

ASX ANNOUNCEMENT

28th January 2025

CORRECTION TO MEDIA ARTICLES

The Trust Company (RE Services) Limited (ABN 45 003 278 831) (**Responsible Entity**), part of Perpetual Limited, is the responsible entity for each of the:

- Metrics Master Income Trust ARSN 620 465 090 (**MXT**)
- Metrics Income Opportunities Trust ARSN 631 320 628 (**MOT**); and
- Metrics Real Estate Multi-Strategy Fund (**MRE**), 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,
(MXT, MOT, MRE together the **Funds**)

The Responsible Entity wishes to issue a clarification as to matters that have been reported in recent media articles in respect of a loan asset to which each of MXT, MOT and MRE were previously indirectly exposed as a result of units held by these funds in the MCP Real Estate Debt Fund (**REDF**).

Certain media articles have suggested that Metrics Credit Partners Pty Ltd (**Metrics**), the investment manager of each Fund as well as certain underlying funds to which the Funds are exposed, following the default of a borrower on its loan, has been forced to assume control of a \$750 million real estate construction project in inner-city Melbourne.

The Responsible Entity wishes to clarify the following:

- Perpetual Corporate Trust Limited in its capacity as custodian for the trustee of MCP Real Estate Debt Fund (**REDF**) provided a land loan (**Loan**) which was senior secured and included, as part of standard security arrangements for such a loan, a first registered mortgage over various properties (**Property**). The aggregated area of the future development site, which was the subject of the security, comprises an area in excess of 14,000m² of predominately vacant land and benefits from certain planning permits for the future potential construction of 6 separate buildings on the land;
- The \$41 million Loan represented a loan to value ratio of approximately 60% against the independent assessed market value at the time the loan was originally provided to the borrower in 2022. The loan amount outstanding on the repayment date in December 2024 increased as a result of the accrual of interest and fees less funds that were repaid via the introduction of a new subordinated loan facility provided by another third-party lender to the borrower;
- at no point has any commitment been provided by any Metrics fund in relation to the provision of additional funding for the proposed future development or construction of buildings on this land;
- following a default on the Loan, receivers were appointed and enforced on the security held and a sales process was conducted;
- prior to completion of the acquisition, a number of independent third-party valuations were obtained which provided valuations in the range of \$50 million to \$71 million;
- Metrics and its associates manage a number of funds, including individual institutional mandates, which have the investment mandate to invest in commercial real estate equity;
- A number of these funds, including funds to which MOT has an indirect exposure in line with its investment mandate, contributed equity to establish a special purpose corporate entity which

bid in the sale process managed by the receiver and successfully acquired the Property for a purchase price of \$53.350 million (excluding GST);

- the loan principal, interest, fees, exit fees and costs owing by the defaulted borrower to REDF were repaid in full from the sale proceeds.

At no time did REDF enter into a facility to finance the construction of this project and it was not forced to take control of a construction project. Under the action taken, REDF recovered 100% of the amounts owed to it under the loan facility.

Metrics confirms that the governance process which included the appointment of independent parties to manage the enforcement and sales process was undertaken in strict compliance with obligations under s420A of the Corporations Act 2001 (Cth).

The assets held in all Funds are subject to daily unit pricing which is disclosed to investors and released to the ASX each day. All financial results in relation to these transactions have been taken to account in the Funds' financial accounts and disclosed in the calculation of the daily unit price. There has been no impact on distributions paid and Metrics funds reflect the correctly assessed carrying values of its assets with the carrying value of the acquired property assets held at the acquisition cost.

Metrics confirms that all income generated from the Loan has been distributed to investors and assets held are subject to the usual monthly independent assessment of market pricing and impairment testing as disclosed in the Product Disclosure Statements of each of the respective Funds.

Authorised for release by the Responsible Entity.

Media contact

Susie Bell
General Manager, Partner
Honour
0420 949 852

Manager

Metrics Credit Partners Pty Ltd
ACN 150 646 996
2 Ridge Street
North Sydney NSW 2060
AFS Licence No 416 146

Trust

Metrics Master Income Trust
ARSN 620 465 090

Unit Registry

Automic Pty Ltd
ACN 152 260 814
Level 5, 126 Philip Street
Sydney NSW 2000

Responsible Entity

The Trust Company (RE Services) Limited

ACN 003 278 831

Level 18, 123 Pitt Street

Sydney NSW 2000

AFS Licence No 235 150

Disclaimer

The Trust Company (RE Services) Limited ABN 45 003 278 831 AFSL 235 150 (**Responsible Entity**) is the responsible entity of each of and the issuer of units in Metrics Master Income Trust ARSN 620 465 090 (**MXT**), Metrics Income Opportunities Trust ARSN 631 320 628 (**MOT**); and Metrics Real Estate Multi-Strategy Fund (**MRE**), 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, (MXT, MOT, MRE together the **Funds**) . This document is issued and authorised for release by the Responsible Entity, and has been prepared by Metrics Credit Partners Pty Ltd ABN 27 150 646 996 AFSL 416 146 (**Metrics** or **Manager**), the investment manager of each Fund.

This announcement is not a product disclosure statement, prospectus, disclosure document or offering document under Australian law or under any other law. No action has been or will be taken to register, qualify or otherwise permit a public offering of the Units in any jurisdiction outside Australia and New Zealand. This announcement is for information purposes only and does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any Units in the Trust. This notice does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. No units in the Funds (**Units**) have been or will be registered under the U.S. Securities Act of 1933 (the **Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Units and Units may not be offered or sold in the United States or to any person acting for the account or benefit of a person in the United States unless they are registered under the Securities Act or unless they are offered or sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable U.S. state securities laws.

The provision of this announcement is not, and should not be considered as, financial product advice. The information in this announcement is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, tax advisor, stockbroker or other professional advisor.

This announcement contains certain "forward-looking statements" including statements regarding the Funds, Manager and the Responsible Entity's intent, belief or current expectations with respect to the Trust, Manager and Responsible Entity's business and operations, market conditions, results of operations, financial condition, and risk management practices. The words "likely", "expect", "aim", "should", "could", "may", "anticipate", "predict", "believe", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements in this announcement include statements regarding the completion of the Placement. Forward-looking

statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Such statements are subject to risk factors associated with an investment in a Fund. Forward-looking statements involve known and unknown risks, uncertainties and assumptions and other important factors that could cause the actual results, performances or achievements of the Trust to be materially different from future results, performances or achievements expressed or implied by such statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this announcement. Except as required by law or regulation (including the ASX Listing Rules), none of the Responsible Entity, the Manager, or their respective representatives or advisers undertakes any obligation to provide any additional or updated information in respect of any statements made including forward-looking statements, whether as a result of a change in expectations or assumptions, conditions, new information, future events or results or otherwise.

Before making an investment decision about any Fund, individuals should read and consider the product disclosure statement for:

- MXT lodged with the ASX on 24 January 2020 and supplementary product disclosure statement lodged with the ASX on 12 March 2020;
- MOT lodged with the ASX on 10 February 2022; and
- MRE dated 2 September 2024 and lodged with the ASX as at 14 October 2024,

(each, a **PDS**), carefully and in its entirety, consider the appropriateness of the information and whether an investment in the relevant Fund is appropriate having regard to their objectives, financial situation and needs, and obtain advice from an appropriate financial adviser. Each PDS is available at (for MXT) www.metrics.com.au/mxt/, (for MOT) www.metrics.com.au/mot and (for MRE) www.metrics.com.au/MRE

The Responsible Entity and the Manager do not guarantee investment performance or distributions, and the value of your investment may rise or fall.