

Alceon Australian Property Fund

December 2025



Overview

An open-ended fund that provides quarterly tax effective income and long-term capital growth from a portfolio of direct and listed real estate and infrastructure, as well as select value-add and development opportunities.

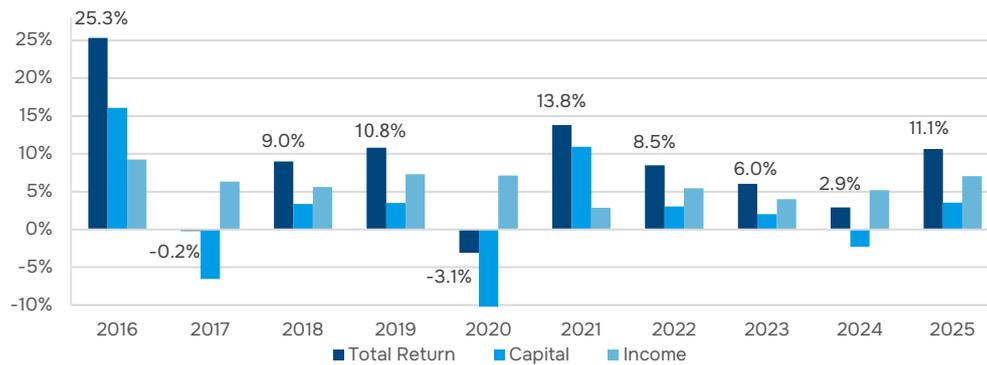
Investment performance

	Month	Quarter	1 Year	3 Year	5 Year	Since inception**
Alceon Australian Property Fund	0.4%	1.7%	11.1%	7.1%	8.0%	10.3%
Fund Benchmark	0.7%	1.7%	14.1%	5.2%	6.4%	9.3%
Value Add	0.3%	0.0%	(3.0%)	1.9%	1.6%	1.0%

*A-REITs Index is the S&P/ASX 300 AREIT Accumulation index; Listed Infrastructure Index is a subset of S&P/ASX 200 Index infrastructure sub industries, as defined by the Global Industry Classification Standard (GICS); Unlisted Property Index is the Mercer/IPD Australia Core Wholesale Property Fund Index.

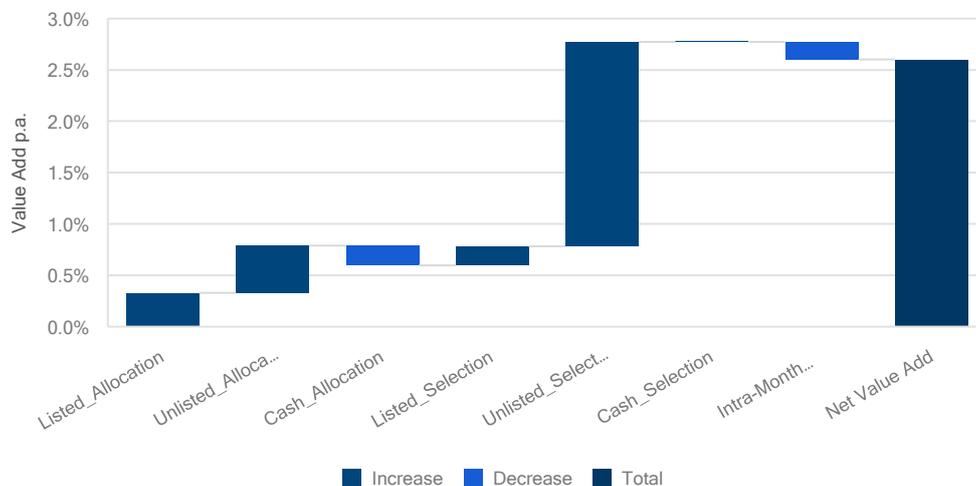
** Alceon Australian Property inception date – effective 1 September 2011. Performance numbers are NET of fees and assume reinvestment of distributions.

Return split by financial years



*Income distribution include net realised capital gains.

Attribution – Since Covid (Dec 19)



Fund Details

Model Portfolio Inception Date

1st September 2011

Fund Inception Date

15th Feb 2015

Objective

Outperform the Benchmark on a rolling 3-year basis

Benchmark

Australian Real Assets Index which is derived from a 50/50 combination of the Australian Listed Real Assets Index and the Australian Unlisted Real Assets Index.

Investment Timeframe

3 – 5 Years

Minimum Investment

\$10,000

Income Distribution

Quarterly

Unit Pricing

Weekly

Management Costs

0.56% p.a. (incl. GST)

Transaction Costs

0.12 % p.a. of the Fund's net assets

Buy / Sell Spread

0.25% / 0.25%

Responsible Entity

Melbourne Securities Corporation Limited

ARSN

169 952 732

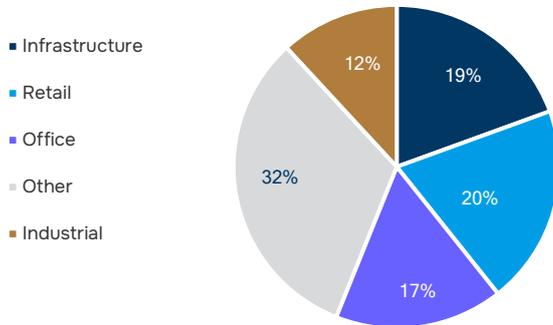
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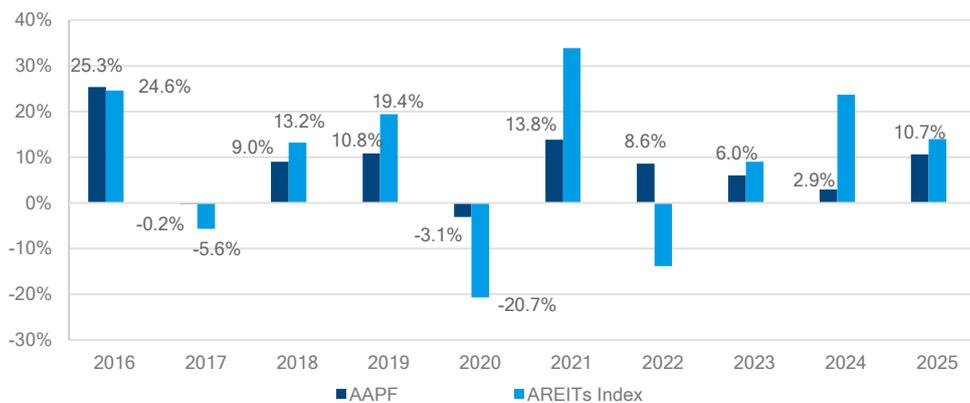
Platforms

BT Wrap, Asgard eWrap, Asgard Infinity Wrap, Netwealth, HUB24

Sector allocation



Financial year returns



Quarterly Update

The Fund delivered a return of 1.7% for the December quarter, in line with its Benchmark. Over calendar year 2025, the ASX200 A-REIT Index returned 9.2%, however ex GMG the total return was a more healthy 23.6%.

By month, the A-REIT sector was mainly flat in October with a sell off late in the month triggered by rate cut expectations declining. This was followed by a weak November with the sector falling following higher than expected inflation numbers, reinforcing the narrative that the RBA would hold rates, eliminating potential cuts. December was a better month for the sector, driven by Goodman Group (GMG) which finally announced a large European data centre partnership while residential companies lagged on rising expectations of higher rates in 2026.

Monetary policy continues to remain a key driver of market sentiment as bond yields moved higher over the period. Australian 10-year government bond yield increased by 45 basis points to end the year at 4.75% (+38bps year on year).

The Reserve Bank of Australia (RBA) has kept rates on hold during the period with the cash rate 3.60%. Factors that have influenced the RBA's decision include inflation remaining above the target range with CPI around 3.8% together with stronger than expected labour market conditions. Futures pricing indicates that the market is expecting 1-2 rate hikes in 2026 which is a stark turnaround from the end of September, where markets were pricing in a 50% chance of a rate cut.

On the economic front, the Australian Bureau of Statistics (ABS) has transitioned to monthly CPI statistics allowing more frequent monitoring of price trends for monetary policy decisions. The readings for inflation in the quarter remain above the RBA's target 2-3% range, with the data showing persistence in price pressures, particularly in housing and electricity costs.

The labour market remains resilient, with net employment unexpectedly falling by ~23k jobs in November, the largest monthly decline in nine months, although the unemployment rate held at 4.3%.

Listed Market Update

	Month	Quarter	1 Year	3 Year	5 Year	Since inception**
Listed Portfolio (net of fees)	0.0%	1.6%	18.5%	10.1%	8.7%	10.6%
Listed Benchmark	0.1%	1.1%	21.1%	10.3%	9.1%	10.5%
Value Add	-0.1%	0.5%	-2.6%	-0.2%	-0.4%	0.1%

The listed component of the Fund delivered a return of 1.6% for the December quarter, outperforming the customised listed asset benchmark.

The early part of the quarter saw the release of quarterlies from most of the listed A-REITs. In the residential space, SGP and MGR reported mixed sales results, with MGR unconditional sales flat while SGP reported a 15% increase. MGR did however see a sizeable 150 lot quarter on quarter increase in conditional residential sales which points to good momentum going forward.

In the office sector, DXS reported a marginal decline in occupancy to 91.2% from 92.3% while incentive increased to 28.7% from 26.8%, highlighting the ongoing challenging office market conditions.

Within the retail sub-sector, VCX posted strong 1Q26 results, with 12-month MAT growth up +3.5% and speciality MAT growth up +3.1%. Leasing spreads saw a continuation of the trend we've seen over the last year, rising 2.9%. SCG also reported robust numbers, with specialty sales growth up +4.4% quarter on quarter, with occupancy trending higher to 99.8% and leasing spreads positive at +3.0%. SCG also had a busy quarter on the capital transaction side, announcing a new Dexus managed fund will purchase a 25% interest in Westfield Chermside, Brisbane for \$683 million and the introduction of a new joint venture partner, Australian Retirement Trust (ART), which will purchase a 19.9% interest in Westfield Sydney for \$864 million.

In industrial, GMG reported a soft quarterly, but this was overshadowed by the announcement that CPP Investments and GMG have entered a 50/50 partnership to develop a portfolio of data centre projects across key European markets. This venture, known as the Goodman European Data Centre Development Partnership (GEDCDP), marks CPP Investments' first data centre partnership in Europe and will total \$14bn of investment over seven years. This deal has come earlier than the market expected and was well received by the market.

The other key capital transaction during the quarter was NSR announcing it has entered a Scheme Implementation Deed (SID) with a consortium comprising affiliates of GIC and entities owned by Brookfield Asset Management. The Consortium intends to acquire 100% of NSR's securities with NSR securityholders receiving \$2.86 cash per security reduceable by the 6.0c distribution declared for 1H26. NSR's Board has unanimously recommended NSR securityholders vote in favour of the Transaction in the absence of a superior proposal and subject to an independent expert concluding that the Transaction is in the best interests of NSR securityholders'.

Listed Market Contributors

ASK (overweight) – The company benefited from news of Brookfield Asset Management and Singaporean sovereign wealth fund GIC agreeing to buy NSR in a deal valuing the ASK competitor at almost US\$4.5bn. The deal comes four months after U.S.-listed Public Storage and Ki Corp abandoned an attempt to takeover ASK, after being unable to agree to a price.

MGR (underweight) – The company underperformed as interest rate expectations for 2026 turned from expecting potential rate cuts to the market now pricing in rate hikes in 2026. The company also released its quarterly with MGR reaffirming guidance of operating earnings per security of between 12.8 to 13.0 cents in FY26 and distribution per security of 9.5 cents, subject to key assumptions. These include achieving between 2,000 to 2,300 residential lot settlements and executing capital partnering initiatives at key development projects, with the weighted average cost of debt expected to be 5.3%.

SGP (underweight) – The company underperformed on shifting interest rate expectations. That said, their quarterly report showed a 15% increase in net sales and a doubling of enquiries following the introduction of the governments "low deposit" stimulus. The company also re-affirmed guidance of FY26 FFO per security of 36.0 to 37.0 cents with a slightly smaller weighting to 2H26 than FY25.

Listed Market Detractors

GMG (overweight) – The company underperformed over the quarter despite announcing news of a European capital partner (CPPIB) committing \$14bn to its inaugural European data centre Fund in December. The 50/50 partnership will involve an initial capital commitment of \$3.9bn to develop the initial four projects in Paris, Frankfurt and Amsterdam. The four projects total 435MW of primary power and 282 MW of IT load. All projects have secured power, planning permits and substantial infrastructure works enabling construction to commence by June 2026.

CIP (overweight) – The company released its quarterly result with CIP upgrading its FY26 guidance range for FFO per share to between 18.2c and 18.5c versus the previous guidance of 18.0c to 18.5c while also reaffirming DPS guidance for 16.8c. There was no other news during the quarter, however the company had performed well during October and November but was impacted by profit taking.

WPR (overweight) – WPR announced late in the quarter that key tenant Viva Energy (VEA) has formally exercised 21/26 CY26 lease expiries, extending its tenure to August 2036. The aggregate rental income from these leases will increase by 12.3% relative to current passing rental income, effective from the commencement of the option term in August 2026.

Unlisted Market Update

	Month	Quarter	1 Year	3 Year	5 Year	Since inception**
Unlisted Portfolio (net of fees)	1.0%	2.0%	5.2%	4.8%	7.2%	8.7%
Unlisted Benchmark	1.4%	2.3%	7.2%	-0.3%	3.1%	6.4%
Value Add	-0.4%	-0.3%	-2.0%	5.1%	4.2%	2.3%

The Unlisted portfolio delivered a return of 2.0% for the December quarter. As the valuation downturn moves toward its end, conditions have improved however with inflation remaining persistently above the RBA's target range, there is a renewed worry of higher interest rates impacting returns.

Broader market challenges have persisted, but metrics are slowly improving. The Fund's comparatively low exposure to several large core real estate vehicles within the unlisted benchmark has been a key contributor to its relative outperformance over the longer term as valuations have recalibrated across markets.

The Fund continues to generate both income and capital inflows, supporting a strong liquidity position and enabling reinvestment. While transaction activity in high-quality unlisted equity has remained subdued over the past year, early signs of increased market activity are emerging. Ongoing capital scarcity across the sector is creating attractive entry points for well-positioned investors.

In this context, as debt investments roll off and capital is redeployed, the Fund plans to progressively build exposure to select unlisted equity opportunities offering compelling value.

Portfolio Changes

In the unlisted portfolio the Fund did not enter any new positions during the quarter. The fund continues to receive proceeds from the Core Residual Stock Loan Fund (Core RSL) in line with expectations with 25% of funds already returned.

Within the listed portfolio the Fund initiated a new position in NSR early in the quarter going marginally overweight. We subsequently exited the position following the announcement that NSR has entered a Scheme Implementation Deed (SID) with a consortium comprising affiliates of GIC and entities owned by Brookfield Asset Management to acquire all the shares in NSR at \$2.86 per security, a significant increase on our entry price of ~\$2.30.

Outlook

While macroeconomic and geopolitical uncertainty remains elevated, we believe the current environment continues to offer attractive opportunities for patient and disciplined investors. Heightened volatility across asset classes has drawn renewed interest from investors who previously remained on the sidelines, with many now viewing the recent dislocation as a favourable entry point.

We see today's market turbulence creating opportunities, particularly as markets digest policy uncertainty linked to geopolitical developments globally and economic data. These dynamics have added complexity to the macro outlook – conditions that equity markets typically find challenging in the near term but rewarding for selective, long-term investors.

Central bank policy expectations remain an important consideration. While the U.S. Federal Reserve is widely expected to begin easing policy in the second half of 2025 to support moderating growth, the outlook in Australia is more nuanced. Markets are increasingly pricing in the possibility of 1–2 rate hikes by the Reserve Bank of Australia in 2026, reflecting domestic inflation persistence and relative economic resilience. Even so, policy settings are expected to remain broadly supportive, and interest rates are likely to stabilise at levels well below historical peaks. This environment remains constructive for real assets, where income durability, pricing power, and disciplined capital structures can help offset higher-for-longer rate risks.

From a portfolio perspective, the Fund remains modestly overweight listed assets. This positioning reflects strong equity market performance toward the latter part of the year, the sale of an unlisted debt position, and a temporary liquidity allocation to support the December distribution. The listed portfolio remains well positioned to benefit from further valuation support should global monetary conditions ease or growth expectations stabilise.

We are also seeing a noticeable uplift in equity deal activity, with a growing pipeline of high-quality opportunities coming to market. Our approach remains highly selective and patient, focusing on investments with strong revenue visibility, conservative leverage, and sponsorship from experienced, reputable managers. We believe these characteristics are critical for navigating an environment of ongoing macroeconomic and policy uncertainty.

At the time of writing, the Fund is yielding approximately 6.25%, representing a historically wide-spread relative to long-term government bond yields. This continues to present a compelling income proposition for investors seeking defensive, real asset-backed cash flows amid an evolving interest rate landscape.

Current & active weights

Asset Class	Benchmark	Range	Current	Active Weight
A-REITs	40%	20%-100%	42.9%	2.9%
Listed Infrastructure	10%	0%-60%	9.5%	(0.5%)
Unlisted Property	50%	0%-80%	43.8%	(6.2%)
Cash	0%	0%-20%	3.7%	3.7%

Top 6 portfolio positions

Security	Portfolio Weight	Sector
Scentre Group	10.0%	Retail
Transurban Group	9.2%	Infrastructure
Mirvac Wholesale Office Fund	5.2%	Office
Stockland Property Trust	4.6%	Other
Alceon Real Estate Opportunity Trust	4.6%	Other
Alceon ARE Trust	3.1%	Office

Top 6 portfolio positions

Fund	Total Portfolio Weight	Unlisted Portfolio Weight
Mirvac Wholesale Office Fund	5.1%	11.7%
Alceon Real Estate Opportunity Fund	4.5%	10.2%
Alceon ARE Trust	3.2%	7.2%
MA Prime Logistic Fund	2.9%	6.6%
Alceon Group Core RSL Trust	2.4%	5.5%
Silky Oaks Property Fund	2.2%	5.0%
8 Station Street Property Trust	2.1%	4.8%
ARESCF	2.1%	4.7%
Pacific Suites Trust	2.0%	4.7%
Shenton Trust	1.8%	4.1%
AMP Capital Diversified Infrastructure Trust A	1.8%	4.0%
Palisade Impact Fund Trust	1.7%	4.0%
Palisade Impact Fund Operating Trust	1.6%	3.7%
Palisade's Renewable Energy Fund 2	1.5%	3.4%
Palisade Renewable Energy Fund 1	1.4%	3.2%
Bingara Gorge Trust	1.2%	2.7%
Creation Homes Preferred Equity No.2 Trust	1.1%	2.6%
RE Opportunity F. 2	1.1%	2.5%
RE Opportunity Fund 1	0.9%	1.9%
Highfields Development Trust	0.7%	1.6%
Creation QLD Dev't Trust	0.6%	1.4%
Creation Homes Dev't Trust No.2	0.5%	1.2%
Westpac House	0.4%	0.8%
Alceon Formerly	0.4%	0.8%
AMP Capital Diversified Infrastructure Trust B	0.3%	0.6%
Highfield Entitlement	0.1%	0.3%
Trevet Property Box Hill	0.1%	0.3%
Perth Rail Link Property Trust	0.1%	0.3%
Creation H Dev Tr2 B	0.1%	0.2%
TOTAL	45%	100%

Unlisted portfolio update

ARE Trust: Represents a subordinated debt position secured against a portfolio of premium grade NZ commercial assets in Auckland with a peak LVR forecast to be ~61% versus an LVR covenant of 70%. The assets continue to perform well with 1 Albert Street >90% leased, Formery continuing to lease up (now ~65%) and good interest in the Harbour collection. The borrower has swapped 1 asset in the Harbour Collection for a freehold site in midtown Auckland containing a 50% occupied 11,312sqm office tower, 6,627sqm retail asset and a 414 bay carpark and podium with additional office space. The Fund remains on track to deliver an IRR of circa 12% with a holding period of circa 4 years.

MAPLF: The Moelis Australia Prime Logistics Fund increased by 3.2% for the December quarter and 7.9% for the year. The Fund remains conservatively geared at circa 35% and has a WALE of circa 10 years underpinned by annual fixed reviews.

MWOF: The Mirvac Wholesale Office Fund increased by 2.7% over the December quarter, consisting of 1.0% of income return and 1.7% of capital return. Over the calendar year the fund achieved a return a total return of 8.0% net of fees. Each asset within the portfolio was independently valued as at 31 December 2025. The portfolio weighted average capitalisation rate firmed 1bp to 6.00%, and the weighted average discount rate firmed by 1bp from 7.08% to 7.07%. Portfolio capitalisation and discount rates have been largely stable since September 2024, supported by continued transaction evidence.

Silky Oaks: The Silky Oaks Property Fund comprises four adjacent properties between Hunter and King St's in Newcastle acquired for \$34.5m with an LVR of 29%. The Fund valuation was stable over the quarter as the manager prepared the property for redevelopment. This strategy is now under review, with several new leases signed recently to bolster the underlying income stream given the development timing may take longer than initially expected.

ARECSMF: The Alceon Real Estate Corporate Senior Master Fund's objective is to provide a quarterly income stream derived from a diversified pool of loans secured by real estate in Australia and New Zealand. The Fund is required to have a minimum of 70% invested in senior/first mortgage loans with a maximum LVR of 65%. Up to 30% of the Fund can be allocated to intermediate capital. The Fund continues to perform well with a conservatively positioned portfolio where 89% is invested in senior debt, a weighted LVR of 64.7% and a weighted average loan duration of 8.4 months. In the 12 months to December 2025, the Fund delivered a net return of 9.64% p.a. to investors.

Palisade Renewable Energy Fund: The Palisade Renewable Energy Fund's assets include wind farm assets in Waterloo, Hallett and Snowtown, South Australia, Granville Harbour, Tasmania and Ross River Solar Farm in QLD. The Australian energy market continues to transition to a generation mix dominated by wind, solar and other forms of sustainable energy. The Fund returned 5.9% for the December quarter, underpinned by stronger valuations.

EPG8SS: The Eagle Property Group, 8 Station St Wollongong asset is 100% leased to the Department of Defence on a 10-year lease until January 2030. We remain happy to continue to hold, with the Fund looking to enhance its Greenstar rating which will support an extension from the current tenant. With no other capital to spend on the asset and a secure income stream the asset provides a strong risk adjusted return to the Fund.

Pacific Suites Trust: The Trust holds an existing nine-storey mixed use building comprising 153 apartments, basement parking and ground floor commercial plus gym and pool facilities. While underlying sales have been slow, impacting Fund returns we are currently reviewing various strategies to expedite the return of capital to investors. As at the end of the December 2025, 78 contracts have been settled. Going forward the market remains uncertain and as a consequence an updated cash multiple of 1.05 to 1.10x is assumed.

DDIT: The Dexu Diversified Infrastructure Fund provides exposure to airports, electricity and gas distribution, rail rolling stock and student housing and returned 0.6% for the December quarter. The major asset in the portfolio is a minority ownership of Australia Pacific Airports Corporation (APAC), which owns Melbourne and Launceston Airports. Dexu as manager for the Dexu Bloc shareholding of APAC which includes DDIT's holding, has been accused of breaching the APAC shareholders deed by the APAC Board which could see Dexu being forced to sell the Dexu Bloc shareholdings to other existing holders. Should Dexu be forced to sell we do not envision the fund operating in its current form with APAC being the largest holding in the fund. We expect the outcome to be known by the end of April.

Palisade Impact Fund: The Palisade Impact Fund focuses on next generation infrastructure and infrastructure type businesses that provide essential services to support future economic activity. The Fund returned 4.2% for the December quarter. The first investment was GigaComm which is a next generation communications infrastructure company that owns network infrastructure, enabling it to provide low-cost high-speed, reliable internet to thousands of homes, including social housing, and businesses across Australia. This position continues to track well ahead of original feasibility. The second investment is Pure Sky Energy which is a leading US community solar platform that generates circa 191MW of electricity from 39 separate projects across 3 states guaranteeing energy savings in return for long term contracts up to 20 years in length. The next investment is Repurpose

IT – a leading closed loop resource recovery provider specialising in processing C&D and organic waste to produce high quality repurposed materials. The latest investments are IPLiving, a purpose led retirement living platform formed by PI and Zig Inge Group, and Energy Locals Platform, a leading distributed energy platform that provides greener and more cost-effective energy network services to Australian residents & developers of multi-unit buildings.

CPE2: The Creation Homes Preferred Equity No.2 Trust was restructured in Q4 2025, with the Fund's investment now being invested in the Angle Vale and Frisby Road residential land subdivision projects. The Fund is forecast to deliver a 15.5% pre-tax net IRR and a 1.63x net cash multiple, over an extended investment tenor which will see the Fund invested in the two projects until the end of 2028. Of the 364 land lots being delivered at the two land subdivision projects, 235 lots have successfully settled to end purchasers, and a further 28 lots are at various stages of the sale process.

REOF#1: The Real Estate Opportunity Fund #1 has invested in two well-located and de-risked mixed-use development projects located in Gosford and Cronulla, which are New South Wales sub-markets with strong real estate fundamentals. The Fund remains on track to deliver net IRR returns in the range of 15-20%.

The first project, branded 'Rumbalara Residences', is located at 87-89 John Whiteway Drive in Gosford NSW. As foreshadowed in our last update, the 188-apartment project completed in Q1 2025 and 59 apartments have successfully settled to date (inclusive of the 58 presold contracts). Consistent with our realisation strategy, an investment loan that is secured over the remaining 118 unsold completed apartments was introduced into the capital structure in May 2025 which generated sufficient proceeds for the Fund to make a 25% return of capital to investors. Pleasingly, recent sales have exceeded most recent valuations.

The second project is a joint venture with Sammut Group to deliver a mixed-use development over an amalgamated site at 3-23 Kingsway, Cronulla NSW. On completion the project will deliver 112 luxury apartments, 4 levels of basement car park and approx. 4,200sqm of retail and commercial space. To date, 59/112 residential sales have been achieved off the plan and the balance of stock continues to be actively marketed. All eight commercial lots are fully presold and all of the retail (including supermarket) are under lease with the exception of one small specialty lot (164sqm) remaining. Practical completion is expected for Q4 2026.

BGT: The Bingara Gorge Trust hold a 50% equity interest in a large-scale residential land lot subdivision located in Bingara Gorge, Wilton. The project was jointly acquired by Creation Homes and Alceon and comprises an established 896-lot master-planned residential community estate, 82kms southwest of Sydney. The sales prices achieved to date have been significantly higher than the IM base case. While sales rates have slowed, prices have been maintained, cost to complete remains in line with budget and interest costs are expected to be higher than budget. As a result of the project's slower sales rate and the corresponding delay in equity capital repatriation, we expect that the project will deliver a pre-tax net IRR of 15% (relative to an IM forecast of 20%-24%) over an 83-month investment term (relative to an IM forecast of 36 months).

IWEST: The ICAM Westpac House Investment Trust owns the Westpac House commercial office in Adelaide. The asset is performing in line with expectations. The manager has guided to an exit within the next 24 months.

Creation Qld: The Creation Qld Development Trust has invested in the development of two infill townhouse residential development projects being undertaken in partnership with the Creation Homes Group ("Creation Homes") across the inner-city of Brisbane. These include: 83 x 3 and 4 bedroom townhouses at Hamilton Road, McDowall, 16kms north of the Brisbane CBD; and 90 x 3 and 4 bedroom townhouses at Gardner Road, Rochedale, 15kms southeast of the Brisbane CBD. The McDowall project is complete, with the Rochedale project delayed by over 24 months relative to the original forecast. The Rochedale project is being delivered across three stages, with the latest status summarised below:

Stage 1: Construction completed and settlements commenced. Stage 2: Construction completed and settlements forecasted for the end of February 2026. Stage 3: Construction largely completed, with settlements forecasted for the end of April 2026.

The Fund is forecast to deliver an IRR of between 7% and 8% over a forecast 51-month investment period, concluding in Q1 2026.

The Highfields Development Trust holds five land parcels located within the Port Macquarie Medical Precinct with a purchase price of \$15.5m. The 20,785sqm site is located within the Master Plan approved Port Macquarie Health & Education Precinct and benefits from an existing DA for a medical centre on a portion of the site. The DA proposal continues to progress, with Council actively engaged and motivated to progress the potential development opportunity.

CDT#2: The Creation Development Trust #2 has invested in a portfolio of four residential developments in partnership with Creation Homes Group. The projects are diversified by mix and geography, including a townhouse development in the lower north shore of Sydney, a house and land development in Sydney's southwest growth corridor, a house and land development located in Melbourne's inner west and a townhouse development in inner-city Brisbane. The updated forecasts are anticipated to be between 4-8% IRR over a longer 85-month investment timeframe concluding 2Q2027 as opposed to the original IM expectations of 18-22% IRR over a 33-month time frame concluding in mid-2024.

EGPRL: Within the EG Perth Rail Link Trust there is now only one remaining site after the sale of Lot 25, with a bid being accepted. EG Funds Management has sought to modify the planning restrictions to allow a hotel use where this was a condition of an offer to acquire the remainder of the site.

Shenton Trust: The Shenton Trust investment is a residual stock loan earning 10.5% net IRR (all interest capitalised and paid on completion) secured against a newly completed neighbourhood shopping centre located in Shenton Park, WA an affluent inner western suburb of Perth - located just 6km (11 minutes) from the Perth CBD. The newly constructed shopping centre was part of a recently completed mixed-use residential development, with the retail component comprising a 4,305sqm of retail space on ground floor (including 2,500sqm leased to Coles), 2 levels of above ground parking (269 parking bays) and loading dock. Given the slow leasing progress, it is likely the loan will be delayed in being repaid (from the original forecast 5-month term) however is receiving a very attractive return relative to the underlying risk in the investment.

Formerly Trust: The Alceon Formerly Trust is a short-term senior facility that was repaid in early July. The Fund subsequently re-entered into the position with a significantly reduced exposure in late July. The Formerly office development is the redevelopment of three office buildings consolidated in 2021 in Auckland, New Zealand.

Alceon Real Estate Opportunity Fund: The Alceon Real Estate Opportunity Fund (AREOF) is an open-ended fund underpinned by an opportunistic real estate investment strategy to invest in transactions and projects that benefit from intrinsic market dislocations and compelling underlying fundamentals, and where Alceon is confident in its ability to leverage available resources to deliver above-market, attractive risk adjusted returns. The Fund will invest in transactions that provide capital across all layers of the capital stack, except ordinary equity, to real estate development and investment opportunities predominately covering the mid-market segment, meaning deal sizes ranging from \$20m to \$200m. This will include investments across residential, office, retail, land lease and industrial markets. The Fund returned 3.8% for the December quarter and 15.3% for the Calendar year, in line with target returns.

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