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S00040919996

Abacus Property Group

ANNUAL TAXATION STATEMENT FOR YEAR ENDED 30 JUNE 2023

The Tax Return Labels shown below apply to you if you are a resident individual using *Tax Return for Individuals 2023* and *Tax Return for Individuals (Supplementary section) 2023* to complete your income tax return. This statement provides information regarding your investment in Abacus Property Group that you will need to complete your income tax return for the year ended 30 June 2023. The enclosed Guide to the 2023 Annual Tax Statement has been provided to assist you in completing your return. It should not be relied upon as taxation advice. Should you have any questions regarding your personal tax position, we recommend you contact your financial or tax adviser.

2023 TAX RETURN SUMMARY

<u>Tax Return Item (Supplementary Section)</u>	<u>Amount \$</u>	<u>Component Reference</u>	<u>Tax Return Label</u>
Non-Primary Production Income	141.79	(A+F+J)	13U
Franked Distributions from Trust	0.00	(P)	13C
Franking Credits	0.00	(Q)	13Q
Total Current Year Capital Gains	305.58	(C)	18H
Net Capital Gain	152.79	(B+G+K)	18A
Credit for tax file number (TFN) amounts withheld	0.00	(D+H+L)	13R
Credit for non-resident withholding tax withheld	0.00	(E+I+M)	13A
Assessable foreign source income	36.69	(N)	20E
Other net foreign source income	36.69	(N)	20M
Foreign income tax offset (FITO) amounts	49.86	(O)	20O

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CAPITAL GAINS TAX INFORMATION

- additional information for item 18

Capital Gains – Discounted Method	305.58	Grossed up amount
Capital Gains – Other Method	0.00	
Total Current Year Capital Gains	305.58	(C)

Please see reverse for detailed components of the distributions.

IF YOU ARE IN ANY DOUBT AS TO YOUR TAX POSITION PLEASE CONTACT YOUR PROFESSIONAL ADVISER.

This statement contains essential information to assist you in preparing your Income Tax Return.
Please retain this statement for income tax purposes. A charge may be levied for replacement.

ABACUS TRUST

COMPONENTS OF DISTRIBUTION¹

	DISTRIBUTION	TAX PAID / OFFSETS	TAXABLE INCOME
Australian Income			
Interest	0.00		0.00
Other	0.00		0.00
Non-Primary Production Income	0.00		0.00 (A)
Dividends: Franked	0.00	0.00 (Q)	0.00 (P)
Capital Gains²			
Discounted Capital Gains (TAP)	0.00	0.00	0.00
Capital Gains (CGT) - Concession Amount (TAP)	0.00		
Capital Gains - other method	0.00	0.00	0.00
Distributed Capital Gains	0.00		
Net Capital Gain			0.00 (B)
Other Non-Assessable Amounts			
Tax Deferred Amounts	636.14		
Ss 104-71(4) item 7 ITAA 1997	0.00		
Gross Cash Distribution	636.14		
Other Deductions from Distribution			
TFN amounts withheld from Distribution	0.00	(D)	
Non-Resident Withholding Tax	0.00	(E)	
Net Cash Distribution	636.14		

ABACUS INCOME TRUST

COMPONENTS OF DISTRIBUTION¹

	DISTRIBUTION	TAX PAID / OFFSETS	TAXABLE INCOME
Australian Income			
Interest	0.00		0.00
Other	0.00		0.00
Non-Primary Production Income	0.00		0.00 (F)
Capital Gains²			
Discounted Capital Gains (TAP)	0.00	0.00	0.00
Capital Gains (CGT) Concession Amount (TAP)	33.34	0.00	
Capital Gains - other method	0.00	0.00	0.00
Distributed Capital Gains	33.34	0.00	
Net Capital Gain			0.00 (G)
Other Non-Assessable Amounts			
Tax Deferred Amounts	0.00		
Ss 104-71(4) item 7 ITAA 1997	4.97		

NOTES:

1. All amounts are reported in Australian dollars and withholding tax has been deducted where applicable.
2. Capital gains. The following information is relevant to non residents of Australia. The capital gains relate to assets that are taxable Australian property (TAP) within the meaning of s855-15 of the *Income Tax Assessment Act 1997 (Cth)* and non-taxable Australian property (NTAP).

Gross Cash Distribution	38.31	
Other Deductions from Distribution		
TFN amounts withheld from Distribution	0.00	(H)
Non-Resident Withholding Tax	0.00	(I)
Net Cash Distribution	38.31	

ABACUS STORAGE PROPERTY TRUST

COMPONENTS OF DISTRIBUTION¹

	DISTRIBUTION	TAX PAID / OFFSETS	TAXABLE INCOME
Australian Income			
Interest	57.83		57.83
Other	51.78		51.78
NCMI – Non primary production	7.59		7.59
Excluded NCMI – Non primary production	24.59		24.59
Non-Primary Production Income	141.79		141.79 (J)
Capital Gains²			
Discounted Capital Gains (NTAP)	152.79	0.00	152.79
Capital Gains (CGT) - Concession Amount (NTAP)	152.79	0.00	
Capital Gains - other method	0.00	0.00	0.00
Distributed Capital Gains	305.58	0.00	
Net Capital Gain			152.79 (K)
Foreign Income			
Assessable foreign source income	36.69	49.86 (O)	36.69 (N)
Other Non-Assessable Amounts			
Tax Deferred Amounts	235.85		
Ss 104-71(4) item 7 ITAA 1997	0.00		
Gross Cash Distribution	719.91		
Other Deductions from Distribution			
TFN amounts withheld from Distribution	0.00	(L)	
Non-Resident Withholding Tax	0.00	(M)	
Net Cash Distribution	719.91		

NOTES:

1. All amounts are reported in Australian dollars and withholding tax has been deducted where applicable.
2. Capital gains. The following information is relevant to non residents of Australia. The capital gains relate to assets that are taxable Australian property (TAP) within the meaning of s855-15 of *the Income Tax Assessment Act 1997 (Cth)* and non-taxable Australian property (NTAP).

Guide to 2023 Annual Tax Statement – Abacus Property Group

This guide has been prepared to assist you to complete your income tax return for the year ended 30 June 2023. It provides general information only and should not be relied on as taxation advice.

This guide is relevant to you if:

- you are an individual investor (not a company, trust or superannuation fund) and an Australian resident for tax purposes;
- you hold your Abacus Property Group securities for the purpose of investment, rather than for resale at a profit, and the capital gains tax (CGT) provisions apply to you; and
- you are using the *Individual tax return instructions 2023* and the *Individual tax return instructions supplement 2023* to complete your income tax return.

2023 DISTRIBUTIONS

Your 2023 Abacus Property Group Annual Tax Statement includes distributions paid by Abacus Trust, Abacus Income Trust and Abacus Storage Property Trust (the **Trusts**) in February 2023 and August 2023. Trust distributions to Australian resident taxpayers are recognised for tax purposes on a 'present entitlement' basis (ie. the period to which the distribution relates) and not on the date of receipt.

The distributions are comprised of non-primary production income, foreign income, capital gains and tax deferred income. These components are explained below. You should mark the YES box at **Item 1** of the Taxpayer's Declaration on page 10 of your *Tax return for individuals 2023* in response to the question 'Are you required to complete any of the items on the *Tax return for individuals (supplementary section) 2023*'

Non-primary production income

This component of your distribution comprises interest and other ordinary income (eg. net rental income). The total of this component should be included at **Item 13U** in the *Tax return for individuals (supplementary section) 2023*.

Foreign Income

This component of your distribution comprises income generated from sources outside Australia.

- Include at **Item 20E** the amounts shown as 'Assessable foreign source income'.
- Include at **Item 20M** the amounts shown as 'Other net foreign source income'.

As some of this income may have been subjected to tax in the foreign jurisdiction in which the income was generated, you may be entitled to receive a credit (or offset) for the foreign tax paid (Foreign Income Tax Offset (**FITO**)). If the total foreign tax paid by you during the year of income is equal to or less than \$1,000, you should be able to claim the entire amount as a FITO. If the amount of foreign tax paid is greater than \$1,000 you can do one of the following:

- Claim a FITO of \$1,000; or
- Calculate the amount of FITO to which you are entitled. The ATO publication *Guide to foreign income tax offset rules 2023* provides instructions as to how this amount is calculated. The calculations can be difficult, and it would be prudent to seek professional assistance in this regard.

At **Item 20O**, include the amount of FITO you are entitled to.

Capital gains

This component of your distribution stems from capital gains realised from the sale of investments. Where applicable, the capital gains comprise:

- **Discounted capital gains** representing assessable net capital gains as determined under the CGT 50% discount method. Such gains have arisen from investments that have been held for more than 12 months;
- **CGT concession amount** representing the non-assessable amount of the net capital gains determined under the CGT 50% discount method. CGT concession amounts do not reduce the CGT cost base of your unitholding;
- **Other capital gains** representing assessable net capital gains on disposal of investments held for less than 12 months. CGT discount is not available and the entire amount of the net gain is fully assessable.

Any 'Discounted capital gains' and 'Other capital gains' should be disclosed at **Item 18** of the *Tax return for individuals (supplementary section) 2023*.

- Mark the YES box at **Item 18G** in response to the question 'Did you have a capital gains tax event during the year?'.
- At **Item 18H**, add the amount shown as 'Total current year capital gains' (in the 'Capital Gains Tax Information' column of your Annual Tax Statement) to your capital gains from other sources.
- At **Item 18A**, add the amounts shown as 'Net capital gain' (in the 'Capital gains tax information' column of your Annual Tax Statement) to your net capital gain from other sources.

If you have capital gains and/or capital losses from other sources, including real estate, shares and units in other trusts, refer to the *Tax return for individuals (supplementary section) 2023* to help you correctly complete items 18H, 18A and 18V (if applicable). In addition, we recommend you seek advice from your professional tax adviser.

Tax deferred income

The tax deferred component generally reflects a trust's allowable tax deductions for depreciation and other capital allowances.

Tax deferred income is generally not assessable to you in the year of income but will reduce the CGT cost base of your investment. Should your cost base be reduced to nil, any additional tax deferred distributions will give rise to an immediate capital gain. However, this capital gain may be reduced under the CGT discount method if you have held your units for 12 months or longer.

Note that tax deferred income you have received from the Abacus Trust reduces the CGT cost base of your Abacus Trust units, tax deferred income you have received from the Abacus Income Trust reduces the CGT cost base of your Abacus Income Trust units and tax deferred income you have received from the Abacus Storage Property Trust reduces the cost base of your Abacus Storage Property Trust units. The distributions and components paid by each trust are shown in a separate statement enclosed with your Annual Tax Statement.

TFN amounts withheld

If you have not provided your Tax File Number (**TFN**) or claimed a relevant exemption, we may have been required to withhold tax from your distributions at the highest marginal tax rate plus Medicare Levy. The tax withheld can be offset against the tax payable on your income at **Item 13R** in the *Tax return for individuals (supplementary section) 2023*.

DISPOSAL OF YOUR SECURITIES

If you sold part or all of your Abacus Property Group securities during the year, you should obtain a copy of the Australian Tax Office publication *Personal investors guide to capital gains tax 2023* or *Guide to capital gains tax 2023* and/or consult your professional tax adviser.

Cost base

Abacus Property Group securities are stapled securities - each security comprises one unit in the Abacus Trust, one unit in the Abacus Income Trust, one unit in the Abacus Storage Property Trust, one share in Abacus Group Holdings Limited, one share in Abacus Group Projects Limited and one share in Abacus Storage Operations Limited. While in FY23 they could only be traded together as Abacus Property Group securities (ASX code: ABP), for Australian tax purposes the units and shares are separate assets.

For CGT purposes, investors who sell their Abacus Property Group securities will need to apportion the cost of each stapled security and the proceeds received on disposal of each stapled security between the units and the shares. This apportionment of proceeds and cost must be done on a reasonable basis.

One possible method of apportionment is on the basis of the relative net asset value of the individual entities. A history of the relative net asset value of the entities is available from our website under Investor Centre. This table is updated every six months following the release of Abacus Property Group financial statements.

The cost base of your individual units is reduced by the tax deferred distribution component you have received from the relevant Trust. A history of distributions showing tax deferred components is available from our website, www.abacusgroup.com.au.