MA Secured Real Estate Income Fund

30 November 2025

MA Financial Group

Target return[1]

RBA Cash Rate + 4.00% p.a. (net of fees), over a rolling 12-month period.

Monthly commentary

References in this report to “investments”, “loans” or “Manager” generally refers to the look through investments, loans and investment activity of the Manager of the Underlying Fund, the MA Secured Loan Series – Class A, unless otherwise stated in this report.

In November, the Fund delivered a monthly annualised return of 7.72%, and 7.88% over a rolling 12-month period.

Over the month, the Manager deployed $119m across drawdowns on existing loans and three new loans in the Underlying Fund. The new loans include apartment construction in NSW, one industrial construction in QLD and an investment loan for residential land in QLD. During the month, $61m in loan repayments were received from borrowers of the Underlying Fund.

The Manager has a strong pipeline of $700m+ of new investment limits approved and in ‘execution’ stage. There are a further $300m+ of potential new investments based on term sheets issued and under preparation and $2.4bn+ in early-stage assessment.

The closing cash[9] position in November was 5% of FUM at the Underlying Fund level. As at 30 November 2025, the $200m working capital facility of the Underlying Fund was undrawn.

The Fund’s weighted average loan to value ratio (LVR) is 57% which is slightly above target of 55%, predominantly due to the one remaining direct loan in the Fund with a LVR above 60%.[7] The Manager expects the remaining loan to be repaid in Q1 2026, after which the Manager will invest wholly in the Underlying Fund.

Reduction to the Target Return effective 1 February 2026

Since inception in April 2018, the Fund has continued to provide investors with strong risk-adjusted returns.

As the private credit landscape continues to evolve, the Manager has seen an increase in capital competing for loans, together with an increase in loans which do not meet its strict lending requirements.

To maintain a defensive and diversified portfolio of high-quality loans without compromising risk, on 11 December 2025 the Trustee of the Underlying Fund approved the Manager’s recommendation to reduce the target return to Class A of the Underlying Fund, which has consequently resulted in the Fund’s Target Return to reduce to the RBA Cash Rate + 3.75%p.a. over a rolling 12-month period.

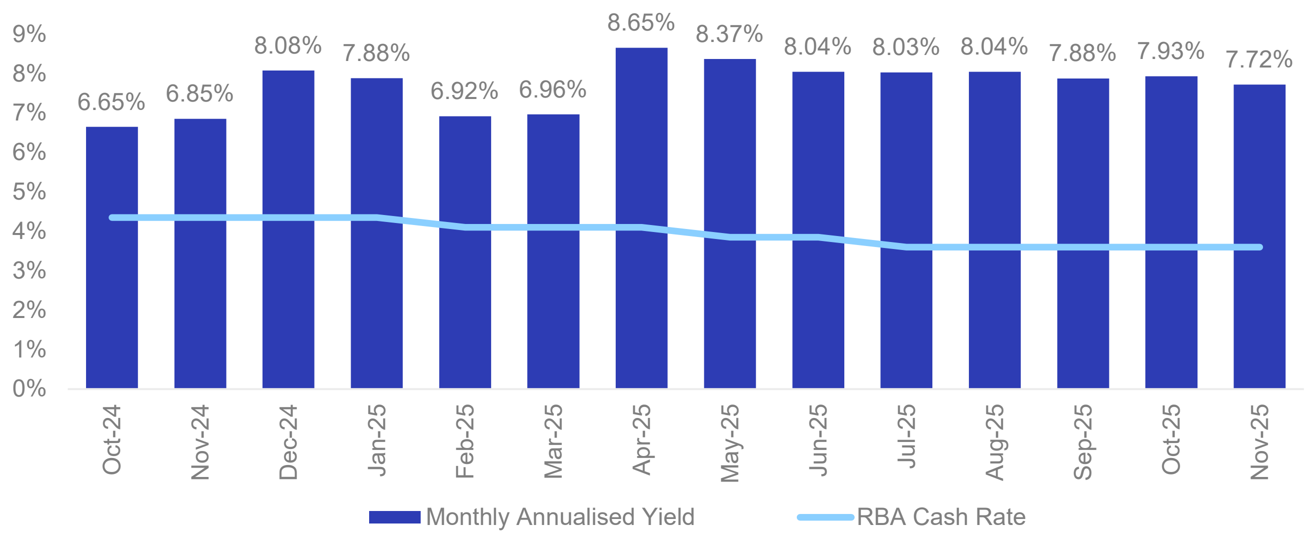
Fund overview	
Strategy FUM	$2,344m
Fund size	$135m
NAV per unit	$1.0000
Number of investments	82
Value of investments[15]	$128m
Weighted average duration[5]	8.9 months
% portfolio with capitalising interest[10]	90%
Proportion of Portfolio lent to largest 10 borrowers	41%
Undrawn loan commitments	The Underlying Fund currently has undrawn commitments for 27 loans (31% of the Portfolio) to be funded by available liquidity in the Underlying Fund

Compliance	Target	Actual
Max LVR on any individual direct asset at the time of making the loan[7]	<=65% per asset	65%
Max LVR on any individual underlying fund asset at the time of making the loan[6]	<=60% per asset	60%
Weighted average LVR of the portfolio[7,8]	40%–55%	57%
Median loan investment	<5%	0.7%
Largest borrower exposure	<20%	6.4%
Single loan concentration	<20%	6.4%
% portfolio that can be liquidated in 545 days	>80%	86%

The change to the Target Return will be effective 1 February 2026 and is reflected in an updated Product Disclosure Statement dated December 2025, available on https://mafinancial.com/invest/private-credit/ma-secured-real-estate-income-fund/product-disclosure-statement.pdf

Fund performance

Monthly annualised yields [2]



Total return (%)[3]

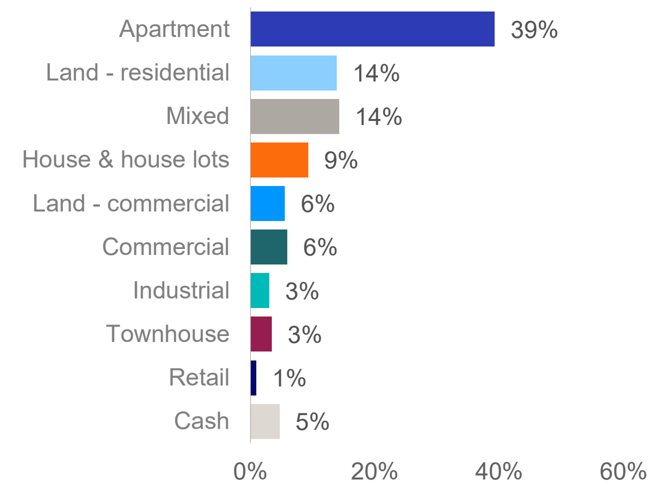
	1 month	3 months	6 months	1 year	2 years	3 years	Inception
Fund	0.63	1.97	4.05	8.17	8.64	8.83	7.80

Monthly total returns (%)

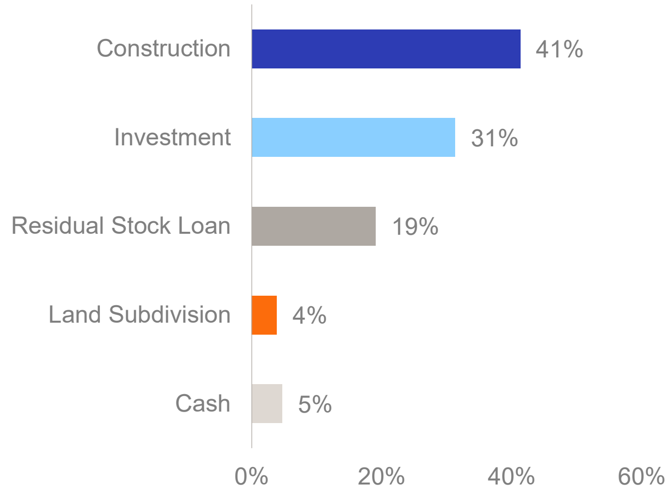
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	CYTD
2025	0.67	0.53	0.59	0.71	0.71	0.66	0.68	0.68	0.65	0.67	0.63	-	7.44
2024	0.88	0.79	0.79	0.77	0.79	0.80	0.69	0.66	0.62	0.56	0.56	0.69	8.96
2023	0.69	0.62	0.73	0.73	0.73	0.77	0.79	0.76	0.75	0.84	0.75	0.84	9.38
2022	0.45	0.40	0.43	0.42	0.44	0.53	0.47	0.48	0.56	0.66	0.63	0.68	6.31
2021	-	-	-	-	-	0.35	0.41	0.45	0.48	0.42	0.43	0.54	3.66

Portfolio snapshot[4]

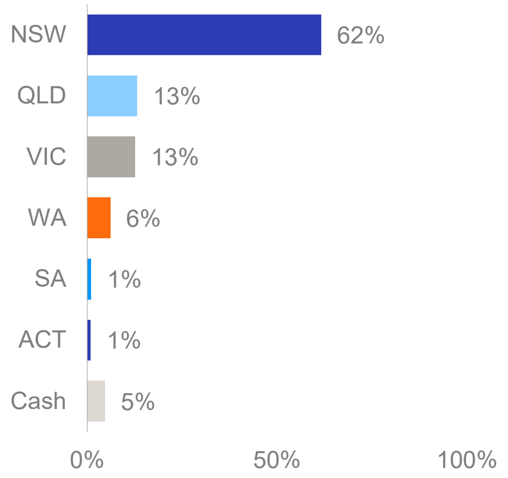
Portfolio – by type of security



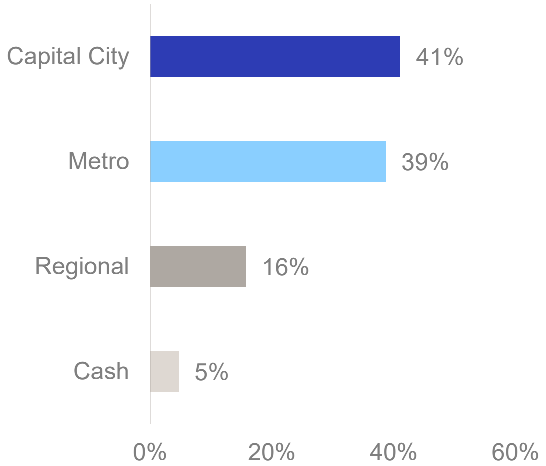
Portfolio Composition



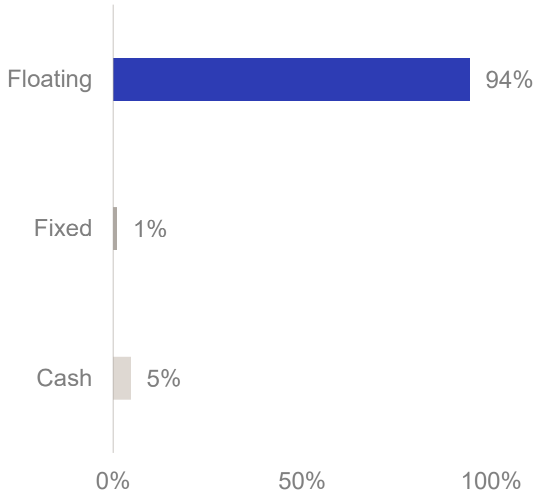
Portfolio – by state



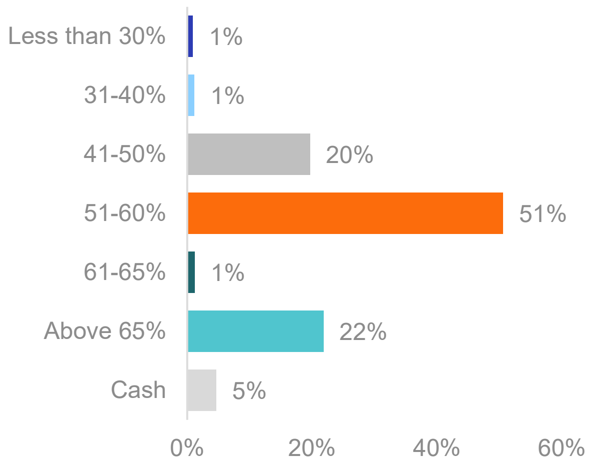
Portfolio – by region



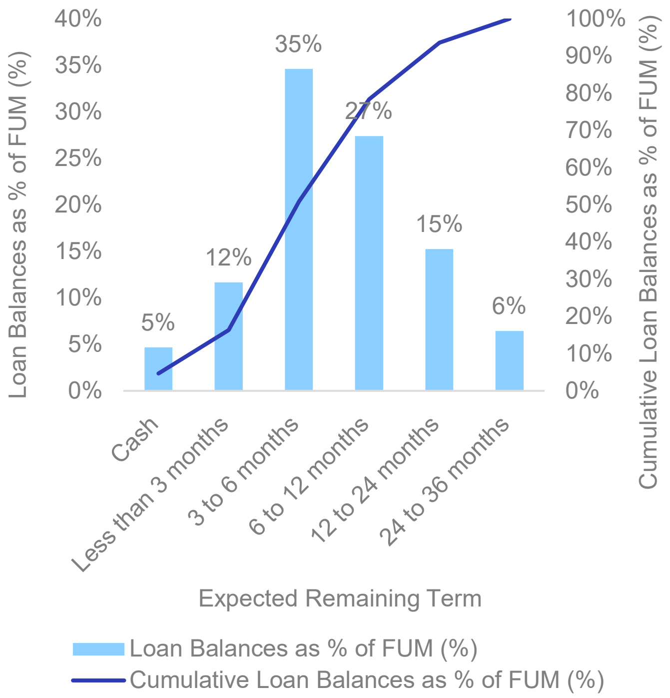
Portfolio – by type of interest on loans



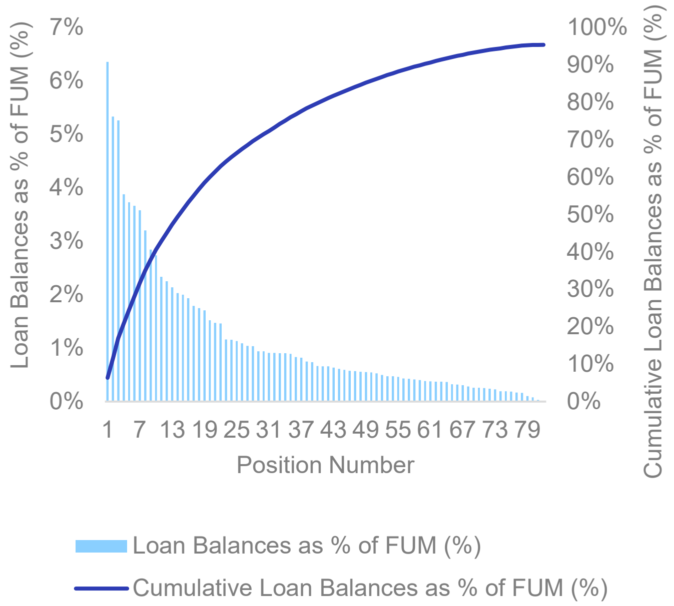
Portfolio – by LVR for loans



Portfolio – by maturity of loans and liquidity profile[5]



Portfolio – Underlying portfolio diversification[11]



Investments under watch

Fund investments are actively managed, which includes close monitoring of progress against initial projections. Unless otherwise stated, references to “Fund investments” in this section refer to the investments of the Underlying Fund on a look through basis.

The Manager categorises Watchlist loans as 1, 2 or 3 based on the risk of loan value deterioration (or risk of loss), as follows:

- Category 1 loans have a low credit concern, but there may be a breach of the loan terms (e.g. upcoming maturity or past expiry, where a loan extension would operate within lending guidelines and full repayment is expected).
- Category 2 loans are in active management with moderate concerns (e.g. construction or selling performance slower than forecast) and there is very low probability of a deterioration in the value of the loan. For a loan with no existing specific provision, full recovery of investment and documented return is expected (95% likelihood). For a loan with an existing specific provision or write-off, no further reduction in the value of the loan is expected to be required (95% likelihood).
- Category 3 loans have the highest level of concern / oversight level (typically loans are in active recovery phase, including mortgagee sale, receivership for example). Deteriorations in the value of the loan have a greater than 5% likelihood.

Inclusion on the Manager’s Watchlist does not necessarily mean the Manager believes the particular investment will not recover the invested amount or expected return. Many of the circumstances being addressed in the Watchlist were factored into the initial deal assessment and are within risk tolerances.

As at 30 November 2025, the Underlying Fund had two loans in Category 3 and 14 loans in Category 2. During November, two loans in Category 3 improved and moved to Category 2 as their repayment pathways were formally secured. The Manager expects full recovery on principal investments for all loans except one where a provision for a modest expected shortfall (<0.015% of FUM of the Underlying Fund) in recovery of principal has been taken. This loss is not expected to affect Class A or Class B capital of the Underlying Fund, and is expected to have an immaterial effect on Class B returns only. The Manager also expects a lower than forecast return on four of these loans (two in Category 3 and two in Category 2) and continues to apply income provisioning only across these loans.

As at 30 November, the portion of loans that are in default for more than 30 days is:

- Four loan in Category 1 representing 4.79% of the portfolio that is in default and is being actively managed. Category 1 loans are fully performing assets where the Manager is in the process of facilitating an extension or refinance of the loans.
- 12 loans in Category 2 representing 20.29% of the Portfolio that are in default, where the Manager is confident of achieving full return on the investments
- Two loans in Category 3 representing 3.8% of the Portfolio that are in default and are being actively managed, where there is a concern that returns may be lower than originally forecast.

ASIC RG 45 Disclosure Benchmarks

There have been no changes to either the ASIC RG 45 Disclosure Benchmarks or Disclosure Principles subsequent to the issue of the Product Disclosure Statement (PDS) dated December 2025. An update against the Portfolio ‘target’ levels (Disclosure Principle 3) is included this Report.

Related party arrangements

The Fund did not enter into any related party arrangements during the month.

Other

The Fund does not use derivatives or other hedging techniques and has not engaged in any derivative transactions during the reporting period.

The Fund did not hold any non-mortgage assets during the reporting period (excluding cash).

Investment objective

The MA Secured Real Estate Income Fund (Fund), predominantly through its investment in Class A of MA Secured Loan Series (Underlying Fund), aims to provide investors with an attractive monthly income focused on capital preservation via exposure to a diversified portfolio of real estate credit investments secured by registered first lien mortgages. These mortgages target secured loans over Australian real estate that vary in size, type, and location.

As detailed earlier in this report, effective from 1 February 2025, the Fund's target return is the RBA Cash Rate plus 3.75% per annum (net of fees and costs) over a rolling 12-month period, payable monthly (Target Return). The Target Return is calculated based on the RBA Cash Rate as observed on the first day of each month. Movement in the RBA Cash Rate in a month will be applied from the first day of the following month.

Investment strategy

The portfolio of the Underlying Fund is constructed based on the following parameters:

- Diversified by sector – exposure to loans secured by Australian property predominantly in the residential, commercial, hospitality, retail and industrial sectors.
- Limited concentration – No single loan or counterparty representing more than 20% of the portfolio, and target median loan size not exceeding 5% of the portfolio.
- Up to 50% of the Fund inclusive of the Underlying Fund, may be in construction loans (excluding land subdivision projects) or in loans where the ability to sell or realise full value is contingent on the completion of substantial construction works.
- Short loan duration – loans are intended for a maximum committed period of 36 months, with the target portfolio having a weighted average duration not exceeding 12 months.
- Strong credit position – all loans are secured by a registered first mortgage.

The Fund will invest in Class A of the Underlying Fund that has a target range for the weighted average LVR of 40%–55% and a maximum LVR of 60% first mortgage.

Fund information	
Inception date	May 2021
Structure	Australian Unit Trust
Fund term	Open-ended fund
Fund currency	AUD
Minimum initial investment	$10,000
Applications	Monthly
Redemptions	Monthly
Distributions	Monthly in cash or reinvested as part of the Distribution Reinvestment Plan
Management fee	0.85% p.a. of the Net Asset Value on direct assets
Performance fee	Nil
APIR code	MAA6243AU
Platform availability	Australian Money Market, DASH, HUB24, Macquarie Wrap, Mason Stevens, Netwealth, Powerwrap, Praemium
Research Ratings	Lonsec – 'Recommended'

About MA Financial Group

We invest. We lend. We advise.

We are a global alternative asset manager specialising in private credit, core and operating real estate, hospitality, private equity and venture capital as well as traditional asset classes. We lend to property, corporate and specialty finance sectors and provide corporate advice.

Our investment teams have diverse skill sets and experience across a range of strategies and market conditions and are focused on delivering long-term growth. Our conviction runs deep and as testament to this we co-invest in many of our strategies alongside our clients, aligning our interests with theirs.

More information

The Target Market Determination for Units in the Fund is available free of charge on the Fund webpage: mafinancial.com/au/invest/private-credit/masecured-real-estate-income-fund

For more information, please speak to your financial adviser or the MA Client Services team at:
E: clientservices@mafinancial.com
T: +61 2 8288 5594
mafinancial.com

ENDNOTES

1. Target Return has changed over time. The stated Target Return is current and was from 1 April 2025 until 1 February 2026. The Target Return will then reduce to RBA Cash Rate +3.75%p.a. effective from 1 February 2026. RBA Cash is reset and fixed on the first calendar day of the month.
2. Monthly Annualised Distribution Yield is calculated at a point in time by annualising the distribution made during the month and dividing it by the ending NAV price for that period. This yield represents an annualised return based on the relevant month's distribution and assumes that this level of distribution continues for a full year. The monthly annualised distribution yield will fluctuate with changes in the distribution amount or the unit price.
3. Past performance is not a reliable indicator of future performance. Performance returns are net of fees and expenses and assume tax is not deducted. It is calculated using Net Asset Value (NAV) prices assuming the reinvestment of all distributions. Performance returns for periods greater than 1 year are annualised. Performance inception date 1 May 2021.
4. Values may not add up due to rounding.
5. Duration is calculated using expected repayment date.
6. The amount invested in each new loan is limited to 60% of the valuation at the time of making the loan.
7. As at the date of the PDS, in relation the direct credit investments of the Fund, the Manager applies a target weighted average LVR of under 60% and a maximum LVR of 65% as at the time of investment.
8. Class A and Class B will have exposure to all loan investments of the Underlying Fund proportionally based on the AUM of each class relative to the Underlying Fund's total AUM. The proportion will be reviewed at least quarterly by the Manager.
9. Cash includes cash balances and working capital when the working capital facility is drawn.
10. Most loans in the Fund are structured with capitalised interest, which is common in development and value-add real estate financing and supports borrower liquidity during project delivery. While this approach results in loan balances increasing over time, these exposures are managed through conservative leverage settings and regular project monitoring to assess risk level is appropriate.
11. Cumulative loan balances as % of FUM does not add to 100% due to cash holdings.