

# MA Credit Income Trust

## Quarterly investor update

March Quarter 2025



We invest. We lend. We advise.

# Important information



Equity Trustees Limited (Equity Trustees) (ABN 46 004 031 298), AFSL 240975, is the Responsible Entity for the MA Credit Income Trust ARSN 681 002 531 (the Fund). Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT).

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Neither the Responsible Entity nor any MA Financial group entity guarantees repayment of capital or any particular rate of return from the Fund. All opinions and estimates included in this document constitute judgments of MA as at the date of this presentation and are subject to change without notice. Statements contained in this presentation that are not historical facts are based on expectations, estimates, projections, opinions and beliefs of MA as at the date of this presentation. Such statements involve known and unknown risks, uncertainties and other factors, and should not be relied upon in making an investment decision. Any references in this presentation to targeted or projected returns of the Fund are targets only and may not be achieved. Investment in the Fund is subject to risk including possible delays in payment or loss of income and principal invested. This information is intended for recipients in Australia only.

The address and telephone details for MA and MAAM RE are Level 27, Brookfield Place, 10 Carrington Street, Sydney NSW 2000 and +61 2 8288 5594. The Responsible Entity's address and telephone details are Level 1, 575 Bourke Street, Melbourne VIC 3000 and +61 3 8623 5000. MA's directors and employees and associates of each may receive remuneration in respect of advice and other financial services provided by the Responsible Entity in relation to the Fund. The Responsible Entity has entered into various arrangements with MA in connection with the management of the Fund. In connection with these arrangements MA may receive remuneration or other benefits in respect of the financial services it provides, including a management fee of 0.90% per annum of the portfolio value of the Fund attributable to direct credit investments. MA Financial group entities also receive management and performance fees from managing the underlying investment vehicles indirectly invested into by the Fund.

Unless otherwise stated in this presentation, capitalised terms have the same definition set out in the PDS for MA1.

# MA Credit Income Trust | Snapshot



MA Credit Income Trust (MA1 or the Fund) provides exposure to a \$4.7 billion diversified portfolio of MA Financial's flagship private credit strategies

Price / NAV (per unit) <sup>1</sup>	Market cap. / NAV <sup>1</sup>	Distribution yield <sup>2</sup>	Target return	Manager alignment <sup>3</sup>
\$1.99 / \$2.00	\$330m / \$331m	8.88%	RBA Cash Rate + 4.25% p.a.	>\$180 million
Underlying Fund asset exposure <sup>4</sup>	Number of positions	Median position size	Portfolio credit duration <sup>5</sup>	Capital loss since inception <sup>6</sup>
\$4.7bn (inc. cash) \$4.5bn (ex. cash)	166	0.3% (of AUM)	10 months	nil

1. Price and NAV as at month end, ex-distribution.

2. Returns are based on NAV unit price, after taking in account all fees and costs, and assume the reinvestment of distributions. No allowance has been made for entry fees or taxation.

3. MA Financial and its staff have co-invested over \$220 million in all MA Financial credit funds, including more than \$180 million in the Underlying MA Financial Credit Funds at 31 December 2024.

4. Underlying Fund represents total assets under management on a 100% basis, including cash.

5. Underlying Fund credit duration represents a weighted average based on the Underlying Fund's proportionate interest in asset values on a look-through basis.

6. MA capital loss experience calculated as cumulative historical principal capital losses on investments compared to total loan volume originated by vintage in MA Financial's flagship credit strategies. Past performance is not an indicator of future performance.

# MA Credit Income Trust | Key highlights



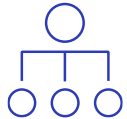
## Consistent monthly income objective

- Seeks to provide consistent monthly distributions targeting RBA Cash Rate + 4.25% per annum over a rolling 12-month period (pre-tax, net of Management Fees and costs)<sup>1</sup>



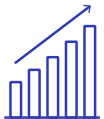
## Leading manager with substantial alignment

- The Fund is managed by MA Financial, an ASX-listed alternative asset manager with a strong track record in private credit, over \$10.3 billion in total AUM and a differentiated lending platform<sup>2</sup>
- MA Financial and its staff are highly aligned, having co-invested over \$220 million in all MA Financial credit funds, including \$180 million in the Underlying MA Financial Credit Funds<sup>3</sup>



## Curated access to diversified portfolio of private credit

- Originated through MA Financial's proprietary channels and relationships, and managed by our team of over 35 professionals based in Australia and the United States



## Strategies with proven track record of outperformance

- MA Financial's private credit strategies have delivered consistent returns and outperformed traditional benchmarks for fixed income investments since inception<sup>4</sup>

1. This is a target only and there is no guarantee it will be achieved.

2. The Manager believes the Underlying Credit Investments are differentiated in nature relative to other fixed income investments typically available to investors. The Underlying Credit Investments are not widely available outside of MA Financial Group's managed fund strategies.

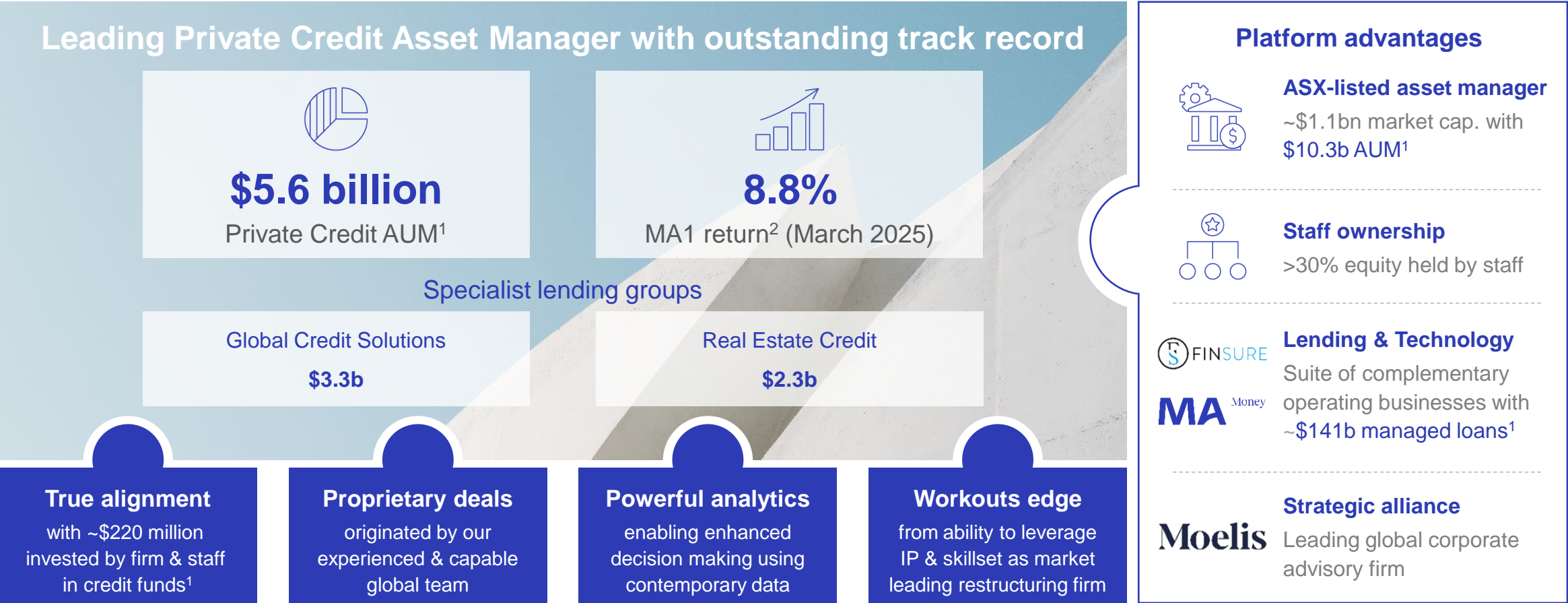
3. As of 31 December 2024.

4. Traditional benchmarks refer to the Bloomberg AusBond Credit 0+ Yr Index (BACR0), a benchmark used to measure performance of the Australian traded debt market. While the Manager recognises there is not a widely used index for Australian private credit, the Manager considers the AusBond benchmark, representative of the performance of a diversified portfolio of publicly traded debt, to be an appropriate basis for comparison of the performance of the diversified portfolio of private debt represented by MA Financial's flagship private credit strategies. Fund returns are based on FSC re-investing distributions as at December 2024 for the Underlying MA Financial Credit Funds. The performance for the MA Master Credit Trust – Class C, which inceptioned in November 2024, is calculated based on the performance of the aggregate portfolio of the existing Class A & Class B of the Master Credit Trust, adjusted for differences in fees, costs and structure. The performance for the MA Specialty Credit Income Fund, which inceptioned in July 2024, is calculated based on the historical performance of associated funds that held the seed portfolio of the MA Specialty Credit Income Fund before the latter was inceptioned and which shared the same underlying strategy (in particular, the MA USD Master Credit Trust inceptioned in September 2021 and the MA Global Private Credit Fund inceptioned in July 2023), adjusted for fees, costs, structure and hedging. The MA Credit Income Fund (Wholesale) return is based on current target allocation percentages of the Underlying MA Financial Credit Funds and based on the earliest available data following the inception of all Underlying MA Financial Credit Funds. Past performance is not a reliable indicator of future performance.

# Private Credit at MA Financial



We are a leading private credit asset manager in Australia and the United States



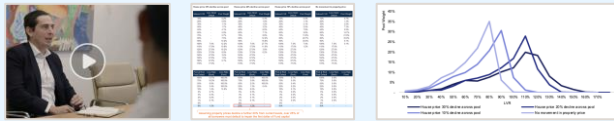
# Differentiated & proven investment process



We have designed and refined a distinctive investment process to deliver for our investors

## Investors, *not* Traders

- Fundamentally oriented credit investors
- “What You Have To Believe” approach to credit
- Investment process designed around ‘*avoiding losers, not picking winners*’



## Carefully designed team structure

- Distinct Investment & Portfolio Management teams
- Seasoned executives with specialisation of expertise
- Appropriate feedback loops to leverage power of the MA network for origination, expert input & know-how



## Red team

- Contrarian perspective present in every IC
- Mitigation moral hazard, optimises decision making
- Culture founded in belief that “risk management is everyone’s responsibility”



## Powerful analytics

- Advanced in-house data analytics capabilities
- Quantitative analytics paired with qualitative insights
- Advanced asset/loan and portfolio monitoring tools built on a proprietary basis by our specialist teams



## Empowered governance

- Institutional grade, ASX listed asset manager
- Multiple governance check-points with regular review
- Robust & rigorous IC process leveraging expertise of senior most executives across the MA platform



## War Games

- Semi-annual portfolio stress testing exercise
- Simulates recessionary & discrete risk scenarios
- Granular asset-level analysis culminating in practical deep dive session, so we are *prepared if cycle turns*



Find out more in our Private Credit video series at [mafinancial.com/insights/private-credit-at-ma](https://mafinancial.com/insights/private-credit-at-ma)

# Financial results – Quarter ended 31 March 2025

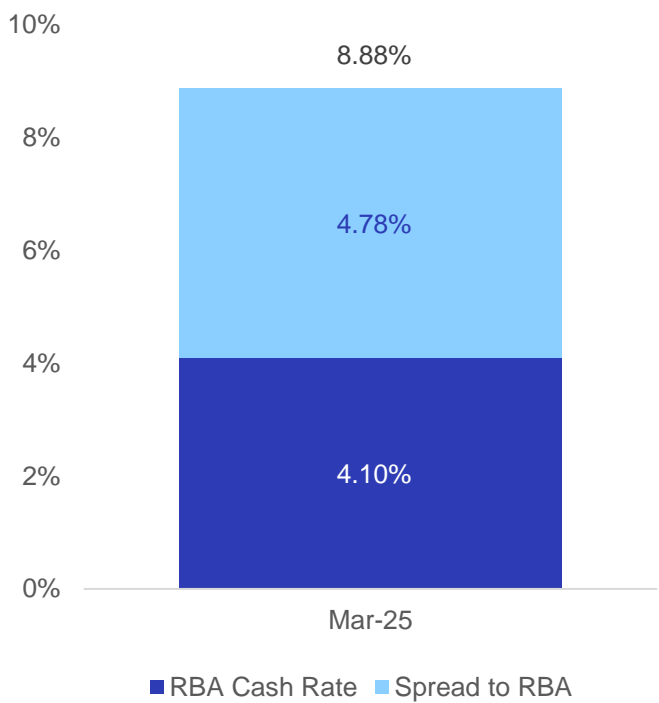


MA1 delivered a net return of 0.75% for March 2025 (8.88% annualised)

## Performance for quarter ended 31 March 2025<sup>1</sup>

Fund performance	March 2025	Annualised
Net return (%)	0.75	8.88
Target Return (%)	0.71	8.35
Distribution (%)	0.75	8.88
RBA Cash Rate (%)	0.35	4.10
Spread to RBA (%)	0.40	4.78

## Spread to RBA cash rate (annualised)<sup>1</sup>



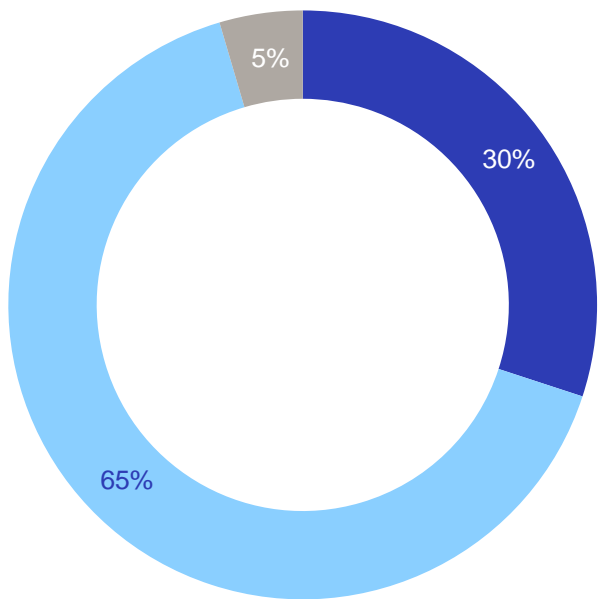
1. Returns are based on NAV unit price, after taking into account all fees and costs, and assume the reinvestment of distributions. No allowance has been made for entry fees or taxation. Past performance is not a reliable indicator of future performance.

# MA1 Portfolio composition



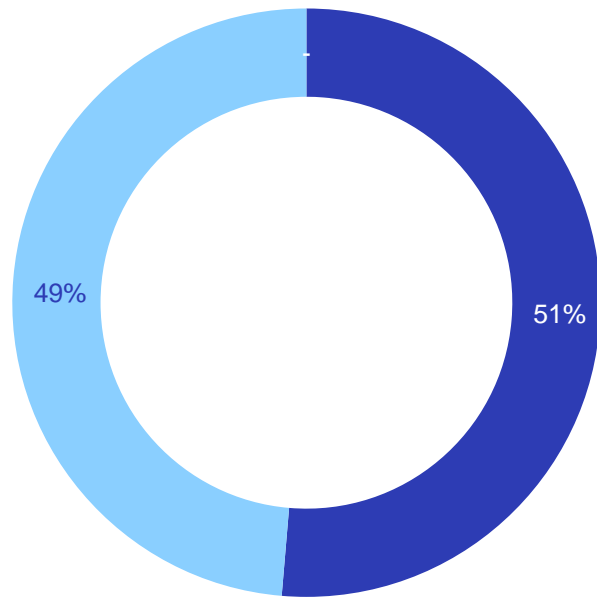
MA1 provides access to a portfolio of private credit assets allocated across three core lending segments

Investment strategy<sup>1</sup>



■ Direct asset lending   ■ Asset backed lending   ■ Direct corporate lending

Debt ranking<sup>1,2</sup>



■ Senior Secured   ■ Structured Secured   ■ Subordinated

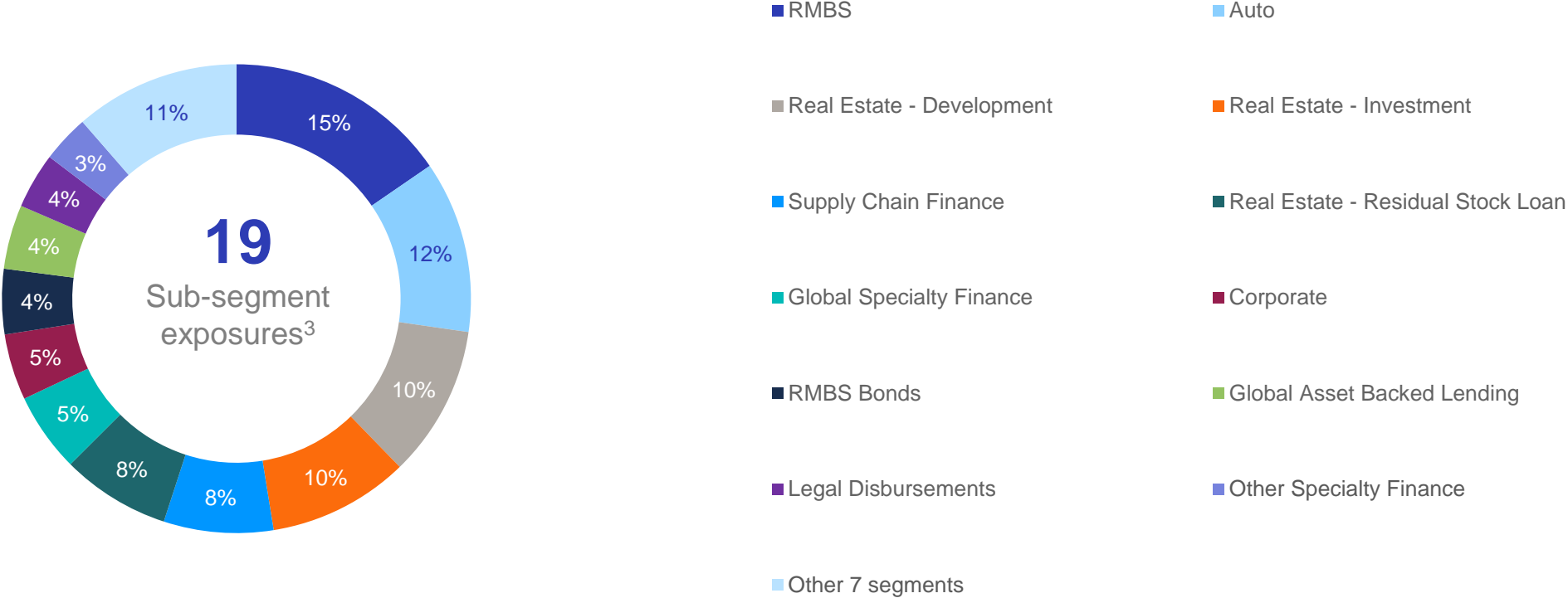
1. Portfolio composition percentages are based on the Underlying Fund's proportionate interest in asset values on a look-through basis. Numbers may not add to 100% due to rounding.  
2. "Senior Secured" relates to all senior secured investments held in Asset Backed Lending, Direct Asset Lending and Direct Corporate Lending investment strategies. "Structured Secured" relates to mezzanine investments held across the Asset Backed Lending investment strategy. "Subordinated" relates to all other subordinated investments.

# MA1 Portfolio composition (continued)



Diversified across credit sub-segments where underlying exposures span a wide range of asset types and end markets

Credit sub-segments<sup>1,2</sup>



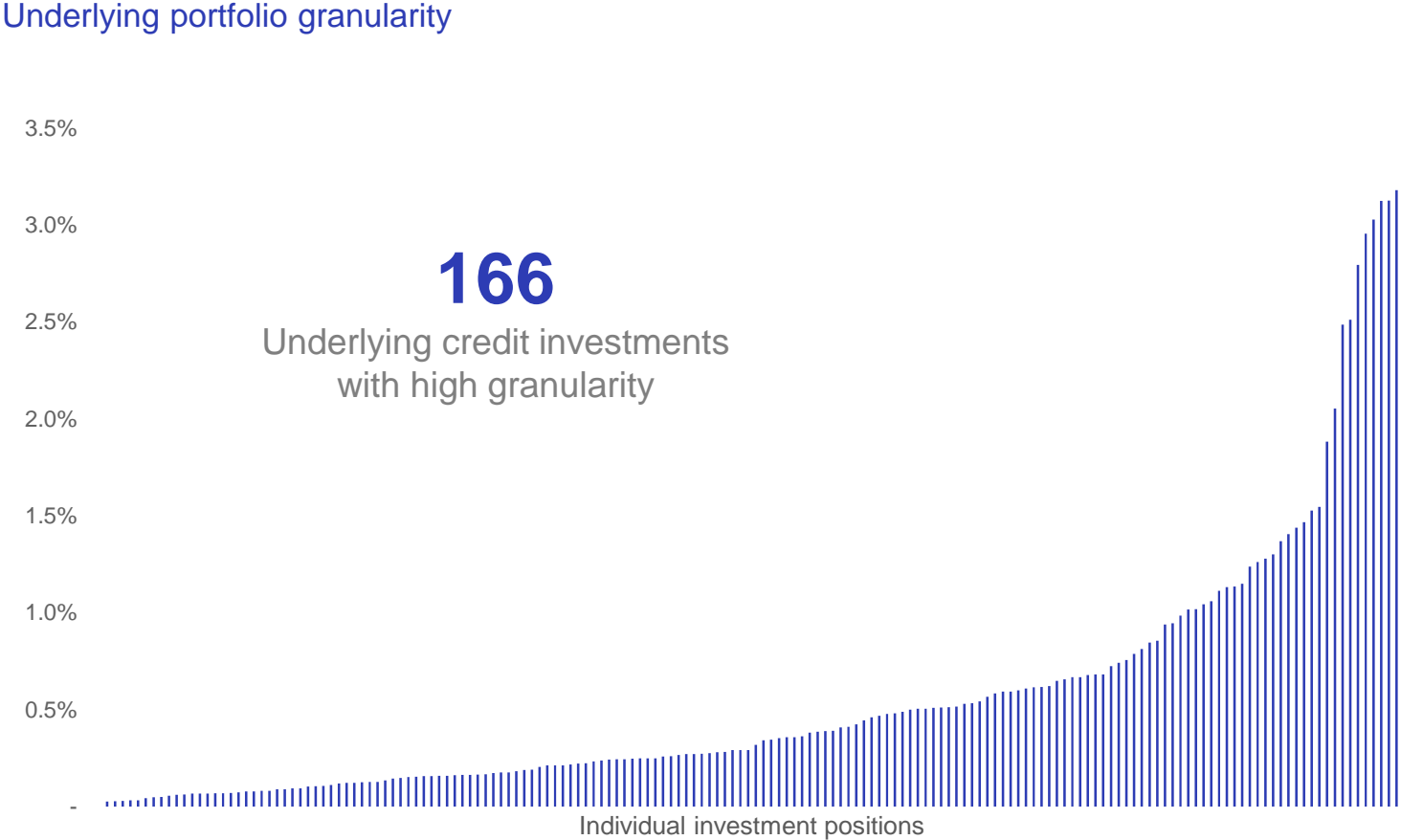
1. Portfolio composition percentages are based on the Underlying Fund's proportionate interest in asset values on a look-through basis. Numbers may not add to 100% due to rounding.  
2. Auto, Legal Disbursements, RMBS, Specialty Finance, Supply Chain Finance all relate to private loan warehouses and structured facilities funded by the Underlying MA Financial Credit Funds.  
3. The 166 Underlying Credit Investments in the Underlying Portfolio span 19 different sub-sectors

# MA1 Portfolio diversification



High level of granularity with a median position size comprising ~0.3% of total portfolio asset exposure

## Underlying portfolio granularity



Key diversification statistics <sup>1,2</sup>	
No. positions	166
No. issuers	118
Median position size	0.3%
Largest position size (% AUM)	3.2%
Top 5 loans (% AUM)	15%
Top 10 loans (% AUM)	27%

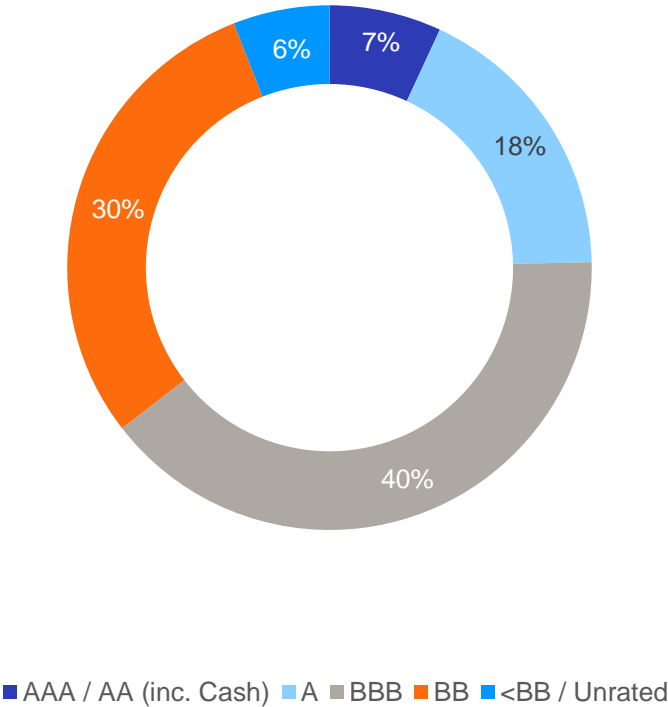
1. Data as at 31 March 2025, excluding cash.  
2. Total Underlying Fund assets under management on a 100% basis, including cash.

# MA1 Portfolio quality

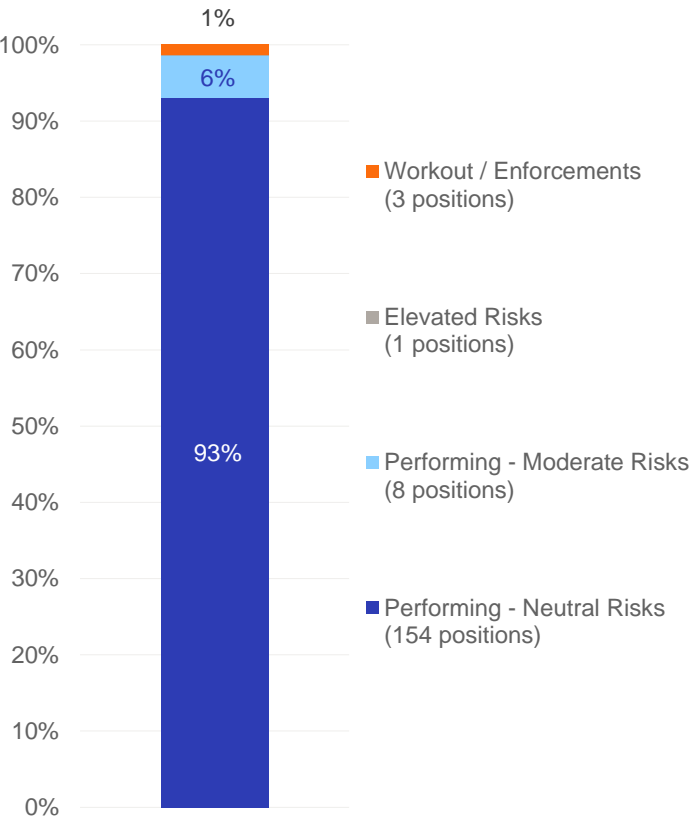


The Underlying Fund exposures continue to demonstrate strong credit performance

Credit Rating<sup>1,2</sup>



Performance indicator (% by asset value)<sup>1,3</sup>



Performance indicator descriptions<sup>3</sup>

**Performing – Neutral Risks**  
Position is performing as expected with risk factors neutral or favourable since origination

**Performing – Moderate Risks**  
While the borrower or collateral is performing there are moderate risks which have emerged since origination. These positions are under enhanced monitoring

**Elevated Risks**  
Performance is substantially below expectations and risk has increased materially since origination. These positions are under enhanced monitoring with proactive strategies in place to mitigate risk and limit potential downside.

**Workout / Enforcements**  
Manager is taking action to stabilise, protect and recover value

1. Portfolio composition percentages are based on the Underlying Fund's proportionate interest in asset values on a look-through basis. Numbers may not add to 100% due to rounding.  
2. Rated by MA Asset Management including where not rated by public ratings agencies.  
3. Performance indicator classifications formulated by MA Asset Management.

# Portfolio metrics by investment strategy<sup>1</sup>

MA

Asset Backed Lending		Direct Asset Lending		Direct Corporate Lending	
Underlying investments (#)	78	Underlying investments (#)	75	Underlying investments (#)	13
Underlying assets (#)	570k+	Median position size (\$'m)	16	Median position size (\$'m)	15
Median position size (\$'m)	18	Weighted average portfolio loan-to-value ratio (%)	70%	Weighted average net leverage <sup>4</sup> (x)	2.8
Weighted average credit enhancement-to-loss-rates <sup>2</sup> (x)	15x	Total historical investments	325	Weighted average loan-to-value ratio (%)	26%
Weighted average 90+ day arrears in underlying assets <sup>2</sup> (%)	0.8%	Total historical percentage of loans enforced (by #)	3.7%	MA capital loss experience <sup>3</sup> (%)	0.0%
MA capital loss experience <sup>3</sup> (%)	0.0%	MA capital loss experience <sup>3</sup> (%)	0.0%		

1. Quarterly metrics based on most recent data available as at the date of this report. Past performance is not an indicator of future performance.

2. 90+ Arrears in Underlying Receivables is based on the latest trailing 3 month average of loans in arrears 90+ days for the underlying receivables or collateral in asset backed lending facilities. Credit-Enhancement-to-Loss-Rates is a ratio that represents the total credit enhancements (such as junior subordination, equity and excess income coverage) in an asset backed lending facility to the loss rate incurred on the collateral. For the Underlying Funds, it is a measure of the structural protections that the Underlying Funds' investments benefit from. The loss rate used in the calculation is the higher of (a) the last 12 month average collateral loss rates, and (b) the underwritten collateral loss rate for each investment. Where metrics are not meaningful due to the nature of underlying collateral, the closest meaningful reporting metric is adopted or adjustments made accordingly.

3. MA capital loss experience calculated as cumulative historical principal capital losses on investments compared to total loan volume originated by vintage in MA Financial's flagship credit strategies. Past performance is not an indicator of future performance.

4. Net leverage is based on net debt divided by last twelve months EBITDA.

# Investment activity in quarter



~\$820 million of loans were funded in the three months to 31 March 2025

Investment strategy	Commentary
Asset Backed Lending	<ul style="list-style-type: none"><li>• ~\$510 million secured positions funded in private funding warehouses</li><li>• Funded a diverse range of asset segments including residential mortgages, supply chain finance, fleet and auto finance, and specialty finance</li></ul>
Direct Asset Lending	<ul style="list-style-type: none"><li>• 11 new investments were made in direct asset lending comprising \$313 million in funded loans</li><li>• Positions largely represented real estate investment and residual stock loans</li></ul>
Direct Corporate Lending	<ul style="list-style-type: none"><li>• Origination in direct corporate loans grew in the quarter, reflective of M&amp;A and refinancing activity presenting attractive opportunities</li><li>• Three new corporate loans were added in sectors including childcare, healthcare and financial services</li></ul>

# Investment case studies



Three examples of new loans made in the quarter

Asset Backed Lending		Direct Asset Lending		Direct Corporate Lending	
Nature of facility	Private warehouse facility to a leading ASX listed non-bank lender	Nature of facility	Residual stock loan to an investor for newly built apartments	Nature of facility	Loan to enable a leading Australian franchise business to complete an earnings accretive acquisition
Security	Structured secured	Security	Senior secured	Security	Senior secured
Collateral	>18,000 auto loans	Collateral	~50 unsold 2-3 bedroom apartments	Loan Size	~\$60m
Sponsor details	Australian non-bank lender	Geography	Perth, Western Australia	Loan tenor	18 months
Loan size	~\$140m	Loan Size	~\$76m	Net Leverage Ratio	~4x
Loan tenor	3 years availability	Loan tenor	18 months	Loan to Value Ratio	18%
Loss Coverage <sup>1</sup>	4.2x	Loan to Value Ratio	71%		

1. Loss coverage calculated as the sum of excess spread and equity subordination divided by the average historical loss rate

# Market update and outlook



- Substantial recent volatility in public markets globally following US tariff announcements
- Australia macroeconomic conditions broadly stable over the last 12 months with continued low unemployment and inflation within RBA's targeted range
- US showing labour market resilience despite weak consumer spending
- Global macroeconomic risks and potential for ongoing volatility remain which could impact economic momentum and business confidence
- Private credit continues to see strong capital inflows and the outlook for attractive opportunities remains positive

# Investor engagement



MA Financial is committed to active investor engagement

## Monthly Reporting

MA Credit Income Trust  
(ASX:MA1)  
31 March 2025

MA  
Financial  
Group

Quarterly commentary

The MA Credit Income Trust (ASX:MA1) (the Fund) delivered a net return of 0.75% for March 2025 (8.88% annualised), exceeding the Fund's Target Return of the RBA Cash Rate + 4.25% p.a. (net of fees and costs).

The Fund paid distributions totalling \$0.0151 per unit for the month, equating to approximately 0.75% of net asset value (NAV). Based on the NAV of AS2.00 per unit as at 31 March 2025, this represents an annualised yield of 8.88%.

Despite the Australian economy showing signs of diminished growth through the second half of 2024 (relative to prior years), the underlying portfolio continued to deliver consistent returns supported by a diversified mix of defensively positioned private credit investments.

The Fund's NAV per unit was \$2.00 at 31 March 2025.

Trailing 12 month net return\*

ASX Ticker	MA1
Price / NAV <sup>2</sup>	\$1.99 / \$2.00
Market cap. / NAV <sup>2</sup>	\$330m / \$331m
Distribution yield <sup>3</sup>	8.88%
Distribution frequency	Monthly
Target Return	RBA Cash Rate + 4.25% p.a.
Available platforms	Macquarie Wrap, BT Panorama, Colonial First State, E*Trade, Newmarket, HUB24, Mason Stevens

Underlying Fund asset exposure <sup>4</sup>	\$4.7bn (inc. cash)
	\$4.5bn (ex. cash)
Number of positions	166
Portfolio credit duration <sup>5</sup>	10 months
Mean / median position size	0.6% / 0.3%
Largest position size	3.2%
% Floating rate / fixed rate	99% / 1%
Manager alignment <sup>6</sup>	>\$180m

Fund performance <sup>1,2</sup>	1 month	3 months	1 year	3 years p.a.	5 years p.a.	Inception
Net return (%)	0.75	-	-	-	-	0.75
Target Return (%)	0.71	-	-	-	-	0.71
Distribution (%)	0.75	-	-	-	-	0.75
RBA Cash Rate (%)	0.35	-	-	-	-	0.35
Spread to RBA (%)	0.40	-	-	-	-	0.40

\* Note: Past performance is not a reliable indicator of future performance.

MA Financial Group | MA Credit Income Trust (ASX:MA1) | Investor Update

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## Publications

MA Financial Group

Level 27, Brookfield Place  
10 Carrington Street  
Sydney NSW 2000

14 April 2025

Investors in MA Financial's  
Global Credit Solutions funds

'Predicting rain doesn't count'

Quarterly Global Credit Solutions investor letter (Q1 2025)

Dear Fellow Investors,

On behalf of the Global Credit Solutions (GCS) team at MA Financial, I'd like to thank you for your continued investment in our private credit funds.

This new quarterly letter is designed to provide you with regular and general updates on our GCS fund suite as well as thematic considerations about what matters in private credit. We hope you find this a helpful and insightful resource.

Reflections on the quarter

We often like to say at MA Financial, the most exciting updates in credit should sound fairly boring. Credit is a defensive asset class aimed at delivering consistent income returns while preserving the principal value of capital invested.

I'm pleased to say this was resoundingly the case across the GCS fund suite, particularly in our flagship MA Priority Income Fund and MA Credit Income fund products.

The MA Priority Income Fund has now delivered its priority return target of the RBA Cash Rate + 4.00% p.a. for 77 consecutive months since its inception. The Fund's differentiating feature – a 10% Capital Buffer provided by MA Financial (currently \$187.5 million) – provides investors with a meaningful buffer against impairment of capital. It's an element of protection against the unpredictable.<sup>1</sup>

Our MA Credit Income fund suite,<sup>2</sup> which is designed to provide a single access point to all of MA Financial's flagship private credit strategies (\$4.7 billion of our \$5.6 billion total private credit AUM), has also achieved its return target for investors since inception.<sup>3</sup> These strategies are now available for investors to participate in both unlisted and listed formats, following the successful launch of our first ASX-listed private credit fund, the MA Credit Income Trust (ASX:MA1).

Why debt restructuring experience is crucial in private credit investing

Published 4 December 2024

Invested article

Success in private credit investing is driven by avoiding losers rather than picking winners. This makes it crucial for private credit managers to be equipped with the right skills to minimise potential losses.

Private credit managers with debt restructuring experience have a significant advantage across all areas of credit investing – from sourcing and underwriting to monitoring and recovering value in distressed situations.

Restructuring experience provides investment managers with valuable historical data and the tools needed to avoid distressed investments. In the case a distress situation does occur, these managers have the knowledge and confidence to navigate challenging conditions, ensuring the best outcomes for investors.

While the recent benign economic climate may have allowed many managers to avoid losses, this environment is unlikely to last. Avoiding distressed situations today will be key to maintaining stable returns should economic conditions decline and default rates rise.

In this insight, we explore how first-hand restructuring experience significantly enhances credit investing performance.

Quarterly letter  
from the Manager

Investment  
Insights

## Webinars and Events

MA Financial Group

We invest. We lend. We advise.

Quarterly Webinars with Q&A

MA Financial Group

The ever-increasing flight to alternatives

MA Alternatives Summit

MA Alternatives Summit

What Matters Podcast

Premier insights: business, housing and capital with Premier Malinauskas

What Matters Podcast

# Q&A



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