

Fund Overview

Fund Objective

Fund strategy targets a return of 10.00% [net of fees]⁺ above the RBA cash rate. The Fund may suit investors seeking a higher yield return with a preference for an elevated risk profile.

Fund Withdrawal Windows

The next fund withdrawal window will be closing at 5pm AEDT on 31 August 2024, with redemptions payments made 15 November 2024. Redemption requests can be made via our investor portal or via the online form located at www.remara.com

Applications

Online application portal at <https://remara.com/funds/credit-opportunities-fund/>

Fund Strategy

Remara has established itself in the SME, Floorplan, Consumer and Real Estate finance sectors through direct lending platforms, utilising a vertical integration model to produce credit assets for the Fund and institutional investors. The Fund invests in securitised warehouses and direct loans, all originated and serviced by Remara's portfolio companies, allowing for direct ownership and active management to swiftly adapt to changes. Remara commits a minimum of 5% equity in first-loss positions across all loans, ensuring alignment with investor interests.

The Fund offers investment opportunities in below investment grade credit, including BB-B rated or shadow-rated securitised products, mezzanine project finance, and special situations debt. It targets higher returns due to its relatively high credit risk and potential for higher default rates.

Fund Update

The Fund is currently invested in a securitised warehouse across asset finance, business overdraft, and business loan assets, with strong diversification across contract type, geography, and obligors. The Fund focuses on Prime commercial borrowers. We have seen a continuation of their strength with arrears across the underlying portfolio + 30 days arrears of 0.05%.

Fund Details

Particulars			
Distributions	Monthly	Benchmark	RBA + 10.00%
Applications	Monthly	Buy/Sell Spread	N/A
Withdrawals	Quarterly	Distribution Reinvestment	Yes
Next Redemption Window	30 Sept 2024	APIR Code	AMT1125AU
Pricing & Reporting	Monthly	ISIN	AU60AMT11256
Inception Date	January 2024	Management Fees	1.25% p.a.
Performance Fee	20% of outperformance above benchmark		

Service Providers

Entities	
Trustee	AMAL Trustees Pty Ltd
Investment Manager & Unity Registry	Remara Investment Management Pty Ltd
Auditor	Ernst & Young
Administrator	AMAL Trustees Pty Ltd

⁺ Target returns are not guaranteed.

* Past performance is not an indicator of future performance.

Market Overview

Market Update

Over May the Australian economy continued its pattern of modest growth. The ASX 200 showed notable resilience despite significant volatility throughout May. The index closed at a gain of 0.49% for the month. Rising bond yields posed challenges for the financial sector. May was another active month for the Australian credit market, with strong demand for asset-backed securities (ABS).

The RBA 10-year bond yield began the month at 4.268% and closed at 4.325%, reflecting a slightly larger increase of approximately 0.057 percentage points. Similarly, the 2-year bond moved from 3.908% to 4.027%, an increase of 0.119 percentage points. These movements in the yields of 2-year and 10-year bonds are significant as they influence market expectations regarding future interest rates in Australia, suggesting potential anticipation of monetary tightening or adjustments based on economic conditions.

In the Asia-Pacific region, economic performance was diverse but overall resilient. China's economy stabilised with a first-quarter GDP growth rate of 5.3%, driven by strong industrial production and consumer spending. Japan continued its economic recovery, supported by substantial technological investments & robust industrial output. India's economy remained robust, underpinned by solid consumption and industrial activity. However, political uncertainties and potential currency volatility pose ongoing risks to its economic outlook.

The U.S. economy demonstrated robust growth in May 2024, with GDP expected to exceed 3% in the second quarter. This growth was supported by solid consumer spending and significant investments in technology sectors. The labour market remained resilient, maintaining low unemployment rates below 4%, underscoring the strength of the U.S. economic recovery. Inflation persisted but showed signs of easing. The Federal Reserve signalled potential rate cuts starting in September 2024, aiming to balance the need to manage inflation while supporting ongoing economic growth. Early gains in the S&P 500 were tempered by mid-month corrections as investors adjusted their expectations around inflation and interest rate policies.

In Europe, economic outcomes were mixed. The services sector drove GDP growth, while manufacturing faced challenges due to high energy costs and supply chain disruptions. The European Central Bank (ECB) prepared for potential rate cuts as inflation approached target levels, indicating cautious optimism about the future economic environment.

The Remara Credit Opportunities Fund provides a resilient return to investors through the market cycle through significant diversification of credit instruments and industry exposure. The Fund's underlying obligor profile is that of a prime borrower, meaning credit quality is strong and should be resilient in the face of market or liquidity shocks. The nature of the contracts is either floating or shorter-dated, allowing our Fund to capture any rate increases and ensure investors are compensated for rate changes as and when they occur. The Fund is currently achieving an annualised yield of 13.92% (post fees) against a benchmark of 14.36% (~BBSW1m 4.36% + Active Gain of 10.00%).

Performance & Availability

Fund Statistics*

Metrics	
Annualised Rolling Yield ¹	14.53% p.a.
Volatility [#] [Calculated since inception of the fund on monthly returns]	N/A
Floating/Fixed Rate	100%/0%
Credit Duration	14 months
Look Through Obligor Exposures	2,895
Average position exposure	\$61,074

¹ Annualised yield is a forward-looking return and is calculated as last month's return multiplied by 12.

Performance Overview*

Period	Total Return	RBA / BBSW1m	Active Gain
1 Month	1.16%	0.36%	0.80%
3 Month	3.63%	1.09%	2.55%
Running Yield [annualised]	14.53%	4.34%	10.18%

Distribution History %*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
2024			1.24%	1.24%	1.16%							

Platform Availability



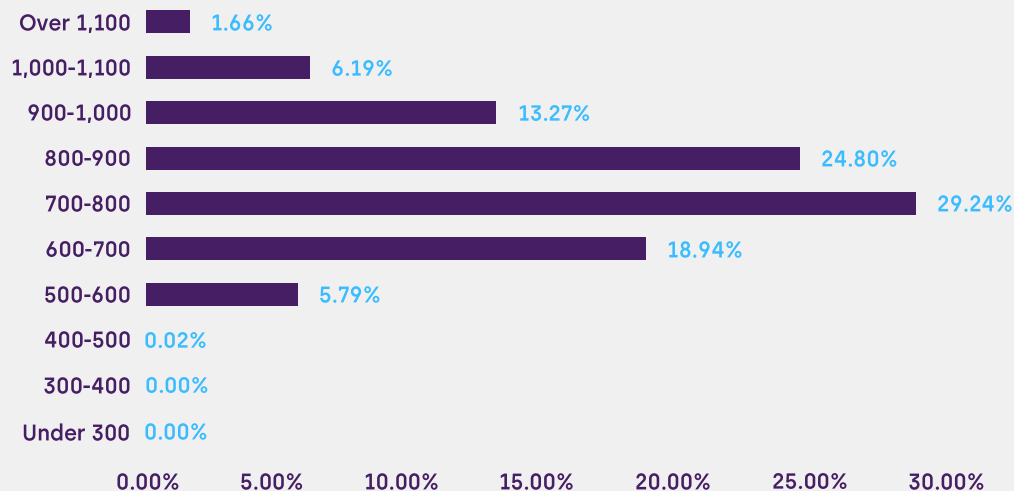
* Past performance is not an indicator of future performance.

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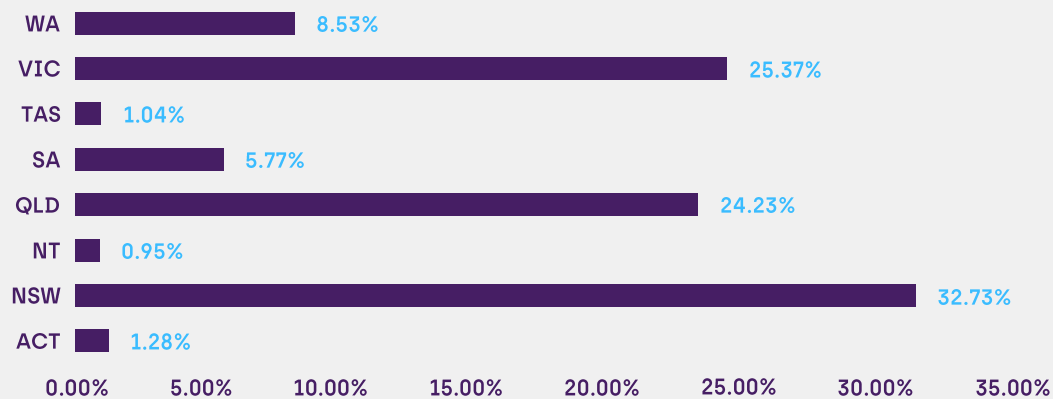


Portfolio Quality & Diversification Statistics

Credit Score¹



Geographic Distribution¹

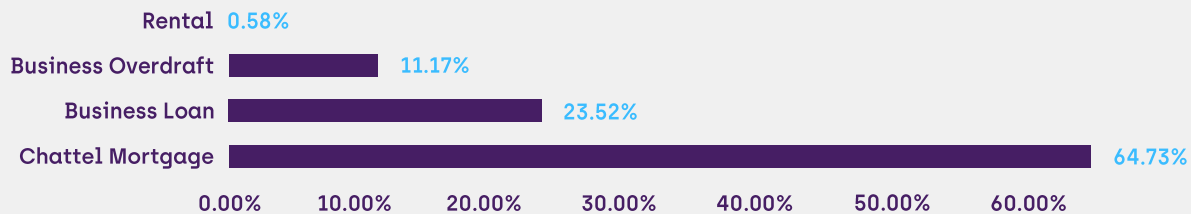


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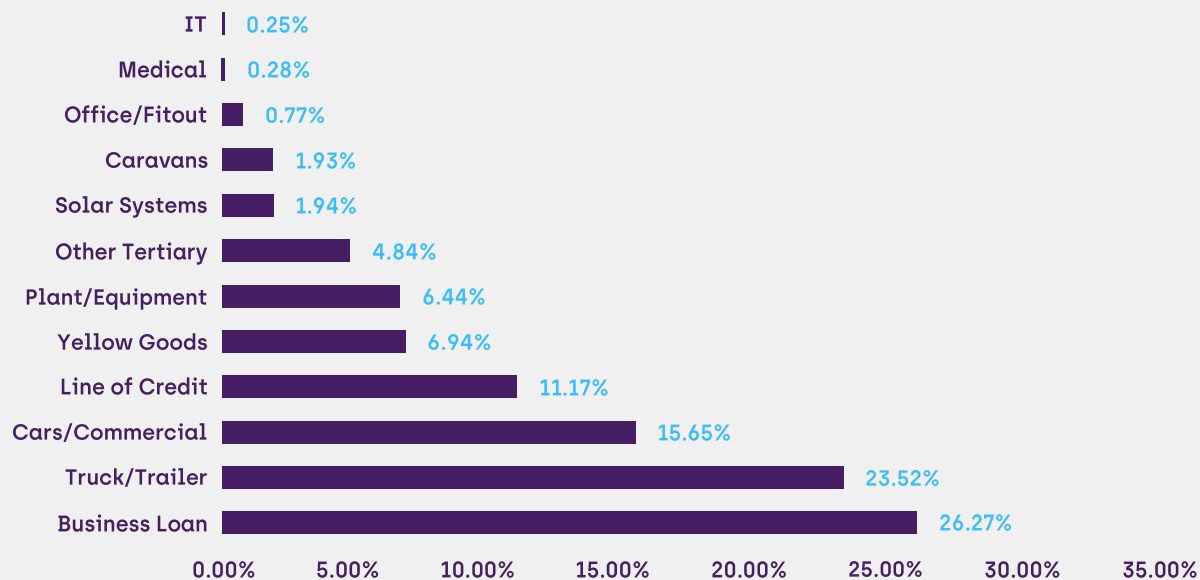
¹ Source: Remara Private Credit Income Fund – Portfolio Statistics as at 31 March 2024.

Portfolio Quality & Diversification Statistics

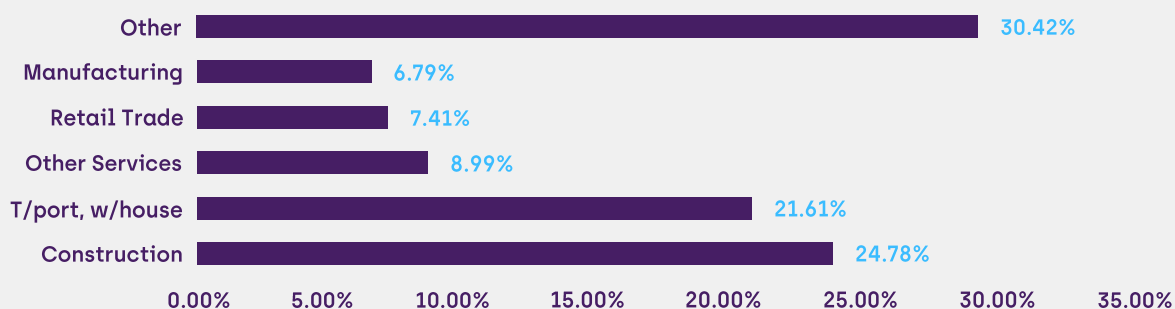
Contract Type¹



Collateral Type¹



Industry Exposure¹



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¹ Source: Remara Private Credit Income Fund – Portfolio Statistics as at 31 March 2024.

Disclaimer

Units in the Remara Credit Opportunities Fund ("Fund") are issued by AMAL Trustees Pty Ltd [ABN 98 609 737, AFSL 483459] ("Issuer"). Remara Investment Management Pty Limited [ABN 26 644 751 815, AFSL 546046] ("Remara") is the investment manager of the Fund. This document is issued by Remara. Offers of units in the Fund will only be made in, or accompanied by, an Investment Memorandum ["IM"] which is available at www.remara.com

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