

# remara.

## Private Credit Income Fund

November Update [2024]



### Fund Objective

Fund strategy targets a return of 6.00% [net of fees]\* above the BBSW rate. The Fund may suit investors seeking a higher yield return with a low to moderate risk tolerance.

### Fund Withdrawal Windows

Applications for the March redemption window will close 28 February 2025 at 5pm AEST. At 30 November, the Fund held 38.53% of its asset base in cash and/or short dated credit contracts. Redemption requests can be made via our investor portal, on our mobile app, or via the online form located at [www.remara.com](http://www.remara.com)

### Applications

Online application portal at [www.remara.com/funds/private-credit-fund/](http://www.remara.com/funds/private-credit-fund/)



### Fund Strategy

Remara has established direct lending platforms within the SME and Real Estate finance sectors. Remara used its vertical integration model to generate credit assets for Fund and other institutional investors. The Fund invests into a series of securitised warehouses and direct loans originated and serviced via Remara portfolio companies. Through our direct ownership, Remara has the ability to actively manage and control the generation of credit assets and respond to macro and micro changes quickly.

Remara via its equity investments into its portfolio companies invests a minimum of 5% into the first loss of each and every loan generated across the platform. Remara believes this creates superior alignment with investors as our money is at risk ahead of Fund investors.

### Fund Update\*\*

The Fund holds 8 notes across 5 facilities, providing exposure across Asset Finance, Business Loan and Overdraft, Real Estate and Insurance Premium Finance with strong diversification across obligors, contract type, asset class and geography.

During November, the Fund released a note investment in the Asset Finance structure, reducing the look-through exposure to asset finance loans. As a result, in early December, the Fund invested into a new asset finance position, re-establishing the portfolio look-through exposure.

### Platform Arrears & Fund W.A Arrears\*\*

Platform 30+ days arrears increased at 30 November to 55bps (previously 44bps), below SPIN RMBS and Auto ABS benchmarks, reflecting strong performance of the underlying exposure.

Across the Fund portfolio there was an increase in arrears to 48bps (previously 26bps). 30+ days arrears across the Platform and Fund portfolios remains considerably lower than the S&P's ABS and RMBS Standard & Poor's Performance Index (SPIN).

\* Target returns are not guaranteed.

\*\*Source: Remara Investment Management – Portfolio Statistics as at 30 November 2024.

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## Fund Details

Particulars			
Distributions	Monthly	Benchmark (post fees)	BBSW1M + 6.00%
Applications	Daily	Buy/Sell Spread	N/A
Withdrawals	Quarterly	Distribution Reinvestment	Yes
Next Redemption Window	31 March 2025	APIR Code	MSC8502AU
Pricing & Reporting	Monthly	ASRN	669 647 643
Inception Date	1 August 2022	Management Fee	0.50% p.a.

## Service Providers

Entities	
Responsible Entity & Trustee	Melbourne Securities Corporation Limited [ACN 160 326 545, AFSL 428 289]
Investment Manager	Remara Investment Management Pty Ltd [ACN 644 751 815, AFSL 546 046]
Custodian	Perpetual Corporate Trust Limited
Auditor	Ernst & Young
Administrator	AMAL Trustees Pty Ltd

## Market Overview

Global equity markets climbed in November, led by the US, as optimism grew over Republican pro-growth policies, including proposed tax cuts. US Treasury yields eased following Scott Bessent's nomination as Treasury Secretary, alleviating inflationary concerns. At the same time, the Federal Reserve adopted a cautious stance, lowering the probability of a December rate cut.

Equity markets were mixed with the ASX 200 Total Return Index increasing by 3.79%, the S&P 500 by 5.87%, the MSCI World Index by 4.59%, the MSCI Europe Index falling by -1.06%, the MSCI Asian ex-Japan Index falling by -3.29% as well as the Nikkei by -2.22%. Bond markets rose over the month, with the Bloomberg AusBond Composite Index increasing by 1.14%, Australian 10-year bonds falling by -3.65%, US 10-year bonds falling by -2.71%, and Eurozone 10-year bonds falling by -12.64%.

In Australia, the Reserve Bank maintained the cash rate at 4.35% amid ongoing inflation risks. Consumer sentiment showed improvement, although housing prices continued to decline and wage growth remained sluggish. Trimmed mean inflation rose to 3.5%, which the RBA deems too high; expectations for a rate cut have been pushed from February to May. The ASX 200 rose 3.4%, driven by strong performances in technology and consumer discretionary sectors, alongside rising valuations across markets.

Commodities saw varied outcomes, with oil prices increasing due to OPEC+ considerations, while gold and other commodities declined. Meanwhile, Bitcoin reached over \$100k for the first time, bolstered by Trump's pro-crypto stance. The USD strengthened broadly, except against the yen, which gained on expectations of Bank of Japan tightening. Meanwhile, ongoing political and economic challenges in Europe and China weighed on global investor sentiment.

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## Performance & Availability

### Fund Statistics\*

Metrics**	
12 Month Return <sup>1</sup>	13.41% p.a.
Volatility - [Calculated since inception of the fund on monthly returns]	0.14%
Average Credit Duration - [underlying contracts]	19.92 months
Fund Portfolio 30+ Days Arrears	0.48%
Look Through Obligor Exposures - Fund	9,377
Look Through Obligor Exposures - Platform	21,788
Average Position Exposure	\$494,062.51
Max Position Exposure	\$2,200,519.31
Current Loan Balance - Platform	\$1,304,670,162.63
Fund Weighted Average (W.A) Seasoning <sup>2</sup>	7.33 months
Fund Weighted Average (W.A) Remaining Term	22.53 months
Fund Weighted Average (W.A) Interest Rate	13.90%
Fund Weighted Average (W.A) Credit Score	771.57

<sup>1</sup> Return for the past 12 consecutive calendar months.

<sup>2</sup> 'Seasoning' refers to the length of time a loan has been in place.

### Performance Overview\*

Period	Total Return	BBSW1M	Active Gain
1 Month	1.08%	0.36%	0.72%
3 Month	3.25%	1.08%	2.18%
6 Month	6.66%	2.16%	4.51%
12 Month	13.41%	4.31%	9.10%
2 Years [annualised]	12.76%	4.05%	8.71%
Since inception [annualised]	12.33%	3.85%	8.48%

### Distribution History %\*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
2022								0.52%	1.06%	0.79%	0.88%	0.97%
2023	1.01%	0.96%	1.00%	0.99%	1.00%	0.84%	0.93%	1.09%	1.11%	1.11%	1.10%	1.13%
2024	1.14%	1.00%	1.14%	1.09%	1.24%	1.12%	1.13%	1.17%	1.08%	1.09%	1.08%	

\*Past performance is not an indicator of future performance.

\*\*Source: Remara Investment Management – Portfolio Statistics as at 30 November 2024.

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## Portfolio Quality & Diversification Statistics\*\*

As at 30 November 2024	Fund%	Platform %
<b>Fund Composition</b>		
Project Finance / Real Estate	26.54%	7.55%
Asset Finance	22.89%	72.05%
Cash & Cash Equivalents	22.21%	3.78%
Insurance Premium Finance	16.32%	7.92%
Business Loan & Line of Credit	11.86%	8.33%
Other	0.18%	0.38%
<b>Credit Score Distribution</b>		
500 - 700	44.79%	29.98%
700 - 900	39.86%	50.00%
900 - 1000	6.81%	12.39%
Over 1000	3.27%	6.02%
Under 500	3.15%	0.93%
Untracked	2.12%	0.68%
<b>Geographic Concentration</b>		
NSW	32.31%	33.03%
VIC	24.71%	24.22%
QLD	18.68%	22.31%
WA	11.98%	11.97%
SA	7.88%	5.54%
TAS	1.66%	1.23%
ACT	1.44%	0.97%
Untracked	0.78%	0.16%
NT	0.55%	0.58%
<b>Current Loan Balance Distribution</b>		
Under 100k	32.05%	50.92%
100k to 250k	14.72%	27.18%
250k to 500k	8.52%	8.47%
500k to 1M	6.51%	2.51%
Over 1M	38.20%	10.91%
<b>Collateral type - Top 10</b>		
Business Loan: Real Estate Backed	34.11%	7.85%
Insurance Premium Finance	20.98%	8.23%
Business Loan	10.42%	5.52%
Trucks and Trailers	7.15%	32.28%
Cars & Light Commercial	5.57%	18.21%
Line of Credit	4.82%	3.13%
Plant & Equipment	3.82%	8.90%
Consumer Assets	3.46%	0.28%
Solar system	3.08%	1.99%
Other Tertiary	2.64%	2.74%
Other	3.94%	10.87%
<b>Remaining Loan Term</b>		
0 - 12 months	53.70%	16.89%
12 - 24 months	4.56%	5.27%
24 - 36 months	14.60%	19.98%
36+ months	27.14%	57.85%
<b>Seasoning</b>		
0 - 12 months	78.04%	58.42%
12 - 24 months	18.54%	27.89%
24 - 36 months	2.87%	11.46%
36+ months	0.56%	2.23%

\*\*Source: Remara Investment Management – Portfolio Statistics as at 30 November 2024 vs full book of Remara managed credit assets.

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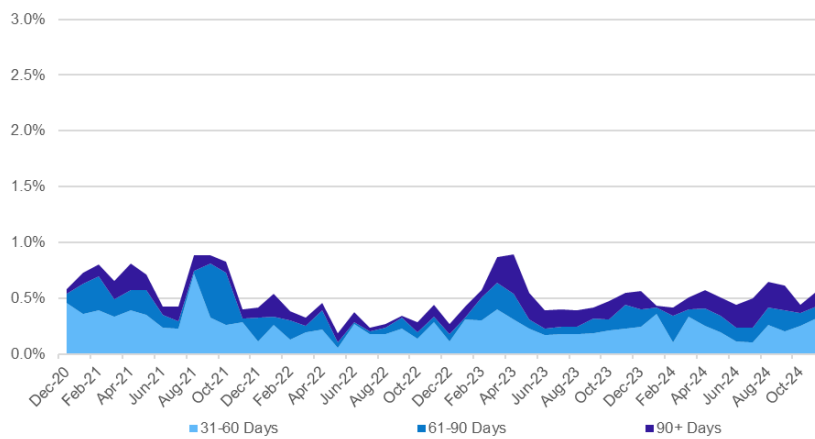


## Portfolio Quality & Diversification Statistics\*\*

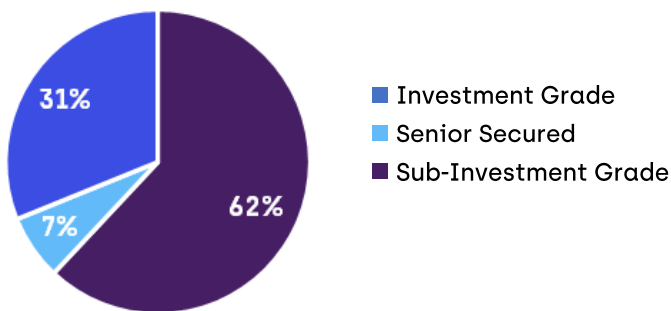
### Platform Arrears (30+ Days)\*\*

SPIN	RMBS	ABS	Fund	Platform
Prime	0.87%	1.31%	0.48%	0.55%
Sub Prime	3.89%	N/A		

### Remara Credit Platform | 30+ Days Arrears\*



### RPCIF - Note Ratings<sup>1</sup>



### Platform Availability



\*\*Source: Remara Investment Management – Portfolio Statistics as at 30 November 2024.

<sup>1</sup>Notes may be shadow rated

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## Disclaimer

Units in the Remara Private Credit Income Fund ("Fund") are issued by Melbourne Securities Corporation Ltd (ACN 160 326 545, AFSL 428289) ["Issuer"]. Remara Investment Management Pty Limited (ABN 26 644 751 815, AFSL number 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, a Product Disclosure Statement ("PDS") which is available at [www.remara.com](http://www.remara.com). A Target Market Determination ("TMD") has been prepared which describes the type of customers who the Fund is likely to be appropriate for. The TMD is available at [www.remara.com](http://www.remara.com).

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