

# MA Redcape Hotel Fund

Supplementary Product Disclosure Statement

December 2024



**redcape.**  
HOSPITALITY

**ISSUER AND RESPONSIBLE ENTITY**

MA Redcape Hotel Fund RE Ltd  
ACN 610 990 004, as responsible entity  
of the MA Redcape Hotel Trust I, ARSN  
629 354 614 and the MA Redcape Hotel  
Trust II, ARSN 629 354 696

**MANAGER**

Redcape Hospitality Pty Ltd  
ACN 619 297 228

# In relation to the offer of Stapled Securities in the MA Redcape Hotel Fund

## Important Information

This document (“SPDS”) is a supplementary product disclosure statement for the purposes of Part 7.9 of the Corporations Act 2001 (Cth) and supplements the product disclosure statement dated 2 April 2024 (“PDS”) in relation to the offer of Stapled Securities in the MA Redcape Hotel Trust I (ARSN 629 354 614) (“Trust I”) and MA Redcape Hotel Trust II (ARSN 629 354 696) (“Trust II”) (together, “Redcape”) by MA Redcape Hotel Fund RE Ltd (ACN 610 990 004, AFSL 505932) (“Responsible Entity”) as responsible entity of each of Trust I and Trust II.

This SPDS is an important document that should be read and considered in its entirety, in conjunction with the PDS, before any decision is made to apply for or acquire units in the Fund.

The PDS and this SPDS are available at [mafinancial.com/invest/real-estate-operational-and-core/ma-redcape-hotel-fund](https://mafinancial.com/invest/real-estate-operational-and-core/ma-redcape-hotel-fund)

Capitalised terms used in this SPDS which have not been defined have the meaning given in the Glossary in Annexure B of the PDS.

## 1 Reopening of Liquidity Facility

The purpose of this SPDS is to inform investors that the Liquidity Facility (as defined in the PDS) will be re-opened effective for the March 2025 quarter end and to update disclosures in the PDS to reflect updates to Redcape’s redemption procedures.

## 2 Updates to PDS

This SPDS updates the PDS as follows:

**In the PDS, in section 1, the text in the cell in the middle column of the table to the right of “Redemptions” on pages 8 and 9 are deleted and the following is inserted:**

- The Responsible Entity aims to provide liquidity on a quarterly basis through a Liquidity Facility (Liquidity Facility). The Responsible Entity expects that the amount of available liquidity in each quarter will be capped at up to \$10 million.
- The ‘closing date’ for notification of withdrawal requests to the Responsible Entity is generally 5.00pm Sydney time 30 days prior to the last day of the relevant quarter, or the next Business Day if the last day of the relevant quarter is a non-Business Day.
- Withdrawal requests may be subject to cut-off parameters as detailed in section 9 of the PDS. In accordance with the terms of the Constitution the

Responsible Entity may, from time to time, change these cut-off parameters. Refer to the Fund’s Website for the latest published cut-off parameters.

- The Liquidity Facility aims to offer investors quarterly liquidity at a Withdrawal Price calculated by reference to the Fund’s Portfolio NAV per Unit, minus a discount equal to 2.5% of the Portfolio NAV per Unit known as the Withdrawal Discount. The Responsible Entity may from time to time reduce the amount of Withdrawal Discount applied at its discretion and in accordance with its statutory duties.
- The difference between Portfolio NAV and NAV is described in section 12.2 of the PDS. The Responsible Entity expects that the amount of available liquidity in each quarter will be capped at \$10 million.
- The Responsible Entity may revise the terms of the Liquidity Facility from time to time and investors should refer to the Fund’s website for the latest Liquidity Facility terms.
- If the \$10 million cap is reached in any given quarter, those Unitholders will automatically participate in the carry forward facility to carry forward any unfulfilled part of the withdrawal request to the next available Liquidity Facility and be treated as a new request for the unfulfilled amount.
- See further details in relation to the carry forward facility in section 9.11 of the PDS.
- Any withdrawal requests carried over to the next period (quarter) do not have priority, but form part of the pool of new withdrawal requests for that next quarter.
- Proceeds from accepted withdrawal requests will be paid within 21 days from the last Business Day of the relevant quarter. However, under the Fund’s Constitution, the Responsible Entity is allowed up to 365 days in which to satisfy accepted withdrawal requests. Withdrawals will take effect as at the end of the quarter in which the relevant request is accepted.
- Further information on the withdrawals is detailed in the applications and withdrawals section of the PDS.’

**In the PDS, in section 6.2, the text under the heading ‘Liquidity Facility’ on page 22 of the PDS are deleted and the following is inserted:**

- ‘The Responsible Entity aims to provide liquidity on a quarterly basis through a Liquidity Facility (Liquidity Facility). The Responsible Entity expects that the amount of available liquidity in each quarter will be capped at up to \$10 million.
- The ‘closing date’ for notification of withdrawal requests to the Responsible Entity is generally 5.00pm Sydney time 30 days prior to the last day of the

relevant quarter, or the next Business Day if the last day of the relevant quarter is a non-Business Day.

- Withdrawal requests may be subject to cut-off parameters as detailed in section 9 of this PDS. In accordance with the terms of the Constitution the Responsible Entity may, from time to time, change these cut-off parameters. Refer to the Fund's Website for the latest published cut-off parameters.
- The Liquidity Facility aims to offer investors quarterly liquidity at a Withdrawal Price calculated by reference to the Fund's Portfolio NAV per Unit, minus a discount equal to 2.5% of the Portfolio NAV per Unit known as the Withdrawal Discount. The Responsible Entity may from time to time reduce the amount of Withdrawal Discount applied at its discretion and in accordance with its statutory duties.
- The difference between Portfolio NAV and NAV is described in section 12.2 of the PDS.
- The Responsible Entity may revise the terms of the Liquidity Facility from time to time and investors should refer to the Fund's website for the latest Liquidity Facility terms.
- If the \$10 million cap is reached in any given quarter, those Unitholders will automatically participate in the carry forward facility to carry forward any unfulfilled part of the withdrawal request to the next available Liquidity Facility and be treated as a new request for the unfulfilled amount.
- See further details in relation to the carry forward facility in section 9.11 of the PDS.
- Any withdrawal requests carried over to the next period (quarter) do not have priority, but form part of the pool of new withdrawal requests for that next quarter.
- Proceeds from accepted withdrawal requests will be paid within 21 days from the last Business Day of the relevant quarter. However, under the Fund's Constitution, the Responsible Entity is allowed up to 365 days in which to satisfy accepted withdrawal requests. Withdrawals will take effect as at the end of the quarter in which the relevant request is accepted. Further information on the withdrawals is detailed in the applications and withdrawals section below.
- The Liquidity Facility may also be cancelled, deferred, scaled back or suspended in exceptional circumstances including for so long as it is impracticable to offer liquidity, or if it would not be in the best interests of Unitholders for liquidity to be offered. As such, investors should consider an investment in the Fund to be a long-term investment. Refer to section 9.11 of the PDS for further details.'

**In the PDS, in Section 7.3, the text under the heading 'Liquidity risk' on pages 26-27 of the PDS are deleted and the following is inserted:**

- 'Despite the Fund offering certain liquidity opportunities as described in Section 6.2 and 9.9, there may be circumstances where the Manager is not able to satisfy withdrawal requests (including for the avoidance of doubt any deceased estate requests in accordance with section 9.10 of this document),

within the timeframes specified, or at all. The ability to withdraw (in part or in full) at any particular time is not promised nor guaranteed. It may be difficult for the Manager to maintain the quarterly Liquidity Facility and to offer periodic Liquidity Events. This may occur as a result of, for example, movements in the hotel market, withdrawal requests exceeding the Fund's available liquid assets or the Fund not being able to realise sufficient assets in a timely manner or at an optimal sale price. This may affect the Manager's ability to return capital to investors and may reduce the Portfolio NAV per Unit.

- Further, the amount of available liquidity in each quarter will be capped at up to \$10 million. It may be difficult for the Manager to offer liquidity at up to \$10 million and in some quarters the liquidity available will be less than \$10 million. The assets in the Fund's portfolio are, by their nature, illiquid investments. There is a risk that, if required to do so, the Fund may not be able to realise value for the assets within a short period of time or may not be able to realise the full valuation, which may affect an investment in the Fund.'

**In the PDS, in section 9.9 the text under the heading 'Withdrawals from the Fund' on pages 40-41 of the PDS are deleted and the following is inserted:**

- 'At the end of each rolling five-year term, there will be a liquidity event where, subject to its obligations at law, the Responsible Entity will seek to provide liquidity for Investors wishing to redeem all or some of their investment.
- The Responsible Entity will aim to meet all withdrawal requests under a liquidity event within 180 days (although under the Fund's Constitution, the Responsible Entity will have up to 365 days to satisfy accepted withdrawal requests). The funds returned will be determined by reference to the Withdrawal Price. Liquidity events may also be cancelled, deferred, scaled back or suspended in exceptional circumstances including for so long as it is impracticable to offer liquidity, or if it would not be in the best interests of Unitholders for liquidity to be offered. As such, investors should consider an investment in the Fund to be a long-term investment.
- The Responsible Entity aims to provide liquidity on a quarterly basis through a Liquidity Facility (Liquidity Facility). The Responsible Entity expects that the amount of available liquidity in each quarter will be capped at up to \$10 million.
- The 'closing date' for notification of withdrawal requests to the Responsible Entity is generally 5.00pm Sydney time 30 days prior to the last day of the relevant quarter, or the next Business Day if the last day of the relevant quarter is a non-Business Day.
- Withdrawal requests may be subject to cut-off parameters as detailed in section 9 of this PDS. In accordance with the terms of the Constitution the Responsible Entity may, from time to time, change these cut-off parameters. Refer to the Fund's Website for the latest published cut-off parameters.

- The Liquidity Facility aims to offer investors quarterly liquidity at a Withdrawal Price calculated by reference to the Fund's Portfolio NAV per Unit, minus a discount equal to 2.5% of the Portfolio NAV per Unit known as the Withdrawal Discount. The Responsible Entity may from time to time reduce the amount of Withdrawal Discount applied at its discretion and in accordance with its statutory duties.
  - The difference between Portfolio NAV and NAV is described in section 12.2 of the PDS.
  - The Responsible Entity may revise the terms of the Liquidity Facility from time to time and investors should refer to the Fund's website for the latest Liquidity Facility terms.
  - If the \$10 million cap is reached in any given quarter, those Unitholders will automatically participate in the carry forward facility to carry forward any unfulfilled part of the withdrawal request to the next available Liquidity Facility and be treated as a new request for the unfulfilled amount.
  - Any withdrawal requests carried over to the next period (quarter) do not have priority, but form part of the pool of new withdrawal requests for that next quarter.
  - Proceeds from accepted withdrawal requests will be paid within 21 days from the last Business Day of the relevant quarter. However, under the Fund's Constitution, the Responsible Entity is allowed up to 365 days in which to satisfy accepted withdrawal requests. Withdrawals will take effect as at the end of the quarter in which the relevant request is accepted. Further information on the withdrawals is detailed in the applications and withdrawals section below.
  - The ability for the Responsible Entity to offer the quarterly Liquidity Facility otherwise depends upon many factors including the Fund remaining liquid, and the Fund having sufficient cash reserves or available capacity under its debt facilities. The sufficiency of cash reserves and available capacity under debt facilities will be assessed by the Responsible Entity on the basis of prevailing economic conditions and trading conditions at the time. Any application of cash reserves or debt facilities to satisfy withdrawal requests will align with the Fund's gearing policy and interest cover ratio.
  - There is no guarantee that liquidity will be available at any particular price or at all. If liquidity is available, an investor's application for liquidity may be scaled back pro-rata to the amount of liquidity requested. If a scale back applies, the scaled-back component of an investor's application for liquidity may be carried over to the last Business Day of the following quarter (if available) under a carry forward facility. Any withdrawal requests carried over to the next period (quarter) do not have priority, but form part of the pool of new withdrawal requests for that next quarter.
  - The Liquidity Facility may also be cancelled, deferred, scaled back or suspended in exceptional circumstances including for so long as it is impracticable to offer liquidity, or if it would not be in the best interests of Unitholders for liquidity to be offered. As such, investors should consider an investment in the Fund to be a long-term investment. Refer to section 9.11 of the PDS for further details.
- In the PDS, the following text in section 9.10 'Minimum Account Balance and Compulsory Withdrawal' under the sub heading 'Changes to the Liquidity Facility' on page 41 of the PDS are deleted:
- 'The Liquidity Facility is currently paused for any new withdrawal requests until the Priority Requests have been satisfied in full and withdrawals from the Fund may be restricted in certain circumstances. Please refer to Section 9.9 and 9.11 of the PDS.'

### 3 ASIC

This SPDS is not required to be and will not be lodged with ASIC.

### 4 Authorisation

This SPDS is authorised by each director of the Responsible Entity.

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Information in this SPDS may need to be updated from time to time. Any updated information in this SPDS that is considered not materially adverse to Unitholders (Updated Information) will be made available by the Responsible Entity by publishing such information on the Fund's Website. A paper copy of the Updated Information will be provided free of charge on request. It is recommended that you review any such additional material before making a decision whether to acquire Units. Any new or updated information that is materially adverse to Unitholders will be available to Unitholders via a supplementary or new PDS accessible via the Fund's Website.

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END OF SUPPLEMENTARY PRODUCT DISCLOSURE STATEMENT