

METRICS CREDIT PARTNERS

Bell Potter VOICES

Metrics. A new measure.



DISCLAIMER



RESPONSIBLE ENTITY

The Trust Company (RE Services) Limited (ABN 45 003 278 831, AFSL 235 150) is the Responsible Entity of the Metrics Master Income Trust (ARSN 620 465 090) and Metrics Income Opportunities Trust (ARSN 631 320 628) (the Trusts).

This content has been prepared by Metrics Credit Partners Pty Ltd ABN 27 150 646 996 AFSL 416 146 (Metrics), the investment manager of the Trusts. For further information on the Trusts, please refer to the relevant PDS and Target Market Determination available at metrics.com.au.



INVESTMENT RISK

An investment in a Fund is subject to investment risk. It is not a deposit with, nor does it represent a liability of the trustee or responsible entity of such Fund (the "Trustee"), Metrics or any other person. None of the Trustee of a Fund, Metrics, its related bodies corporate or any other person guarantees the capital value or performance of the investment of any Fund or guarantees any particular return from a Fund, increase in the value of any amount invested in a Fund or repayment of any amount invested in a Fund.



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THE FUNDS

Terms and service providers in respect of the the MCP Wholesale Investments Trust, Metrics Master Income Trust and Metrics Income Opportunities Trust (together the Funds) are current as at the date of this document and are subject to change without notice.



RELIANCE ON PRESENTATION

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Total returns mentioned for the Metrics Master Income Trust (ASX: MXT) and Metrics Income Opportunities Trust (ASX: MOT) have been calculated using exit prices after taking into account all of Perpetual's ongoing fees and assuming reinvestment of distributions. No allowance has been made for taxation. Past performance is not indicative of future performance.

METRICS CREDIT PARTNERS



METRICS IS AN INDEPENDENT AUSTRALIAN-BASED ALTERNATIVE ASSET MANAGER WITH >\$14BN AUM



> \$14 billion

Current AUM across a variety of strategies



Team of > 120

Investment professionals in SYD, MELB & NZ



Owned 65% by Management

35% by Pinnacle Investment Management Group Ltd.

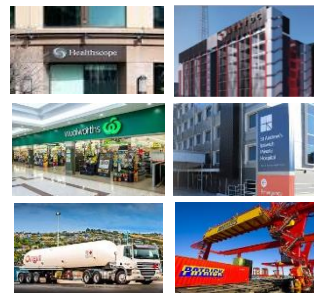


Responsible Investing

Signatories & Members of:

- UNPRI,
- Australian Sustainable Finance Institute,
- Climate Bonds Partner,
- Investor Group on Climate Change (IGCC),
- Responsible Investment Association Australasia (RIAA),
- Asia Pacific Loan Market Association's Green & Sustainable Loan Committee, and
- Net Zero Asset Managers Initiative

CORPORATE



LEVERAGED FINANCE



COMMERCIAL REAL ESTATE



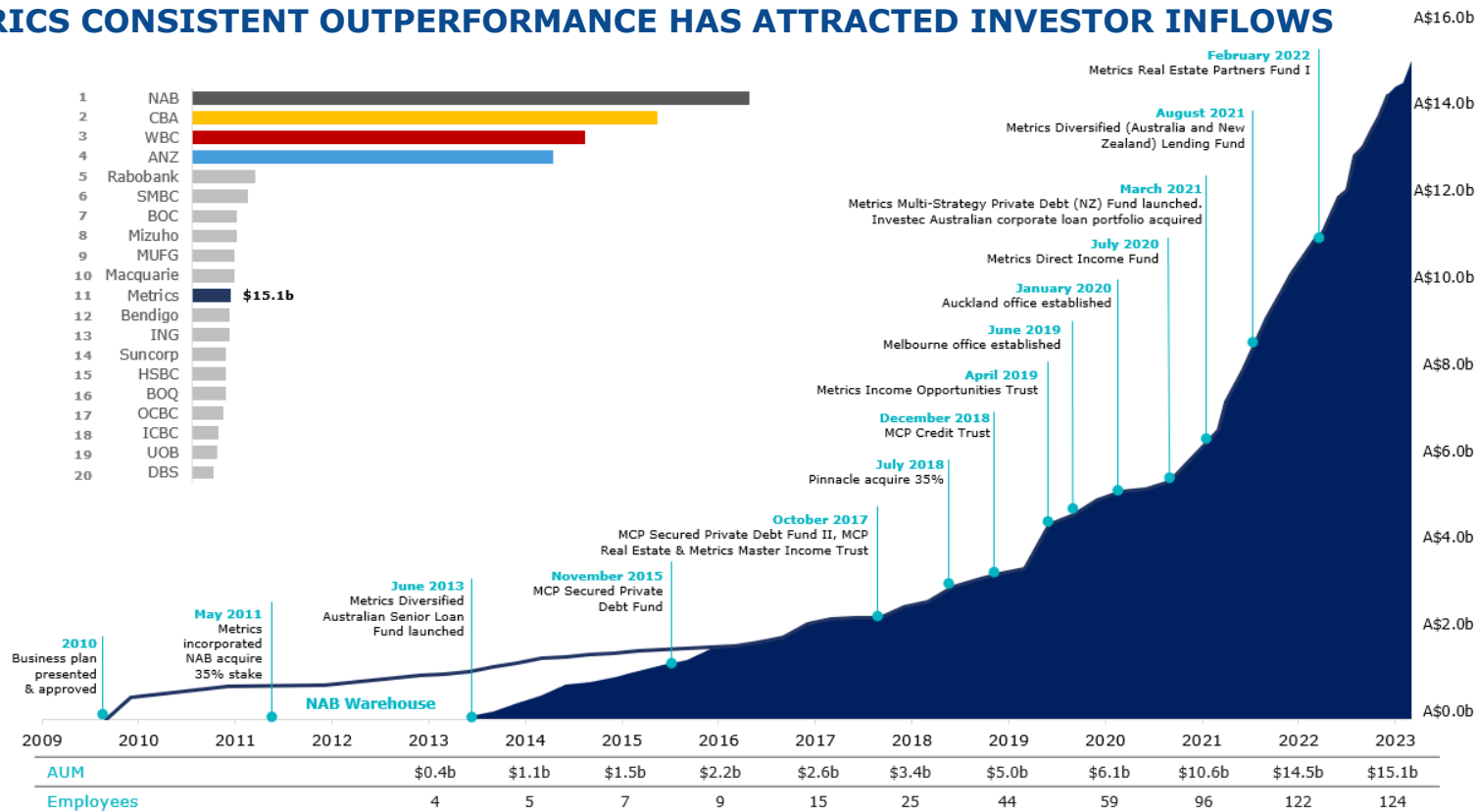
PROJECT FINANCE



BUSINESS EVOLUTION



METRICS CONSISTENT OUTPERFORMANCE HAS ATTRACTED INVESTOR INFLOWS



Source: Metrics, APRA ADI Reporting as at 30 April 2023. Corporate lender chart as of 31 December 2022.

WHAT IS PRIVATE DEBT?

AN EFFECTIVE DEFENSIVE STRATEGY OR EQUITY MARKET REPLACEMENT?

FINANCIAL CONTRACT

- > Loans to private companies, where interest charged is predominantly floating rate and loans are typically secured (protective of lenders interests) and short in tenor (1-5 years)

PRIVATE MARKET

- > Private debt is typically lowly correlated to public markets and can avoid exposure to public market volatility

MARKET SEGMENTS

- > Corporate, infrastructure, commercial real estate, leveraged finance, structured finance

RISK / RETURN PROFILE

- > From investment grade to sub-investment grade and equity-like investments – returns reflect risk profile

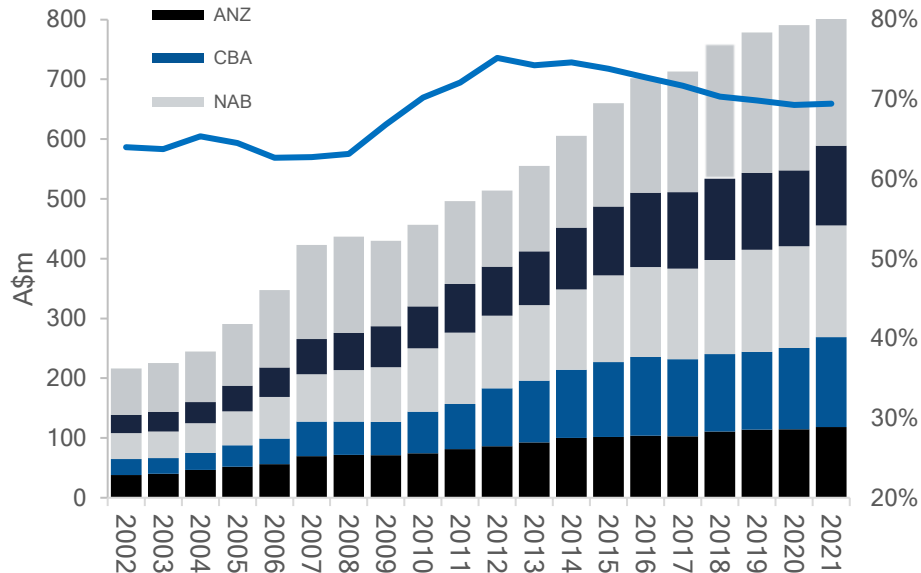


THE EXPANSION OF NON-BANK LENDING IN AUSTRALIA



AUSTRALIA'S DOMESTIC BANKS ARE GRADUALLY CEDING MARKET SHARE

CORPORATE DEBT MARKETS



Source: RBA, Bloomberg and major bank APS330 reports. As at December 2021.

MARKET OPPORTUNITY

Increased Bank Regulation

- > Move to Risk Weighted Asset models driving higher pricing and lower volume appetite by banks to corporate lending.
- > Stricter liquidity matching increase bank funding cost.
- > Increased equity reducing bank leverage (increase WACC).

Macroprudential Policies

- > Regulator pressure on domestic banks to reduce total property sector exposure (consumer and commercial) at the expense of CRE borrowers.

Continued Disintermediation

- > Australian banks have a high cost of capital (including internationally) encouraging new market entrants (banks).

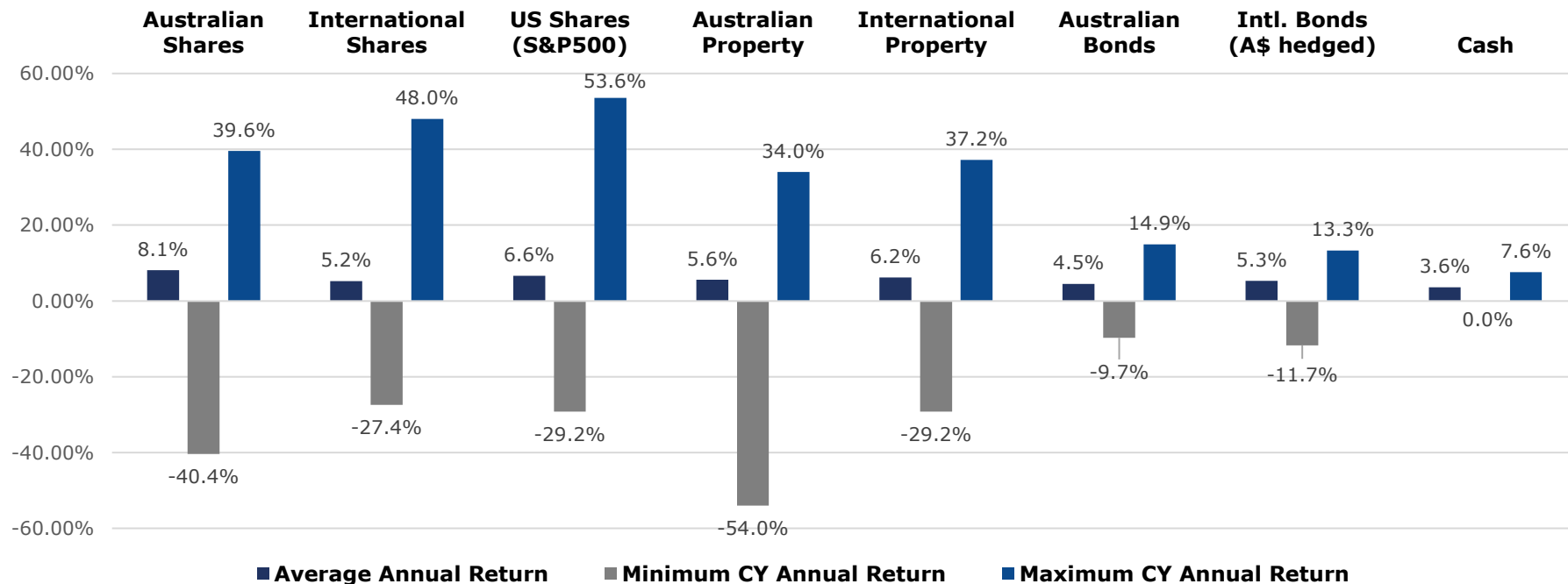
Lack of Domestic Corporate Bond Market

- > Banks balance sheets crowd out a viable bond market.
- > Borrowers are reluctant to take execution risk on a fickle, immature market.

PUBLIC MARKETS HAVE SHOWN VOLATILITY



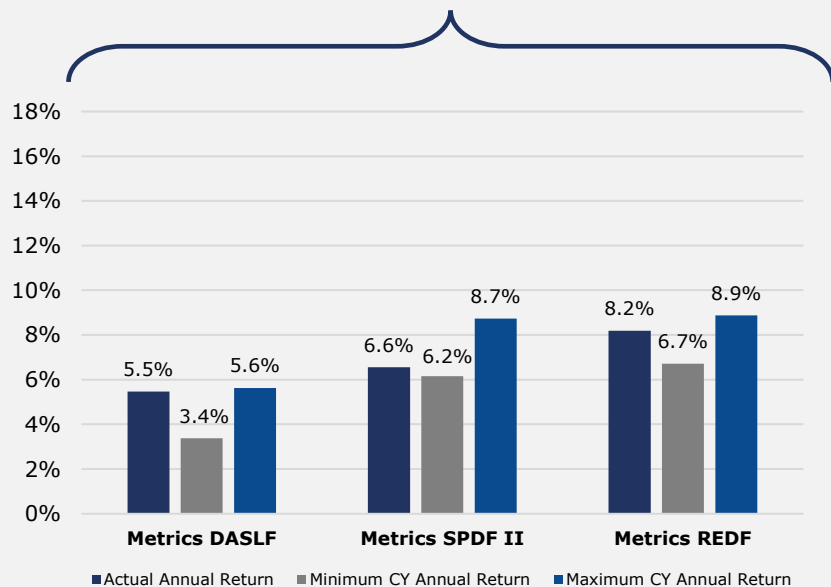
ANNUAL ASSET CLASS PERFORMANCE OVER THE LAST 20 YEARS



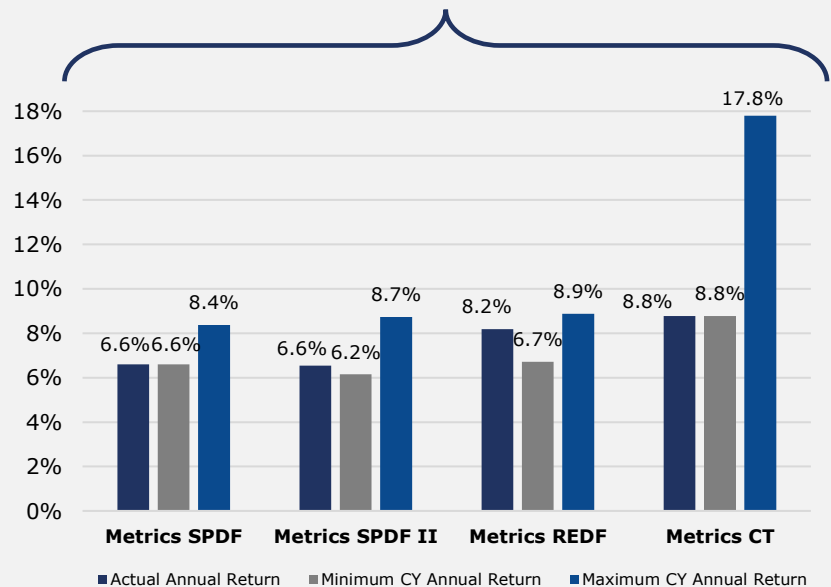
AUSTRALIAN PRIVATE DEBT HAS PROVIDED AN ATTRACTIVE AND STABLE SOURCE OF INCOME



METRICS MASTER INCOME TRUST (ASX: MXT)



METRICS INCOME OPPORTUNITIES TRUST (ASX: MOT)



Past performance is not a reliable indicator of future performance. For illustrative purposes only. Source: Metrics as at 31 December 2022. Metrics DASLF represents the Metrics Credit Partners Diversified Australian Senior Loan Fund since inception (June 2013), Metrics WIT represents the MCP Wholesale Investments Trust since inception (July 2017), Metrics SPDF represents the MCP Secured Private Debt Fund since inception (November 2015), Metrics SPDF II represents the MCP Secured Private Debt Fund II since inception (October 2017), Metrics REDF represents the MCP Real Estate Debt Fund since inception (October 2017), Metrics CT represents MCP Credit Trust since inception (December 2018).

PRIVATE DEBT FOR REDUCED CAPITAL VOLATILITY



IN AUSTRALIA, PRIVATE LENDERS BENEFIT FROM A RANGE OF PROTECTIONS



Structural Protections in Australia

Australian corporate insolvency regime assists lenders to protect capital



Relationships with Borrowers

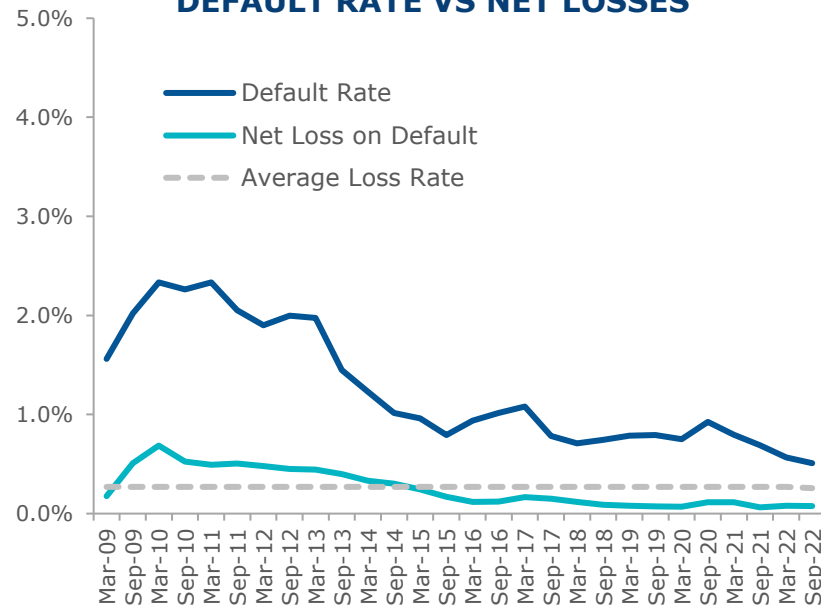
Regular communication with borrowers ensures the private debt manager can more effectively manage risk



Financial Contracts

Covenants are negotiated & documented in loan agreements to assist in controlling risk. These include Controls, Security, Pricing & Reporting obligations

AUSTRALIAN CORPORATE LENDING – DEFAULT RATE VS NET LOSSES



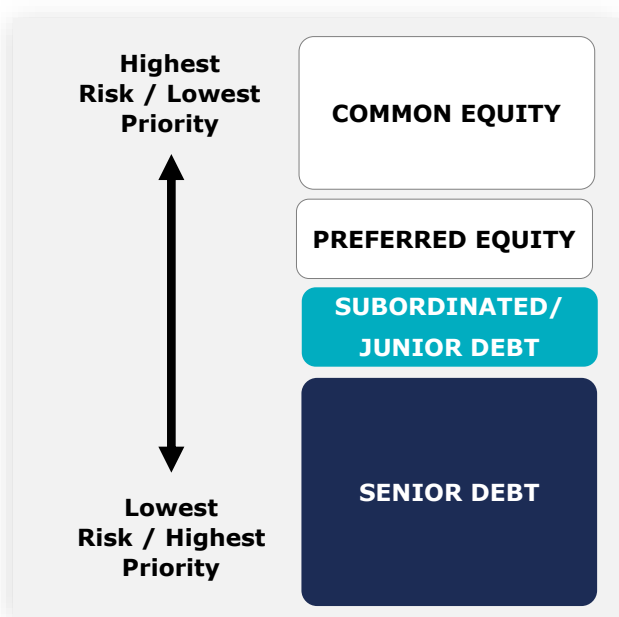
Source: APRA APS 330, Metrics.

POSITION IN THE CAPITAL STRUCTURE PROVIDES PROTECTION

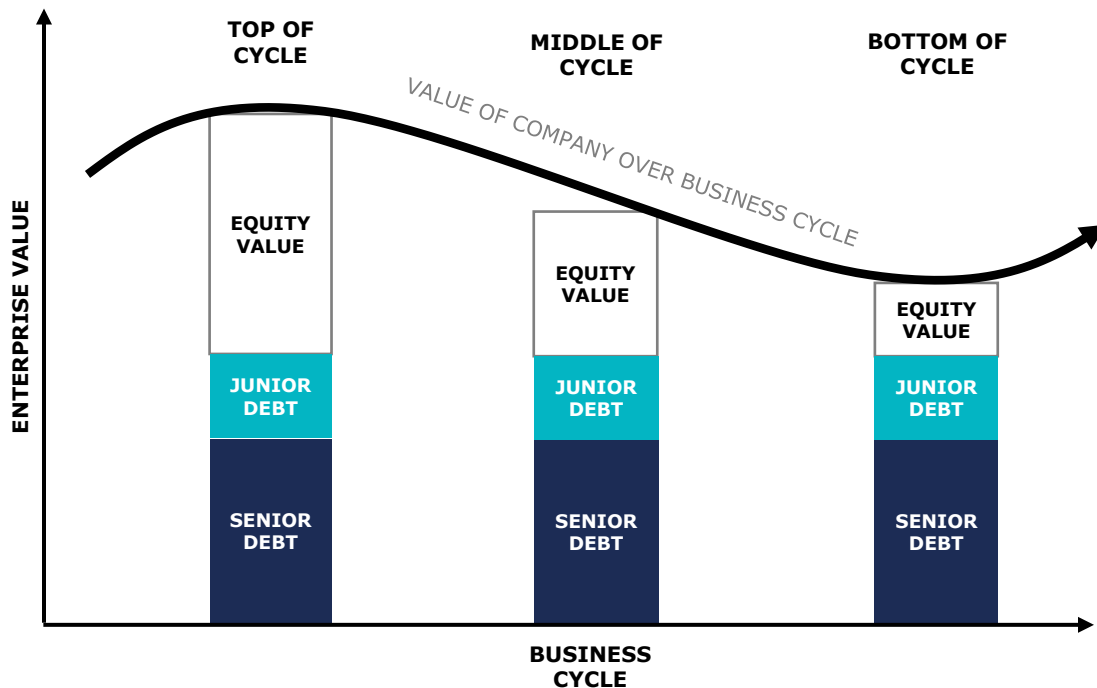


METRICS INVESTMENTS PROVIDE DOWNSIDE PROTECTION FOR INVESTORS

CAPITAL RANKING (FOR INTERESTS/DISTRIBUTIONS & CAPITAL RETURNS)



EXAMPLE OF EQUITY AT RISK IN A CORPORATE LOAN



PRIVATE DEBT FOR INCOME

PRIVATE DEBT AIMS TO PROVIDE REGULAR INCOME THAT MOVES IN LINE WITH INFLATION



Inflation Hedge

Corporate loans are typically floating rate, unlike the largely fixed corporate bond market.



Income Generating Assets

Regular income received from interest payments made by borrowers.



Opportunity and Diversity

Australian private loan market is diversified over industries, sectors and credit quality.

PRIVATE DEBT FLOATING / FIXED RATE SPLIT

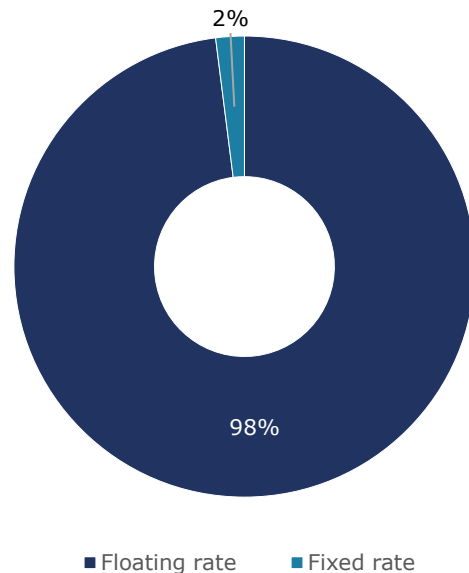
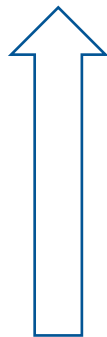


Chart uses the MCP Wholesale Investments Trust as an example of a portfolio of Australian private loans. As at 30 April 2023, the Trust contains a diversified portfolio of 304 loans to Australian and New Zealand companies. Source: Metrics.

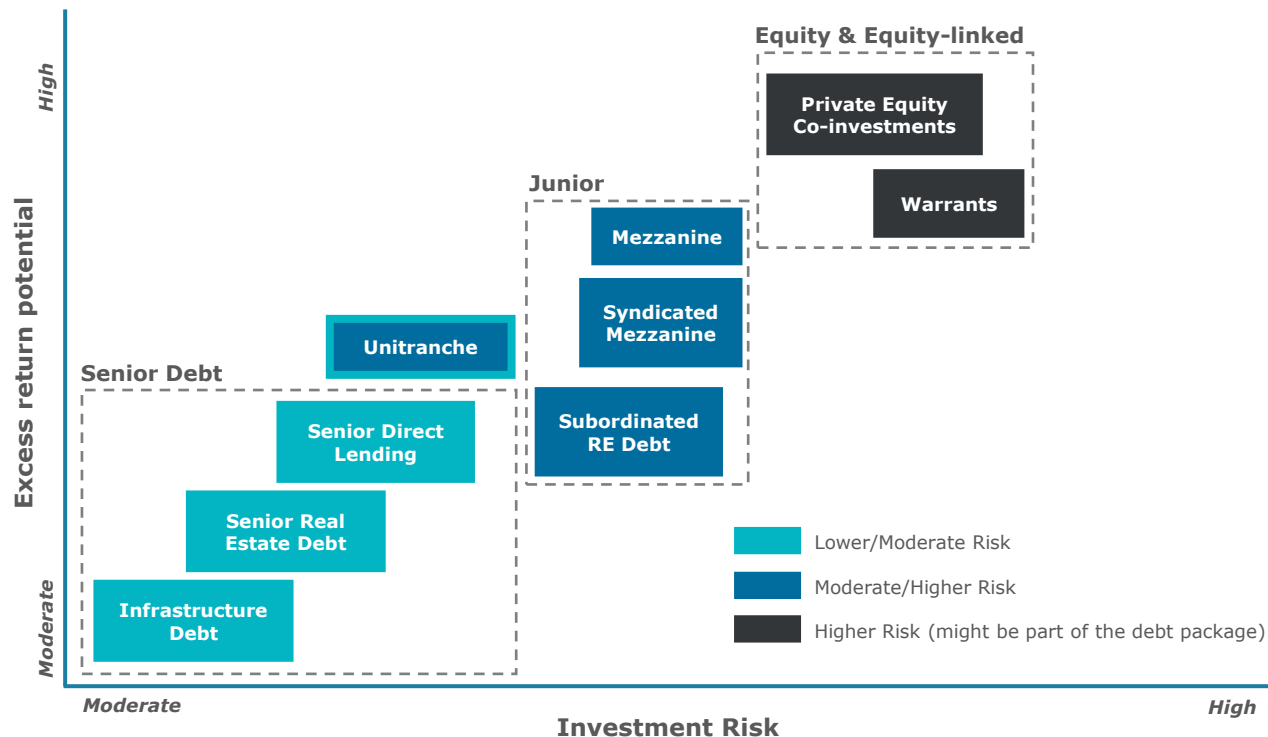
PRIVATE DEBT IS VERSATILE DEPENDING ON AN INVESTORS RISK APPETITE



RBA Cash Rate
plus 10%+
p.a.



RBA Cash Rate
plus 3 - 4%
p.a.



METRICS' KEY STEPS TO ACHIEVE ATTRACTIVE RISK ADJUSTED RETURNS FOR INVESTORS



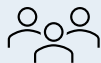
THE PRIVATE DEBT ADVANTAGE

- ✓ Co-operative relationship between lender and borrower helps to more effectively manage risk
- ✓ Direct origination capability enhances returns for investors
- ✓ A diversified portfolio of loans further reduces risk

WHY METRICS



METRICS OFFERS SCALE, DIVERSIFICATION AND EXPERIENCE IN PRIVATE DEBT



EXPERIENCED TEAM

4 Partners with >36yrs experience supported by a strong team of >120 investment professionals.



SIZE AND SCALE

Largest non-bank corporate lender in Australia with >\$14bn AUM, means greater access to opportunities.



TRACK RECORD

Consistent risk-adjusted returns.*



DIRECT ORIGINATION SKILLS

Directly originating loans allows Metrics to control the terms, set covenants etc.



RISK MANAGEMENT CAPABILITY

Preserve investor capital through strong focus on risk management, including ESG.



RANGE OF OFFERINGS

Retail and wholesale offerings, domestic and offshore fund options for investors.



AUSTRALIA / NZ

Advantages of Australian creditor-friendly loan environment.



COMPETITIVE

Competitive management fee and no or low, capped performance fee.

*Past performance is not indicative of future performance.

HOW TO ACCESS PRIVATE DEBT WITH METRICS



	METRICS MASTER INCOME TRUST (ASX:MXT)	METRICS INCOME OPPORTUNITIES TRUST (ASX:MOT)
STRUCTURE	ASX Listed Investment Trust	ASX Listed Investment Trust
INCEPTION DATE	October 2017	April 2019
TARGET NET RETURN[^]	RBA Cash Rate plus 3.25% p.a.	Cash Return: 7% p.a. with upside gains Total Return: 8–10% p.a. over 3–5yrs
RETURNS SINCE INCEPTION P.A. (1)(2)	5.44% ⁽³⁾	8.64% ⁽⁵⁾
CURRENT RUNNING YIELD P.A. (6)	8.51%	9.73%
DISTRIBUTIONS	Monthly	Monthly
APPLICATIONS/ REDEMPTION	Daily*	Daily*
UNIT PRICING	Daily	Daily
HOW TO INVEST	Via the ASX	Via the ASX

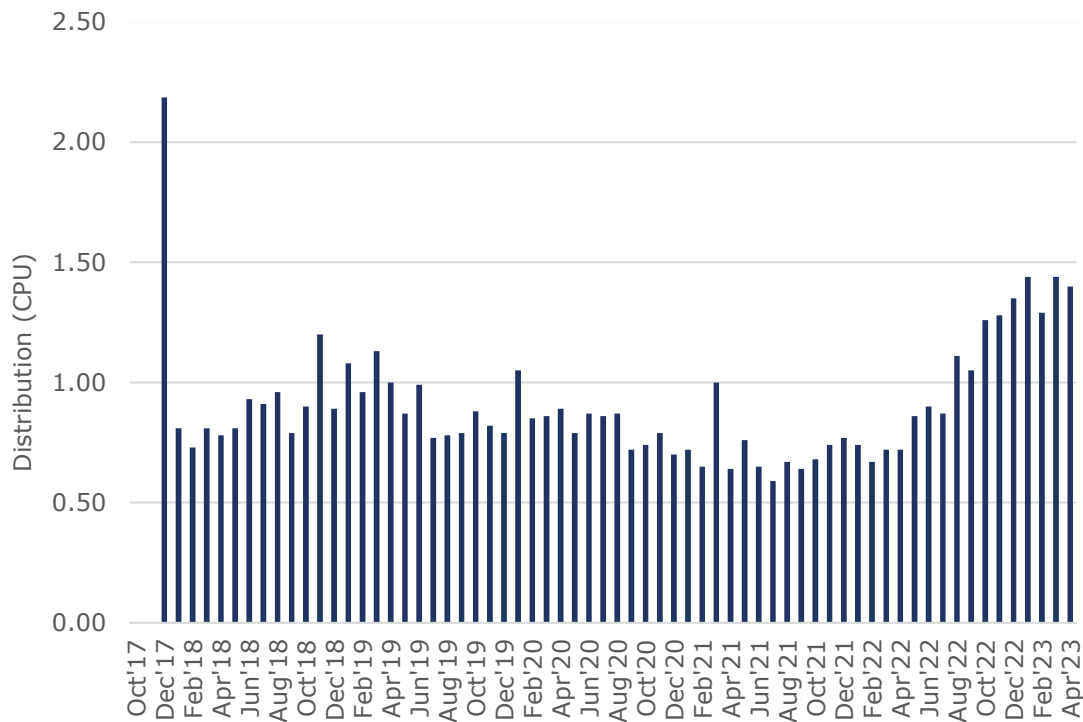
Notes: (1) As at 30 April 2023 (2) Annualised (3) IPO October 2017 (4) since inception 1 July 2020 (5) IPO April 2019 (6) Current running yields for Metrics funds are calculated as the last 12 months spread plus the current RBA Cash Rate.

[^]This is a target return and may not be achieved. Past performance is not a reliable indicator of future performance. Assumes participation in Distribution Reinvestment Plan (DRP). *Subject to market liquidity.

METRICS MASTER INCOME TRUST (ASX:MXT)



DISTRIBUTION HISTORY



Past performance is not a reliable indicator of future performance. Assumes participation in Distribution Reinvestment Plan (DRP).
Source: Metrics. MXT IPO October 2017, maiden distribution in December 2017 covered ~3-month period since listing. All data as at 30 April 2023. (1) MSCI and Standard & Poor's Global Industry Classification Standard (2) Annualised (3) IPO October 2017

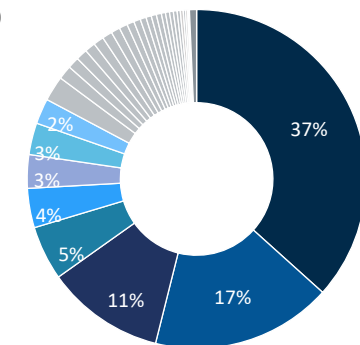
FUND PERFORMANCE

	1mth	3mth	1yr	3yr ⁽²⁾	5yr ⁽²⁾	Incep ⁽²⁾⁽³⁾
Net Return (%)	0.69	2.08	7.34	5.45	5.50	5.44
Target Return (%)	0.56	1.66	5.80	4.22	4.34	4.40
Distribution (%)	0.70	2.08	7.36	5.45	5.52	5.44
RBA Cash Rate (%)	0.30	0.86	2.43	0.90	1.01	1.06
Spread to RBA (%)	0.40	1.22	4.93	4.56	4.51	4.38

Note: Past performance is not a reliable indicator of future performance.
Assumes participation in Distribution Reinvestment Plan (DRP).
Target Return: RBA Cash Rate +3.25% p.a. net of fees

MXT COMPRISES 304 LOANS DIVERSIFIED ACROSS INDUSTRIES & THE CREDIT SPECTRUM

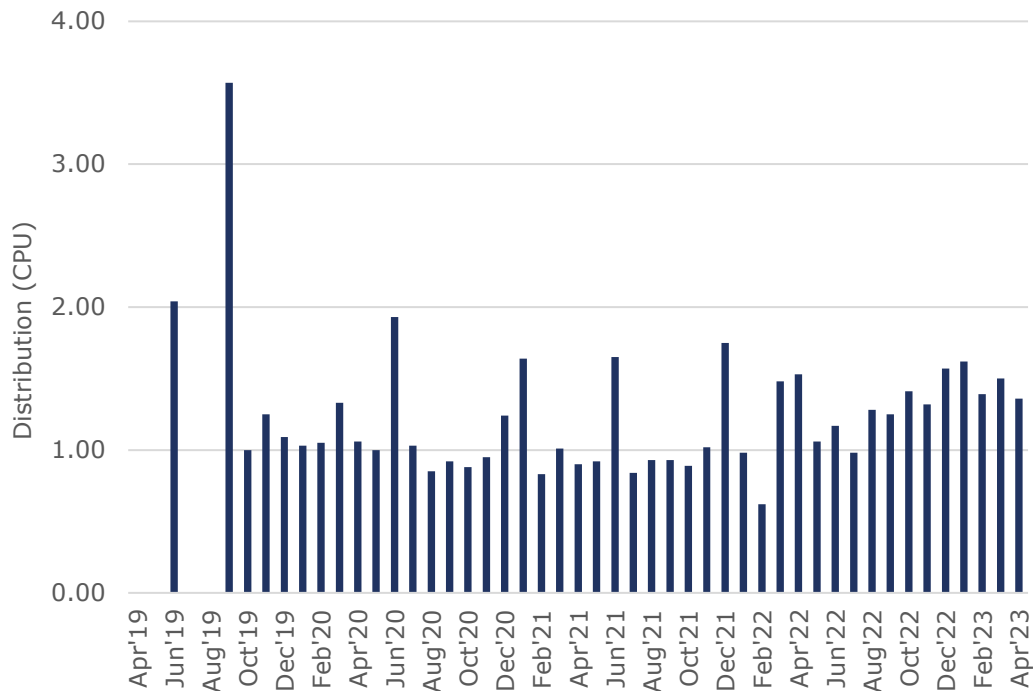
INDUSTRY ALLOCATION⁽¹⁾



METRICS INCOME OPPORTUNITIES TRUST (ASX:MOT)



DISTRIBUTION HISTORY



Past performance is not a reliable indicator of future performance. Assumes participation in Distribution Reinvestment Plan (DRP).
Source: Metrics. MOT IPO April 2019, from October 2019 distributions made monthly (previously quarterly). All data as at 30 April 2023. (1) MOT invests in underlying Metrics funds which engage in direct lending activities, metrics based on underlying funds. (2) Annualised (3) IPO 29 April 2019

FUND PERFORMANCE

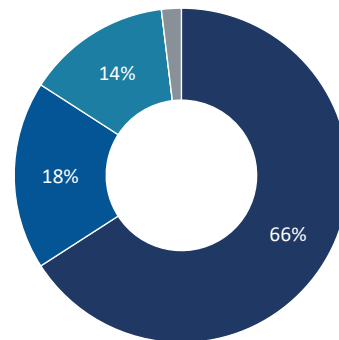
	1mth	3mth	6mth	1yr	3yr ⁽²⁾	Incep ⁽²⁾⁽³⁾
Net Return (%)	0.69	2.23	4.62	8.56	9.09	8.64
Distribution (%)	0.64	2.01	4.20	7.77	7.09	6.99

Note: Past performance is not a reliable indicator of future performance.
Assumes participation in Distribution Reinvestment Plan (DRP).

MOT COMPRISES 161 INVESTMENTS DIVERSIFIED ACROSS INDUSTRIES & THE CREDIT SPECTRUM

INVESTMENT TYPE⁽¹⁾

- Cash
- Senior Loans
- Subordinated Loans
- Equity & Equity-like



FOR MORE INFORMATION



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Q & A
