

Fund Objective

The Realm High Income Fund is a fixed income strategy, that invests in domestic investment grade asset backed securities, bank-issued securities and corporate & government bonds. The objective of the Fund is to deliver investors a consistent return (net of fees and after franking) of 3% over the RBA cash rate through the market cycle.

Net Performance

| Period | Ordinary Units (incl. franking) | Wholesale Units (incl. franking) | RBA Cash Rate Return |
|----------------------|------------------------------------|-------------------------------------|-------------------------|
| 1 Month | 0.55% | 0.58% | 0.06% |
| 3 Month | 1.05% | 1.15% | 0.19% |
| 6 Months | 1.90% | 2.11% | 0.42% |
| 1 Year | 5.59% | 6.03% | 1.10% |
| 3 Years p.a | 3.59% | 4.03% | 1.37% |
| 5 Years p.a | 3.89% | 4.34% | 1.57% |
| Since Inception p.a* | 4.96% | 4.85% | 1.92% |

* Past performance is not indicative of future performance. *Ordinary units Inception 26 September 2012. Wholesale units Inception 2 October 2013.

Fund Update

Cash and Short-Term Liquidity Weighting: ↓ Decreased modestly to 14.14%.

Interest Rate Duration Position: - IRD positioning remained around 1.09 years. Long bond interest rates plummeted all over the world due to the novel coronavirus. Our current exposure to rates is higher than it would otherwise be, due to the uncertainty created by the virus. In this kind of environment bonds deliver an important diversification benefit to risk positions which can offset portfolio volatility.

Corporate & Subordinated Debt Allocation: ↑ Weighting to corporate and sub debt, collectively, increased to 35.39% from 34.75%. The net increase in the corporate bond sector was the result of meaningful additions in longer dated, high quality senior bank bonds. Additionally, some profit taking from lower rated USD positions increased the average rating of our corporate exposure. Net movement in the sub-debt allocation was marginal, however, we opportunistically extended credit duration by rotating securities. Coronavirus concerns seemed to slow issuance down, with very little to see outside of senior issuance out of ANZ, NAB and subordinated debt issuance out of Westpac. Overall credit supply for investors could be characterised as soft.

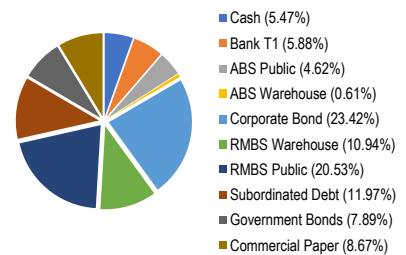
Residential Mortgage Backed Securities (RMBS): ↑ RMBS allocation increased slightly over month, with several additions via purchases in the secondary market. Market pricing continued to strengthen over the course of the month as the demand for high quality paper continues to grow. With respect to market performance, the S&P arrears index (SPIN) for the month of November showed prime arrears improving 3bps to 0.90%, while non-conforming weakened slightly to 3.17%. Major bank arrears improved slightly, while regional banks saw another significant improvement of 20bps to 1.32%. Geographically, NSW and VIC saw slight weakness, moderating 2bps and 3bps respectively. Noticeable improvements were seen in SA and TAS, with arrears levels strengthening 10bps in each state to 1.32% and 1.01%. In summary, rising demand for the sector continues to bring performance. We maintain a positive view and are seeking to move overweight given prevailing conditions.

Fund Statistics

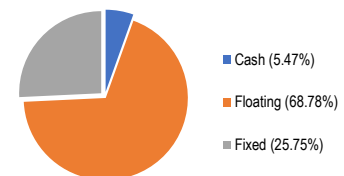
| | |
|--------------------------------|--------|
| Running Yield | 4.15% |
| Volatility† | 0.74% |
| Interest rate duration | 1.09 |
| Credit duration | 2.90 |
| Average Credit Rating | BBB+ |
| Number of positions | 239 |
| Average position exposure | 0.35% |
| Worst Month* | -0.47% |
| Best Month* | 1.22% |
| Sharpe ratio [‡] | 3.19 |
| Information Ratio [‡] | 2.62 |

Calculated on Ordinary Units unless otherwise stated. *Since Inception 26 September 2012.
[†]Trailing 12 Months Calculated on Daily observations. [‡]Since Inception Calculated on Daily observations

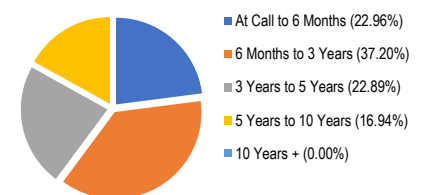
Portfolio Composition



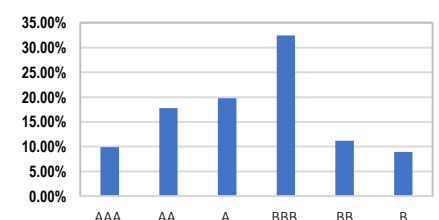
Fixed and Floating Breakdown



Maturity Profile



Credit Quality



Additional Tier 1 (AT1) Exposures: ↑ AT1 exposures increased to 5.88% from 5.54% on the back of a slight addition in USD Bank T1 position resulting from security dislocation in the market. We continue to hold the view that low cash rates are likely to support the Australian listed market, minimising the prospect of any significant volatility in the shorter to medium term.

Asset Backed Securities (ABS): ↑ Our ABS allocation increased slightly over the month driven primarily by secondary market activity. Market demand for asset backed paper remains very strong, given its short dated nature and good yield.

Targeted risk across the Fund: - Targeted portfolio risk increased to 1.10% from 1.08% over the month. The slight increase resulted from allocating cash into credit assets.

Market Outlook

The Coronavirus was the primary driver of markets over the month.

Bonds rallied hard and fast as the news around corona built, initially the move seemed to be based around little more than the sentiment and mania created by the virus.

Risk markets were more circumspect. They really did do their best to worry, however, all that could be mustered into month end for US BBB 10 year credit was a negative movement of less than 1% (at the same time that bonds had rallied around 4%). At the time of writing credit is only marginally lower in price than its very highs in mid January.

On to the virus itself, like most financiers, a couple of weeks of feverish research (no pun intended), is hardly going to turn us into experts on virology. That said, we have tracked the story by speaking to people with strong insight into these specific kinds of risks which have provided us with valuable insight.

In addition our use of search trends and their rate of change continues to be quite instructive in measuring people's levels of worry and concern and consequently the ability of the virus to impact on market sentiment and even the real economy.

Going into January our portfolio risk had been reduced quite considerably, with the fund repositioned to Australian dollar issued risk, which in general delivers lower volatility than USD debt. Furthermore we have maintained a higher weighting to bonds than would otherwise be the case. Current interest rate portfolio positioning is approximately two times longer than it would be absent the existence of corona-risks.

We feel this is appropriate given our level of concern and the prevailing risks as we see them. As this changes the portfolio will be adjusted to reflect any change in our correlation or return assumptions. Investors should maintain comfort that the portfolio risk settings will allow capital to be protected at this volatile time.

Sector Allocation

| Sector | Asset Allocation Range | SAA Target |
|---------------------|------------------------|------------|
| Cash | 0% - 100% | 10% |
| Government Bonds | 0% - 100% | 10% |
| Corporate Bonds | 0% - 60% | 10% |
| Corporate Hybrids | 0% - 10% | 5% |
| Bank Tier 1 Hybrids | 0% - 25% | 15% |
| Sub Debt Hybrids | 0% - 25% | 15% |
| RMBS | 0% - 60% | 30% |
| ABS | 0% - 20% | 5% |

Fund Details

Distribution Frequency: Monthly

Liquidity: Daily

Buy/Sell: 0.05% / 0.05%

Direct Minimum Investment:

Ordinary Units - \$25,000

Wholesale Units - \$1,000,000

Adviser Units - \$25,000

mFund Units - \$25,000

Inception Date: 26.9.2012

Fund size: AUD \$605 million

APIR Codes:

Ordinary Units - OMF0001AU

Wholesale Units - OMF009AU

Adviser Units - OMF0018AU

mFund Units - OMIF1394AU

Management Fees (inc. GST):

Ordinary Units - 1.20%

Wholesale Units - 0.77%

Adviser Units - 0.77%

mFunds Units - 0.77%

Responsible Entity: One Managed Investment Funds Ltd

Custodian: JP Morgan

Unit Pricing and Unit Price History:

www.realminvestments.com.au/media/4

Platform Availability

- BT Wrap
- BT Panorama
- Credit Suisse
- Crestone
- First Wrap
- Hub24
- Macquarie Wrap
- Managed Accounts - IAS
- MLC Navigator
- MLC Wrap
- Netwealth
- Powerwrap
- Praemium
- uXchange
- mFund Settlement Service - mFund code: RLM03

DISCLAIMER

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 High Income Fund (ARSN 159 673 533) (Fund). 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 consider the product disclosure statement (PDS) issued by OMIFL before making any decision regarding the Fund. The PDS contains important information about investing in the Fund and it is important investors obtain and read a copy of the PDS before making a decision about whether to acquire, continue to hold or dispose of units in the Fund. You should also consult a licensed financial adviser before making an investment decision in relation to the Fund. A copy of the Ordinary Units, mFunds Units and Wholesale Units PDS, Adviser Units PDS, Additional PDS (Dated 12 November 2018) and continuous disclosures may be obtained from <http://oneinvestment.com.au/realm/> or <http://www.realminvestments.com.au>. Realm believes that the information contained in this document is accurate when issued. Realm does not warrant that such information or advice is accurate, reliable, complete or up-to-date, and to the fullest extent permitted by law, disclaims all liability of Realm and its associates. This document should be regarded as general information only rather than advice. In preparing this document, Realm did not take into account the investment objectives, financial situation and particular needs of any individual person. The information contained in this document must not be copied or disclosed in whole or in part without the prior written consent of Realm, and Realm accept no liability whatsoever for the actions of third parties in this respect. It is presented for informational purposes only and is not to be construed as a solicitation or an offer or recommendation to buy or sell any securities. Any opinions expressed in this document may be subject to change. Realm is not obliged to update the information. The information must not be used by recipients as a substitute for the exercise of their own judgment and investigation. Neither Realm nor any of their directors, employees or agents accept any liability for any loss or damage arising out of the use of all or part of, or any omission, inadequacy or inaccuracy in, this document. OMIFL and Realm do not guarantee the performance of the Fund or the repayment of any investor's capital. To the extent permitted by law, neither OMIFL nor Realm, including their directors, senior executives, employees, consultants, advisers, officers or authorised representatives, are liable for any loss or damage arising as a result of reliance placed on the contents of this document. Realm only provides services to wholesale clients, as defined in section 761G of the Corporations Act. Past performance is not indicative of future performance. Information in this document is current as at 31 January 2020.