MA Credit Income Trust
(ASX:MA1)

30 June 2025

MA Financial Group

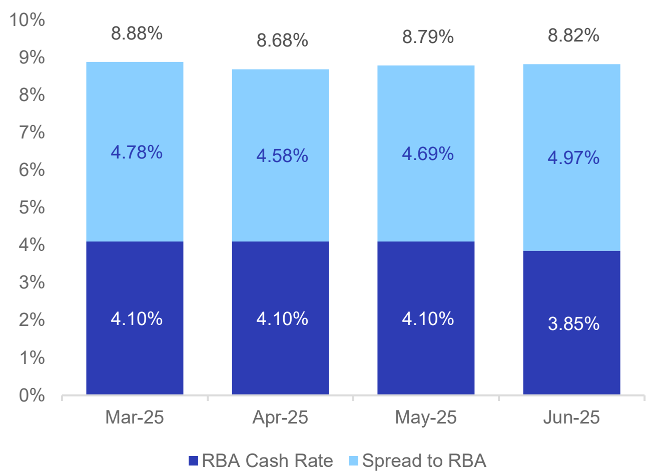
Monthly commentary

The MA Credit Income Trust (ASX:MA1) (the Fund) delivered a net return of 2.1% for the quarter ended June 2025 (8.68% 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 $0.0134 per unit for the month, equating to approximately 0.67% of net asset value (NAV) of A$2.00 per unit as at 30 June 2025. This represents an annualised distribution yield of 8.75%.

As the global economy continues to slow and various global risks remain, Australia continues to navigate an uncertain outlook. Key factors however, including steady unemployment, moderating inflation and rate cuts by the RBA, are helping to support financial conditions. Against this backdrop, MA1's underlying portfolio continues to deliver stable performance, underpinned by defensively positioned private credit assets.

Trailing monthly net return[1]



Trust overview

ASX Ticker	MA1
Price / NAV[2]	$2.01 / $2.00
Market cap. / NAV[2]	$333m / $331m
Distribution yield[3]	8.75%
Distribution frequency	Monthly
Target Return	RBA Cash Rate + 4.25% p.a.
Available platforms	BT Panorama, CFS Edge, Macquarie Wrap, Mason Stevens, Netwealth

Portfolio summary

Underlying Fund asset exposure[4]	$5.1bn (inc. cash) $4.8bn (ex. cash)
Number of positions	179
Portfolio credit duration[5]	15.6 months
Mean / median position size	0.5% / 0.3%
Largest position size	2.9%
% floating rate / fixed rate	93% / 7%
Manager alignment[6]	>$190m

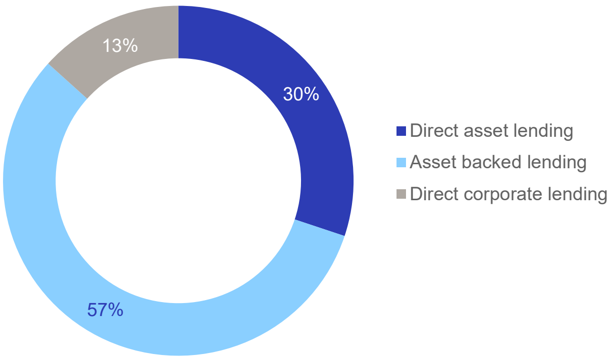
Fund performance[1,7]

	1 month	3 months	1 year	3 years p.a.	5 years p.a.	Inception
Net return (%)	0.67	2.11	-	-	-	2.88
Target Return (%)	0.62	2.01	-	-	-	2.73
Distribution (%)	0.67	2.11	-	-	-	2.88
RBA Cash Rate (%)	0.30	0.97	-	-	-	1.32
Spread to RBA (%)	0.37	1.14	-	-	-	1.56

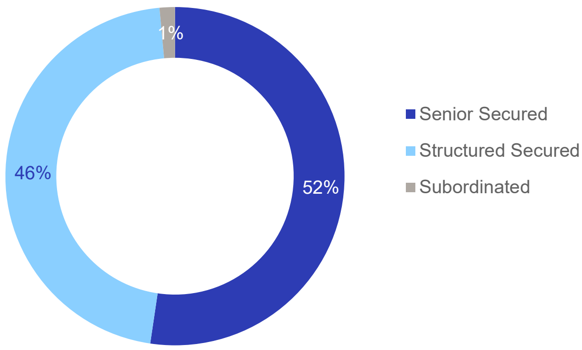
* Note: Past performance is not a reliable indicator of future performance.

Portfolio composition

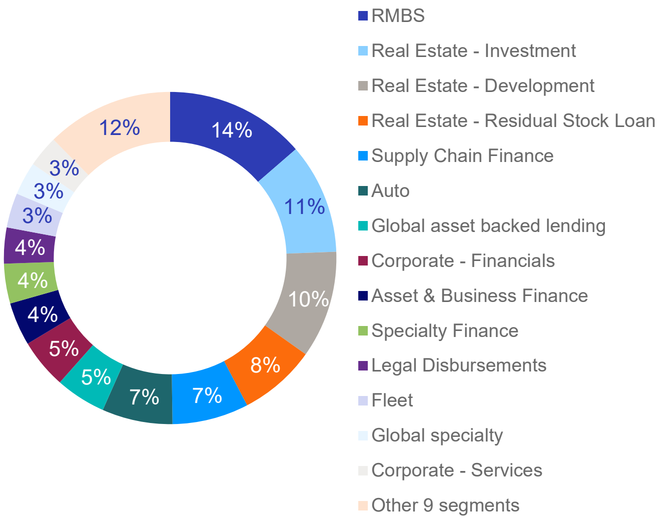
Investment strategy[8]



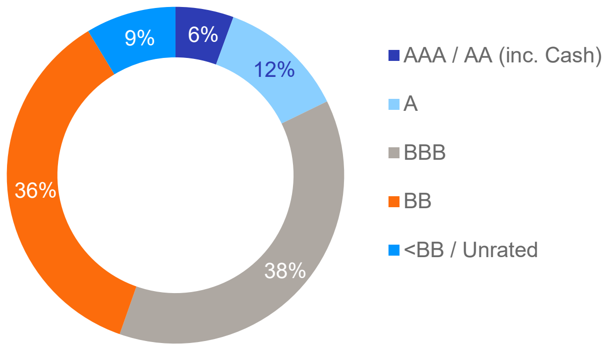
Debt ranking[8,10]



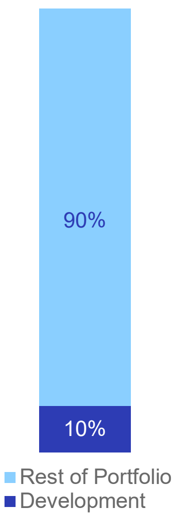
Sub-sector[8,11]



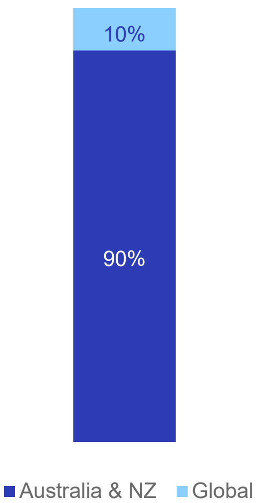
Credit rating[8,9]



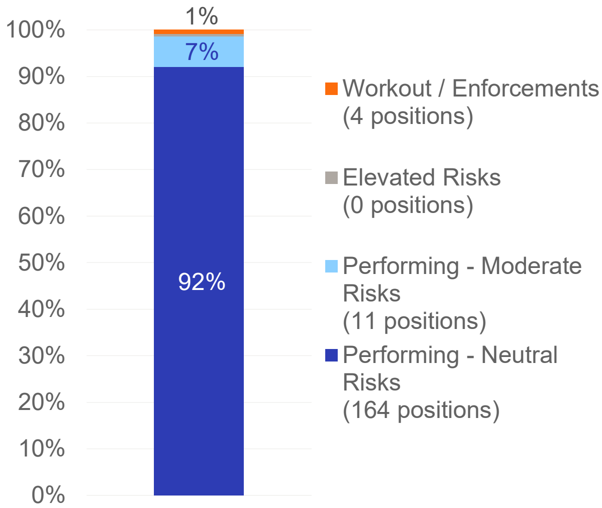
Development[8]



Geography[8]



Performance indicator (% by asset value)[8,12]



Quarterly Portfolio Commentary

Portfolio allocations

The Manager employs a disciplined, credit-first investment approach designed to deliver attractive risk-adjusted returns through market cycles. The focus is on credit investments with defensive characteristics, including security and structural protections. Through bottom-up credit underwriting and a focus on proprietary origination, the Manager aims to build a resilient portfolio that performs across both stable and dislocated markets. Consistent with these objectives, MA1 provides access to a diversified portfolio of private credit assets (the Underlying Fund's portfolio) allocated across three core lending segments:

- Asset backed lending
- Direct asset lending
- Direct corporate lending.

At 30 June 2025, the Underlying Fund allocations are weighted toward asset backed lending (57%), with direct asset lending (30%) and direct corporate lending (13%) representing lower proportions. The current allocation is considered favourable for several reasons:

1. Attractive deployment opportunities – the skew to asset backed lending allows the portfolio to capitalise on the continued growth in the market within this segment. The current origination pipeline is strong and supported by the Manager continuing to grow relationships with specialty and non-bank lenders.
2. Diversification – the asset-backed segment contributes to a high level of portfolio granularity supported by more than 714,000 individual underlying assets as collateral. This broad exposure improves diversification and reduces the impact of any single underlying asset on overall portfolio performance.

While at 30 June allocations are not substantially different to 31 March, corporate lending exposure has increased from ~5% to ~13% relative to asset backed lending (which has reduced from 65% to 57%). This reflects the strong pipeline of attractive corporate lending opportunities executed on during the period.

Allocations may continue to evolve over time to optimise risk-adjusted returns in response to market conditions and opportunities across credit segments.

Portfolio composition

The Underlying Fund's asset exposure continues to grow having reached $5.1 billion at 30 June 2025.

As at 30 June 2025:

- Number of positions total 179 across 136 issuers with a median loan size of ~$15 million and the largest position comprising 2.9% of total assets.
- Top five positions represent ~13% and top 10 positions represent ~24%
- The portfolio is diversified across 23 credit sub-segments
- 99% senior secured or structured secured, demonstrating our focus on security protections
- Largest exposure is to BBB-equivalent rated credit (38%) followed by BB-equivalent (36%)[9]

In the three months to 30 June 2025 ~$1 billion of loans were funded across the Underlying Funds.

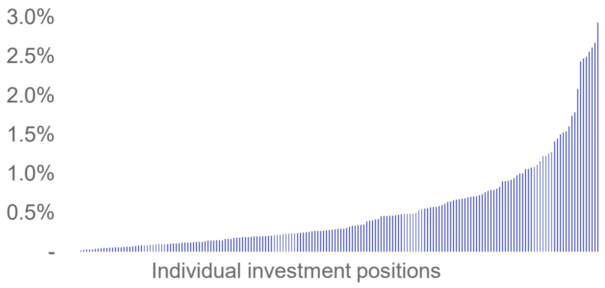


Figure 1: Distribution of position sizes as a percentage of AUM.

During the June quarter, ~$400m of new asset backed loans were funded, largely comprising secured positions in private funding warehouses. Asset backed positions were added across a range of sub-segments including auto, fleet, commercial, and trade finance assets. Substantial deployment also continued via incremental drawdowns on existing commitments across an equally diverse range of asset segments.

Origination of direct corporate loans was healthy during the quarter with ~$220 million in positions funded which sees the total number of positions grow to 17. Five new corporate loans were added in sectors including e-commerce, healthcare and financial services. The market for corporate loan opportunities is constructive with high quality sponsors remaining active in refinancings to optimise portfolio company capital structures. Other uses of funding over the quarter included a sponsor backed M&A transaction and further bolt-on acquisition activity by an existing non-sponsor backed borrower.

In direct asset lending, 15 new investments were made with ~$400 million funded across both new and existing positions. Loan types were largely skewed to real estate investment loans with a smaller portion of residual stock and development loans.

Capital raising update

On 23 June 2025, MA1 successfully completed a ~$49.7 million wholesale placement at $2.00 per unit. The raise was well supported by both existing and new investors, reflecting continued confidence in the Fund. The proceeds, which settled on 30 June, were deployed in the Underlying Funds across its three core lending segments.

Liquidity

As at 30 June 2025 the Underlying Funds had exposure to ~$217 million in cash comprising ~4.3% of total portfolio AUM. The Manager continues to deploy selectively into short-dated, high-credit-quality liquid bonds and tradable fixed income for liquidity management representing ~5.7% of the Underlying Fund's portfolio.

Credit performance

The Underlying Fund continues to exhibit strong credit performance across its credit segments with ~99% of assets by value classified as "Performing". This includes ~92% grouped as "Performing – Neutral Risks" (performing as expected with risk factors neutral or favourable since origination).

The asset backed loan segment continues to perform strongly from a credit perspective. Arrears remain low and in-line with normal historical levels despite a ~10bps increase over the quarter. At June quarter end, weighted average 90+ day arrears were 0.9% (as a proportion of underlying receivables).

The direct corporate lending portfolio continues to perform well with many underlying corporate borrowers having reduced leverage since origination. The current weighted average loan-to-value ratio (LVR) is ~31%.

Approximately 7% of the Underlying Fund's portfolio has been flagged as 'Performing – Moderate Risks' which indicates, while the borrower or collateral is performing, there are moderate risks which have emerged since origination. These positions are under enhanced monitoring.

None of the Underlying Fund positions are classified as 'Elevated Risks' which indicates performance is substantially below expectations and risk has increased materially since origination.

Around 1% of positions are in active workout or enforcement, where the Manager is taking action to stabilise, protect and recover value. Across the Workout / Enforcements and Elevated Risk positions, less than 1% (by total portfolio AUM) are payment in kind (not paying cash interest) due to under performance.

The '*Performing – Moderate Risks*', '*Elevated Risks*' and '*Workout*' positions largely sit within the direct asset portfolio and relate to senior secured, first mortgage real estate loans. These loans benefit from asset protection and the Manager does not expect these positions to materially impact the Fund's NAV or returns. Pleasingly, historical capital losses across our flagship credit strategies remain at zero.

Market conditions and outlook

With a backdrop of continued weakness in GDP growth, consumer sentiment and various global risks, Australia continues to navigate an uncertain economic outlook. On the other hand, factors such as steady unemployment, moderating inflation and rate cuts by the RBA, are helping to support financial conditions.

The Australian economy had a weak Q1 with GDP rising by 0.2% for the quarter and annual growth at 1.3%. However, unemployment remains steady at ~4% and inflation continues to sit within the RBA's targeted 2 – 3% range. With inflation back within target, the RBA has delivered two rate cuts so far this year totalling 50bps taking the current RBA cash rate to 3.85%. While the RBA not cutting rates in July surprised the market, further rate reductions are expected by most economists over the next 12 months. If implemented, these cuts should further support growth in economic activity which should be positive for loan performance.

In terms of global conditions, investor sentiment has improved in recent weeks based on the risk of extreme tariff scenarios abating. Uncertainty remains however, in relation to final tariff outcomes which may continue to dampen investment and global growth. Other notable sources of global risk remain including geopolitical tensions (e.g. Israel – Iran and Ukraine – Russia conflicts), China's sluggish recovery and US fiscal risks.

In the US, weak consumer spending and a widening trade deficit continue to weigh on growth. However, while consensus expectations are for below trend GDP growth of ~1.5% p.a., resilient income support and fiscal measures reduce the likelihood of a severe contraction. While the US Federal Reserve remains cautious on further rate cuts, the lower level of tariffs may reduce inflation risks. Labour market indicators continue to soften, with slowing job creation and wage growth. This should also help prevent a rebound in inflation expectations which should support the Federal Reserve's cautious path toward monetary easing. The market is pricing in ~1% of rate cuts over the next 12 months.

As discussed last quarter, the Manager does not see material credit impacts across its US credit positions at this stage based on the recent tariff announcements. The Manager continues to monitor developments closely but remains comfortable with its exposure to the US, which represents approximately 10% of the Underlying Fund.

Despite persistent economic uncertainty, the Manager remains confident in the resilience of the Underlying Fund's portfolio. The Manager's focus on secured exposures, defensive sectors, and disciplined underwriting, positions the portfolio to navigate the current credit conditions.

In both the U.S. and Australia, capital inflows into private credit remain strong. Deployment continues to be supported by supply-side constraints, including increased regulation and banks withdrawing from select lending segments. On the demand side, borrowers are increasingly seeking the flexibility that private credit provides. The Manager continues to identify attractive deployment opportunities across both geographies, while maintaining a highly rigorous approach to investment selection.

Please also refer to the Manager's quarterly investor letter, which will be made available on the ASX platform, including for general updates on our Global Credit Solutions fund suite and thematic insights into what matters most in private credit today.

Additional portfolio metrics by market segment[13]

	Jun Qtr 2025	Mar Qtr 2025
Asset Backed Lending		
Underlying investments (#)	78	78
Underlying receivables (#)	>714,000	>570,000
Median position size ($'m)	18.6	17.6
Weighted average credit enhancement-to-loss-rates (x)[14]	16x	15x
Weighted average 90+ day arrears in underlying receivables (%)[14]	0.9%	0.8%
Manager capital loss experience (%)[15]	0.0%	0.0%
Direct Asset Lending		
Underlying investments (#)	84	75
Median position size ($'m)	13.9	16.3
Weighted average portfolio loan-to-value ratio (LTV) (%)	70%	70%
Total historical investments	337	325
Total historical percentage of loans enforced (by #)	3.6%	3.7%
Manager capital loss experience (%)[15]	0.0%	0.0%
Direct Corporate Lending		
Underlying investments (#)	17	13
Median position size ($'m)	19.6	14.8
Weighted average net leverage (EBITDA) (x)	3.3x	2.8x
Weighted average LTV (%)	30.5%	25.9%
Manager capital loss experience (%)[15]	0.0%	0.0%

Fund performance by month[1]

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Fund returns (net) (%)												
2025	n.a.	n.a.	0.75	0.69	0.73	0.67	-	-	-	-	-	-
Distribution yield (%)												
2025	n.a.	n.a.	0.75	0.69	0.73	0.67	-	-	-	-	-	-
Total returns (%)												
2025	n.a.	n.a.	0.75	0.69	0.73	0.67	-	-	-	-	-	-

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

Changes since prior reporting

There have been no material changes to key service providers, the related party status of key service providers, fund strategy, risk profile or key individuals of MA1 since the prior reporting period.

Investment strategy

MA1 offers curated access to MA Financial's flagship private credit strategies. The ASX-listed Fund aims to provide investors with consistent monthly distributions, targeting a return of the RBA Cash Rate + 4.25% p.a.

MA1 offers exposure to a diversified portfolio of Australian, New Zealand and global credit investments which span three core private credit market segments in which the Manager has a proven track record and specialist capabilities: direct asset lending, asset backed lending and direct corporate lending.

Fund information	
Inception date	28 February 2025
Management fee	Nil where investing in the MA Credit Income Fund (Wholesale). Fees charged at underlying fund level only. For any directly held investments, 0.90% management fee.
Fund currency	AUD
Distributions	Monthly
Fund term	Closed ended unit trust
Trust name	MA Credit Income Trust (MA1) ARSN 681 002 531
Responsible Entity	Equity Trustees Limited ACN 004 031 298; AFSL 240975
Manager	MA Investment Management Pty Ltd ACN 621 552 896, AFSRN 001 258 449
Custodian	EQT Australia Pty Ltd
Unit registry	Boardroom

For more detailed information regarding the Fund, please refer to the Product Disclosure Statement

About MA Financial

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

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/invest

This report is dated as at 14 July 2025.

END NOTE

1. Returns are based on NAV unit prices as at the month end ex-distribution date, net of all fees and costs, and assume the reinvestment of distributions. No allowance has been made for entry fees or investor-specific tax outcomes. Past Performance is not a reliable indicator of future performance.
2. Price and NAV as at month end, ex-distribution.
3. Current month distribution as percentage of NAV, annualised as at 27 June 2025.
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 Financial and its staff have co-invested over $225 million in all MA Financial credit funds, including more than $190 million in the Underlying MA Financial Credit Funds at 30 June 2025.
7. Returns are calculated in accordance with the Financial Services Council (FSC) investment performance reporting guidelines, of which MA Financial Group is a member. Returns for periods greater than one year are annualised. Returns as at 27 June 2025.
8. 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. Unless otherwise stated, percentages exclude cash holdings.
9. Rated by MA Asset Management including where not rated by public ratings agencies.
10. "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.
11. 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.
12. Performance indicator classifications formulated by MA Asset Management.
13. Quarterly metrics based on most recent data available as at the data of this report.
14. 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.
15. 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.

IMPORTANT INFORMATION

This update has been prepared by MA Investment Management Pty Ltd ACN 621 552 896 (Manager), a corporate authorised representative of MAAM RE Ltd (ACN 135 855 186) AFSL 335783, and the appointed manager of the MA Credit Income Trust (Fund). Equity Trustees Limited (Equity Trustees) (ABN 46 004 031 298) AFSL 240975, is the Responsible Entity for 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).

DISCLAIMER

This update has been prepared by the Manager to provide you with general information only. In preparing this report, the Manager has not taken into account the investment objectives, financial situation or particular needs of any particular person. Because of that, before making an investment decision you should consider the appropriateness of this information having regard to those objectives, situation and needs. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. Neither the Manager, Equity Trustees nor any of their related parties, their employees or directors, provide any warranty of accuracy or reliability in relation to such information or accepts any liability to any person who relies on it. Past performance should not be taken as an indicator of future performance. You should obtain a copy of the Product Disclosure Statement (PDS) and Supplementary PDS (SPDS) available at mafinancial.com/ invest/private-credit/ma-credit-income-trust/ and Target Market Determination (TMD) available at www.eqt.com.au/insto/ and consider the PDS, SPDS and TMD before making a decision about whether to invest in this product.

Neither the Manager, 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 the Manager as at the date of this report and are subject to change without notice. Statements contained in this report that are not historical facts are based on expectations, estimates, projections, opinions and beliefs of the Manager as at the date of this report. 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 report 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 of the Manager 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 the Manager in connection with the management of the Fund. In connection with these arrangements the Manager 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.

Hong Kong. As distributor only, MAAM HK does not have any intention to establish any client relationship with any person that intends to subscribe for units in the collective investment schemes it distributes.

The Manager has issued this update to a limited number of qualified investors that are wholesale investors as defined under section 761G of the Corporations Act 2001 (Cth) for informational purposes only. This update does not constitute an offer to sell or a solicitation of an offer to purchase any security. While every effort has been made to ensure that the information in this update is accurate, its accuracy, reliability or completeness is not guaranteed. Statements contained in this update that are not historical facts are based on current expectations, estimates, projections, opinions and beliefs of the Manager. Such statements involve known and unknown risks, uncertainties and other factors, and undue reliance should not be placed thereon. Further, the views expressed in this update, which are subject to change, are solely the views of the Manager. These views may not necessarily reflect the views of any other MA Financial Group entity. While reasonable care has been taken preparing this update, and all information provided in this update has been provided in good faith and has been obtained or derived from sources believed to be reliable, neither the Manager nor any of its affiliates, nor any of their respective officers, employees, advisors or agents makes or gives any representation, warranty or guarantee, whether expressed or implied, that the information contained in this update has been audited or independently verified, or is complete, accurate or reliable, or accepts any responsibility arising in any way (including by reason of negligence) for errors or omissions. Opinions contained herein may be subject to change without notice and do not constitute investment advice or recommendation.