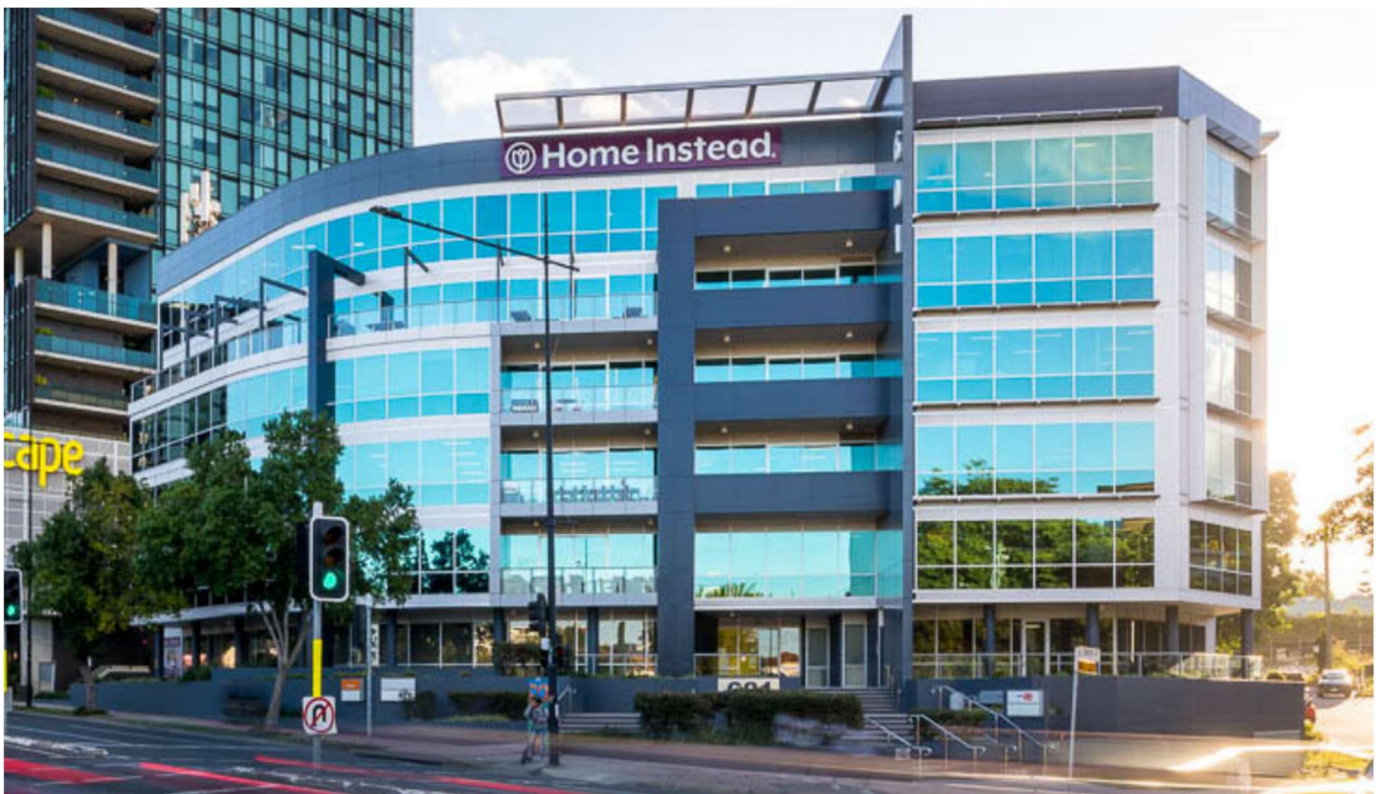




Diversified Property Fund Investor Update

For the Quarter Ending 31 December 2025



Responsible Entity

One Managed Investment Funds Limited
ACN 117 400 987 | AFS Licence No. 297042

EXECUTIVE SUMMARY

- Level 1 refurbishment works at 601 Coronation Drive were completed on time and on budget, including the removal of the prior Jumbo fit-out, make good of ceilings, replacement of lighting with new low voltage lights, removal of unnecessary mechanical equipment from the ceiling space, removal of carpet and a patch of the existing concrete floor.
- Designs have been prepared to show prospective new tenants for level 1 how the floor plate, which measures 1,282 sqm in total, may be configured for a single tenancy or sub-divided into two and three separate office suites. These options are designed to provide maximum flexibility in the leasing of this space by making it relevant to tenancies that range from 350 sqm to full floor.
- Plans are now underway to upgrade the level 1 and ground floor bathrooms, the building lobby and replace the existing Building Management System (BMS), all of which are intended to ensure that the building, which was constructed in 2007 and is approaching 20 years of age, is well maintained and remains attractive to existing and potential new tenants (refer to the Asset Management Plan later in this report).
- In addition to the existing vacancy on level 1, two ground floor tenants representing NLA of 427 sqm have notified the Manager of their intention to vacate the building at the expiry of their leases.
- A new leasing campaign including new signage, marketing collateral and advertising has been formulated and will be launched in late January 2026.
- The NABERS rating (power) of the property was restored to 4.5 stars following the down-grade in late 2024.
- The Fund's NTA per Unit increased to \$0.77 at 31-Dec-25, up from \$0.73 at the end of the previous quarter.
- All proceedings associated with the 63 Pirie Street Adelaide property were formally dismissed in December 2025 with no admission of liability by any of the parties. No assets of the Fund were applied in any way to the settlement or legal costs and the \$1.10 million deposit previously paid in respect of that matter was returned to the Fund.
- A contingent liability of \$8,879,593 was removed from the Fund's financial accounts as at 31-Dec-25 following settlement of the litigation.

Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Act

To comply with the Trustee's legal obligations under the Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Act, all investors in the Fund are required to undertake ongoing KYC processes. This has been communicated several times during 2025, despite which a number of investors are yet to up-date their details in relation to their investment in the Fund.

If you are yet to update your KYC details, please do so as a matter of priority. Failure to do so may otherwise prevent you from transacting your investment, including selling units, receiving distributions, updating static data and/or receiving statements.

DIVERSIFIED PROPERTY FUND

Fund Profile

The Diversified Property Fund (Fund) is an unlisted property fund that was established to provide investors with stable income returns and the potential for capital growth by investing in a diversified portfolio of property related assets. The Fund's strategy has been to acquire direct property and additional asset classes such as listed and unlisted property funds, property backed mortgages, cash and cash like products that are intended to diversify the asset base.

At present, the Fund has been closed to new investment and distributions have been suspended. This is a direct result of the litigation related to the 63 Pirie Street property in Adelaide. With the settlement of this litigation completed in December 2025, both the Investment Manager and Responsible Entity are now working diligently to stabilise the Fund. Despite this progress, there are currently no plans to reopen the Fund to new investments or to allow redemptions. The primary focus remains on retaining maximum liquidity to support necessary leasing and refurbishment efforts, which are essential for attracting new tenants to the property.

The Investment Manager and Responsible Entity have conducted a review of the Fund's ability to resume distributions. The outcome of this review determined that distributions should not be recommenced at this stage. This decision will remain in effect until the capital works program for the 601 Coronation Drive property has been completed and the Fund's debt obligations have been met.

The Investment Manager and Responsible Entity will continue to monitor and review the Fund's position regarding distributions. Investors can expect a further update on this matter in the next quarterly Investor Update.

Periodic Limited Withdrawals

The Responsible Entity has determined it will not offer a withdrawal window for 31 December 2025. A further review will be completed prior to 31 March 2026.

Existing Investors

The Fund remains closed to new investment.

Distributions

While the Fund's general practice has been to pay regular distributions, the Responsible Entity has determined that the Fund will not pay a distribution for the period to 31 December 2025.

Cash reserves and net lease income are instead being reserved to fund capital works referable to the 601 Coronation Drive property, new lease incentives and leasing agents' commissions and to meet the Fund's debt repayment obligations to its senior debt financier.

Quarter Ending	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
Distributions - Cents Per Unit	0.00	0.00	0.00	0.00	0.00
Distribution Yield (annualised)	0.00%	0.00%	0.00%	0.00%	0.00%

Net Tangible Assets

The Fund's Net Tangible Assets (NTA) on a per Unit basis can be used as an approximate measure of what an Investor may expect to receive per Unit held (before selling costs) should they choose to realise their investment. NTA per Unit is calculated as follows:

$$\text{NTA per Unit} = \frac{\text{Net Assets} - \text{Intangible Assets} +/- \text{Other Adjustments}}{\text{Number of Units on Issue}}$$

At 31 December 2025, the Fund's NTA per Unit was \$0.77, calculated as follows:

$$\text{NTA per Unit} = \frac{22,421,474}{28,964,501} = \$0.77$$

NTA per Unit has improved considerably over the past 6 months, from \$0.42 at 30 June 2025 to \$0.77 at 31 December 2025, as a result of the Responsible Entity successfully settling the litigation associated with the 63 Pirie Street Adelaide property, which allowed the writeback of \$8,879,593 in provisions and saw the return of the Fund's \$1.10 million cash deposit.

Fund Performance

Performance Analysis as at 31 December 2025			
	Net Capital Growth	Income Distribution	Total Return
Rolling 12 months (1 Year)	84.67%	0.00%	84.67%
2 years annualised	-3.79%	0.96%	-2.84%
3 years annualised	-9.20%	2.44%	-6.76%
4 years annualised	-6.78%	3.80%	-2.98%
5 years annualised	-2.58%	5.35%	2.77%
Inception annualised	-2.69%	6.24%	3.55%

Notes:

- Performance is shown for informational purposes only. Past performance is not a reliable indicator of future performance. Annualised total return figures are the sum of the annualised income distribution and the annualised unrealised capital growth (each calculated on a standalone basis).
- Figures are based on 31 December 2025 management accounts which remain subject to half-year audit.
- Inception date is 12 August 2016.

601 Coronation Drive, Toowong, QLD

Leasing

Despite fielding a number of new lease inquiries during the quarter ending 31 December 2025, no new leases were secured. As a result, occupancy remained at 82.4% and there was no movement in tenancy mix. The property's Weighted Average Lease Expiry (WALE) by income fell slightly to 4.5 years.

The top 5 tenants by income at 31 December 2025 are:

Queensland College of Teachers	21.9%
Home Instead	21.6%
Auto & General	15.7%
Finance Administrators of Aust	15.3%
Arriba Group	6.2%

During the quarter the Investment Manager received advice from two existing tenants representing a combined 427 sqm of NLA that they will vacate the property at expiry of their leases in April 2026 (311 sqm) and June 2026 (116 sqm). The Investment Manager is working with those tenants in relation to their make-good obligations and with its consultant team to develop refurbishment plans and leasing strategies to mitigate re-leasing risk.

Asset Management Plan

With the leasing market for commercial office in Brisbane and more generally around Australia evidencing signs of weakness and capitalisation rates continuing to be under pressure, better quality buildings will perform better than poorer quality buildings in both their leasing performance (rent/sqm and down time when vacant) and their market valuations. With this in mind, the Investment Manager is working to ensure that the Fund's property is well maintained, is contemporary in its offering and remains attractive to existing and potential new tenants.

Existing and upcoming vacancy is a significant risk to both cashflow and valuation that must be focused on. The building has had very limited upgrade over recent years and there is a large amount of work to be done. The Investment Manager & Trustee believe that the strategy of investing in the property is the best strategy to maintain value in difficult market conditions.

The Investment Manager has therefore developed an Asset Management Plan for the building that includes the following priorities:

- **Building Management System (BMS).** The BMS system is central to the efficient operation of the main air conditioning plant and equipment and is key to energy efficient operation as well as ensuring optimal temperature conditions in the tenanted areas of the building. The existing system is no longer fit for purpose and needs to be replaced.
- **Ground Floor Lobby Upgrade.** The existing ground floor lobby is dated and offers little in amenity for tenants and visitors to the building. The ground floor area serves as access to the numerous tenancies. It is essential for the building to be contemporary in its design and present professionally for all building users.

- **Bathrooms.** The current bathrooms on all of the floors are the original bathrooms from when the building was constructed in 2007. They are in fair condition but are in need of updating to meet the needs of tenants. When floors become available, for example when leases expire, we propose to upgrade the bathrooms on those floors. Level 1 is currently vacant and we intend to commence work in Q1 2026. It is also proposed to upgrade the ground floor bathrooms at the same time to make use of the level 1 vacancy.
- **Energy Rating.** The energy efficiency rating of buildings is an important factor for tenants in their leasing decisions. Energy ratings are also considerations for banks and financiers when deciding to provide funding. In order to at least maintain the current 4.5 Star rating, we must continue to make the building more energy efficient. All refurbished office space is therefore before fitted with energy efficient lighting systems and this is being extended to the basement car parking levels.

Valuation

An independent valuation of the Property was completed by Colliers Valuation & Advisory Services and has been adopted in the Fund's financial accounts and is used for debt covenant calculation purposes.

Date of Valuation:	July 2024
Valuation Amount:	\$46.50 million
Equivalent Market Yield:	7.7%
Direct Comparison Rate:	\$6,411 / sqm of NLA

It is a condition of the Fund's senior debt facilities that a new independent valuation be completed prior to 31 July 2026. The Investment manager will commence this process ahead of that date to comply with the Fund's debt obligations.

Debt Facilities

The Fund's senior secured debt facilities with ING at 31 December 2025 are:

Facility Limit	Drawn Amount	Undrawn Amount	Expiry Date	Interest Rate ¹
Tranche 1 - \$22.24m	\$24.43m	\$0.00m	30 Sept 2027	Approx. 5.93% pa
Tranche 2 - \$1.81m	\$1.43m	\$0.00m	30 Sept 2027	Approx. 5.93% pa
Total	\$25.86m	\$0.00m		

¹ Floating rate of BBSY Bid Rate + 2.15% margin.

Key obligations under these debt facilities include:

- Principal repayment of \$285,885 to be made to reduce the drawn amount under Tranche 2 on or before 31 March 2026.
- Maximum Loan to Value (LVR) of 55.0% from 31 March 2026 calculated using the most recent independent valuation of 601 Coronation Drive.

- Minimum Interest Cover Ratio (ICR) of 1.50 times.

LVR at 31 December 2025 was 55.6%. The reduction to 55.0% by 31 March 2026 will be achieved by making the principal repayment of \$285,885 to Tranche 2, based on the existing July 2024 independent valuation (\$46.50 million).

LVR will then be recalculated prior to 31 July 2026 using the new independent valuation to be obtained. If the LVR exceeds 55.0% based on the new independent valuation, the Fund must either provide additional security or reduce the debt so that the LVR does not exceed 55.0% within 20 business days' notice from ING.

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