

Credit Opportunities Fund

February Update [2025]



Fund Objective

Fund strategy targets a return of 10.00% (net of fees)[†] above the 1 Month Bank Bill Swap Rate (BBSW1M). 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 closed 28 February 2025 at 5pm AEST. Applications for the June redemption window will close at 31 May 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 in February to 97.42bps (previously 66.2bps), 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 marginal increase in 30+days arrears from 46.38bps to 57.04bps. 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 February 28, the Fund's portfolio comprised eleven notes across five securitisation facilities, fifteen direct real estate loans across thirteen development projects, and two cash equivalent investments (one investment into a cash management vehicle and cash held in trust awaiting deployment into a new real estate development loan).

During the month, the Fund:

- Topped up its exposure to six direct loans (across four developments)
- Invested in a two new direct real estate loans, with proceeds from one of the loans held on trust at the end of February (deployed in late February and settled in early March).
- Invested into a new warehouse note following the restructure of an asset finance and business loan facility.
- Topped up its investment into a cash management vehicle.

The Fund continues to outperform its benchmark, delivering an annualised return of 10.77% above the BBSW rate since inception.

[†] Target returns are not guaranteed.

**Source: Remara Investment Management – Portfolio Statistics as at 28 February 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 483459]
Investment Manager	Remara Investment Management Pty Ltd [ACN 644 751 815; AFSL 546046]
Auditor	Ernst & Young
Administrator	AMAL Trustees Pty Ltd

Market Overview

Australian markets saw increased volatility in February, driven by global trade uncertainties, mixed domestic economic signals, and cautious monetary policy actions. The Reserve Bank of Australia (RBA) cut interest rates by 0.25% to 4.1%, viewed as a 'hawkish' move amidst solid employment figures and stable inflation. While the RBA delivered the long-awaited rate cut, the outlook remains cautious due to a tight job market, with markets pricing in another cut in July. Equities declined significantly, particularly within technology, banking, and property sectors, while bonds and defensive assets provided some relief. The ASX 200 fell by 3.8%, negatively impacted by the IT, Materials, and Energy sectors and lowered earnings expectations. Domestic bonds rallied, with Australian 10-year yields falling 14bps to 4.29%, and the Bloomberg AusBond Composite Index gaining 0.93%. Australian 10-year bond yields fell by 14bps to 4.29%.

In the US growing policy uncertainty weighed on corporate and consumer sentiment. However, strong earnings and optimism that US tariffs may not be as severe as initially feared provided some market support. Global shares declined amid rising concerns over the economic outlook, weaker US economic data, and fading enthusiasm around the AI boom. US 10-year bonds declined by 33bps to 4.21%, reflecting investor caution. The S&P 500 dropped 1.30%, and the MSCI World Index declined 0.72%. The MSCI Europe Index was the strongest performer, gaining 3.63% and Japan's Nikkei fell 6.05%.

*Subject to an initial 12 month lock up period

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Performance & Availability

Fund Statistics*

Metrics**	
Since Inception Return (post fees)	15.06% p.a.
Volatility - [Calculated since inception of the fund on monthly returns]	0.07%
Average Credit Duration - (underlying contracts)	14.46 months
Fund Portfolio Arrears - 30+ Days	0.57%
Look Through Obligor Exposures - Fund	23,364
Look Through Obligor Exposures - Platform	23,651
Average Position Exposure	\$1,180,952
Max Position Exposure	\$6,569,710
Current Loan Balance - Platform	\$1,446,930,782
Strategy Size	\$488m
Fund Assets	\$80,339,815
Fund Weighted Average Seasoning ¹	7.41 months
Fund Weighted Average Remaining Term	16.74 months
Fund Weighted Average Interest Rate	18.10%
Fund Weighted Average Credit Score	684.99

¹'Seasoning' refers to the length of time a loan has been in place.

Performance Overview*

Period	Total Return	BBSW1M	Active Gain
1 Month	1.14%	0.34%	0.80%
3 Month	3.67%	1.06%	2.62%
6 Month	7.61%	2.13%	5.485
12 Month	15.06%	4.29%	10.77%
Since inception (annualised)	15.06%	4.29%	10.77%

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%	1.14%										

Platform Availability



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*Past performance is not an indicator of future performance.

**Source: Remara Investment Management – Portfolio Statistics as at 28 February 2025.



Portfolio Quality & Diversification Statistics**

As at 28 February 2025	Fund%	Platform %
Fund Composition		
Project Finance	41.64%	2.19%
Asset Backed Securities	28.31%	84.59%
Cash & Equivalents	15.79%	2.89%
Mortgage Backed Securities	14.26%	10.33%
Credit Score Distribution		
Under 500	0.11%	0.63%
500-700	66.32%	29.74%
700-900	23.60%	49.88%
900-1000	4.49%	11.88%
Over 1000	2.01%	5.84%
Untracked	3.47%	2.03%
Geographic Concentration		
ACT	34.72%	31.82%
NT	33.46%	23.89%
TAS	19.63%	24.44%
VIC	5.25%	10.40%
QLD	3.24%	5.55%
Untracked	1.63%	0.88%
SA	1.11%	1.40%
WA	0.73%	1.00%
NSW	0.23%	0.61%
Current Loan Balance Distribution		
Under 100k	18.76%	50.54%
100k to 250k	9.79%	26.20%
250k to 500k	4.96%	7.57%
500k to 1M	2.59%	1.82%
Over 1M	63.90%	13.87%
Collateral Type - Top 10		
Direct Loan - Real Estate Mortgage	49.45%	2.26%
Asset Finance - Business Loan – Real Estate Backed	16.68%	10.50%
Business Loan - Real Estate Mortgage	8.80%	30.70%
Asset Finance - Cars & Light Commercial	5.90%	18.53%
Asset Finance - Business Loan	4.56%	5.71%
Insurance Premium Finance	3.81%	5.43%
Asset Finance - Line of Credit	2.63%	3.53%
Business Loan - Term	2.29%	7.81%
Yellow Goods	2.13%	6.63%
Other Tertiary	1.22%	3.13%
Other	2.51%	5.78%
Remaining Loan Term		
0 - 12 months	66.95%	18.24%
12 - 24 months	5.86%	6.44%
24 - 36 months	9.00%	20.06%
36+ months	18.19%	55.25%
Seasoning		
0 - 12 months	81.04%	59.43%
12 - 24 months	14.17%	26.26%
24 - 36 months	3.85%	11.78%
36+ months	0.94%	2.53%

**Source: Remara Investment Management – Portfolio Statistics as at 28 February 2025 vs full book of Remara managed credit assets.

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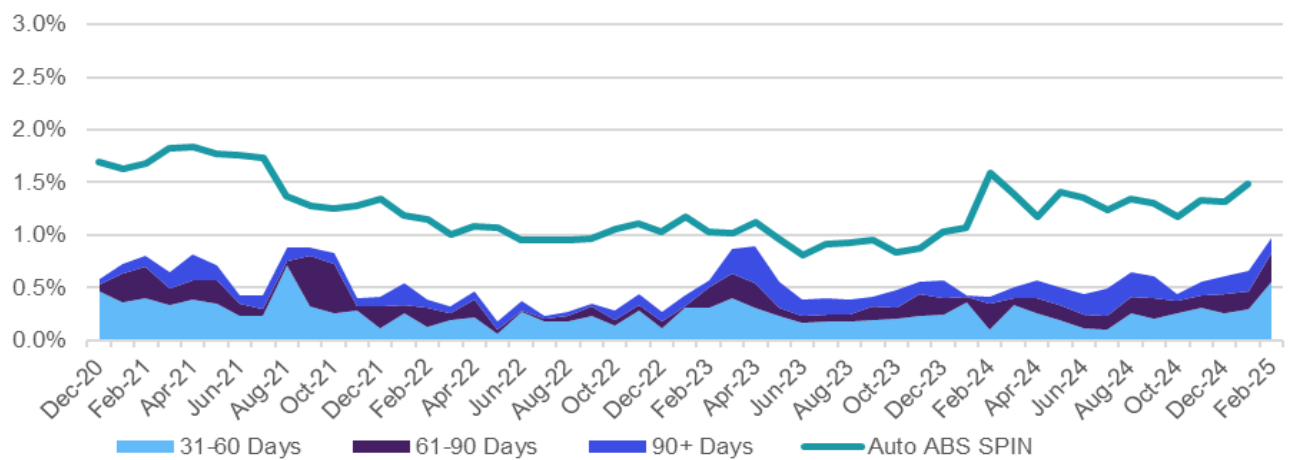


Portfolio Quality & Diversification Statistics**

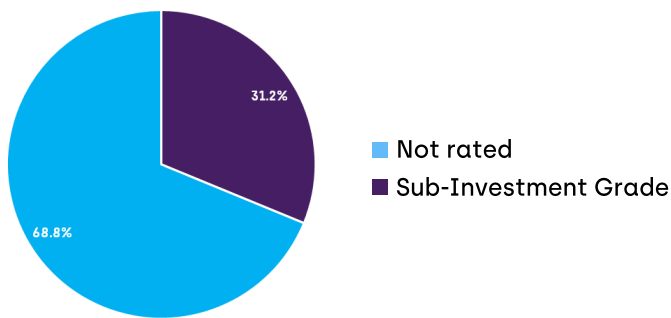
Platform Arrears (30+ Days)**

SPIN	RMBS - Jan 25	Auto ABS - Jan 25	Fund - Feb 25	Platform - Feb 25
Prime	[x.xx]%	1.48%	0.57%	0.97%
Sub Prime	[x.xx]%	N/A		

Remara Credit Platform | 30+ Days Arrears*



RCOF - Note Ratings¹



*Source: Remara Investment Management and S&P Global.

**Source: Remara Investment Management – Portfolio Statistics as at 28 February 2025.

¹Notes may be shadow rated.

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Disclaimer

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1300 310 926

