

Credit Opportunities Fund

July Update [2024]



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 October 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 & Real Estate finance sectors through direct lending platforms, utilising a vertical integrated 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

During the July 2024 period, the Fund's underlying portfolio was expanded to include direct loans. The Fund is now invested into three securitisation warehouse notes and one direct loan note which, together, provide exposure to a significant portion of our credit platform, across asset finance, business loan, business overdraft and real estate credit verticals. The Fund focuses on Prime commercial borrowers, we have seen a continuation of the strength of these borrowers with arrears across the underlying portfolio + 30 days arrears of 0.56%.

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 Fee	1.25% p.a
Performance Fee	20% of outperformance above benchmark		

+ Target returns are not guaranteed.

* Past performance is not an indicator of future performance.

Signatory of:



Service Providers

Entities	
Responsible Entity & Trustee	AMAL Trustees Pty Ltd
Custodian	Remara Investment Management Pty Ltd
Auditor	Ernst & Young
Administrator	AMAL Trustees Pty Ltd

Market Overview

In July 2024, Australian equities surged, with the ASX 200 reaching an all-time high, gaining 4.2%. Despite this strong performance, underlying economic concerns persist, particularly around inflation, unemployment, and housing supply. The seasonally adjusted unemployment rate increased to 4.1%, signalling a softening in the labour market. Although inflation has shown signs of moderation, it remains above the Reserve Bank of Australia's (RBA) target, leading the RBA to maintain its cash rate at 4.35%, contributing to continued economic uncertainty.

In the bond market, Australian 10-year government bond yields declined by 20 basis points to 4.12%. This drop was driven by global economic concerns and local inflationary relief, leading to a positive performance in the bond market.

Globally, central banks in developed markets took divergent approaches to their monetary policies. The Federal Reserve paused its rate hikes at 5.25% - 5.50%, with potential cuts expected by September due to easing inflation and a slowing economy. The European Central Bank also held rates steady, though it may cut rates later this year as Eurozone growth slows. Meanwhile, the Bank of Japan signalled potential rate hikes, reflecting increased confidence in sustained inflation. The Bank of England initiated rate cuts, reducing its key rate to 5.0% amid progress in controlling inflation.



Performance & Availability

Fund Statistics*

Metrics	
Annualised Running Yield ¹	15.39% p.a.
Volatility [#] [Calculated since inception of the fund on monthly returns]	0.05%
Average Credit Duration - (underlying contracts)	18 months
Look Through Obligor Exposures	17,243
Average Position Exposure	\$63,229
Portfolio Arrears - 30+ Days	0.56%

¹ Existing monthly return multiplied by 12.

[#] Calculated since inception of the fund on monthly returns

Performance Overview*

Period	Total Return	RBA / BBSW1m	Active Gain
1 Month	1.28%	0.36%	0.92%
3 Month	3.63%	1.08%	2.56%
Since inception [annualised]	14.63%	4.31%	10.34%

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%					

Platform Availability



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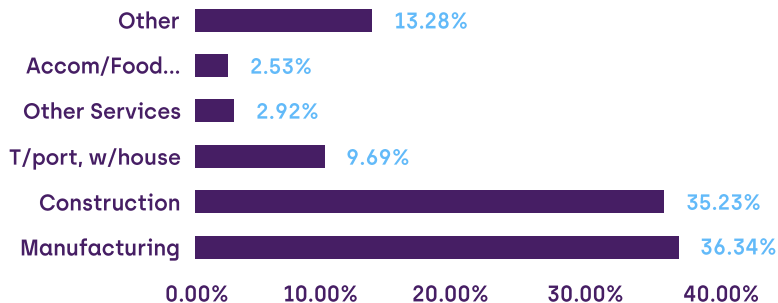
* Past performance is not an indicator of future performance.

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

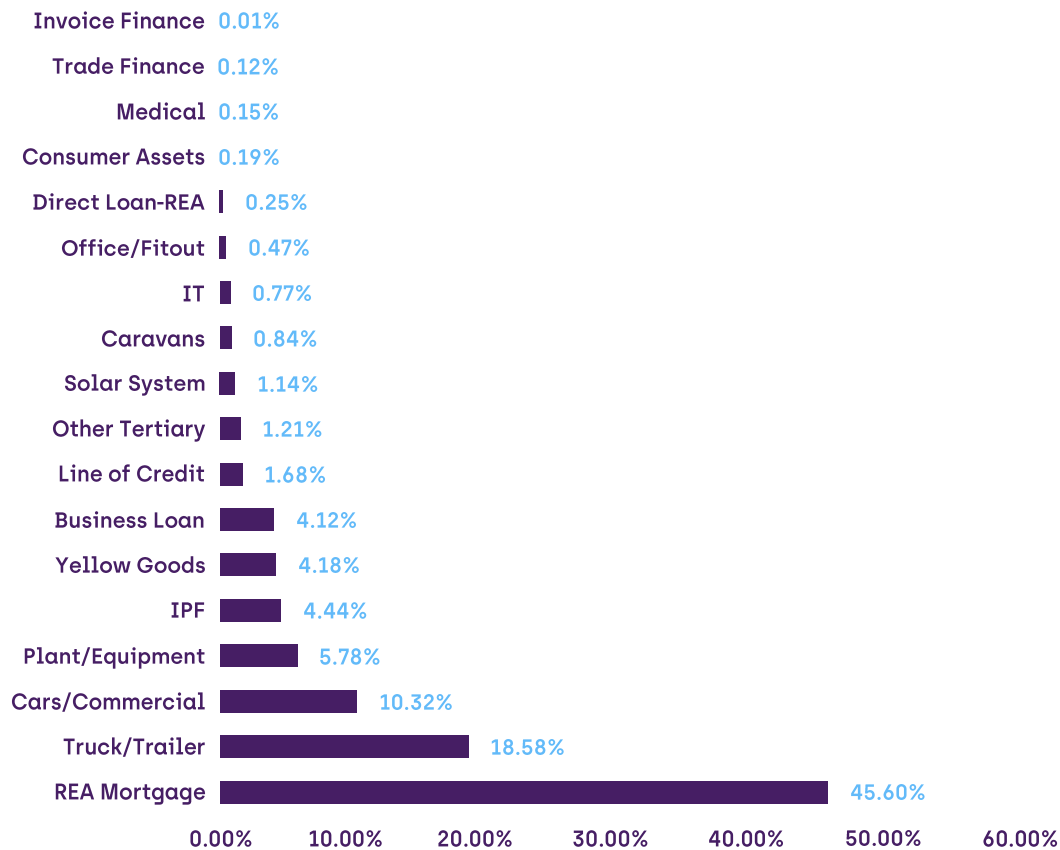


Portfolio Quality & Diversification Statistics¹

Exposure



Collateral Type



* Past performance is not an indicator of future performance.

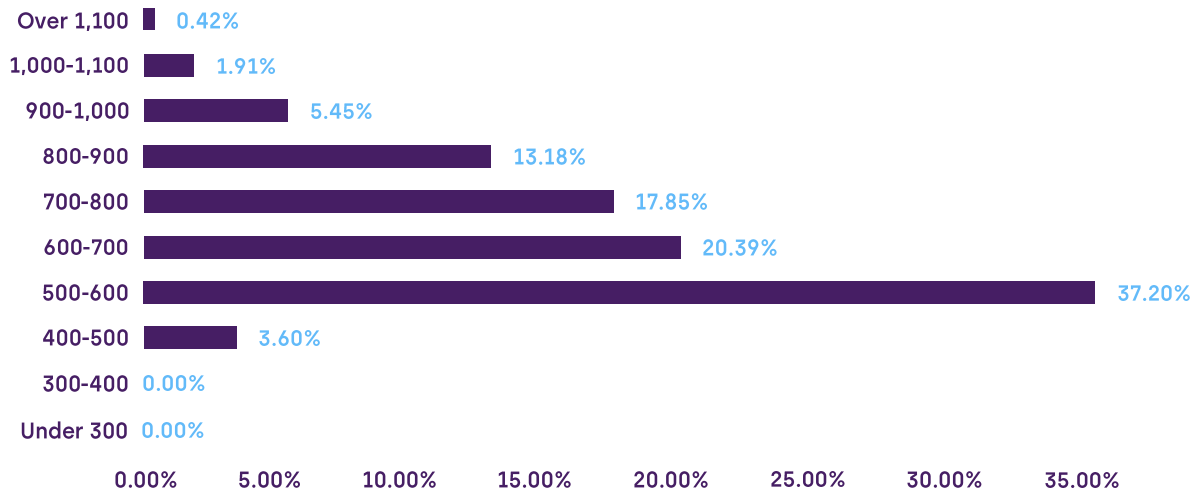
¹ Source: Remara Private Credit Income Fund – Portfolio Statistics as at 31 July 2024.

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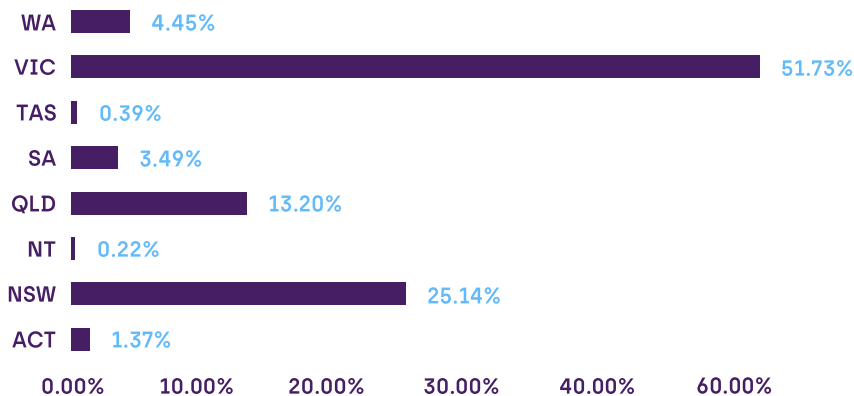


Portfolio Quality & Diversification Statistics¹

Credit Score



Geographic Distribution



* Past performance is not an indicator of future performance.

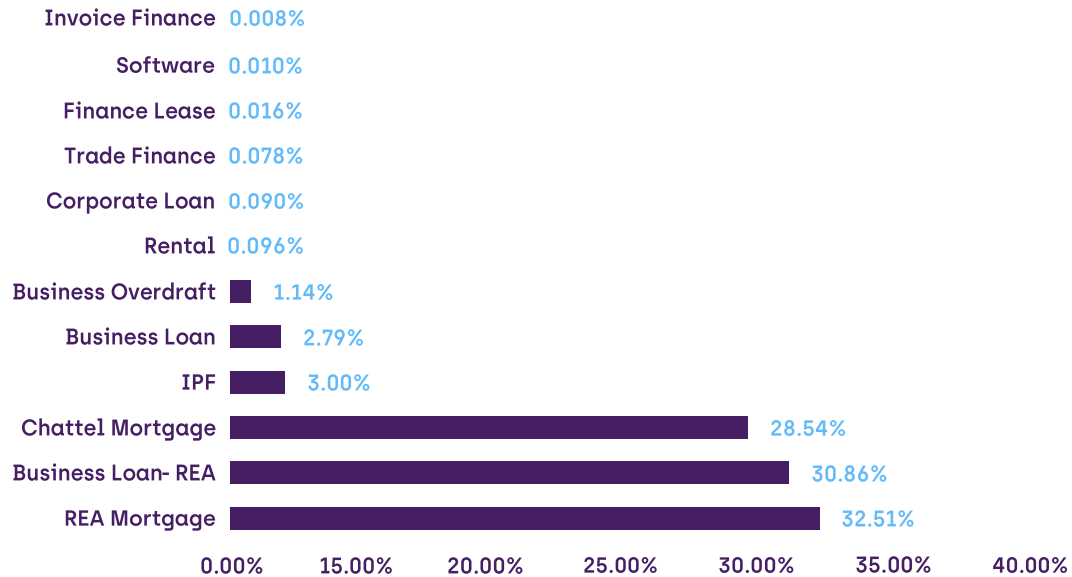
¹ Source: Remara Private Credit Income Fund – Portfolio Statistics as at 31 July 2024.

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Portfolio Quality & Diversification Statistics¹

Contract Type



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

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Disclaimer

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