YAMBA QUAYS, NSW

JULY 2026

CLARENCE PROPERTY DIVERSIFIED FUND

INVESTOR UPDATE

Dear Unitholder,

With FY27 looking like it could be one of our busiest yet, we wanted to take the opportunity to provide you with an update on CPDF's activities and the outlook for the year ahead.

UNIT PRICE & DISTRIBUTION INCREASE

Firstly, we would like to advise the issue price for new units in CPDF will increase **from $1.10 per unit to $1.12 per unit**, effective this month.

In line with the unit price increase, we will be increasing the forecast annual gross distribution from **7.1 cents per unit to 7.28 cents per unit** and will look to apply this to the next monthly distribution. This will see the forecast gross yield increase from **6.45% p.a. to 6.50% p.a. on a unit price of $1.12**.

Important to note is that franking credits (up to 1 cent per unit) may form part of the **7.28 cents per unit gross distribution**. Any shortfall in franking credits below 1 cent per unit are forecast to be paid by way of a **cash top up distribution** in or around June 2027.

ACQUISITIONS & DISPOSALS


31 PARINGA ROAD, MURARRIE QLD

FY26 finished on a positive note, with the Fund successfully disposing of the Rochedale South childcare centre, which **sold at a 5.46% cap rate** and settled on 30 June.

We continue to explore other strategic disposals, with **two industrial properties** currently in advanced discussions and offers received on another property.

In addition to these disposals, we continue to scour the market for acquisition opportunities that meet our income-driven criteria and expect to be in a better position to provide further transaction updates in the coming months.

PROPERTY & LEASING


201 LEICHHARDT STREET, SPRING HILL QLD

As mentioned in our June update, active leasing and proactive property management continue to drive strong portfolio performance, resulting in the Fund finishing the financial year at **96% occupancy** and with arrears of **less than 0.5% of annual rent**.

The leasing team also had a big FY26 completing **83 deals across roughly 43,000m2**. With a pipeline of **more than 100 lease renewals and new deals** to be completed in FY27, it is shaping up to be another significant year. Positively, **more than 20 of these opportunities** are already in advanced discussions, and with leasing markets in South East Queensland and Northern NSW remaining resilient, we are well positioned to maintain high occupancy levels throughout the coming year.

DEVELOPMENTS

YAMBA QUAYS, YAMBA QLD

The developments side of the Fund finished FY26 well, with all of **Yamba Quays Stage 5 settling prior to 30 June**. This concluded what has been a terrific subdivision project for the Fund.

Epiq Terraces, Lennox Head – our townhouse development had a setback in June, with the builder, Blackwoods, going into liquidation. Fortunately, the team has been able to engage a highly regarded local builder, **Field Constructions**, who have already re-established the site and commenced works on **finalising Stage 1 of the project** with minimal disruption.

Swell, Woolgoolga – Wet weather has slowed progress of **Stage 1 civil works**; however, with a bit of recent sunshine and continued interest in the blocks (22 Lots are spoken for, another 3 with built-form plans under consideration), attention is now turning to Stage 2 and Stage 3, which are expected to launch in September. We encourage you to register your interest **https://swellwoolgoolga.com.au/#enquire**

Asana, North Boambee Valley – **259 Lots to be delivered** over the next five years, with works due to commence later this year. Register your interest for this future opportunity via the link on our website **https://clarenceproperty.com.au/property-developers/asana-north-boambee-valley/**

We continue to wait for the Federal Court judgment in relation to the project at **Bayside Brunswick Heads**, now more than 12 months since the matter was last heard in court. We're pressing for a judgment and will update you in the next Investor Update if we have further news.

TAX STATEMENTS

EAST TAMWORTH MEDICAL CENTRE, NSW

Your 2025/26 Tax Statement will be available in early September 2026. We will be in touch again when they are ready.

INVESTOR RELATIONS & CAPITAL RAISING


THE ROCKET, ROBINA QLD

CPDF is open for new investment – please register at **https://boardroomlimited.com.au/clarenceonlineapps/start/1C0B0BE43C4E42B38E3077654769B1E2**

Key features of the Fund include:

- Over 30 years of delivering monthly distributions to Investors. The Fund has $890 million+ of gross assets under management.
- Cash flow is underpinned by 300+ quality private and public tenants. More than 9% of the Fund is owned by Directors, staff and their families, who believe in and are aligned to the performance of the Fund.
- The Fund offers a forecast gross distribution of 6.50% p.a. to July 2027, based on an issue price of $1.12.

The PDS and TMD are available online at **www.clarenceproperty.com.au**

DISTRIBUTION REINVESTMENT PLAN PRICE

As part of our ongoing capital management strategy and in keeping with the new unit price, the price at which units are issued under the Fund's Distribution Reinvestment Plan (DRP) will increase from $1.05 per unit to $1.07 per unit, effective from the July 2026 distribution onwards.

Those units will be issued in the usual manner on 1 September 2026. If you wish to change your participation status in the DRP, please contact us on 1300 853 069.

Kind Regards,

Simon Kennedy
Chief Executive Officer

Our mailing address is: P.O. Box 5062 Robina Town Centre QLD 4230

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