

Metrics Real Estate Multi-Strategy Fund

ASX: MRE



An opportunity to obtain broad exposure to commercial real estate (CRE) investments.

Investment Highlights



Portfolio Diversification

Immediate access to an existing diversified portfolio of private market CRE debt and equity investments via the Fund's indirect exposure to the MCP Real Estate Debt Fund (REDF) and the Metrics Real Estate Equity Opportunities Fund (MREPIIM) (together the Wholesale Funds).



Monthly cash income¹

Income is generated from exposure to CRE debt instruments – predominantly loans to borrowers who need capital for CRE activities.



Equity upside potential

The Fund may generate equity upside from its exposure to a portfolio of CRE investments obtained via its exposure to the Wholesale Funds.



ASX market liquidity

Unit Sets are expected to be jointly quoted on the ASX to provide liquidity via secondary market trading.²

Key Risks

All investments are subject to risk, which means the value of your investment may rise or fall. Before making an investment decision, it is important to understand the risks that can affect the financial performance of the Fund. There is no guarantee that the interests in the fund offered under the PDS will provide a return on capital or repayment of capital, lead to payments of distributions or that there will be any increase in the value of the Unit Sets. Key risks may include:

- ▶ Investment and market risk
- ▶ Investment strategy risk
- ▶ Credit and default risk
- ▶ Interest rate risk
- ▶ Liquidity risk
- ▶ Property market risk
- ▶ Development risk
- ▶ Financing risk
- ▶ Portfolio construction risk
- ▶ Valuation risk

Please refer to Section 7 of the PDS for a more comprehensive summary of potential risks before making an investment decision.

Investment Objective

The Metrics Real Estate Multi-Strategy Fund (Fund)³ seeks to provide investors with exposure to a diversified portfolio of private markets CRE Investments covering the entire capital structure from Senior Secured first registered mortgage Debt investments through to Equity with a view to deliver to investors the Target Total Return. The Fund seeks to provide monthly cash income, seeks to preserve investor capital and manage investment risks, whilst providing potential Equity upside.⁴

Investment Strategy

The Fund's Investment Strategy is to gain exposure to a portfolio of mostly private markets CRE investments covering the entire capital structure from lower risk Senior Secured first registered mortgage loans to higher risk and potentially higher returning investments held with Equity investment in CRE development projects. Through active origination, portfolio construction and risk management the Manager will seek to lower investment risk via diversification of Fund investment portfolios. This will be accomplished by investing in the Metrics CRE Multi-Strategy (Debt) Trust (Passive Trust) and the Metrics CRE Multi-Strategy (Equity) Trust (Active Trust), each of which, in turn, will invest in and alongside the Wholesale Funds.

It is expected that the Fund's capital will be invested as follows:

- ▶ 50% to the Passive Trust and through it, exposure to diversified CRE Debt Investments broadly reflecting the types of lending activity in Australia's CRE Debt market, diversified by borrower, project, sector, geography, stage of development and position in the capital structure; and
- ▶ 50% to the Active Trust and through it, exposure to Equity or hybrid Equity such as Preferred Equity or CRE Debt Investments in CRE development projects and investments. These proportions may change from time to time as determined by the Manager according to how it believes the investment objective of the Fund can be best achieved.

Research Ratings



1. The payment of distributions to Unitholders is dependent on the Trusts receiving distributions from their investments, and these are not guaranteed.
2. An interest in the Fund consists of one Unit in the Active Trust and one Unit in the Passive Trust which are stapled (Unit Set). Unit Sets will be subject to trading liquidity on the ASX. There is no guarantee that Unit Sets will be able to be held at a price equal or higher to that at which they were acquired.
3. The Fund is a stapled structure consisting of the Metrics Real Estate Multi-Strategy Passive Trust (ARSN 679 413 293) and the Metrics Real Estate Multi-Strategy Active Trust (ARSN 679 413 695) proposed to be jointly quoted on the ASX as stapled securities.
4. This is an objective only and may not be achieved. In particular, there is no guarantee that the Fund will be successful in delivering the Target Total Return. An investment in the Fund is subject to risk, including capital loss.

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Fund Terms⁵

ASX Ticker	MRE
Fund	The Metrics Real Estate Multi-Strategy Fund is a staple structure comprised on the Metrics Real Estate Multi-Strategy Passive Trust (Passive Trust) ARSN 679 413 293 and the Metrics Real Estate Multi-Strategy Active Trust (Active Trust) ARSN 679 413 695 (Fund)
Pro Forma NAV based on the IPO Target being reached	A\$2.00
IPO Target	A\$300m ⁶
Manager	Metrics Credit Partners Pty Ltd ABN 27 150 646 996 AFSL 416 146
Target Total Return	10 – 12% (net) p.a. ⁷
Distributions	Monthly (cash) ⁸
Application/Redemptions	Daily via ASX
Management Fees and Costs	1.29% of NAV until the 1 st anniversary of trading on the ASX, and thereafter 1.54% p.a. of the NAV ⁹
Performance Fees	15.38% of the Unit Set Return in excess of the 10% per annum (net of fees) (inclusive of GST net of RITCs) ¹⁰
Responsible Entity	The Trust Company (RE Services) Limited ABN 45 003 278 831 AFSL 235 150

What are CRE Debt Investments?

CRE Debt Investments seek to generate income by providing loans to borrowers who require funding for CRE assets. Typical features of CRE Debt Investments include:

- ▶ The investments are privately negotiated between borrower and lender and they are not issued or exchanged-traded in public capital markets;
- ▶ They are contractual obligations and may benefit from priority ranking in a repayment scenario above other lenders and Equity holders; and
- ▶ They can deliver a range of risk-based return outcomes.

Please refer to Section 3.4.2 and Glossary of the PDS for further explanation and information about the CRE Debt Investments.

What are CRE Co-Investments Assets?

CRE Co-investment Assets refer to a range of Equity or hybrid (Debt as well as Equity) investments that are used in order to partner with CRE companies to fund CRE developments and investments. Typical features of the CRE Co-Investment Assets are:

- ▶ They are private market transactions and not publicly traded instruments;
- ▶ They can be structured as Equity or hybrid Equity such as Preferred Equity investments which provide upside capital growth opportunities for investors while benefitting from enhance capital protections relative to Ordinary Equity.

These may be structured with:

- Coupon payments and/or minimum return hurdles payable to investors before the equity partner received return of capital/profit;
- Key investment and project decisions requiring agreement of the JV partners; and
- Buyout rights if the project partner defaults.

Please refer to Section 3.4.3 and Glossary of the PDS for further explanation and information about the CRE Co-Investment Assets.

5. Capitalised terms have the meaning given to them in the PDS unless the context otherwise requires.

6. The Responsible Entity may determine to accept subscriptions in excess of the Target Subscription and to proceed with an amount lower than the Target Subscription, subject to the Listing Rules.

7. Net of management fees and upfront and ongoing expenses of the Fund through the economic cycle (Target Total Return). This is a target only and may not be achieved. The actual return of the Fund may be lower than the Target Total Return. All investments, including an investment in the Fund, are subject to risk, including capital loss. In calculating the Target Total Return, Metrics has relied on a number of assumptions which may not always be correct, including (without limitation) that the Fund its investments will operate in markets that are generally absent of market or economic shocks that could have a material impact on Australian or international financial markets.

8. The payment of distributions to Unitholders is dependent on the Passive and Active Trust receiving distributions from their investments, and these are not guaranteed.

9. These figures assume a target subscription of A\$300 million.

10. No Performance fee is expected to be paid during the first 12 months of the Fund's operation.

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About Metrics

Metrics is an Australian-based alternative asset management firm specialising in fixed income, Private Credit, Equity and capital markets. Metrics is the appointed manager of a number of wholesale and retail (ASX listed and unlisted) investment trusts including the Metrics Master Income Trust (ASX:MXT) and Metrics Income Opportunities Trust (ASX:MOT), which successfully listed on the ASX in October 2017 and April 2019 respectively. Metrics currently manages approximately A\$20 billion in assets as at the 31 July 2024.

Metrics has established a range of investment products that are designed to provide investors with access to portfolios of fixed income, Private Credit, Equity and capital markets investments which would not normally be available to retail investors.

Metrics has deep relationships with CRE investors including property development companies and sponsors that underpin the capability to originate private markets CRE investments across the entire capital structure including Senior Secured first registered mortgage Debt investments through to Equity, Private Credit, Equity and CRE Co-Investment Asset transactions. Metrics' Investment Team is experienced in the direct origination and management of Private Credit, Equity and capital markets investments and seek to manage risk through detailed initial and ongoing due diligence and portfolio risk management strategies.

How to Access the Offer

If you would like to learn more about the IPO please reach out to your Broker or Pinnacle Representative.

apply.automic.com.au/MRE | invest@metrics.com.au | metrics.com.au/MRE



LEARN MORE

This communication is issued by The Trust Company (RE Services) Limited ABN 45 003 278 831 AFSL 235 150 (Perpetual) as Responsible Entity of the Metrics Real estate Multi-Strategy Fund (a stapled structure consisting of the Metrics Real Estate Multi-Strategy Passive Trust ARSN 679 413 293 and the Metrics Real Estate Multi-Strategy Active Trust ARSN 679 413 695 (Fund)). Metrics Credit Partners Pty Ltd ABN 27 150 646 996 AFSL 416 146 (metrics) is the investment manager. Perpetual is the issuer of units in each Trust.

The information provided in this documentation is of a general nature only and has been prepared without taking into account your objectives, financial situation or needs. Before making an investment decision in respect of the Fund, you should consider the current Product Disclosure Statement and Target Market Determination, available at www.metrics.com.au/mre and assess whether the Fund is appropriate given your objectives, financial situation or needs. If you require advice that takes into account your personal circumstances, you should consult a licensed or authorised financial adviser.

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