

Credit Opportunities Fund

January Update [2025]



Fund Objective

Fund strategy targets a return of 10.00% (net of fees)⁺ above the BBSW rate. The Fund may suit investors seeking a higher yield return with a preference for an elevated risk-profile.

Fund Withdrawal Windows

Applications for the March redemption window close 28 February 2025 at 5pm AEST. Redemption requests can be made via our investor portal or via the online form located www.remara.com

Applications

Apply via our [online portal](#) or [download](#) the Remara Investment App for Apple or Android.

Platform Arrears & Fund W.A Arrears**

Platform 30+ days arrears increased marginally in January to 66.2bps (previously 60.4bps), which is below the SPIN RMBS and Auto ABS benchmarks, reflecting the continued strong performance of the underlying credit exposures.

Across the Fund Portfolio we observed a decrease in 30+days arrears from 95.8bps to 46.4bps. This decrease in arrears is largely attributable to the recovery of a real estate loan that fell into arrears into December and repaid in January 2025.

We note that across our portfolios, 30+ days arrears continue to trend below S&P's ABS and RMBS Standard & Poor's Performance Index (SPIN).

Fund Strategy

Remara has established itself in the SME, Floorplan, Consumer and Real Estate finance sectors through direct lending platforms, utilising a vertically integrated model to produce credit assets for its Fund and institutional investors. The Fund invests in securitised warehouses & direct loans, all originated and serviced by portfolio companies, allowing for direct ownership and active management to swiftly adapt to changes.

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

Fund Update**

As of January 31, the Fund's portfolio comprised eight notes across four securitisation facilities and thirteen direct real estate loans.

During the month, the Fund:

- Invested in a new direct real estate loan.
- Increased its exposure to three existing direct loans.
- Reduced its exposure to two direct loans.
- Following the restructuring of a multi-asset securitisation facility, the Fund restructured its note holdings, gaining additional exposure to asset finance and business loans.

⁺ Target returns are not guaranteed.

^{**}Source: Remara Investment Management – Portfolio Statistics as at 31 January 2025.

Fund Details

Particulars			
Distributions	Monthly	Benchmark	BBSW1M + 10.00%
Applications	Daily	Buy/Sell Spread	N/A
Withdrawals	Quarterly*	Distribution Reinvestment	Yes
Next Redemption Window*	31 March 2025	APIR Code	AMT1125AU
Pricing & Reporting	Monthly	ISIN	AU60AMT11256
Inception Date	January 2024	Management Fee	1.25% p.a
Performance Fee	20% of performance above a hurdle of 10% + BBSW p.a. [subject to a rolling return high water mark].		

Service Providers

Entities	
Responsible Entity & Trustee	AMAL Trustees Pty Limited (ACN 609 737 604; AFSL 483 459)
Investment Manager	Remara Investment Management Pty Ltd (ACN 644 751 815; AFSL 546 046)
Auditor	Ernst & Young
Administrator	AMAL Trustees Pty Ltd

Market Overview

Markets experienced a generally positive start to the year despite brief bouts of volatility. Australian equities initially surged on softer-than-expected inflation data, with year on year inflation easing from 2.8% to 2.4%. However, President Trump's tariff vows quickly tempered this early optimism. With cost pressures and expected retail prices aligning with the Reserve Bank of Australia's inflation target, market sentiment has shifted towards anticipating a rate cut, now priced at a 93% chance for the February 18th meeting.

Business conditions have also shown signs of improvement. NAB's Business Confidence Survey revealed a more optimistic 12 month outlook, even as 34% of firms continue to report labour availability as a significant constraint—a figure that has remained unchanged throughout 2024. Although confidence remains in negative territory, business sentiment has improved due to the possibility of prospective rate cuts, recovering consumer demand, and easing costs.

In fixed income, domestic bonds performed well amid the rate cut expectations, with duration declining. The Bloomberg AusBond Composite Index edged up by 0.19% and Australian 10-year bonds increased by 1.54%. US 10-year bonds fell by 0.66% and Eurozone 10-year bonds advanced by 3.93%.

Equities posted robust gains over the month. The ASX 200 recorded an increase of 4.57%, the S&P 500 advanced by 2.78%, and the MSCI World Index rose by 3.52%. Notably, the MSCI Europe Index outperformed, returning 6.47% in January, whereas Japan's Nikkei declined by 0.80% after a strong performance in December.



Performance & Availability

Fund Statistics*

Metrics**	
Annualised Running Yield ¹	15.24% p.a.
Volatility - [Calculated since inception of the fund on monthly returns]	0.06%
Average Credit Duration - [underlying contracts]	13.09 months
Fund Portfolio Arrears - 30+ Days	0.46%
Look Through Obligor Exposures - Fund	22,686
Look Through Obligor Exposures - Platform	22,881
Average Position Exposure	\$1,168,082
Max Position Exposure	\$5,775,170
Current Loan Balance - Platform	\$1,393,255,006
Fund Assets	\$80,339,815
Fund Weighted Average Seasoning ²	8.12 months
Fund Weighted Average Remaining Term	16.57 months
Fund Weighted Average Interest Rate	18.47%
Fund Weighted Average Credit Score	692.09

¹ Existing monthly return multiplied by 12.

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

Performance Overview*

Period	Total Return	BBSW1M	Active Gain
1 Month	1.27%	0.36%	0.91%
3 Month	3.82%	1.07%	2.75%
6 Month	7.82%	2.15%	5.67%
Since inception [annualised]	15.19%	4.30%	10.88%

Distribution History %*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
2024		1.24%	1.14%	1.24%	1.16%	1.19%	1.28%	1.34%	1.32%	1.33%	1.29%	1.26%
2025	1.27%											

Platform Availability



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*Past performance is not an indicator of future performance.

**Source: Remara Investment Management – Portfolio Statistics as at 31 January 2025.



Portfolio Quality & Diversification Statistics**

As at 31 January 2025	Fund%	Platform %
Fund Composition		
Real Estate / Project Finance	51.52%	11.40%
Cash & Cash Equivalents	24.58%	2.69%
Asset Finance	16.94%	71.29%
Business Loan & Line of Credit	3.75%	8.84%
Insurance Premium Finance	2.97%	5.39%
Other	0.20%	0.37%
Floorplan	0.04%	0.02%
Credit Score Distribution		
Under 500	0.09%	0.61%
500-700	68.98%	30.31%
700-900	23.92%	50.72%
900-1000	4.34%	12.00%
Over 1000	2.03%	5.97%
Untracked	0.65%	0.38%
Geographic Concentration		
QLD	35.09%	23.60%
VIC	29.15%	24.95%
NSW	25.43%	32.16%
SA	4.49%	5.52%
WA	3.70%	10.83%
TAS	1.16%	1.42%
ACT	0.67%	0.93%
NT	0.30%	0.57%
Untracked	0.00%	0.02%
Current Loan Balance Distribution		
Under 100k	19.20%	50.77%
100k to 250k	8.13%	26.72%
250k to 500k	5.01%	7.49%
500k to 1M	3.42%	2.01%
Over 1M	64.25%	13.02%
Collateral Type - Top 10		
Direct Loan: Real Estate Mortgage	50.78%	2.09%
Asset Finance: Business Loan: Real Estate Backed	17.53%	9.63%
Business Loan: Real Estate Mortgage	7.35%	31.16%
Asset Finance: Cars & Light Commercial	4.84%	18.60%
Asset Finance - Insurance Premium Finance	3.94%	5.54%
Business Loan	3.63%	5.76%
Asset Finance - Plant & Equipment	2.76%	8.17%
Business Loan - Term	2.13%	6.71%
Consumer Assets	1.85%	0.25%
Solar system	1.51%	1.93%
Other	3.68%	10.17%
Remaining Loan Term		
0 - 12 months	68.33%	17.25%
12 - 24 months	6.59%	6.44%
24 - 36 months	8.21%	20.28%
36+ months	16.87%	56.03%
Seasoning		
0 - 12 months	76.32%	59.29%
12 - 24 months	16.52%	26.40%
24 - 36 months	6.06%	11.82%
36+ months	1.10%	2.49%

**Source: Remara Investment Management – Portfolio Statistics as at 31 January 2025 vs full book of Remara managed credit assets.

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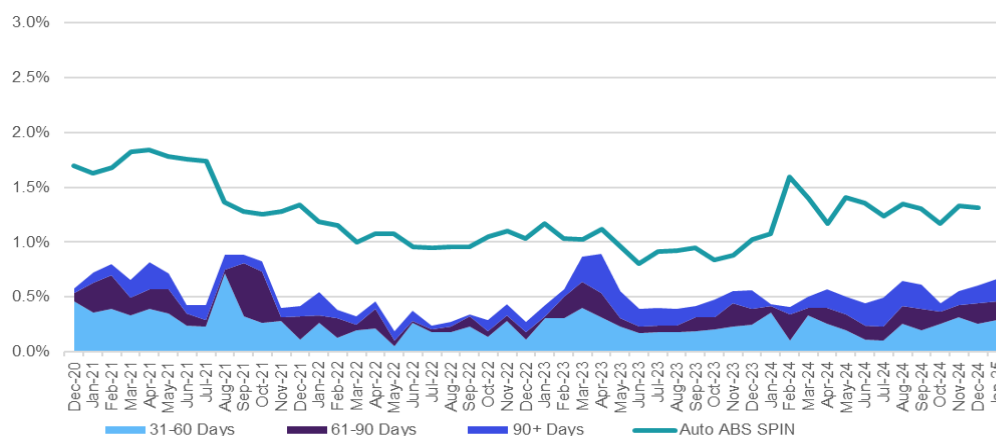


Portfolio Quality & Diversification Statistics**

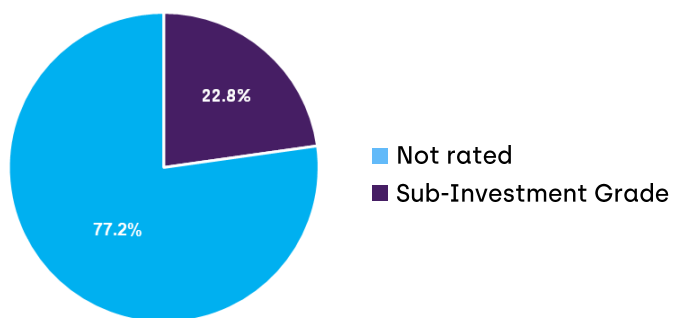
Platform Arrears (30+ Days)**

SPIN	RMBS - Dec24	Auto ABS - Dec24	Fund - Jan25	Platform - Jan25
Prime	0.89%	1.32%	0.46%	0.66%
Sub Prime	4.18%	N/A		

Remara Credit Platform | 30+ Days Arrears*



RCOF - Note Ratings¹



**Source: Remara Investment Management – Portfolio Statistics as at 31 January 2025.

¹Notes may be shadow rated

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1300 310 926

