Alceon Australian Property Fund
September 2025 Investment Update

Alceon Real Estate

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.

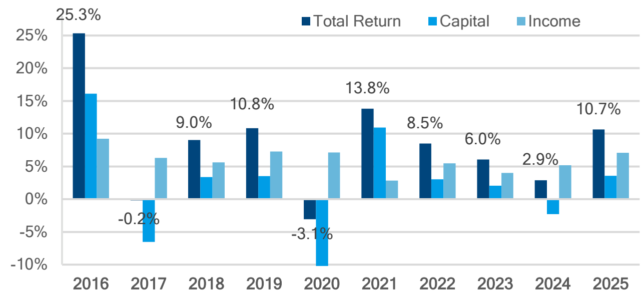
Investment performance

	Month	Quarter	1 Year	3 Years	5 Years	Since inception**
Alceon Australian Property Fund (net of fees)	(0.9%)	4.0%	7.4%	8.8%	9.0%	10.3%
Fund Benchmark	(0.6%)	4.9%	9.4%	6.7%	7.3%	9.4%
Value Add	(0.3%)	(0.9%)	(2.0%)	2.1%	1.7%	0.9%

*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.

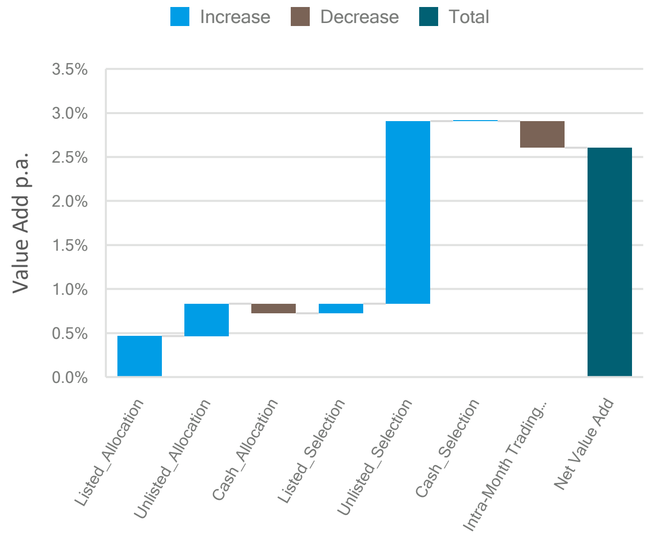
Return split by financial years.

*Income distribution include net unrealised capital gains

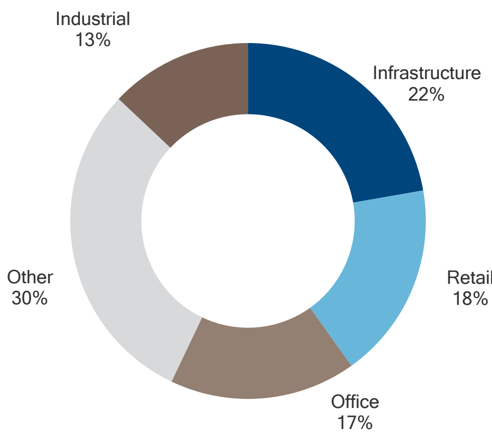


*Income distribution include net realised capital gains

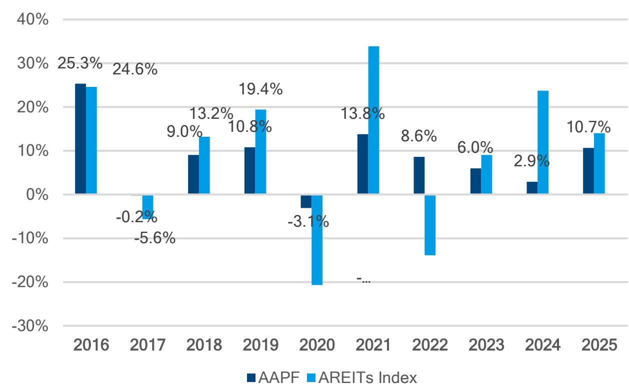
Attribution - Dec 2019 - Sep 2025



Sector allocation



Financial year returns



Alceon Real Asset Management Pty Ltd Authorised Representative No. 001274531
Level 26, 1 O'Connell Street, Sydney NSW 2000
Tel: +61 2 8023 4000 Fax: +61 2 8023 4001
Email: wealth.client@alceon.com.au
www.alceon.com.au

Quarterly Update

The Fund delivered a return of +4.0% for the September quarter. While markets were initially weak, sentiment improved through reporting season but was tempered in September as interest rate cut expectations moderated.

In Australia, equity markets followed a similar pattern with the ASX 200 falling in early July but recovering over the remainder of the quarter. Bond yields moved higher over the period with the Australian 10-year government bond yield rising 14 basis points to end at 4.30% with the 3-year government bond increasing by 29 basis points.

Monetary policy continues to remain a key driver of market sentiment. The Reserve Bank of Australia (RBA) delivered a 25-basis point rate cut in August, bringing the cash rate down to 3.60%. The RBA reiterated its view that inflation is now comfortably within the 2-3% target range and that policy settings remain geared toward supporting a sustainable recovery in domestic demand. However, the RBA did not cut at the September meeting, indicating some concern that the decline in underlying inflation had slowed and some September quarter data was stronger than expected. Fixed income markets are now pricing in a 50% chance of a rate cut before the end of the year.

On the economic front, conditions remain stable. Real GDP grew by 0.6% in the June quarter and 1.8% year on year, which was above market expectation. Consumer spending remains constrained by cost-of-living pressures, but early signs of a bottoming in household confidence are emerging. Annual CPI inflation to August rose 3.0% which was up from the 2.8% July number with housing, food and non-alcoholic beverages the largest contributors to annual inflation.

The labour market remains resilient, with unemployment steady at 4.2% and participation near record highs. Wage growth has shown early signs of slowing, which should help to keep underlying inflation contained.

Listed Market Update

	Mnth	Qtrr	1 Yr	3 Yrs	5 Yrs	Since inception**
Listed Portfolio (net of fees)	-2.0%	7.0%	10.5%	13.8%	10.5%	10.7%
Listed Benchmark	-2.2%	7.8%	12.9%	14.1%	11.0%	10.6%
Value Add	**0.3%**	**-0.9%**	**-2.5%**	**-0.3%**	**-0.5%**	**0.1%**

The listed component of the Fund delivered a return of +7.0% for the September quarter, underperforming the customised listed asset benchmark.

Quarterly news flow was dominated by the AREIT reporting season, which was generally well received, with the sector avoiding the significant disappointments and wild volatility observed in the broader market.

Within the retail sub-sector, landlords such as SCG and VCX reported strong results, characterised by near-full occupancy, accelerating specialty sales growth, and improving leasing spreads. Occupancy costs remain below pre-COVID levels, and the supply outlook is constrained due to elevated construction costs and a lack of viable development sites, supporting a positive outlook for the sector.

Office market metrics are showing signs of stabilisation in certain sub-markets, with incentives declining modestly and net absorption turning slightly positive. Average AREIT occupancy remains significantly higher than the broader Australian market, with MGR and DXS reporting the highest occupancy rates at 95.1% and 92.3%, respectively, reflecting their high-quality portfolios. On average, office valuations remain relatively stable, however transaction volumes continue to remain subdued, Perhaps the greatest trend we are seeing is the centralisation of tenants into CBD markets at the expense of suburban markets, which may see cap rates continue to weaken in some of these fringe markets.

In the industrial sector, leasing spreads remain robust but are showing signs of moderation. Among AREITs reporting spreads, results ranged from +25% to +49%, with an average of +33%. While vacancy rates remain low, they have increased over the past two years. Valuations in this sector averaged a 1.6% increase in 2H25 as cap rates stabilised and market rents continued to rise.

In residential markets, both MGR and SGP reported strong fourth-quarter sales for FY25, with sales momentum building throughout the year. Settlement volumes also increased year-on-year, up 19% for both SGP and MGR.

Outside of reporting season, it was an active period in AREIT debt and capital markets, with several companies executing new transactions. SCG priced a A$1.0 billion 10-year senior secured note at a 138 basis point effective margin; CIP settled its $325 million five-year exchangeable note at a fixed rate of 3.50%; and LLC issued a $400 million perpetual subordinated hybrid at a fixed rate of 3.90%.

Some notable transactions during the period include: CHC's acquisition of a portfolio of Bunnings stores for $290 million; SGP's purchase of an 857-hectare residential site in Kingscliff; DXS's sale of the Flinders Gate complex in Melbourne at a capitalisation rate of approximately 6.5%; and SCG's sale of a 25% stake in Westfield Chermside for $683 million on a 5.0% capitalisation rate.

In terms of corporate activity, ASK confirmed that Public Storage and Kirsch Group had withdrawn their proposed offer to acquire all outstanding securities not already owned for $1.65 per security. Additionally, BWP's internalisation was approved in July and implemented on 1 August.

Listed Market Contributors

CIP (overweight) – The company outperformed during the quarter as FY25 full year results were released with FFO of 17.5c per unit and a distribution of 16.3c, which was in line with FY25 guidance. The company also announced the commencement of a $60m buyback which was unexpected yet well received by the market. Guidance was provided, with FFO expected to grow 6% and land in the range of 18.0-18.5cpu in FY26, while distribution guidance was set at 16.8cpu, 3% above FY25.

DGT (underweight) – The company underperformed over the quarter despite announcing HCF certification on its SYD1 asset in early August. The company reported underwhelming results, not providing guidance for FY26 nor affirming prospectus forecasts. DGT's billed IT capacity of 20MW as at June 2025 was 2MW below billed capacity at IPO date. Short interest in DGT increased in September pushing over 10%, even as it entered the FTSE EPRA Nareit Global Real Estate index in September.

TCL (overweight) – TCL underperformed over the quarter as the company struggled to keep pace with the risk on environment in the broader market. The company's FY25 result was solid, with strong cost performance coupled with higher than expected DPS guidance for FY26 key positives from the result.

Listed Market Detractors

GMG (overweight) – Underperformed following the release of the companies FY25 result, despite setting FY26 EPS guidance of 9% with the market disappointed there was not the usual 'upgrade' at their annual results presentation.

HCW (overweight) – HCW announced its FY25 result with FFO of 6.6cpu, which was ~16% below consensus driven by suspension of distributions from the Unlisted Healthcare Fund. No FY26 guidance was provided given the ongoing Healthscope situation. Late in the quarter the company provided an update on the Healthscope situation advising new lease agreements have been negotiated with new operators should Healthscope exit and all deferred rents prior to September have been 100% paid.

ALX (overweight) – ALX's 1H25 earnings were broadly in-line with expectations. Distribution guidance was reaffirmed to be at least 40cpu. Management commented that they are focused on pathways to improve cashflows in both APRR and Dulles Greenway, while also exploring growth options for the business. French political uncertainty to continues to weigh on sentiment.

Unlisted Market Update

	Mnth	Qtrr	1 Yr	3 Yrs	5 Yrs	Since inception**
Unlisted Portfolios (net of fees)	0.4%	1.1%	5.4%	4.9%	7.5%	8.7%
Unlisted Benchmark	1.1%	2.0%	5.5%	-1.0%	3.0%	6.4%
Value Add	**-0.7%**	**-0.9%**	**-0.2%**	**5.9%**	**4.5%**	**2.3%**

The Unlisted Benchmark delivered a return of 2.0% for the September quarter. As the devaluation cycle approaches it's conclusion prospects for improved returns are materialising as interest rates moderate. Despite persistent market headwinds, the Fund has benefited from its limited exposure to many of the large core real estate funds that comprise the unlisted real estate benchmark, driving much of the outperformance.

During the quarter, the Fund exited one debt position and materially reduced its exposure to another. Subsequently, it established a new position in a residual stock fund, which is anticipated to generate attractive risk-adjusted returns. As a result of these portfolio adjustments, the Fund has reduced it's exposure to real estate debt which has become more competitive and in the spotlight following ASICs report on the sector. While our holdings have all reported in line with expectations, we are conscious of the short-term headwinds confronting the sector.

The Fund continues to receive both income and capital returns, ensuring ample liquidity for reinvestment into new opportunities. While high-quality unlisted equity transactions have been relatively scarce over the past year, we are now observing an increase in deal flow. Current capital constraints in the market are presenting opportunities to acquire quality assets on favourable terms.

Accordingly, as existing debt positions mature and capital is recycled, the Fund intends to gradually increase its allocation to compelling unlisted equity investments.

Portfolio Changes

In the unlisted portfolio the Fund successfully closed the Ardmore debt position during the September quarter, receiving full proceeds and an IRR in excess of 12%. The Fund also significantly reduced its exposure to the Formery position although has not exited at this stage. Late in September the Fund entered into a new position, the Core Residual Stock Loan (RSL) Fund with exposures to a mix of land lots, townhouses and apartments in Goulbourn, Canberra and Gungahlin acquired at a discount to their underlying market price to facilitate an expediated sales process.

Within the listed portfolio the Fund re-initiated a position in Region Group (RGN) on valuation grounds. The Fund also moved from underweight to overweight Transurban Group (TCL) in order to increase the Fund's defensive exposure as broader market valuations continue to stretch.

In addition, the Fund increased its underweight positions in Dexus (DXS) and moved from a neutral to an underweight position in Stockland Group (SGP) again driven by valuation. For SGP, the company has outperformed strongly while Dexus continues to face structurally challenged markets.

Outlook

Although macroeconomic and geopolitical uncertainty remains high, we believe this environment is presenting attractive opportunities for investors who are patient and disciplined. Ongoing volatility across asset classes has prompted renewed interest from those who had previously stayed out of the market, with many now seeing the current disruption as a favourable moment to invest.

We view today's market turbulence as a promising setting for more attractive opportunities, especially as markets contend with fresh policy uncertainty driven by geopolitical developments, such as new tariff proposals linked to changes in the U.S. political landscape. These factors have introduced additional unpredictability to the macroeconomic outlook–an environment that equity markets typically find challenging.

At the same time, there is increasing confidence that central banks are nearing or have begun a new easing cycle. Both the U.S. Federal Reserve and the Reserve Bank of Australia seem likely to lower rates further in the second half of 2025, aiming to support slowing growth and ease pressure on borrowers. This shift towards a more accommodative policy stance is positive for real assets, as lower capitalisation and discount rates should improve valuations, while reduced borrowing costs enhance return prospects.

From a portfolio standpoint, the Fund remains modestly overweight in listed assets. This reflects strong equity market performance in the latter part of the September quarter, the sale of an unlisted debt position and temporary liquidity allocation to support the September distribution. The listed portfolio is well placed to benefit from further re-rating if monetary easing accelerates.

Notably, we are observing a marked increase in equity deal activity, with more high-quality opportunities coming to market. Our investment approach remains selective and patient. We continue to prioritise transactions with robust revenue visibility, conservative leverage, and backing from reputable sponsors. We believe these attributes will be essential for navigating ongoing macroeconomic uncertainty.

At the time of writing, the Fund is yielding approximately **6.25%**, offering a historically wide relative spread to long-term government bond yields. This represents a compelling income opportunity for investors seeking defensive, real asset-backed cash flows in a structurally lower interest rate environment.

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Current & active weights

Asset Class	Benchmark	Range	Current	Active Weight
A-REITs	40%	20%-100%	42.1%	2.1%
Listed Infrastructure	10%	0%-60%	12.2%	2.2%
Unlisted Property	50%	0%-80%	44.5%	(5.5%)
Cash	0%	0%-20%	1.2%	1.2%

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

Unlisted property portfolio

Fund	Total Portfolio Weight	Unlisted Portfolio Weight
Mirvac Wholesale Office Fund	5.3%	11.8%
Alceon Real Estate Opportunity Fund	4.6%	10.4%
Alceon ARE Trust	3.2%	7.2%
MA Prime Logistic Fund	3.0%	6.7%
Alceon Group No.7 Pty Ltd ATF Core RSL Trust	3.0%	6.6%
Silky Oaks Property Fund	2.5%	5.6%
8 Station Street Property Unit Trust	2.3%	5.1%
ARESCF	2.2%	4.9%
Pacific Suites Trust	2.1%	4.7%
Shenton Trust	1.9%	4.2%
AMP Capital Diversified Infrastructure Trust A	1.9%	4.1%
Palisade Impact Fund Asset Trust	1.7%	3.8%
Palisade Impact Fund Operating Trust	1.7%	3.8%
Palisade's Renewable Energy Fund 2	1.3%	3.0%
Palisade Renewable Energy Fund 1	1.3%	2.8%
Bingara Gorge Trust	1.2%	2.6%
Creation Homes Preferred Equity No.2 Trust	0.9%	2.1%
RE Opportunity F. 2	0.9%	2.0%
RE Opportunity Fund 1	0.8%	1.8%
Highfields Development Trust	0.6%	1.4%
Creation QLD Development Trust	0.6%	1.3%
Creation Homes Development Trust No.2	0.4%	0.9%
Westpac House Investment Trust 1	0.4%	0.8%
Alceon Formery	0.3%	0.7%
AMP Capital Diversified Infrastructure Trust B - Wholesale	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%**

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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 fully 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 2.6% for the September quarter and 5.5% on an annual basis, almost all of which was income derived as cap rates remained unchanged over the period. The Fund remains conservatively geared at circa 35% and has a WALE of greater than 10 years underpinned by annual fixed reviews.

MWOF: The Mirvac Wholesale Office Fund increased by 1.6% over the September quarter. Each asset within the portfolio, except for Quay Quarter Lanes, was independently valued as at 30 September 2025. The portfolio weighted average capitalisation rate was stable at 6.01%, and the weighted average discount rate softened 1bp from 7.07% to 7.08%. 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 93% is invested in senior debt, a weighted LVR of 64.2% and a weighted average loan duration of 8.1 months. In the 12 months to September 2025, the Fund delivered a net return of 10.14% 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 ~1.8% for the September quarter.

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 expediate the return of capital to investors. As at the end of the September 2025, 77 contracts have been settled and a further 3 contracts have been executed. Going forward the market remains uncertain and as a consequence an updated cash multiple of 1.05-1.10x is assumed.

DDIT: The Dexus Diversified Infrastructure Fund provides exposure to airports, electricity and gas distribution, rail rolling stock and student housing and returned 0.9% for the September quarter. The major asset in the portfolio is a minority ownership of Australia Pacific Airports Corporation (APAC), which owns Melbourne and Launceston Airports. The portfolio continues to perform in line with expectations; however the redemption queue remains above 50%. Dexus as manager for the Dexus 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 Dexus being forced to sell the Dexus Bloc shareholdings to other existing holders. Should Dexus 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 before Christmas.

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 ~+2.2% for the September 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 Preferred Equity No.2 Trust invests in eight residential development projects being delivered by Creation Homes Group. The Fund remains on track to deliver a net IRR of 16% and is currently forecast to deliver a 1.40x cash multiple over a forecast 34-month investment tenor (slightly longer than the original IM). The Fund has continued to progress its sales, with positive progression at the Edithvale, Angle Vale, Frisby Road and Preston projects

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 14-16%.

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-apartmnet project completed in Q1 2025 and 59 apartments have successfully settled to date (inclusive of the 58 presold contracts). A further three (3) apartments are subject to exchanged contracts totalling circa $5.2m in contract value. Consistent with our realisation strategy, an investment loan that is secured over the remaining 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. The project continues to attract a strong level of enquiry but similar to many residential projects in NSW, the conversion from enquiry to contract is slow as many prospective buyers are adopting a 'wait and see' approach given the macroeconomic uncertainties. That said, we expect to fully realise this investment by late 2027, consistent with our last Fund update.

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 August/September 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 into 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 now complete, with the Rochedale project delayed by over 18 months relative to the original forecast. As a result of general cost escalation (which has occurred across the construction industry in Australia), the final construction cost for the delivery of the Rochedale project is higher than originally forecasted, which has been partially offset by substantially higher sales revenues. The increased cost, combined with the timing delay in obtaining the Rochedale development approval, has reduced the Fund's forecast returns relative to the forecast at inception. 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 6-10% IRR over a longer 78-month investment timeframe concluding 4Q2026 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. Directly above the retail asset is 157 recently completed residential apartments which were fully presold off the plan. Given the slow leasing progress, it is likely the loan will be delayed in being repaid (from the original forecast 5-month term). The Fund will either seek to be refinanced or negotiate an extension with payout likely being delayed until the end of the year.

Formery Trust: The Alceon Formery 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 Formery 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 is targeting an IRR of 15-18% over the long term.

Alceon Australian Property Fund

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Fund Details	
Fund Inception Date	Model Portfolio – 1st September 2011 Fund – 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
APIR Code	LAM0044AU
Platforms	BT Wrap, Asgard eWrap, Asgard Infinity Wrap, Netwealth, HUB24

Important notice

Alceon Real Asset Management Pty Ltd Authorised Representative No. 001274531
Level 26, 1 O'Connell Street, Sydney NSW 2000
Tel: +61 2 8023 4000 Fax: +61 2 8023 4001
Email: wealth.client@alceon.com.au
www.alceon.com.au