

Realside Capital Flagship Fund



Monthly Report
April 2021

Structure

Australian stapled unit trust

Target Total Return

12% p.a.

Distributions

Annually

Fund Term

3 year lock up

Liquidity

Quarterly (post 3 years)

Eligibility

Wholesale clients

Minimum Investment

\$500,000

Management Fee

1.50% p.a.

Performance Fee

15% p.a.

Return Hurdle

6% p.a.

APIR Code

RSM8774AU

Overview

The Realside Capital Flagship Fund (the “Fund”) aims to achieve strong equity like returns with debt like characteristics through investments in a range of unlisted situations with a predominant focus on asset backed senior secured debt.

Fund Objective

The investment objective is to provide consistent positive returns irrespective of the market cycle on a superior risk adjusted basis. This is achieved by seeking to allocate to private market investments with a predictable investment outcome and strong capital protection. The Fund will gain exposure to high quality assets or businesses through a more secured investment position.

Investment Strategy

The Fund invests across a diversified range of illiquid investments in order to provide a predictable return profile over time, with a focus on capital protection. The Fund will predominantly gain its exposures through debt instruments, ranging from senior secured instruments through to a range of mezzanine or second mortgage structures with tailored security arrangements. The returns are predominantly fixed, although the Fund may benefit from additional upside, through profit share, convertibles, or equity options issued by investee companies.

Investment Universe and Portfolio Construction

The Fund will invest across a range of sectors, with a strong emphasis on asset security and cashflow realisation. Key exposures will include both project finance and term finance on property or operating assets, asset finance for commercial assets and growth funding for businesses with asset-backing and strong cash generation. The Fund will seek to diversify investments across industries, geographies, asset types as well as counterparties.

Why Realside?



Long track record of consistent absolute returns.



Disciplined and systematic approach to selecting opportunities.



Strong focus on protection of capital as priority.



Investment team who have delivered strong through-cycle returns.



Transparent approach to the investment process.



Risk-targeted approach to due diligence and ongoing asset management.

\$52,703,083

Gross asset value

9.04%

Total Net Fund Return*

10

Assets

Performance Update

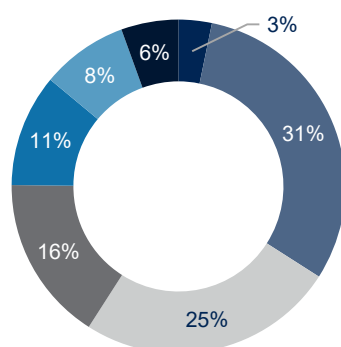
Market & Portfolio Commentary

Australia's economic recovery kept pace in April, with NAB business conditions survey at a multi-decade high – the strongest level since at least the 1990s – driven by a robust labour market, consumer spending, and the RBA's commitment to its dovish stance.

Our pipeline continues to grow with opportunities of varying size and return profiles across sectors such as industrial services, resource infrastructure, leisure, healthcare, and property. Our focus remains on sourcing differentiated situations from our proprietary network of advisors and borrowers.

Our portfolio performed strongly in April, with all existing investments tracking in line with expectations: our operating assets have been benefiting from the easing of mobility restrictions and the rise in consumer confidence, whilst our development assets have been progressing on time and budget.

Industry Allocation



- Cash
- Hotels, Restaurants and Leisure
- Residential Real Estate
- Commercial Real Estate
- Diversified Financials
- Natural Resources
- Utilities

Total Net Fund Returns (%)

1 month	0.76%
3 months	2.79%
6 months	6.45%
Since inception*	9.04%

Top 5 Assets

Asset	Sector	Value (m)	Capital Position	Return (p.a.)
1	Hotels, Restaurants and Leisure	\$10.23	Senior Debt	15%
2	Diversified Financials	\$5.76	Senior Debt	12%
3	Residential Real Estate	\$5.31	Senior Debt	12%
4	Commercial Real Estate	\$6.38	Subordinated Debt	19%
5	Hotels, Restaurants and Leisure	\$6.04	Subordinated Debt	18%

*Represents total net fund returns since inception of the Fund on 14 August 2020.



Contact Us

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