law, lodged with the relevant authority by the relevant time.

The Underwriting Agreement is subject to other terms and conditions including the significant termination rights. That is, The Underwriter may by giving written notice to the Company, without any cost or liability to itself, immediately terminate the agreement if one or more of the following events occurs or has occurred at any time before the time when all of the New Shares being offered have been issued by the Company in accordance of the Offer:

- the Company fails to lodge the Prospectus with ASIC in a form approved by the Underwriter;
- a statement contained in the Prospectus is misleading or deceptive or is likely to or becomes mislead or deceive;
- the Prospectus does not comply with the Corporations Act, the Listing Rules or any other applicable law;
- unconditional approval (or conditional approval subject only to customary conditions) is refused or not granted by NSX to the Company's admission to the official list of NSX or the official quotation of all of the Shares on NSX;
- the Company withdraws the Prospectus or any supplementary Prospectus or the Offer;

- if the Company becomes insolvent;
- the Company is or becomes unable, for any reason, to issue the New Shares;
- where the Sub-underwriter of the Offer fails to carry out their obligations under the Sub-underwriting Agreement by subscribing for the Subscribed Underwritten Offer Parcels (as defined in the Sub-underwriting Agreement) and providing valid applications and payment in immediately available funds in accordance with the terms of the Sub-underwriting Agreement;
- the disclosures in the due diligence report or other information supplied by the Company to the Underwriter becomes or is untrue or misleading or deceptive;
- any material adverse change affecting the business of the Company;
- the termination or breach of any material contract of the Company that is referred to in the Prospectus;
- any change in law that will materially reduce the level or likely level of applications for the New Shares under the Offer;
- the contravention of the Corporations Act and the Listing Rules by the Company;
- any of the warranties or representations by the Company are or become materially untrue or incorrect;
- the Company has breached a material term of the Underwriting Agreement and the breach is not capable of remedy or is not remedied within 10 business days after being given notice to do so by the Underwriter;
- the Company, without prior written consent of the Underwriter, disposes a substantial part of its business or ceases to carry on business or alters its capital structure or amends the Constitution;
- any adverse change in financial markets;
- any outbreak of hostilities including major act of terrorism; and
- a change to the Board of directors or senior management of the Company.

The termination rights set out above are not exhaustive but are considered by the Company as the most significant termination rights by the Underwriter.

- **Sub-underwriting Agreement**

The Underwriter has entered into a Sub-underwriter Agreement with Real Asset Management Pty Ltd (an independent third party to the Company) under which Real Asset Management Pty Ltd has agreed to accept a sub-underwriting commitment to subscribe for the shortfall shares (being 150,000 Offer Shares minus the number of subscribed shares for which valid applications are received and accepted under the Offer) in consideration for a fee of \$112,500 (GST inclusive).

- **Deed of Access, Indemnity, and Insurance**

Each of the Directors of the Company has been appointed as a Director of the Company, given access to certain documents, and indemnified and insured on the terms outlined in the Deed of Access, Indemnity and Insurance entered into on 14 October 2022. To the extent that benefits given to the Director under this deed are financial benefits, the Company and each Director considers them to be reasonable in the circumstances of the Company.

- **Investment Management Agreement of the RAM Property Fund**

Equity Trustees Limited, as the Trustee, and Real Asset Management Pty Ltd, as the Investment Manager, have entered into an Investment Management Agreement (**IMA**), dated 10 August 2021, in relation to the RAM Property Fund.

The Investment Manager acknowledges the investment objectives of the RAM Property Fund include the acquisition, either directly or indirectly, of commercial real property assets in Australia such as, suburban office with secure tenures, government tenants, large format retail as well as Australia REIT's and other unlisted property funds.

Unless otherwise terminated, the IMA is for an initial term of 10 years. After the initial term, the IMA will be extended for successive periods of five years each, until terminated in accordance with its terms.

The services provided by the Investment Manager include:

- managing the assets of RAM Property Fund, for and on behalf of the Trustee in accordance with the IMA;
- keep the assets under review and confer with the Trustee in relation to the overall management and performance of the assets;

- provide advice and assistance to the Trustee (including making recommendations) pertaining to the business of the RAM Property Fund, any amendments in its investment objectives, acquisition of new assets, approval of or changes to the business plan in respect of the Trust, capital expenditure or redevelopment expenses;
- cause the undertaking of due diligence on any prospective investment or disposal in respect of commercial, financial and other matters, and preparing, commissioning or otherwise procuring due diligence reports or other reports in respect of the prospective investment or disposal;
- assist and co-ordinate the obtaining of advice for the benefit of the RAM Property Fund, to the extent that it concerns the functions, powers and duties of the Investment Manager under the IMA; and
- cause a valuation of the assets every year as of 30 June of each year, or such date as agreed between parties.

The Investment Manager may engage service providers at the cost of the RAM Property Fund to assist in providing the above services.

The Investment Manager is entitled to 100% of the fees calculated and payable as referred to in a disclosure document as being payable to the Investment Manager for the provision of the services.

The Trustee is entitled to a monthly fee equal to 0.325% p.a. calculated daily based on the gross asset value of the RAM Property Fund, reflected in the unit price and deducted from the RAM Property Fund monthly in arrears.

The Trustee must pay or reimburse the Investment Manager, out of the assets of the RAM Property Fund, certain expenses incurred in connection with the investment, management, operation and conduct of the assets. The Investment Manager is also entitled to additional fees if agreed to in writing between the Trustee and the Investment Manager for the performance of any functions or services under the IMA.

#### • **Constitution of the RAM Credit Fund**

Under the Constitution of the RAM Credit Fund dated 6 October 2017, and as amended from time to time, Real Asset Management Pty Ltd is the Trustee of the unlisted, unregistered managed investment scheme.

The Trust may terminate on the discretion of the Trustee or on winding up of the Trust in accordance with the Constitution or by law. No units may be issued or redeemed after the 80th anniversary from the date of the Trust commenced, and the Trustee must realise the assets following the commencement of termination or winding-up of the Trust.

The Trustee has all the powers of a natural person with respect to the RAM Credit Fund, as though it was its owner. The Trustee's powers include, amongst other things, the power to invest in, dispose of or otherwise deal with the property and rights, borrow and raise money, incur all types of obligations and liabilities. Such powers can be exercised notwithstanding a conflict of interest in the mode or result of exercising such power or receiving a direct or indirect benefit.

The Trustee is entitled to receive a quarterly management fee out of the assets of the RAM Credit Fund, and a contribution fee being an amount up to 3.0% (excluding GST), as set out in the Constitution. The Trustee may pay or reimburse any person, including itself, the establishment costs out of the assets of the RAM Credit Fund.

All expenses incurred by the Trustee, including in connection with the establishment, promotion and operation of the Trust or in performing or exercising its duties, are payable or reimbursed out of the assets of the RAM Credit Fund. Such expenses include the formation, establishment, promotion and operations of the RAM Credit Fund, the costs in dealing with its assets. The Trustee may elect for units in the RAM Credit Fund to be issued instead of cash in payment of its fees or expenses.

## 5 Financial Information

### 5.1 Pro forma balance sheet

The pro forma financial information set out below has been prepared to illustrate the financial position of the Company as at 30 June 2022 based on the audited statement of its financial position as at 30 June 2022, and following completion of the issue of the Preference Shares under the Offer. It is intended to be illustrative only and may not reflect the actual position of the Company as at the date of the Prospectus or at the conclusion of the Offer.

	Position as at 30.06.22	Pro forma minimum subscription \$15 million	Pro forma maximum subscription \$16.5 million
	\$		
<b>Current assets</b>			
Cash	1,200	181,200	181,200
<b>Total current assets</b>	<b>1,200</b>	<b>181,200</b>	<b>181,200</b>
<b>Non-current assets</b>			
Investment in RAM Credit Fund		2,000,000	2,100,000
Investment in RAM Diversified Property Fund	-	15,000,000	16,400,000
<b>Total non current assets</b>	<b>-</b>	<b>17,000,000</b>	<b>18,500,000</b>
<b>Total assets</b>	<b>1,200</b>	<b>17,181,200</b>	<b>18,681,200</b>
<b>Non-current liabilities</b>			
Redeemable preference shares	-	15,000,000	16,500,000
Less transaction costs	-	320,000	320,000
<b>Total non-current liabilities</b>	<b>-</b>	<b>14,680,000</b>	<b>16,180,000</b>
<b>Total liabilities</b>	<b>-</b>	<b>14,680,000</b>	<b>16,180,000</b>
<b>Net assets</b>	<b>1,200</b>	<b>2,501,200</b>	<b>2,501,200</b>
<b>Equity</b>			
2,500,000 A ordinary shares	-	2,500,00	2,500,00
1,200 B ordinary shares	1,200	1,200	1,200
<b>Total equity</b>	<b>1,200</b>	<b>2,501,200</b>	<b>2,501,200</b>

### 5.2 Assumptions

The pro forma balance sheet has been prepared on the basis of estimated fees and costs of the issue which are set out in the following table.

	Pro forma minimum subscription \$15,000,000	Pro forma maximum subscription \$16,500,000
ASIC - Fees	3,500	3,500
CHESS - Fees	5,000	5,000
Company incorporation expense	2,000	2,000
Contingency allowance	32,000	32,000
Legal fees	75,000	75,000
NSX Application fee	7,500	7,500
NSX Listing fee	5,000	5,000
Printing & Stationary	5,000	5,000
Share registry costs	10,000	10,000
Authorised intermediary, nominated adviser and sponsoring broker fee	25,000	25,000
Underwriting	150,000	150,000
<b>Total Transaction costs</b>	<b>320,000</b>	<b>320,000</b>

The pro forma balance sheet has been prepared on the assumption that prior to or at the same time as the issuance of the Preference Shares under this Prospectus, the Company will issue 2,500,000 Class A Ordinary Shares for the issue price of \$1.00 per share to raise \$2,500,000.

### 5.3 Income statement

As the company is newly incorporated, no income statement has been prepared.

### 5.4 Dividend Policy

#### Preference Shares

The Company intends to pay dividends to its Preference Shareholders from its profit, in the following manner:

- Preference Shareholders can receive a cumulative preferential dividend of \$4.25 per annum;
- this shall accrue at the rate of \$1.0625 for each 3 month period (except that of the first accruing period after the issue date, and the period immediately prior to the Redemption Date);
- the value of the dividend will be calculated pro rata to the actual number of days lapsed; and
- the accrued dividend will be paid within 30 days of the end of an accrual period.

Please refer to Section 2.3(a) for further information on the dividend policy for Preference Shares.

#### Ordinary Shares

For Ordinary shares, dividends may not be paid, unless dividends on the Preference Shares has been paid in full.

Prior to the payment of any dividends on Ordinary Shares, the Company will review its working capital requirements to ensure that it holds sufficient working capital for the one year period after the payment of the ordinary dividend.

However, dividends may be low and there may be periods in which dividends are not paid at all. Subject to the working capital requirements review mentioned above, the amount of any dividend will be at the discretion of the Board and will depend on a number of factors, including financial conditions, capital requirements, prudent business practices, laws relating to dividends, and other factors that the Board from time-to-time considers relevant.

No assurances can be given by any person, including Directors, about the payment of any dividend.

## 6 Risks Factors

### 6.1 Introduction

Landsdowne is subject to various risks. Some of these are specific to its business activities. Others could affect the whole industry or are more general in nature. Individually or in combination, these risks may affect the future operating and financial performance of Landsdowne and the value of the Preference Shares. There can be no guarantee that Landsdowne will achieve or realise its stated business strategy or any of its forward-looking statements contained in this Prospectus. Investors should note that past performance is not a reliable indicator of future performance.

This Section describes potential risks associated with Landsdowne's business and risks associated with an investment in the Preference Shares. It does not purport to list every risk that may be associated with Landsdowne's business or with an investment in the Preference Shares now or in the future. The occurrence or consequences of some of the risks described in this Section are partially or completely outside the control of Landsdowne, its Directors and its senior management.

The risks described in this Section have been grouped into the following:

- Risks that relate specifically to Landsdowne and the way it operates its businesses
- General risks that relate to investing in Landsdowne Preference Shares

Before applying for Preference Shares, investors should satisfy themselves that they have sufficient understanding of the risks of investing in Landsdowne, of investing in the industry and of investing in Preference Shares in general, with regard to their own investment objectives, financial circumstances and taxation position. Investors should read this Prospectus in its entirety and should consider consulting their professional advisers before deciding on whether or not to apply for the Preference Shares.

### 6.2 General investment risks

**Market Risk:** Fund performance may decline over short or extended periods due to general market conditions (e.g. economic, technological or political).

**Operational Risks of the Underlying Funds:** The returns of the Company will be dependent upon the performance of the Underlying Funds. While the Underlying Funds and their advisers will consider all barriers to success in their investment decisions, there is no guarantee that all barriers will be accurately foreseen. Economic factors such as government regulation, interest rates, effects from climate change, outbreaks of disease, and recession are examples of unpredictable barriers to success that create risk in the investment.

**Past Performance Risk:** While the Company and its advisers have strong, highly-experienced boards and management teams with proven track records, past performance is not a guarantee of future performance.

**Performance Dispersion Risk:** There is a risk that the performance of the Company may vary from that of the Underlying Funds. This may be caused by factors such as differences in taxation treatment, cash positions or expenses incurred by the Company.

**Return Risk:** Payment of the quarterly dividends are not guaranteed and are subject to the Company making sufficient profits to enable their payment. Dividends will be paid primarily out of the distributions received from the Underlying Funds. Consequently, the payment of the dividend is subject to the Underlying Funds having sufficient distributable income to support its payments. If the Company's profits are insufficient, the dividends will not be paid.

**Regulatory Risk:** There is a risk that a change in laws and regulations governing a security, sector or financial market could have an adverse impact on the Underlying Funds' investments and consequently the performance of the Company. A change in laws or regulations can increase the costs of operating a business and/or change the competitive landscape.

## 6.3 Risks specific to the Company

**Related party risks:** The Chairman is not an independent Director. All of the issued shares in the Company as at the date of this Prospectus, being 1,200 voting Class B Ordinary shares are currently held by FFMP as trustee for the Fleet Absolute Returns Fund. The Chairman, Steven Shane Pritchard and the Executive Director, Enzo Pirillo are controllers of FFMP. Upon listing, 2,500,000 non-voting Class A Ordinary shares will be held by Certane CT Pty Limited in its capacity as the custodian for the Newcastle Securities and General Trust of which Hamilton Asset Management Limited is the trustee. The Directors of the Company, Steven Pritchard, Enzo Pirillo and Brett Hall, are also directors of Certane Trustee. The majority of units in the Newcastle Securities and General Trust are owned entities associated with directors of the Company. Enzo Pirillo is also a director in Real Asset Management Pty Ltd, the Investment Manager, Administrator and Unit Registry for RAM Property Fund, the Trustee for the RAM Credit Fund, and the Trustee for 188 ECT Capital Stable Fund, a potential major institutional investor in the Company. There is a risk that the interests of a related party may influence the decision-making of directors to the detriment of the interests of shareholders of the Company as a whole.

In addition, the Company has entered into several agreements with its related parties (see Section 4.4 for further details). The terms of these arrangements were approved by the Company's Directors on the basis they are consistent with market practice and are on terms customary if the parties were dealing on arm's length terms.

**Potential major institutional investor:** 188 ECT Capital Stable Fund is a potential major institutional investor in the Company, the Trustee, on behalf of the 188 ECT Capital Stable Fund, may be entitled to the voting rights of Preference Shareholders, as set out in the Company's Constitution and in this Prospectus (see section 2). These rights include, the right to vote on a proposal to reduce the Company's Share capital, a resolution to approve the terms of a buy-back, to affect rights attached to the Share, on a proposal to wind up the Company or to dispose of the whole of the Company's property, business and undertaking. Should the 188 ECT Capital Stable Fund invest in the Company, there is a risk that the Trustee may vote on a resolution that may disadvantage minority shareholders.

**Concentration Risk:** As the Company holds mainly units in the Underlying Funds, returns of the Company will be dependent upon the performance of the Underlying Funds.

Generally, the more diversified the portfolio of the Underlying Funds' investments the lower the impact of an adverse movement in the value of any particular investment. Inversely, investing in single asset exposure concentrates the impact of an adverse movement on the value of that investment (i.e. there is no diversification or spreading of the relevant risk across multiple assets). Investors should consider their own level of diversification (and seek professional advice on point) in respect of all assets they hold across their personal portfolio.

The income of the RAM Property Fund is concentrated in its major tenants. There is a risk that if one or more of the major tenants ceases to be a tenant, the RAM Property Fund may not be able to find a suitable replacement tenant or may not be able to secure lease terms that are as favourable as current terms. Should the RAM Property Fund be unable to secure a replacement tenant for a major tenant for a period of time or if replacement tenants lease the property on less favourable terms, this will result in a lower rental return, which could materially adversely affect the financial performance of the RAM Property Fund and distributions.

**Operational Risks of the Underlying Funds:** The returns of the Company will be dependent upon the performance of the Underlying Funds. While the Underlying Funds and their advisers will consider all barriers to success in their investment decisions, there is no guarantee that all barriers will be accurately foreseen. Economic factors such as government regulation, interest rates, effects from climate change, outbreaks of disease, and recession are examples of unpredictable barriers to success that create risk in the investment.

**Fund Risk:** The trustee of each of the Underlying Funds may elect, in accordance with the constitution of the relevant Underlying Fund and the Corporations Act, to terminate the Underlying Fund for any reason.

**Reinvestment Risk:** The risk that an Investor will be unable to reinvest cash flows from income and maturing investments at a rate comparable to their current rate of return.



**SIV Compliance Risk:** The Company makes no guarantee as to the SIV compliance status of an investment in the Preference Shares and investors should seek their own advice on SIV compliance.

## 6.4 Risks specific to the Underlying Funds

### 6.4.1 RAM Credit Fund

**Construction Lending Risk:** Specific to the RAM Credit Fund, some of the loans will be secured by a mortgage over property that is still under construction. These construction loans carry additional risks when compared to loans over existing improved property. These additional risks can be associated with the timing, completion and sale of the project. There is no guarantee that the construction will be completed, nor is there any guarantee that the project will ultimately be worth the value attributed to it at the outset.

**Default Risk:** Specific to the RAM Credit Fund, there is a risk that borrowers may not be able to meet their financial obligations to pay interest and/or principal in respect of loans when they fall due. If a borrower fails to repay the principal or to make an interest payment on a loan when they are due then the RAM Credit Fund will suffer reduced cash inflows and interest income as a result. This may affect the RAM Credit Fund's ability to pay distributions or may impact upon the unit price.

**Interest Rate Risk:** Changes in interest rates can influence the value and returns of investments held by the Underlying Funds and consequently the performance of the Company.

Specific to the RAM Credit Fund, if interest rates fall, the revenue of the RAM Credit Fund may reduce, as newer loans may have lower rates of interest. This may be a result of changes in the economy, or increased competition in the loan market. Conversely, if loan interest rates rise then it will take time for this rise to be reflected in the return earned by the RAM Credit Fund. This is because loans held by the RAM Credit Fund have a fixed interest rate over their lifetime so the impact of new loans at higher interest rates will not be reflected immediately.

**Loan Manager Risk and Brighten Manager Risk:** Specific to the RAM Credit Fund, Brighten Financial Pty Ltd is responsible for monitoring loans under the Brighten Loan Program, ensuring that borrowers make repayments on time and for following up on late payments from borrowers. Brighten Financial Pty Ltd is also responsible for reporting to the Trustee on the status of defaulting loans.

If Brighten Financial Pty Ltd does not carry out these services effectively then this could impact upon the RAM Credit Fund's revenue. If Brighten Financial Pty Ltd's appointment under the servicing agreement is terminated or if Brighten Financial Pty Ltd otherwise ceases to act for the RAM Credit Fund, it may take some time for an appropriate replacement manager to be appointed, which would have a detrimental impact on the RAM Credit Fund.

There is a risk that a replacement manager may be appointed on terms that are less favourable to the Fund than those upon which the Brighten Financial Pty Ltd has been appointed. The replacement manager may also require some time to attain the same level of information and knowledge about the borrowers under the Brighten Loan Program and their circumstances.

**MBS Risk:** The RAM Credit Fund may have exposure to mortgage backed securities. Mortgage backed securities are a type of asset-backed security that is secured by a pool of registered first mortgages held over real property. Principal and interest paid on a mortgage backed security note will in part depend on whether the underlying borrowers default on the loans held by the relevant mortgage backed security trust.

If an underlying borrower does default on their loan, the following steps will usually occur:

- (a) legal action commenced to recover the loan;
- (b) possession taken of the property used as security for the loan;
- (c) sale of the security property;
- (d) any shortfall to be firstly absorbed by the net interest margin of the mortgage backed security trust; and
- (e) if the net interest margin is insufficient then the cash reserve, if any, would be used to meet the short fall.

If the lowest class note is insufficient then the principal of the next lowest class notes is reduced.

## 6.4.2 RAM Property Fund

**Concentration Risk:** The income of the RAM Property Fund is concentrated in its major tenants. There is a risk that if one or more of the major tenants ceases to be a tenant, the RAM Property Fund may not be able to find a suitable replacement tenant or may not be able to secure lease terms that are as favourable as current terms. Should the RAM Property Fund be unable to secure a replacement tenant for a major tenant for a period of time or if replacement tenants lease the property on less favourable terms, this will result in a lower rental return, which could materially adversely affect the financial performance of the RAM Property Fund and distributions.

**Competitive Risk:** The RAM Property Fund will face competition from other property investors active in Australia. Some of these competitors have significantly greater scale, and may have an advantage in acquiring properties relative to the RAM Property Fund due to more readily available sources of capital and a lower return threshold.

Competition for new acquisitions in the sectors in which the Fund operates may make it difficult for the RAM Property Fund to acquire properties and to increase its scale or its level of diversification. In addition, such competition could lead to the following adverse outcomes:

- (a) loss of tenants to competitors;
- (b) an inability to secure new tenants resulting from oversupply of commercial space; and an inability to secure maximum rents due to increased competition.

**Development Risk:** If any development is undertaken, risks associated with developments include planning risk, leasing risk, delivery risk, inflation and escalating constructions costs risk. Such development risks may impact overall costs of the development and time to complete the development, which may in turn impact the forecast returns.

**Environmental Risk:** Property income, distributions or property valuations could be adversely affected by discovery of an environmental contaminant and the costs of property preservation associated with environmental contamination. This risk may occur whether or not the contamination was accidental, caused by the RAM Property Fund, or by prior owners or third parties. It may not be possible to ascertain in due diligence on a new acquisition. Remediation costs may be significant, and there may be consequential effects such as property closure and loss of rent (including potential costs of relocation of tenants in some circumstances) which could adversely affect distributions and the value of the Fund. It may also potentially hinder the ability of the RAM Property Fund to dispose of the property and their ability to be used as collateral may be limited.

In addition, new or more stringent environmental laws or regulations introduced in the future, for example, in order to combat climate change, may require the RAM Property Fund to undertake material expenditure to ensure that the relevant standards are met.

Exposure to hazardous substances at a property within the RAM Property Fund's portfolio could result in personal injury claims. Where such a claim is not covered by insurance, there is a risk the claim could prove greater than the value of the contaminated property which may adversely affect the financial performance of the RAM Property Fund and distributions.

**Financing Risk:** In order to fund new acquisitions, capital expenditure or other material capital events, the RAM Property Fund intends to rely on funding options including equity, debt or a combination of both. The RAM Property Fund's ability to raise funds from either debt or equity markets on favourable terms is dependent on a number of factors including:

- (a) the general economic and political climate;
- (b) the state of debt and equity capital markets; and
- (c) the performance, reputation and financial strength of the Fund.

Changes to any one of these underlying factors could lead to an increased cost of funding or an inability to attract funding. This may adversely affect the RAM Property Fund's ability to make future acquisitions or to meet future capital

expenditure needs that in turn could adversely affect the growth prospects of the RAM Property Fund or even the RAM Property Fund's ability to maintain its properties to the requisite standard (which in turn may affect its ability to retain existing, or to attract new tenants).

In addition, an inability to refinance the RAM Property Fund's existing debt facilities (either on acceptable terms or at all), or any increase in the cost of such funding, may also adversely impact performance and financial position of the RAM Property Fund.

**Foreign Investment Review Board (FIRB) Approval Risk:** The acquisition of Units by foreign investors in the RAM Property Fund may be subject to approval from FIRB under the Foreign Acquisitions and Takeovers Act 1975 (Cth) (FATA) as an acquisition of an interest in the underlying property assets of the RAM Property Fund. Further, because of its foreign investors, the Fund itself may be deemed to be a foreign person under FATA, and each acquisition by the RAM Property Fund may then be subject to approval from FIRB. The type of approval that can be provided by FIRB and the timing of such approval is uncertain. This may affect the timing of closing for subscriptions or the timing for acquisition of assets and may place the RAM Property Fund at a competitive disadvantage when compared to other trusts which have only Australian resident investors.

**Leverage Risk:** The RAM Property Fund will employ financial leverage of up to 60% loan to value ratio at the sub trust level to finance its acquisition of an asset. Both gains and losses of the RAM Property Fund are exaggerated and enhanced by leveraged positions, which may negatively impact the performance of the Company in some situations.

The trustee of the RAM Property Fund may employ financial leverage to fund the loan investments. This may be achieved either through the RAM Property Fund borrowing monies directly, or by the fund investing into lower classes of mortgage-backed security notes. Through using leverage, the possibility of losing the investor's total investment amount is exaggerated.

**Portfolio Management Risk:** The RAM Property Fund's performance depends on the expertise and investment decisions of the Investment Manager. Its opinion about the intrinsic worth of a property or security may be incorrect, the RAM Property Fund's investment objective may not be achieved, and the market may continue to undervalue the property and securities held by the RAM Property Fund. Active management of the RAM Property Fund's assets by the Investment Manager and ongoing monitoring of the Investment Manager by the Responsible Entity seeks to reduce this risk.

**Property Risk:** The value ascribed to properties held by the relevant sub-trusts into which the Responsible Entity of the RAM Property Fund invests will be influenced by a number of factors, including: supply and demand of residential, retail, industrial, medical and commercial properties; general property market conditions; and the ability to attract and maintain viable rental arrangements.

Property values may fall in the event that the underlying assumptions on which property valuations have been made change in the future.

As changes in valuations of investment properties are recorded in the Investor's income statement, any decrease in value may have a negative impact on the income statement.

In addition, rental income on property held by one of the RAM Property Fund's sub-trusts may be adversely affected by a number of factors, including: domestic real estate conditions; the financial condition of tenants and their turnover; increases in rental arrears and vacancy periods; extensions of incentives offered to attract prospective tenants; additional expenses associated with re-leasing premises or enforcement actions; and overall macro-economic conditions.

**Rental Income Risk:** Distributions made by the RAM Property Fund are largely dependent upon the rents received from its property portfolio and the expenses incurred during operations. Rental income may be adversely affected by a number of factors, including:

- (a) overall macroeconomic conditions;
- (b) local real estate conditions;
- (c) competition from other office assets;

- (d) the perceived attractiveness of the office assets for prospective tenants;
- (e) the financial condition of tenants
- (f) increases in rental arrears and vacancy periods;
- (g) extensions of incentives offered to attract prospective tenants;
- (h) additional expenses associated with re-leasing the tenancy or enforcement action;
- (i) changes in tenancy laws; and
- (j) external factors including terrorist attacks, significant security incidents, acts of God or a major world event.

Any negative impact on rental income (including a failure of existing tenants to perform existing leases in accordance with their terms) could materially adversely affect the RAM Property Fund's financial performance and distributions.

**Specific Investment Risk:** The risk associated with individual investments. For example, the price of a particular property may fall in value or perform below expectations.

**Vacancy Risk:** The portfolio's leases come up for renewal on a periodic basis, and there is a risk that the RDPF Fund may not be able to negotiate suitable lease renewals with existing tenants, maintain existing lease terms, or replace outgoing tenants with new tenants. The ability to secure lease renewals or to obtain replacement tenants may be influenced by any leasing incentives granted to prospective tenants and the supply of new commercial properties in the market, which, in turn, may increase the time required to let vacant space. Should the RAM Property Fund be unable to secure a replacement tenant for a period of time or if replacement tenants lease the property on less favourable terms than existing lease terms, this will result in a lower rental return to the RAM Property Fund, which could materially adversely affect the financial performance of the RAM Property Fund and distributions.

The RAM Property Fund could lose key tenants due to a range of events including as a result of failure to renew a lease, the termination of a lease due to change of control, deterioration in the level of service provided to tenants, weakening of tenant relationships or disputes with tenants, consolidation of a tenant's sites or insolvency of tenants. Any of these factors could materially adversely affect the financial performance of the RAM Property Fund and distributions.

**Valuation Risk:** The Investment Manager has obtained independent valuations for each of the properties in the RAM Property Fund portfolio and will confirm those independent values every two years by engaging an independent valuer in accordance with the RAM Property Fund's valuation policy. Additionally, the Investment Manager will conduct its own valuations for each year in between the independent valuations, using the same principles and methodologies as the external valuations.

The valuations ascribed to each property will be influenced by a number of ongoing factors affecting the Australian property market generally, as well as the RAM Property Fund in particular, including:

- (a) Supply and demand for the property sectors targeted by the RAM Property Fund;
- (b) General property market conditions; and
- (c) The ability to attract and implement economically viable rental arrangements.

In addition, the valuations are the best estimates of the independent valuers, or the Investment Manager, as applicable, at a certain point in time and may not reflect the actual price a property would realise if sold. The valuations are subject to a number of assumptions which may not be accurate. A reduction in the value of any property may have a negative impact on the RAM Property Fund's income statement and may adversely affect the value of the RAM Property Fund. It may also impact on the RAM Property Fund's financing arrangements.

Further, while the net asset value (**NAV**) of the RAM Property Fund is calculated monthly, valuations of the underlying RAM Property Fund properties are only conducted yearly. The monthly NAV will be based on the most recent valuation plus any adjustment the Responsible Entity reasonably believes is necessary. Investors who acquire units in a month that is not a valuation month are exposed to a greater risk (relative to investors who acquire units during a valuation month) that the monthly NAV calculation, and therefore the unit price, does not reflect the true market value of the RAM Property Fund portfolio. This risk increases as the time between valuations increases.

### 6.4.3 Both Underlying Funds

**Conflict of Interest Risk:** The Responsible Entity/Trustee of the Underlying Funds, the Investment Manager of the Underlying Funds and their affiliates and their various service providers may from time to time act as issuer, investment manager, market maker, custodian, unit registry, broker, administrator, distributor or dealer to other parties or funds that have similar objectives to those of the Company. It is, therefore, possible that any of them may have potential conflicts of interest with the Company.

The Responsible Entity/Trustee of the Underlying Funds, and the Investment Manager of the Underlying Funds and their affiliates may invest in, directly or indirectly, or manage or advise other funds which invest in assets which may also be purchased by the Company.

Neither the Directors, the Responsible Entity/Trustee of the Underlying Funds, the Investment Manager of the Underlying Funds nor any of their affiliates nor any person connected with them is under any obligation to offer investment opportunities to the Company.

The Directors, the Responsible Entity/Trustee of the Underlying Funds, and the Investment Manager of the Underlying Funds may, from time to time, engage affiliates and/or associates in their professional advisory capacity. The parties in their capacity as advisers may receive fees for providing services including, but not limited to, accounting, legal, human resources and/or strategic advice. The amount of these fees and payment terms will be negotiated at arm's length and will be deducted from the returns of the Company.

The Company maintains a conflicts of interest policy to ensure that the Directors manage their obligations to the Company such that all conflicts (if any) are resolved fairly.

**Counterparty Risk:** The Underlying Funds have and may enter into contractual arrangements in respect of its activities with counterparties. Should a counterparty fail to perform under these contracts, the Underlying Funds may be adversely affected. The Responsible Entity/Trustee may, in the ordinary course of business, be involved in possible litigation and disputes. A material or costly dispute or litigation may adversely affect the income or capital value of the Underlying Funds.

**Cyber Risk:** Information relating to the operations of the Underlying Funds and investors' personal information is stored digitally and there is therefore a risk of fraud, data loss, business disruption or damage to the information of the Underlying Funds or to investors' personal information in the event of a breach of the Responsible Entity's or the Investment Manager's systems or the systems of the service providers to the Fund.

The Responsible Entity and the Investment Manager seek to address this risk through a well-considered IT security policy which includes insurance against this risk.

**Derivative Risk:** Investments in derivatives may cause losses associated with changes in market conditions, such as fluctuation in interest rates, equity prices or exchange rates and, changes in the value of a derivative may not correlate perfectly with the underlying asset. However, the Investment Manager only uses derivatives for the purpose of risk management - specifically to reduce interest rate risk.

**Fund Risk:** The Responsible Entity/Trustee may elect, in accordance with the constitution of the relevant Underlying Fund and the Corporations Act, to terminate the Underlying Fund for any reason.

**Key Person Risk:** The Underlying Funds have a small management team and are thus highly dependent on the skill and commitment of the small number of individuals. Whilst these key individuals will generally be incentivised to remain and perform throughout the time they are with the Underlying Funds, their departure from the Underlying Funds may adversely affect the performance of the Underlying Funds' investments.

## **7 Additional Information**

### **7.1 Rights attaching to Preference Shares and other Material provisions of the Constitution**

#### **Constitution**

The Constitution governs the Company. Relevant provisions of the Constitution are described throughout this Prospectus. Copies of the Constitution are available for inspection free of charge between 9.00 am and 5.00 pm at the Company's business office.

The rights and liabilities attaching to the ownership of Shares arise from a combination of the Constitution, the Corporations Act, NSX Listing Rules, and general law. A summary of the significant rights, liabilities and obligations attaching to the Shares and a description of other material provisions of the Constitution are set out below. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders.

#### **Ordinary Shares**

All ordinary shareholders have the rights and entitlements as conferred by the general law, the Act, and the terms of the Constitution. Under the Constitution, all ordinary Shares have the same right as other ordinary shares in respect of dividends and distributions declared and payable by the Company, rank in the same priority and confer the same right to participate in any distribution of surplus assets or profits of the Company as other ordinary Shares, have no liquidation preference, and has the right to receive any notices, reports, profit and loss accounts, balance sheet or other financial statements as required by law and the Listing Rules.

#### **Preference Shares - Ranking**

Preference Shares rank equally among themselves and in priority to all Ordinary Shares but are unsecured and subordinated to all debenture holders and creditors of the Company. Preference Shares are not bank deposits or liabilities of the Company and are not capital guaranteed. Preference Shares rank equally in respect of a redemption of, return of capital on, cancellation of or acquisition of Preference Shareholders and payment of declared but unpaid Dividends on a winding up of the Company. The Company reserves the right to issue further preference shares which rank equally with or behind but not ahead of Preference Shareholders, whether in respect of dividends (whether cumulative or not), return of capital on a winding up of the Company or otherwise. Any such further issue will not constitute a variation of the rights attached to the then existing Preference Shareholders (unless otherwise expressly provided).

#### **Preference Shares - Cumulative Preferential Dividend**

Preference Shareholders can receive a cumulative preferential dividend of \$4.25 per annum, accruing at the rate of \$1.0625 for each 3 month period ending on 30 June, 30 September, 31 December and 31 March each year (except for that for the first accruing period after the issue date and the period immediately before the Redemption Date, the value of the dividend will be calculated pro rata to the actual number of days elapsed) and the accrued preferential dividend will be paid within 30 days of the end of such accruing period.

Unless the A Class Preferred Dividend (including any dividends in arrears) has been paid in full, the Company will not pay any dividend on Ordinary Shares.

#### **Distribution in specie**

If the Company is wound up (whether voluntarily or otherwise), the liquidator may, with the sanction of a Special Resolution:

- divide among the contributories in specie or kind any part of the assets of the Company;
- vest any part of the assets of the Company in trustees upon those trusts, for the benefit of the contributories or any of them as the liquidator thinks fit; and
- set values as it considers fair and reasonable on any property to be divided and determine how the division is to be carried out.

## Surplus Assets

In the event of winding up of the Company, the right to receive out of the assets of the Company \$100 for each Preference Share held ahead of any payment to the holders of ordinary shares, but no other right to participate in surplus assets.

## Further Issues of Securities

The Company may issue preference Shares, including preference Shares which are, or which at the option of the Company or holder, may be liable to be redeemed or converted into ordinary Shares. The terms upon which and the manner in which any redemption is to be effected will be specified in the conditions of issue of the preference Shares.

Rights of Preference Shareholders, or holders of any class, is not varied by the creation or issue of further Shares ranking equally in respect of those rights.

## Share Capital

The Company is authorised to pay interest on share capital in the circumstances and on the Conditions provided for in the Corporations Act.

## Voting at General Meeting

A ordinary Shareholders have the right to attend and speak, but not to vote, at general meetings of the Company.

B ordinary Shareholders have the right to attend, speak and vote at general meetings of the Company.

Preference Shareholders have the same rights as ordinary shareholders to receive notices, reports and accounts to attend general meetings of the Company, in addition to a right to vote in specific circumstances listed in the Constitution.

## 7.2 Existing Shareholder interests

The table below sets out the interests of Shareholders as at the date of this Prospectus and immediately following the Offer. Further details regarding each Shareholder is disclosed in sections 1.7.

Shareholder	As at the date of this Prospectus		Following completion of the Offer	
	Shareholding Amount	Shareholding Percentage	Shareholding Amount	Shareholding Percentage
Fleet Absolute Returns Fund	1,200 <sup>1</sup> (Class B Ordinary Shares)	100%	1,200 <sup>1</sup>	%
Certane CT Pty Limited	0	0%	2,500,000 <sup>2</sup>	%

<sup>1</sup> Voting Class B Ordinary Shares

<sup>2</sup> Non-voting Class A Ordinary Shares

## 7.3 Costs of the Offer

If the Offer precedes, the estimated costs of the Offer (exclusive of non-recoverable GST, where applicable), by type of cost, are shown in the table below:

	Pro forma minimum subscription \$15,000,000	Pro forma maximum subscription \$16,500,000
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ASIC - Fees	3,500	3,500
CHESS - Fees	5,000	5,000
Company incorporation expense	2,000	2,000
Contingency allowance	32,000	32,000
Legal fees	75,000	75,000
Nominated adviser fee - NSX		
NSX Application fee	7,500	7,500
NSX Listing fee	5,000	5,000
Printing & Stationary	5,000	5,000
Share registry costs	10,000	10,000
Sponsoring broker fee	25,000	25,000
Underwriting	150,000	150,000
<b>Total Transaction costs</b>	<b>320,000</b>	<b>320,000</b>

## 7.4 Consents to be named and disclaimers of responsibility

Each of the parties referred to below, to the maximum extent permitted by law, expressly disclaims all liabilities in respect of, makes no representations regarding and takes no responsibility for any statements in or omissions from this Prospectus, other than the reference to its name in the form and context in which it is named and a statement or report included in this Prospectus with its consent as specified below.

Written consents to the issue of this Prospectus have been given and, at the time of lodgement of this Prospectus with ASIC, had not been withdrawn by the following parties:

- Pritchard & Partners Pty Ltd has given and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as the Broker and Nominated Advisor to the Company in the form and context it is so named;
- Rees Pritchard Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Investigating Accountant to the Company in the form and context it is so named and to the inclusion of its Investigating Accountant's Report on the Financial Information in Section 7.8;
- Henley Underwriting & Investment Company Pty Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as the Underwriter to the Company in the form and context it is so named;
- PKF (NS) Audit & Assurance Limited Partnership has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as the Auditor to the Company in the form and context it is so named;
- Newcastle Registries Pty Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as the Registry to the Company in the form and context it is so named;
- Baker & McKenzie has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Australian legal adviser to the Company in relation to the Offer in the form and context in which it is named.

No entity or person referred to above in Section 7.4 has made any statement that is included in this Prospectus or any statement on which a statement made in this Prospectus is based, except as stated above. Each of the persons and entities referred to above in this Section 7.4 has not authorised or caused the issue of this Prospectus, does not make any offer of Preference Shares and expressly disclaims and takes no responsibility for any statements in or omissions from this Prospectus except as stated above in this Section 7.4.



In addition, as permitted by ASIC Class Order [CO 00/193] this Prospectus may include or be accompanied by certain statements fairly representing a statement by an official person, or from a public official document or a published book, journal or comparable publication.

## 7.5 Working capital statement

	Without Oversubscription \$	With Maximum Oversubscription \$
Cash on hand at the date of this Prospectus	1,200	1,200
Proceeds from the Issue of 2,500,000 Class A Ordinary Shares	2,500,000	2,500,000
<b>Costs of Issue of Preference Shares</b>	<b>\$350,000</b>	<b>\$350,000</b>
Cash available prior to the issue of the Preference Shares	2,151,200	2,151,200
Proceeds from the Issue of Preference Shares	15,000,000	16,500,000
<b>Total available cash before Investment</b>	<b>\$17,151,200</b>	<b>\$18,651,200</b>
RAM Credit Fund	2,000,000	2,100,000
RAM Diversified Property Fund	15,000,000	16,400,000
<b>Total investments</b>	<b>\$17,000,000</b>	<b>\$18,500,000</b>
<b>Working Capital</b>	<b>\$151,200</b>	<b>\$151,200</b>

The Directors believe that, on Completion of the Offer, the Company will have sufficient working capital to carry out its objectives as stated in this Prospectus.

## 7.6 Governing law

This Prospectus and the contracts that arise from the acceptance of the Applications and bids under this Prospectus are governed by the laws applicable in New South Wales and each Applicant under this Prospectus submits to the exclusive jurisdiction of the courts of New South Wales.

## 7.7 Legal proceedings

So far as the Company is aware, there is no current or threatened civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material in which the Company is directly or indirectly concerned which is likely to have a material adverse effect on the business or financial position of the Company.

## 7.8 Tax considerations

This summary provides a general outline of the main Australian income tax, GST and stamp duty implications arising for an Australian resident investor operating from Australia for the purpose of this investment who hold the Preference Shares on capital account.

The following discussion is based on Australian law and administrative practice as at 4 November 2022. Investors should be aware that the ultimate interpretation of taxation law rests with the Courts and that the law, and the way the

Commissioner of Taxation (**Commissioner**) and state and territory revenue authorities administer the law, may change at any time.

This statement is necessarily general in nature and does not take into account the specific taxation circumstances of each individual Investor. Investors should seek independent professional taxation advice in relation to their own particular circumstances before making any investment decision, including whether it is appropriate to apply for a private ruling regarding the tax treatment of this product.

### **7.8.1 Tax treatment of Preference Shares**

Division 974 of the Income Tax Assessment Act 1997 outlines the requirements to classify, for the certain purposes of the Australian income tax law, whether an interest held in a company is a debt or equity interest. This test involves a consideration of the economic substance of the rights and obligations of the arrangement rather than its mere legal form.

The structure of the Preference Shares in the Company satisfies the test for a "debt interest" under Division 974. The Preference Shares should be 'non-equity' shares for income tax purposes because the Company has an effectively non-contingent obligation to pay an amount equal to at least the issue price on the eighth anniversary of the issue of the Preference Share. Therefore, any dividends payable on the Preference Shares will be treated in a similar way to interest on a debt security.

### **7.8.2 Assessability of dividends and premiums on redemption**

As the Preference Shares are classified as debt for taxation purposes, any dividends and proceeds on redemption that exceed that issue price will be treated in a similar manner to interest and be taxed as ordinary income. The dividends paid on the Preference Shares cannot be franked and therefore no franking credits can be attached to the dividends or other amounts received for holding the Preference Shares.

### **7.8.3 Redemption or buy-back of Preference Shares**

The terms of the Preference Shares provide for redemption and payment of a redemption amount at various times during the term of the Preference Share, and on maturity the Company must redeem the Preference Share.

To the extent the payment made to a Preference Shareholder on redemption or buy-back basis does not exceed the issue price of the Preference Shares, it will not constitute ordinary income. Any excess on redemption, greater than the issue price of the Preference Shares, will be treated as an interest payment and will need to be included as assessable income.

The CGT provisions also apply in relation to the redemption or buy-back of a Preference Share. Any capital gain will be reduced to the extent the gain is assessed as ordinary income. Any shortfall on redemption under the face value of the redeemable preference share will be treated as a capital loss.

### **7.8.4 Disposal of Preference Shares**

As noted above, the following overview of Australian tax implications associated with disposal of Preference Shares is confined to investors who hold their Preference Shares on capital account. Australian income tax laws impose tax on capital gains (**CGT**).

Persons who acquire Preference Shares on revenue account or for a share trading purpose should seek independent professional advice as the issues are complex and the tax implications depend heavily on individual circumstances.

If a Preference Shareholder transfers a Preference Share this will trigger a CGT event for the Preference Shareholder. A capital gain may arise where the capital proceeds received from the sale of the Preference Share exceeds the Preference Shareholder's tax cost base in the Preference Share. Alternatively, a Preference Shareholder may make a capital loss where the capital proceeds are less than the Preference Shareholder's reduced cost base in the Preference Share.

The market value of Preference Shares at the time of their disposal may be substituted as consideration if the disposal is for nil or not undertaken on an arm's length dealing basis. In the case of Preference Shares acquired pursuant to the Prospectus, the cost base for CGT purposes will generally be the amount paid for the Preference Shares (A\$100 per Share), plus related capital costs of acquisition and disposal.

If the Preference Share holder has also derived capital losses in the income year, or has accumulated capital losses that are deductible, then those losses may be offset against the capital gain derived from the disposal of the Preference Shares. A capital loss cannot be offset against ordinary taxable income but may be carried forward and offset against future capital gains. However, utilisation of carried forward capital losses is subject to various loss integrity tests. Consideration of these loss provisions is beyond the scope of this Section.

For those Preference Shareholders that are companies, a net capital gain made on the disposal of Preference Shares (after any capital losses are offset) must be included in the company's taxable income and subject to tax at the prevailing general corporate tax rate (of up to 30%).

Preference Shareholders who are either individuals or complying superannuation funds (or another similar form of qualifying entity), and dispose of Preference Shares held for at least 12 months, may be entitled to a CGT discount of 50% and 33 1/3% respectively. Companies are not entitled to any discount and special rules apply for trusts.

The net capital gain remaining after permitted offsets and discounts, is added to the Preference Shareholder's other taxable income, and the total amount is then subject to tax at the Preference Shareholder's marginal tax rate.

Where Preference Shares are held by a trust (and the trust is not taxed as a company for Australian tax purposes) then a CGT discount of 50% is generally available. When the capital gain is distributed to the beneficiary by the trustee of the trust, the capital gain needs to be grossed up and the relevant beneficiary(s) will need to determine for themselves whether or not they are able to access the CGT discount provisions.

### **7.8.5 Security**

A Preference Share should not be characterised as either a "qualifying security" for the purposes of Division 16E of the Income Tax Assessment Act 1936, or a "traditional security" for the purposes of sections 26BB and 70B of the Income Tax Assessment Act 1936. This is because a Preference Share should not be a "security" as defined for the purposes of these provisions. Accordingly, those provisions should not apply to a Preference Share acquired by a Preference Shareholder.

### **7.8.6 TOFA**

Gains or losses from financial arrangements may be recognised for taxation purposes on an accrual basis, under the Taxation of Financial Arrangement (**TOFA**) provisions of Division 230 of the Income Tax Assessment Act 1997. There are a number of exclusions from TOFA. Specifically, the TOFA rules should not apply to superannuation entities with assets of less than \$100 million, or individuals that hold a Preference Share (since the Preference Share is not regarded as a security – see comments above). Other investors should seek their own advice as to the possible application of the TOFA regime to their investment in a Preference Share.

### **7.8.7 Tax File Numbers quotation**

It is not compulsory for Australian resident Shareholders to provide the Company with details of their Tax File Number (**TFN**) or Australian Business Number (**ABN**). However, a failure to quote a TFN or ABN to the Company will result in Landsdowne being required to withhold and remit tax of 47% from unfranked dividends paid to the relevant Preference Shareholder. The amount withheld in these circumstances should be available as a credit against the Preference Shareholder's income tax liability.

### **7.8.8 GST and transfer duty**

No GST is applicable to the issue or transfer of the Preference Shares given that, under current law, Preference Shares in a company are a financial supply for GST purposes. Preference Shareholders may not be entitled to claim full input tax credits in respect of GST paid on costs incurred in connection with the acquisition of Preference Shares.

Transfer duty will not be payable on Preference Shares issued pursuant to the Prospectus.

### **7.9 Statement of Directors**

Each Director has authorised the issue of this Prospectus and has consented to the lodgement of this Prospectus with ASIC in accordance with section 720 of the Corporations Act.

This Prospectus is signed by a Director of Landsdowne in accordance with section 351 of the Corporations Act.



**Executive Chairman**  
**Steven Shane Pritchard**  
**Landsdowne Investment Company Limited**

# Glossary

<b>\$, A\$ or AUD</b>	Australian dollars, the lawful currency of the Commonwealth of Australia.
<b>ABN</b>	Australian Business Number.
<b>Accountant</b>	Rees Pritchard Pty Ltd.
<b>ACN</b>	Australian Company Number.
<b>AEST</b>	Australian Eastern Standard Time.
<b>Applicant</b>	A person who has applied to subscribe for Preference Shares under the Offer.
<b>Application</b>	A valid application for Preference Shares made under this Prospectus.
<b>Application Form</b>	The form accompanying or attached to this Prospectus by which an Applicant may apply for Preference Shares.
<b>Application Money or Application Amount</b>	Money payable for Preference Shares applied for by an Applicant.
<b>Arranger</b>	The licensed intermediary appointed by the Company to arrange for the issue of the Preference Shares by the Company in accordance with section 911A(2)(b) of the Corporations Act, being Pritchard & Partners Pty Limited (ACN 073 393 049; Australian Financial Services Licence number 260 967).
<b>Arranger Agreement</b>	The arranger agreement between the Company and Arranger dated 14 October 2022.
<b>ASIC</b>	Australian Securities and Investment Commission.
<b>Board</b>	The Board of Directors of the Company.
<b>Closing Date</b>	5:00pm (AEST) on 14 January 2023 or such other date as the Board may decide, and is the date on which the Offer closes.
<b>Company or Landsdowne</b>	Landsdowne Investment Company Limited.
<b>Completion</b>	The issue of the Preference Shares to Successful Applicants.
<b>Corporations Act</b>	Corporations Act 2001 (Cth).
<b>DDO Legislation</b>	The <i>Treasury Laws Amendment (Design and Distribution Obligations and Product Intervention Powers) Act 2019</i> , the <i>Corporations Amendment (Design and Distribution Obligations) Regulations 2019</i> , the <i>ASIC Corporations (Design and Distribution Obligations – Exchange Traded Products) Instrument 2020/1090</i> and <i>ASIC Regulatory Guide 274: Product design and distribution obligations</i> , each as amended from time to time along with any additional or supplementary regulations and any instruments, modifications, exemptions and guidance granted by ASIC.
<b>Director(s)</b>	The directors of the Company, and Director means any one of them.

<b>EBIT</b>	Earnings before interest and taxes.
<b>EBITDA</b>	Earnings before interest, taxes, depreciation and amortisation.
<b>Executive Director</b>	A Director appointed as an executive director of the Company.
<b>Existing Shareholder(s)</b>	Those persons or entities who are holders of Shares of the Company as at the date of this Prospectus.
<b>Exposure Period</b>	Has the meaning given in "Important Information" Section.
<b>Financial Information</b>	Has the meaning given in Section 3.2.2.
<b>FY</b>	Financial year, ending on 31 December of any year, and the two digits following FY indicate which year (for example FY2023 means the financial year ending 31 December 2023).
<b>GST</b>	The meaning given in section 195–1 of the A New Tax System (Goods and Services) Tax Act 1999 (Cth).
<b>Holding Statement(s)</b>	A holding statement of Preference Shares.
<b>IFRS</b>	International Financial Reporting Standards.
<b>Investment Portfolio</b>	The investment portfolio as described in Section 3.2.
<b>Listing</b>	The admission of the Company to the Official List of the NSX.
<b>Listing Date</b>	The date that the Company is admitted to the Official List of the NSX.
<b>Minimum Subscription</b>	The minimum subscription amount under the Offer, being A\$15,000,000.
<b>Non-Executive Director</b>	A Director appointed as a Non-Executive director of the Company.
<b>NSX or National Stock Exchange</b>	NSX Limited (ABN 33 089 447 058), or the securities market it operates, as the context requires.
<b>NSX Listing Rule(s) or Listing Rules</b>	The official listing rules of the NSX.
<b>Offer</b>	The invitation in this Prospectus to subscribe for Preference Shares.
<b>Offer Price</b>	A\$100 per Share.
<b>Official List</b>	The official list of entities that the NSX has admitted and not removed.
<b>Official Quotation</b>	The quotation of the Preference Shares on the NSX.
<b>Opening Date</b>	8:30am (AEST) on 21 December 2022.
<b>Original Prospectus</b>	The prospectus dated 23 November 2022 and lodged with ASIC on that date.
<b>Preference Share(s)</b>	An A Class Redeemable Preference Share.

<b>Prospectus</b>	This document and any supplementary or replacement prospectus in relation to this document.
<b>Section</b>	A section of this Prospectus.
<b>Share(s)</b>	Ordinary fully paid share(s) in the Company.
<b>Share Registry</b>	Newcastle Capital Markets Registries Pty Ltd.
<b>Shareholder(s)</b>	A holder of Share(s).
<b>Sponsoring Broker</b>	Pritchard & Partners Pty Limited
<b>Successful Applicant(s)</b>	An Applicant who is issued Preference Shares under the Offer.
<b>Target Market Determination</b>	The target market determination prepared and issued by the Company, in accordance with the DDO Legislation in relation to the Offer, available on the Company's website.
<b>TFN</b>	Tax file number.

# Corporate Directory

## **Directors**

Steven Shane Pritchard  
Enzo Pirillo  
Brett Andrew Hall

## **Secretary**

Enzo Pirillo

## **Registered Office**

10 Murray Street  
Hamilton NSW 2303  
Phone: 02 4920 2877

**Proposed NSX Code:** To be advised by NSX

## **Broker to the Issue and Nominated Advisor**

Pritchard & Partners Pty Limited  
ABN 84073393049, AFSL 246 712  
10 Murray Street  
Hamilton NSW 2303  
Phone: 02 4920 2877

## **Australian Legal Adviser**

Baker & McKenzie  
Tower One - International Towers Sydney  
Level 46, 100 Barangaroo Avenue  
Sydney NSW 2000

## **Share Registry**

Newcastle Capital Markets Registries Pty Ltd  
PO Box 402  
Hamilton NSW 2303  
Phone: 02 4920 2877

## **Company website:**

[www.landsdowneinvestment.au](http://www.landsdowneinvestment.au)

## **Underwriter**

Henley Underwriting & Investment Company Pty  
Limited  
10 Murray Street  
Hamilton NSW 2303  
Phone: 02 4920 2877

## **Accountant**

Rees Pritchard Pty Ltd  
10 Murray Street  
Hamilton NSW 2303  
Phone: 02 4920 2877

## **Auditor**

PKF (NS) Audit & Assurance Limited Partnership  
755 Hunter Street  
Newcastle NSW 2302  
Phone: 02 4962 2688