

MSQUARED HIGH YIELD MORTGAGE INCOME FUND MONTHLY REPORT



DECEMBER 2023

MARKET & PORTFOLIO UPDATE

December capped off what was an eventful year both domestically and overseas. In 2023, the Australian economy was categorised by consecutive interest rate hikes, low unemployment, high inflation figures, and an ever-resilient property market. Globally, we saw heightened geopolitically instability as both new and old conflicts caused tremors in global markets. The financial system faced many threats, including the collapse of Credit Suisse and Silicon Valley Bank as well as possible US debt default. In these conditions, the Msquared High Yield Mortgage Income Fund continued to perform strongly, with steadily increasing returns and a growing number of loans to enhance diversification. We are also pleased to note that the fund weighted LVR level remained predominantly within the 50.00-65.00% range throughout the year, which is comfortably below the max LVR level of 80.00% The Fund has 41 loans and a weighted portfolio LVR of 64.14% as at 31 December 2023.

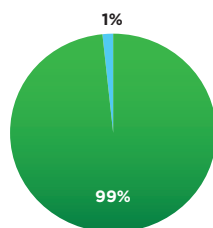
RECENT RETURNS (ANNUALISED) FUND METRICS

August 23	10.25% p.a
September 23	10.30% p.a
October 23	10.30% p.a
November 23	10.32% p.a
December 23	10.35% p.a

No. of Loans in Fund	41
Weighted Portfolio LVR	64.14%
Weighted Portfolio Loan Term	9.14 months
Loans Settled in Last 90 Days	9
Loans Repaid in Last 90 Days	2

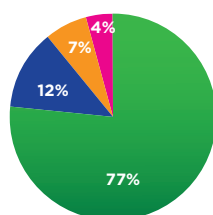
CAPITAL ALLOCATION

Funds Invested Cash



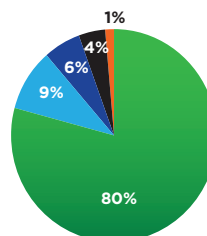
SECURITY TYPE

Residential Land Industrial Construction



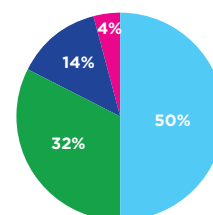
GEOGRAPHICAL LOCATION

Sydney Greater NSW Brisbane Greater QLD Melbourne



LOAN PURPOSE

Working Capital Refinance Acquisition Construction



OBJECTIVES OF THE FUND

- 01 To provide investors an opportunity to access **high quality, registered** mortgage investments through a professionally managed structure.
- 02 The provision of **monthly income** distributions at a targeted minimum net return of **9.00% p.a.**

KEY FUND INFORMATION

Target Minimum Return	9.00% p.a
Maximum LVR	80.00%
Security	Registered Mortgages
Distributions	Payable monthly
Minimum Investment	\$50,000
Minimum Investment Term	12 Months
Redemptions	Quarterly with two months' notice

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