

MSQUARED HIGH YIELD MORTGAGE INCOME FUND MONTHLY REPORT | APRIL 2025



MARKET & PORTFOLIO UPDATE

Msquared Capital is pleased to present the April 2025 monthly update for the Msquared High Yield Mortgage Income Fund. Following Labor's federal election victory, the government is set to implement its "Future Made in Australia" initiative, designed to drive economic growth and ease cost-of-living pressures. Concurrently, the proposed tax on unrealised capital gains within superannuation balances exceeding \$3m may well lead to a shift in investment strategies across the SMSF sector. With concerns from business leaders about the potential impact on capital growth-focused investments, many SMSF investors may pivot toward income-generating strategies, such as private credit, reinforcing the importance of portfolio diversification. At the end of April 2025, the Fund was well diversified across 44 loans with a weighted portfolio loan term of 6.52 months and a weighted LVR of 68.42%. The Fund's cash balance was 1.33%, following a succession of loan investments, and we are continuing to source high-quality opportunities for re-deployment. The annualised return of the Fund remained at 10.10% p.a.*

RECENT RETURNS (ANNUALISED)*

April 25	10.10% p.a.
March 25	10.10% p.a.
February 25	10.35% p.a.

FUND METRICS

No. of Loans in Fund	44
Weighted Portfolio LVR	68.42%
Weighted Portfolio Loan Term	6.52 months
Loans Settled in Last 90 Days	13
Loans Repaid in Last 90 Days	18

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.

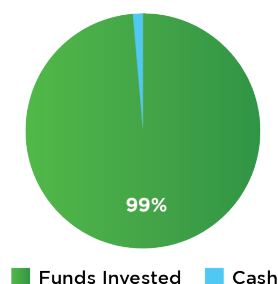
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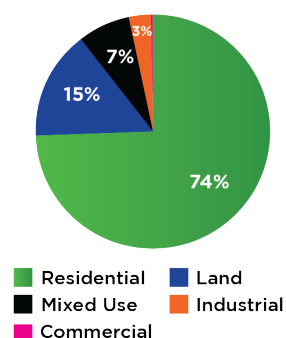
KEY FUND INFORMATION

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
Investment Grade Research Ratings	Evergreen Ratings SQM Ratings

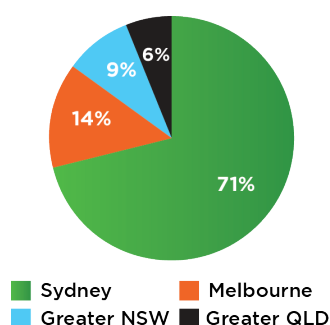
CAPITAL ALLOCATION



SECURITY TYPE



GEOGRAPHICAL LOCATION



LOAN PURPOSE

