

29 October 2021

Dear Investor

**Realm Strategic Income Fund ARSN 624 861 589 - 2018-1 Unit class
Significant Event Notice - s.1017B Corporations Act 2001**

Realm Investment Management Pty Ltd (**Realm**) as Investment Manager for Realm Strategic Income Fund ARSN 624 861 589 (**Fund**) has recommended to One Managed Investment Funds Limited as Responsible Entity (**RE**) for the Fund that the Realm Strategic Income Fund - 2018-1 Unit class (**2018-1 Units**) be reclassified and all assets reallocated to the Realm Strategic Income Fund – Enduring Unit class (**Enduring Units**) pursuant to the RE’s powers under the Fund’s constitution dated 6 March 2018 (as amended).

The PDS dated 4 April 2018 in respect of the issue of the 2018-1 Units disclosed that the Fund would be a closed end Fund and no redemptions would be possible before the 5th anniversary of the units’ issue and the portfolio would be progressively amortised back to cash towards the end of the stated term.

On 22 June 2018 the Fund established a second class known as the Enduring Units to provide an alternative evergreen vehicle which could provide ongoing liquidity (via Limited Withdrawal Offers) and other benefits to unit holders. The Enduring Units class has been well supported since inception.

Realm now believes that unit holders in the 2018-1 Units would benefit if their units were reclassified as Enduring Units, with various advantages both at the structural, operational, and portfolio level. Realm also considers that this would be in the interests of the holders of Enduring Units.

We have collated some of the key differences between unit classes below, in order to demonstrate the various benefits to unit holders of the proposed reclassification:

Feature	2018 -1 Units	Enduring Units	Comparison
Liquidity	No redemptions before 2023	Access to Limited Withdrawal Offer	Enduring Units provide greater access to liquidity
Applications	Closed to new Applications	Open to new and additional applications	Enduring Units allow new applications and for investors to increase their investment
Reinvestment	Not available	Available	Enduring Units allow for DRP
Diversification	Modest Diversification	Increased Diversification	Enduring Units asset portfolio is more diverse than 2018-1 Units

Feature	2018 -1 Units	Enduring Units	Comparison
Platform Availability	Not Available	Available	Enduring Units can be acquired through a Platform assisting investors with administration of their portfolio
Distribution Frequency	Quarterly	Quarterly	No difference
Fees	Management Fees and Costs 1.32%	Management Fees and Costs– 1.09% (0.99% Management Fee plus 0.10% expense recovery)	Enduring Units have lower Management Fees and Costs – see the Enduring Units PDS and TMD for more information
Running Yield	6.03%	6.54%	Enduring Units Running Yield is currently higher than 2018-1 Units but this is subject to change and past performance is not a reliable indicator of future performance. See the Enduring Units PDS and TMD for more information

Realm has advised the RE that given the features above of each unit class, it recommends that the 2018-1 Units be reclassified as Enduring Units with the assets of the 2018-1 assets transferred to the Enduring Units Sleeve of the Fund. Realm believes this reclassification will benefit unitholders of the 2018-1 Unit class providing them with the ability to increase their investment or access liquidity via the Limited Withdrawal Offer.

The reclassification will take place on 31 October 2021 and each 2018-1 unit held prior to the reclassification date will become an appropriate number of Enduring Units taking into account the determined conversation rate.

Realm considers that this reclassification treats all holders of the 2018-1 Class equally and the holders of 2018-1 Class and Enduring Units Class fairly.

CGT Rollover relief may apply to this transaction, please consult your Financial Advisor or Tax Agent to confirm.

If you do not wish to continue to hold the Enduring Units after the reclassification is complete, you may access the next Limited Withdrawal Offer offered by the RE.

Please follow the links below to access the Product Disclosure Statement (**PDS**) and Target Market Determination (**TMD**) for Enduring Units:

PDS: <https://www.oneinvestment.com.au/wp-content/uploads/2020/02/Realm-Strategic-Income-Fund-Enduring-Units-PDS.pdf>

TMD: <https://www.oneinvestment.com.au/wp-content/uploads/2021/10/Realm-Strategic-Income-Fund-Enduring-Units-Target-Market-Determination.pdf>

Disclaimers

Realm Investment Management Pty Ltd ACN 158 876 807, a corporate authorised representative (number 424705) of Realm Pty Ltd ACN 155 984 955 AFSL 421336 (**Realm**) is the investment manager of the Realm Strategic Income Fund Enduring Units (ARSN 624 861 589) (**Enduring Units**) & Realm Strategic Income Fund Enduring Units (ARSN 624 861 589) (formerly known as the Realm Capital Series Fund 2018-1 Units) (**2018-1 Units**). One Managed Investment Funds Limited (ABN 47 117 400 987) (AFSL 297042) is the responsibility entity of the Fund (**OMIFL**). The information contained in this document was not prepared by OMIFL but was prepared by other parties. While OMIFL has no reason to believe that the information is inaccurate, the truth or accuracy of the information contained therein cannot be warranted or guaranteed. Anyone reading this report must obtain and rely upon their own independent advice and inquiries. Investors should obtain and carefully consider the Product Disclosure Statement (**Enduring Units PDS**) and Target Market Determination (**TMD**) issued by OMIFL before making any decision about whether to acquire, or continue to hold, an interest in the Enduring Units. You should also consult a licensed financial adviser before making an investment decision in relation to the Fund. A copy of the Enduring Units PDS (dated on 31 January 2020), TMD dated 1 October 2021, continuous disclosure notices and relevant application form may be obtained from <https://www.oneinvestment.com.au/realm-strategic-income/> or <https://www.realminvestments.com.au/our-products/realm-strategic-income-fund-enduring-units/>.

A copy of the 2018-1 Units PDS dated 4 April 2018 can be obtained by contacting OMIFL on 02 8277 0000 or the investment manager on 03 9008 7290 and continuous disclosure notices may be obtained on OMIFL's website <https://www.oneinvestment.com.au/realm-capital-series/> or the investment manager's website <http://www.realminvestments.com.au/>.

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