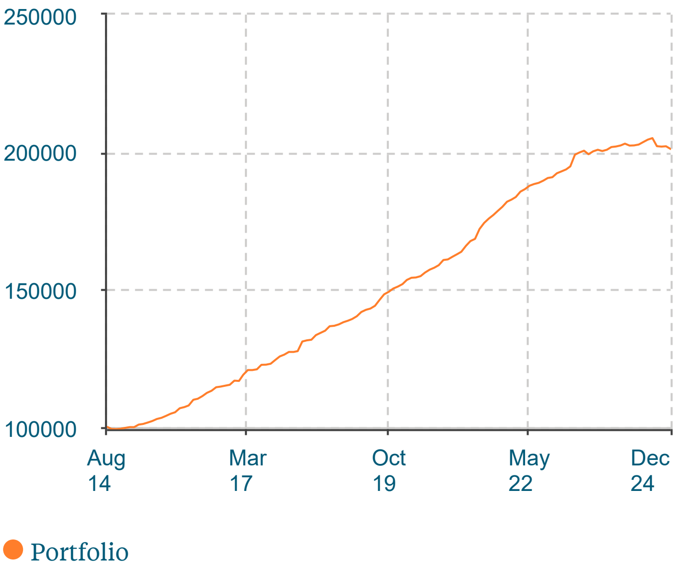
MAPS Real Assets Portfolio

As at 31 December 2024

Growth of $100,000 since inception



Performance

	Portfolio
Since inception (% p.a.)	7.00%
10 Years (% p.a.)	7.27%
7 Years (% p.a.)	6.75%
5 Years (% p.a.)	5.89%
3 Years (% p.a.)	3.40%
1 Year	-0.45%
6 Months	-1.24%
3 Months	-0.50%
1 Month	-0.49%

Source: Atrium Investment Management, HUB24. Merged Performance data - the performance chart shows the performance of the Atrium Real Assets Fund from 2 September 2014 to 5 December 2018 and the performance of the Real Assets portfolio of the Integrated Managed Accounts Portfolio Service (MAPS) from 6 December 2018. The performance figures do not take into account platform administration fees that may apply and may not take into account some or all of the rebates you may receive as an investor in the MAPS Real Assets Portfolio. Past performance is not a reliable indicator of future performance. Future performance and return of capital are not guaranteed. Performance figures are based on input data available as at the date of this report.

Investment objective

To provide a diversified return delivered through a combination of income and capital gains.

Investment strategy

The Investment Portfolio will invest in the Atrium Real Assets Fund (ARAF), providing investors with exposure to a portfolio of illiquid assets diversified by asset class, position in the capital structure and geography, and selected for their potential to earn superior risk adjusted returns. ARAF has a broad mandate, with the ability to invest:

• In real assets that can provide portfolio diversification and that are characterised by having the potential for stable and growing cash flow, capital appreciation and/or inflation protection.
• In other illiquid assets that may provide portfolio diversification, including intangible assets.
• Directly, or indirectly through third party managed investment vehicles.

Atrium expects that the Investment Portfolio will be predominantly invested in assets providing exposure to the Australian economy but may be invested in assets providing exposure to other economies where the risks are considered appropriate. Atrium may, at its discretion, invest the Investment Portfolio in other securities that provide exposures that are consistent with the investment strategy.

Key facts

Inception date	02 September 2014
Product code	Various Series
Investment strategy	Private Markets - Active
Investment horizon	7 - 10 years
Liquidity	Illiquid
Platform availability	HUB24

Volatility & Sharpe Ratio

	10 Years	7 Years	5 Years	3 Years
Volatility (% p.a.)	1.94	1.99	1.94	1.90

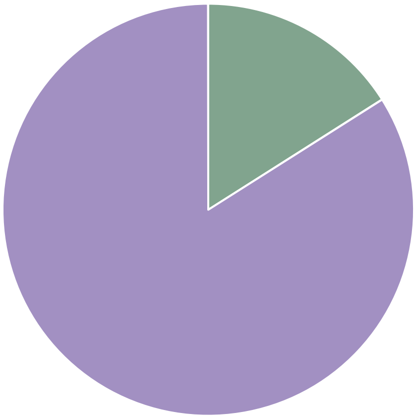
What is volatility?

Volatility measures the fluctuations, or changes, in the price of an asset or market index. Assets with higher volatility generally have greater price changes, both positive and negative, and so higher volatility is generally an indication of higher risk.

What is the Sharpe Ratio?

The Sharpe Ratio measures returns relative to the volatility, or risk, that was taken to achieve that return. The higher the ratio, the better the risk-adjusted performance has been - in other words, the investment risks taken have delivered better returns to the portfolio.

Asset allocation



●	Cash	16.03%
●	Private markets	83.97%

Source: Atrium Investment Management. Asset allocations may change at any time. May not include all open futures or derivatives positions. Cash may include allocations to shorter term rates and credit investments that may, at times, be subject to capital volatility. Figures are based on input data available as at the date of this report. Due to rounding, numbers might not add up to 100%.

Atrium aims to achieve its investment objectives by investing across a range of asset classes on a global basis that provide exposure to different risk factors.

Each asset is included in the Portfolio for its ability to contribute to returns on a stand alone basis.

The investment universe comprises of 3 broad categories - Preservers, Growth Drivers and Diversifiers.

Preservers

Assets that protect the portfolio during periods of heightened equity market volatility and preserve capital, such as cash, government bonds and high quality investment grade bonds.

Growth Drivers

Assets that are expected to deliver higher rates of return over time with higher levels of associated volatility (risk).
This predominantly comprises equities but also includes other assets that are highly correlated to equities such as listed property and infrastructure.

Diversifiers

Assets that generate additional real returns, with performance that is typically uncorrelated to the growth drivers and preservers within the portfolio.
Importantly, they are a source of portfolio diversification away from equity market and interest rate risks, such as liquid alternatives and private markets.

Top holdings

Holding	Weight	Capital Position
CASH POSITION	16.03%	Cash
REALSIDE 108 ST GEORGES TERRACE FUND	8.13%	Equity - commerical property
KEYVIEW CREDIT OPPORTUNITIES FUND	7.86%	Diversified
URBNSURF GROUP PTY LTD	6.67%	Equity - venture/pe
OVEST INDUSTRIAL FUND NO. 1	5.28%	Equity - commerical property
REALSIDE ION HOLDINGS TRUST	4.88%	Senior debt
ROC PRIVATE CREDIT FUND	4.66%	Senior debt
REALSIDE 388 HAY PROPERTY FUND	4.51%	Equity - commerical property
DEXUS WHOLESALE AUSTRALIAN PROPERTY FUND	4.46%	Equity - direct property
OVEST INDUSTRIAL FUND NO. 2	4.39%	Equity - commerical property

Source: Atrium Investment Management. Asset allocations may change at any time. May not include all open futures or derivatives positions. Cash may include allocations to shorter term rates and credit investments that may, at times, be subject to capital volatility. Holdings are based on input data available as at the date of this report.

Market update

Equities rose in the December quarter, the fifth consecutive quarterly gain, to close out a strong year. The US market outperformed, helped by ongoing strong returns in Information Technology. Australian equities actually fell slightly over the quarter. Government bond yields rose sharply in major markets in December. The Australian dollar fell sharply, and the gold price slid slightly from record highs earlier in the quarter.

US equities gained 2.4% in the quarter with notable contributions from:
• Automobile stocks led the market for the quarter, with Tesla gaining 54%, partly reflecting Elon Musk's involvement in the Trump political campaign.

• Energy and the Banking Sector were also supported by the election result. Although the exact policy stance is unclear, both stand to benefit from a deregulation focus under Republicans.
• Gold and Copper-related stocks were hit hard, partly reflecting the strong US dollar, and falling commodity prices.

The Australian market underperformed the US market in December and over the quarter.
• Significant weakness was seen in Real Estate, which continues to suffer under higher funding rates, and in particular the Materials Sector, where market leader BHP fell by almost 14% over the quarter, driven by commodity prices, and uncertainty as to whether Chinese authorities have done enough to support their economy and property sector.
• Gains were seen in the Financial Sector, although the major Banks were mixed over the quarter.

US 10-year bond yields rose over the quarter. The rise commenced following the Federal Reserve's rate cut in September, and this continued through October. The US election result saw some further selling pressure in early November, pushing yields higher, before a further push higher in yields through December as the markets started to factor in some possibility that the Fed may need to hike rates, rather than cutting further as previously assumed. Australian bond yields rose, generally moving in line with the much larger US market.

As bond yields rose, one notable victim was the Australian dollar which fell very sharply in December (-5.2%), leaving it almost 11% lower over the quarter.

Performance

Performance for ARAF was challenging in the recent quarter, with mixed valuation results in commercial property holdings, with the primary detractor a decline in the Realside Adelaide Office Fund. Encouragingly, the portfolio's private credit investments continue to perform well, partially offsetting the property-related headwinds and providing a portfolio ballast.

While the portfolio's real estate valuations continue to face headwinds, pleasingly, the investment in Realside 45 Pirie Street Fund performed positively over the quarter after a valuation uplift of c.29%. The uplift takes into consideration the completed refurbishment works along with the positive leasing that has been achieved to date. It is a catch up of the capital invested into the building during the refurbishment program that is not recognised until a formal valuation is completed.

The private credit assets in the portfolio continue to deliver positive returns with the standout contributors including the Keyview Flagship and Credit Opportunities Fund. Our focus remains on ensuring the underlying investments continue to perform in-line with expectations.

Portfolio changes

We utilised some of the portfolio cash position to co-invest in a senior secured facility to an ASX- listed real estate manager that is seeking 'transitional' capital to refinance debt and undertake a targeted asset disposition program. The loan facility boasts excellent debt coverage and a well progressed asset disposal program which in turn will drive an attractive risk-adjusted return.

We have fully exited our investment in the Keyview Flagship Fund during the quarter as we look to diversify our underlying private credit fund investment exposures. We are currently assessing further investment opportunities across various asset classes, notably private credit and private equity.

Outlook

Private credit remains attractive as strong demand for funding alongside higher cash rates provides structural tailwinds. Default rates remain low across the portfolio even with a prolonged period of higher rates, highlighting the portfolio diversification. We continue to focus on low-competition lending with high quality counterparties and sufficient downside protection. Broadly, the private credit landscape is set to grow into 2025, as a higher-rate environment fosters demand for creative capital solutions, offering borrowers attractive refinancing opportunities.

The commercial property sector may see significant transformations in 2025 as inflation concerns ease and interest rate cuts loom. Well-located core assets have largely repriced and are poised to recover in 2025. We believe high-quality commercial properties could rebound, as years of reduced office space demand pave the way for investors to re-enter the market at attractive, lower prices. The portfolio has seen negative repricing across its commercial property exposures which we expect will ease. If interest rates decline as expected in 2025 and the economy remains stable, we could see a return to positive property revaluations, supported by steady occupancy and rental growth.

For more information

If you have any questions, please contact your Financial Adviser or www.atriuminvest.com.au