

**Australian Securities and Investments Commission**  
**Corporations Act 2001 – Paragraph 655A(1)(b) – Declaration**

**Enabling Legislation**

1. The Australian Securities and Investments Commission (**ASIC**) makes this instrument under paragraph 655A(1)(b) of the *Corporations Act 2001 (Act)*.

**Title**

2. This instrument is ASIC Instrument 21-0738.

**Commencement**

3. This instrument commences on the date it is signed.

**Declaration**

4. Chapter 6 of the Act applies to Redcape Hotel Group Management Limited (ACN 610 990 004) (**Redcape RE**) in its capacity as responsible entity of Redcape Hotel Trust I (ARSN 629 354 614) (**Trust I**) and Redcape Hotel Trust II (ARSN 629 354 696) (**Trust II**) (the trusts together, **Redcape Hotel Group** or the **Schemes**) as if section 609 of the Act were modified or varied by inserting after subsection (4):

“(4A) A person does not have a relevant interest in interests of a managed investment scheme if the relevant interest would arise merely because the responsible entity of the scheme has entered into an agreement to buy-back interests in the scheme in accordance with Part 5C.6B as declared by ASIC Instrument 21-0736 or the responsible entity has entered into an agreement to buy-back interests in another managed investment scheme where the interests in each managed investment scheme are stapled securities.

(4B) For the purposes of subsection (4A), *stapled security* means two or more financial products including at least one interest in a registered scheme where:

- (a) under the terms on which each of the products are to be traded, they must be transferred together; and
- (b) there are no financial products in the same class as those financial products which may be transferred separately.”

5. Chapter 6 of the Act applies to Redcape RE and to registered securityholders of Redcape Hotel Group (**Securityholders**) as if the table in section 611 of the Act as modified or varied by *ASIC Corporations (ASX-listed Schemes On-market Buy-backs) Instrument 2016/1159 (ASIC Instrument 2016/1159)* were further modified or varied by inserting after item 19A:

“(19B) An acquisition that results from the responsible entity of a registered scheme buying interests in the scheme in accordance with Part 5C.6B as declared by ASIC Instrument 21-0736.”

### **Where this instrument applies**

6. Redcape RE in its capacity as responsible entity of Redcape Hotel Group makes invitations to Securityholders to offer to sell interests in Redcape Hotel Group to Redcape RE (**Buy-Back**) which:
- (a) are substantially in the terms contemplated by the draft notice of meeting provided to ASIC on 17 August 2021;
  - (b) are approved, before they are extended, by a resolution passed at a general meeting of Redcape Hotel Group on or about 10 September 2021:
    - (i) for which the Explanatory Statement contains independent advice on the value of the Redcape Hotel Group securities and the advantages and disadvantages of the proposal under which the interests in Redcape Hotel Group will be bought back; and
    - (ii) at which Redcape RE and its associates did not vote any interests in Redcape Hotel Group which Redcape RE or its associates hold other than as a member;
  - (c) Redcape RE makes an invitation to Eligible Redcape Securityholders to participate in the Buy-Back at the Buy-Back Price;
  - (d) Redcape RE has given the Explanatory Statement to all members of the Schemes who are eligible to participate under the Buy-Back that:
    - (i) state all information known to Redcape RE that is material to the decision of a member of the Schemes whether or not to participate in the Buy-Back;
    - (ii) specify the period to elect to participate in the Buy-Back, being at least 21 days;
    - (iii) specify the scheme assets that will be used to satisfy the liability to pay for interests to be bought back; and

- (iv) specify the Buy-Back Execution Rules to be applied if the elections to participate in the Buy-Back exceed the Buy-Back Limit;
- (e) after the Explanatory Statement is given to members of the Schemes, the members have a reasonable opportunity to elect to participate in the Buy-Back at the Buy-Back Price; and
- (f) Redcape RE carries out the Buy-Back in accordance with the terms as described in the Explanatory Statement under which all members of the Scheme are to be treated equally except as follows:
  - (i) elections to participate in the Buy-Back will be accepted in accordance with the Buy-Back Execution Rules.

### Interpretation

7. In this instrument:

***Buy-Back Closing Date*** means 18 October 2021.

***Buy-Back Execution Rules*** means if at the Buy-Back Closing Date, Redcape RE has received elections to participate in the Buy-Back that in aggregate are:

- (a) more than the Buy-Back Limit then:
  - (i) all Redcape Securities elected by Redcape Securityholders to participate in the Buy-Back are bought back subject to a reduction by the same proportion (pro rata subject to rounding of fractions) being the proportion needed to ensure that:
    - (A) after taking into account the Priority Acquisition and the Small Holding Acquisition, no more than the number of Redcape Securities corresponding to the Buy-Back Amount is bought back; and
    - (B) the Priority Acquisition and the Small Holding Acquisition may be bought back; and
  - (ii) the Priority Acquisition and the Small Holding Acquisition are bought back; or
- (b) equal to or less than the Buy-Back Limit then all Redcape Securities elected by Redcape Securityholders to participate in the Buy-Back are bought back.

***Buy-Back Price*** is the price at which the Redcape Securities will be bought back under the Buy-Back which will be \$1.15 per security.

***Buy-Back Limit*** is the maximum number of Redcape Securities, being up to 215.0 million Redcape Securities, that may be bought back under the Buy-Back as set out in the Explanatory Statement.

**Eligible Redcape Securityholder** means Redcape Securityholders who are eligible to participate in the Buy-Back as set out in the Explanatory Statement.

**Explanatory Statement** means the Notice of Meeting and Explanatory Statement dated 18 August 2021 sent to Redcape Securityholders in relation to the Buy-Back, which is substantially in the same form as provided to ASIC on 17 August 2021.

**Market Price** has the meaning given by the listing rules of ASX Limited as in force at the date of this instrument.

**Priority Acquisition** means Redcape RE buying back Redcape Securities from a Redcape Securityholder who has elected to participate in full in the Buy-Back and where the entire holding of the Redcape Securityholder is \$2,000 or less as based on the Market Price at or about the time of determination by Redcape RE (being a time on a date not earlier than 7 days before the Record Date) or such lesser number of Redcape Securities as is required to ensure that the Buy-Back Limit is not exceeded as a result of the aggregate number of Redcape Securities bought back by Redcape RE pursuant to this Priority Acquisition and the Small Holding Acquisition.

**Record Date** means 17 September 2021.

**Redcape Security** means an interest in each of the Schemes where under the terms on which each is to be traded, they must be transferred together.

**Redcape Securityholder** means the holder of a Redcape Security.

**Small Holding Acquisition** means Redcape RE buying back the entire remaining balance of a Redcape Securityholder who has elected to participate in full in the Buy-Back, where the remaining holding of the Redcape Securityholder after:

- (a) the Priority Acquisitions are bought back; and
- (b) application of a pro-rata scale-back to remaining Redcape Securities elected to be bought back under the Buy-Back to (so that no more than the number of Redcape Securities corresponding to the Buy-Back Limit would be bought back);

is \$500 or less based on the Market Price at or about the time of determination by Redcape RE (being a time on a date not earlier than 7 days before the Record Date) and the Redcape Securityholder does not hold any more Redcape Securities than were held by that Redcape Securityholder at the Record Date.

Dated this 18<sup>th</sup> day of August 2021

*Matthew Bevins*

Signed by Matthew Bevins  
as a delegate of the Australian Securities and Investments Commission