MPG funds management®

ACN: 102 843 809 AFSL:227114

The Trust is targeting a cash return of 4%[1] for FY27

MPG INVESTMENT UPDATE

MPG BW Newstead Trust

Bunnings Warehouse, Newstead (QLD)

We are pleased to provide you with an update to the Information Memorandum (IM) of the MPG BW Newstead Trust (Trust) dated 9 December 2016. This Investment Update is issued by MPG Funds Management Ltd (MPG) (AFSL 227114, ACN 102 843 809) in its capacity as Trustee for the Trust and should be read in conjunction with the IM.

The New @ Newstead is a flagship property, consisting of a two-level, 16,704 sqm Bunnings Warehouse and eight specialty tenants located in Newstead, Brisbane (QLD).

We are pleased to report that the property remains fully let and continues to perform to expectations.

This financial year, our Tenants Air Liquide, Vet Care Group and Newstead Smiles, have all renewed their leases for a further term, reinforcing the Centre's position as a preferred location for established tenants.

An Independent Valuation was completed in November 2025 with the value of the property increasing to $93.8 million from $92.5 million previously.

The NTA as at 30 June 2026 is $1.04 which has been revised up from $1.01 previously.

The forecast yield for the year ending 30 June 2027 is anticipated to be 4.0%[1] per annum as a result of increases in interest rates and operating expenditure.

The term rollover of the Trust is in progress, and we have sought market advice from a range of real estate agents over the past few months. Their collective view is that selling single assets in the current market is still attracting discounts and primarily drawing opportunistic purchasers rather than long-term core investors, especially for assets with capitalisation rates tighter than the current cost of money (of which Newstead is one).

To ensure that we maximise the return for Investors, we have also requested proposals from investment banking groups to undertake a capital-raising exercise across our broader portfolio with the intent of providing liquidity for Investors. We plan to engage one of these groups to act on our behalf to canvas a variety of equity providers (both domestic and foreign) to gauge their appetite to commit significant capital to a broader recapitalisation. If interest is strong, we will move forward with that course of action with parties that have capacity. If there is limited interest, we intend to place the Newstead property on the open market for sale.

Newstead Smiles

Vet Care Group

Investment Update Best Practice Disclosure Principles

As part of MPG's best practice policy we have set out six benchmarks and eight disclosure principles which, if followed, we believe will help Investors understand, compare and assess risks and returns across investments in unlisted property schemes.

Set out below is a table which lists each benchmark and disclosure principle. The information will be updated whenever there is a material change to the Trust and not less than once a year. Updated information will be available at **www.mpgfm.com.au.**

Benchmarks		Benchmarks Met?
1. Gearing Policy	MPG maintains and complies with a written policy that governs the level of gearing at an individual credit facility level.	Yes
2. Interest Cover Policy	MPG maintains and complies with a written policy that governs the level of interest cover at an individual credit facility level.	Yes
3. Interest Capitalisation	Any interest expense of the Trust is not capitalised.	Yes
4. Valuation Policy	MPG maintains and complies with a written valuation policy in relation to the assets of the Trust.	Yes
5. Related Party Transactions	MPG maintains and complies with a written policy on related party transactions, including the assessment and approval processes for such transactions and arrangements to manage conflicts of interest.	Yes
6. Distribution Practices	The Trust will only pay distributions to Investors from its cash from operations (excluding borrowing) available for distribution.	Yes

GEARING RATIO

This indicates the extent to which the Trust's property assets are funded by interest bearing liabilities. It gives an indication of the potential risks the Trust has in terms of its level of borrowings due to, for example, an increase in interest rates or reduction in property values. The gearing ratio is a risk factor that investors should weigh up against the Trust's rate of return.

The gearing ratio is currently 57% calculated by dividing total interest bearing liabilities by total assets.

INTEREST COVER RATIO

This indicates the Trust's ability to meet its interest payments on borrowings from earnings. Interest cover measures the ability of the Trust to service interest on debt from earnings. It provides an indication of the Trust's financial health and is used to analyse the sustainability and risks associated with the Trust's level of borrowing.

The Interest Cover Ratio for the period to 30 June 2026 was 1.53 times calculated by dividing EBITDA (earnings before interest, tax, depreciation and amortisation) by the interest expense.

SCHEME BORROWINGS

This disclosure helps investors understand the significant risks associated with the Trust as a result of borrowing as well as the maturity dates of borrowings.

Borrowing maturity and credit facility expiry profiles are important information where a Trust borrows to invest. Credit facilities that are due to expire within a relatively short timeframe can be a significant risk factor, especially in periods where credit is more difficult and expensive to obtain. A failure to renew borrowing or credit facilities can adversely affect the Trust's viability. Breaches of a loan covenant may result in the lender being able to require immediate repayment of the loan or impose a freeze on further drawdowns on the credit facility. Amounts owing to lenders and other creditors of the Trust rank before an investor's interests in the Trust.

The Trust currently has borrowings of $53.5 million. This loan is secured against the property held by the Trust as a first ranking charge. The amount owing to lenders and other creditors rank before other investors in the Trust.

The LVR covenant of the loan is 60% of the value of the property and the Interest Cover Ratio covenant is 1.5 times. MPG confirms that the current borrowings of the Trust are within these covenants and no breaches of these covenants have occurred to date. In the event that MPG is replaced as Trustee this will trigger a default event and the loan may be immediately due and payable to the lender.

The debt is 71% hedged under a swap agreement until July 2027.

PORTFOLIO DIVERSIFICATION

This information addresses the Fund's investment practices and portfolio risk.

The quality of the properties held by the Trust, including the quality of leases entered into over those properties, is a key element in the financial position and performance of the Trust. Generally, the more diversified the portfolio, the lower the risk that an adverse event affecting one property or one lease will put the overall portfolio at risk.

The property in this Trust is located in Newstead, Qld, and was fully completed in June 2019. The property is 100% occupied, and has a weighted average lease expiry of 4.781 years.

Bunnings Newstead was valued at an Independent Valuation in November 2025 at $93.8 million. The most recent Directors' valuation as at 30 June 2026 is $93.8 million.

RELATED PARTY TRANSACTIONS

This will help Investors understand and assess the approach MPG takes to transactions between MPG and its related parties.

All related party transactions have been approved by the Board of Directors of MPG and are undertaken on an arm's length basis under normal terms and conditions. All related party transactions are outlined on page 50 of the IM.

MPG is in compliance with its stated policies and procedures for related party activities.

DISTRIBUTION PRACTICES

This will help Investors understand how the Trust will help fund distributions to Unitholders and whether distributions are sustainable.

MPG will make distributions to Unitholders on a quarterly basis in arrears or such other time as MPG is permitted to do so under the Trust Deed. Anticipated distributions for future periods will be sourced from net Trust income. The distribution for the quarter ending 30 June 2026 will be 1.00 cent per unit which represents 4.13% per annum.The forecast distribution for the year ended 30 June 2027 is 4.00%[1] per annum.

WITHDRAWAL ARRANGEMENTS

Information on how and when Investors may be able to exit their investment in the Trust.

The Trust Deed allows Unitholders to withdraw in limited circumstances. An investment in the Trust is to be considered illiquid. The Trust is to be considered a long term investment with an initial term of five years after practical completion with the exit mechanism as outlined on page 12 of the IM. The term rollover process commenced in December 2025 and the Trust has received investor responses. The Directors are in the process of making decisions based on the information and terms set out in the IM.

NET TANGIBLE ASSETS

The net tangible assets (NTA) value disclosure gives Investors information about the value of the tangible or physical assets of the Trust and is calculated as (Net Assets-Intangible Assets+-other adjustments) / number of Units on issue.

Based on the most recent unaudited financial statements as at 30 June 2026, the NTA is $1.04 per unit.

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[1] Forecasts are estimates only and are not guaranteed to occur