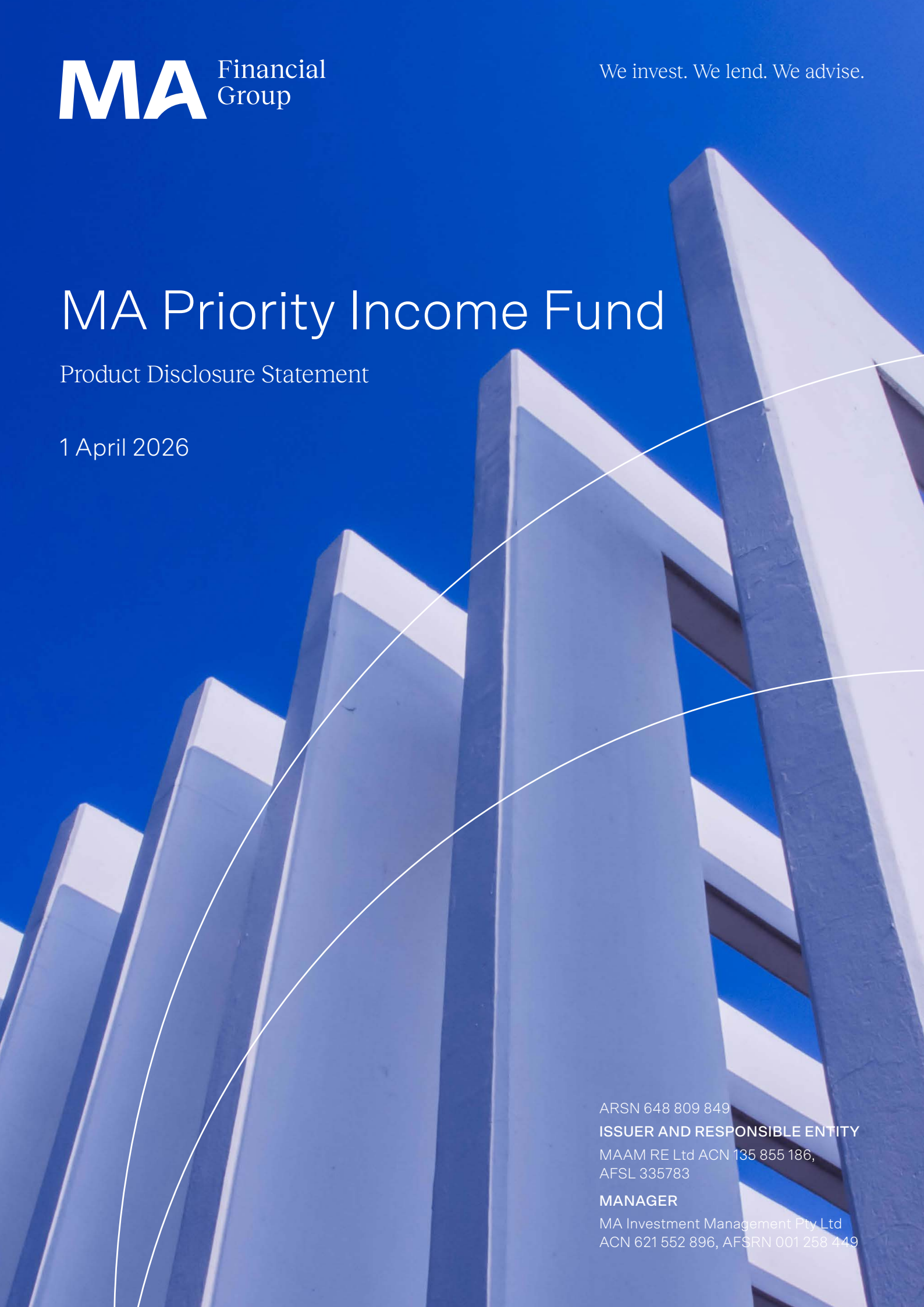
MA Financial Group

We invest. We lend. We advise.

# MA Priority Income Fund

## Product Disclosure Statement

1 April 2026



ARSN 648 809 849

**ISSUER AND RESPONSIBLE ENTITY**

MAAM RE Ltd ACN 135 855 186,
AFSL 335783

**MANAGER**

MA Investment Management Pty Ltd
ACN 621 552 896, AFSRN 001 258 449

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# Important notices

**This is an important document which should be read in its entirety before making any investment decision. You should obtain independent advice if you have any questions about any of the matters contained in this product disclosure statement.**

This document is a product disclosure statement (PDS) for the purposes of Part 7.9 of the Corporations Act. This PDS is issued by MAAM RE Ltd ACN 135 855 186, AFSL 335 783 (Responsible Entity, MAAM RE, us, our or we), as responsible entity of the MA Priority Income Fund ARSN 648 809 849 (Fund).

You should read this PDS and any updated information made available by the Responsible Entity from time to time before making an important decision. This material may change between the time when you read this PDS and when you acquire the product. This PDS is a summary of significant information about the Fund.

## Lodgement

This PDS is dated April 2026 and an in-use-notice relating to this PDS has been lodged with the Australian Securities and Investments Commission (ASIC). ASIC does not take any responsibility for the contents of this PDS or the merits of the investment to which this PDS relates. Units issued under this PDS will be issued by the Responsible Entity on the terms and conditions set out in this PDS.

## Invitation to apply for Units

This PDS contains an invitation to apply for Units. No person is authorised to provide any information, or to make any representation, about the Fund or the invitation to apply for Units that is not contained in this PDS. Potential investors should only rely on the information contained in this PDS. Any information or representation not contained in this PDS may not be relied on as having been authorised by the Responsible Entity or MA Investment Management Pty Ltd (Manager) in connection with the invitation to apply for Units. Except as required by law and only to the extent required by such law, neither the Responsible Entity, the Manager nor any other person associated with the Responsible Entity or the Manager (or the invitation to apply for Units) guarantees or warrants the future performance of the Fund, the return on an investment made under this PDS, the repayment of capital or the payment of distributions on the Units.

Before deciding to invest in the Fund, investors should read the PDS in its entirety. The information contained in individual sections is not intended to and does not provide a comprehensive review of the business and the financial affairs of the Fund or the Units under this PDS. The invitation under this PDS does not take into account the investment objectives, financial situation or particular needs of individual investors. An investment in the Fund should be considered speculative. You should carefully consider the risks (including those set out in Section 7) that impact on the Fund in the context of your personal requirements (including your financial and taxation position) and, if required, seek professional guidance from your financial advisor, solicitor, accountant or other professional adviser prior to deciding to invest in the Fund.

The invitation to apply for Units under this PDS is available only to persons receiving this PDS (electronically or otherwise) in Australia and does not constitute an offer or recommendation in any jurisdiction, or to any person to whom it would be unlawful to make such an offer.

This PDS does not constitute an offer of securities in any jurisdiction where, or to any person to whom, it would be unlawful to make such an offer. Units have not been registered under the United States Securities Act of 1933 (as amended) (US Securities Act) or the securities laws of any state of the United States, and may not be offered or sold in the United States absent registration or an applicable exemption from registration under the US Securities Act and applicable state securities laws. This PDS may not be transmitted in the United States or distributed, directly or indirectly, to any "US person" (as defined in Regulation S under the US Securities Act) (a US person). It does not constitute an offer to sell, or a solicitation of an offer to buy, or an invitation to subscribe for or buy Units in the United States or to any US person or for the benefit of a US person, and is not available to persons in the United States or US persons or for the benefit of US persons.

Each Applicant will be taken to have represented and warranted to the Responsible Entity that such Applicant is not a US person and is not acting on account of a US person.

## PDS updates

The information in this PDS is up-to-date at the time of preparation. However, the information in the PDS may need to be updated from time to time.

Any updated information in this PDS that is considered not materially adverse to holders of Units (Unitholders) (Updated Information) will be made available by the Responsible Entity by publishing such information on the Fund's webpage, free of charge, at MAFinancial.com/invest/private-credit/ma-priority-income-fund. A paper copy of the Updated Information can be obtained free of charge by contacting Client Services via the contact details specified in the 'Corporate Directory' section (Section 14) of this PDS. Any new or updated

# Important notices (continued)

information that is materially adverse to Unitholders will be available to Unitholders via a supplementary or new PDS accessible via the Fund's website, free of charge, at MAFinancial.com/invest/private-credit/ma-priority-income-fund.

Where Unitholders have provided us with their email addresses, we will send notices of meetings and other meeting-related documents electronically unless the Unitholders elect to receive these in physical form and notify us of this election. You, as a Unitholder, have the right to elect whether to receive some or all of these communications in electronic or physical form. You also have the right to elect to receive a single specified communication on an ad hoc basis, in an electronic or physical form.

We will notify Unitholders of their right to elect to receive meetings and other meeting-related documents electronically or in physical form at least once each financial year via our webpage at MAFinancial.com/invest/private-credit/ma-priority-income-fund.

Annual Financial Statements are available via our webpage at MAFinancial.com/invest/private-credit/ma-priority-income-fund.

This PDS and the constitution of the Fund dated 12 November 2018 as amended from time to time (Constitution) supersede and replace any earlier information provided by the Responsible Entity, MA Financial Group, their affiliates and their respective representatives and agents in respect of the Fund.

## Risks

An investment in the Units is subject to risk (refer to Section 7), which may include possible delays in repayment and loss of income and capital invested.

None of the Responsible Entity, the Manager, or any of their related entities, directors or officers gives any guarantee or assurance as to the performance of, or the repayment of capital or income invested in, the Fund described in this PDS. The Responsible Entity, the Manager and their related entities may invest in or provide other services to the Fund.

## Forward-looking statements

This PDS contains forward-looking statements, statements identified by the use of the words 'believes', 'estimates', 'anticipates', 'expects', 'predicts', 'intends', 'targets', 'plans', 'goals', 'outlook', 'aims', 'guidance', 'forecasts', 'may', 'will', 'would', 'could' or 'should' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors which are beyond the control of the Responsible Entity, its Directors and its management. They are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

As set out above, the Responsible Entity, the Manager, or any of their related entities, directors or officers do not make any representation, express or implied, in relation to forward looking statements and you are cautioned not to place undue reliance on these statements.

These statements are subject to various risk factors that could cause the Fund's actual results to differ materially from the results expressed or anticipated in these statements. Key risk factors are set out in Section 7.

These and other factors could cause actual results to differ materially from those expressed in any statement contained in this PDS.

## Information about the Manager

To the extent that this PDS includes statements by the Manager or includes statements based on any statement of, or information provided by the Manager, the Manager consents to each such statement being included in this PDS in the form and context in which it is included and has not withdrawn that consent at any time prior to the lodgement of this PDS.

## Websites

Any references to documents included on the Fund, the Responsible Entity or Manager's website are provided for convenience only, and none of the documents or other information on those websites is incorporated by reference into this PDS, except where the document or other information is Updated Information.

## Currency

References in this PDS to currency are to Australian dollars unless otherwise indicated.

## Time

All references in this PDS to time are to the legal time in Sydney, Australia.

## Glossary

Certain terms and abbreviations in this PDS have defined meanings that are explained in the Glossary to this PDS. Defined terms are generally identifiable by the use of an upper case first letter.

# Important notices (continued)

## Diagrams

Diagrams used in this PDS are illustrative only.

## Privacy

Please refer to Section 12.17 for information regarding the handling of your personal information in relation to the invitation to apply for Units.

## Applications

By lodging an Application Form (electronically or otherwise), you declare that you were given access to the Financial Services Guide, the entire PDS, together with the Application Form, and read and understood those documents. The Responsible Entity will not accept a completed Application Form if it has reason to believe that it has been altered, or tampered with, in any way.

# 1. Fund features

This section presents an overview of a selection of the Fund features in a summarised and simplified form and is intended to provide a convenient way of locating where the further detail is located in this PDS. You should read the whole of this PDS before making an investment decision, and not rely solely on this section.

| Feature | Summary | Further information |
|---|---|---|
| Fund Name | MA Priority Income Fund | |
| ARSN | ARSN 648 809 849 | |
| Fund Structure | The Fund is a registered managed investment scheme that is an unlisted Australian unit trust. The Fund gains its investment exposure by investing in Class A units in the MA Master Credit Trust (Master Trust). All rights and entitlements of the Fund in the Master Trust relate only to the rights, entitlements, obligations, assets, liabilities and other amounts referable to Class A units of the Master Trust and to no other class of Units.<br>The Master Trust is an unregistered wholesale Australian multi-class unit trust which invests in a portfolio of credit investments. The trustee of the Master Trust is MA Asset Management Ltd ACN 142 008 535, AFSL 427 515 (Trustee). | Section 5 |
| Responsible Entity | MAAM RE Ltd ACN 135 855 186, AFSL 335 783 (MAAM RE) acts as responsible entity of the Fund. | Section 4 |
| Manager | MA Investment Management Pty Ltd ACN 621 552 896 (Manager or MAIM) acts as the investment manager of the Fund and the Master Trust. | Section 4 |
| Custodian | Certane CT Pty Ltd ACN 106 424 088 (MSC Certane) has been appointed as an independent sub-custodian / nominee to hold the assets of the Fund on behalf of Melbourne Securities Corporation Limited ACN 160 326 545 as custodian under the terms of the Custodian Agreement. | Section 12 |
| Administrator | Alter Domus Australia Pty Limited ACN 607 738 125 | Section 12 |
| Base currency | The Fund is denominated in Australian dollars (AUD). | |
| Target Return | The Fund aims to distribute a net cash yield (after all fees and costs) equal to the RBA Cash Rate + 4.00% per annum (Target Return). This is a target only and may not be achieved. | Section 5 and 6 |
| Investment strategy | The Fund will seek to achieve its Target Return by investing in Class A units of the Master Trust (Fund Investment). | Section 6 |

# 1. Fund features (continued)

| Feature | Summary | Further information |
|---|---|---|
| **Investment strategy of Master Trust** | The investment strategy of the Master Trust is to create a credit investment portfolio diversified across borrowers, industries, credit qualities and origination channels by investing across two core market segments, asset backed lending and direct corporate lending. The investment strategy is primarily focused on Australian and global developed market private Debt that is Secured, asset backed or otherwise has defensive characteristics, such as contractual provisions relating to granting of security, covenants and other features which provide control to lender by imposing obligations and restrictions in relation to the Debt. The Manager anticipates that investments will be sourced from both MA Financial Group proprietary and third-party origination platforms.<br><br>As at December 2025, 14.7% of the Master Trust is invested in asset backed facilities to Loan Warehouses serviced by MA Money and MA Specialty Finance. These are both proprietary related party lending platforms of MA Financial Group that originate and service loans to third-party borrowers. MA Money uses the funding provided by the Master Trust to fund Loan Warehouses (alongside several major Australian and global banks) that provide residential mortgages to borrowers, and MA Specialty Finance uses funding provided by the Master Trust to offer specialty finance products, such as disbursement funding loans, to borrowers.<br><br>The portfolio construction of the Master Trust may be changed from time to time by the Manager in its absolute discretion. | Section 6 |
| **Investor profile** | This product is intended to be up to 25% of a portfolio's allocation, for a consumer who is seeking monthly income and capital preservation and has a medium risk and return profile for that portion of their investment portfolio.<br><br>Prospective investors should ensure they have an informed understanding of the strategies and techniques employed by the Manager, the risks of the Fund and that the risk profile of the Fund is compatible with their own risk tolerance. Investors in the Fund should plan to invest their money for at least 3 years. The Fund is not suitable for investors who cannot tolerate any loss of capital. The Fund may be suitable for prospective investors seeking a longer liquidity period than monthly. It is not suited to investors seeking daily, weekly or intra-month liquidity. The Fund may be suitable for investors with medium or high risk tolerance. | |
| **Risk level of the Fund** | Medium, however all investments have risk, please refer to Section 7 for more detail on the Fund's risks. Before making an investment decision, it is important to understand the risks that can affect the value of your investment. | Section 7 |
| **Minimum suggested time frame for holding investment** | At least 3 years. Please note this is a guide only, not a recommendation. | |
| **Minimum investment** | Minimum initial investment: $10,000<br>Minimum additional investment: $1,000 | Section 10 |

# 1. Fund features (continued)

| Feature | Summary | Further information |
|---|---|---|
| **Management fees**[1] | Master Trust Management Fee:<br><br>The Manager of the Master Trust is entitled to a fee out of the assets of the Master Trust (equal to 0.5% of the NAV of Class A and Class B units), accrued daily and payable monthly in arrears (Master Trust Management Fee). It is estimated that the proportion of the Master Trust Management Fee that will be attributable to Class A units and hence borne by the Fund as an indirect cost will be 0.50% of the NAV of the Fund.<br><br>The Manager of the Master Trust does not retain any upfront, establishment or similar fees on loans invested by the Master Trust (and nor does it retain net interest margin, particularly on an undisclosed basis, from discrete loans in the Master Trust).<br><br>However, Class B Unitholders derive an investment return from holding Class B Units of the Master Trust (see definition of "Realised Profit"), representing the residual distributions of the Master Trust following Class A Units receiving their full priority return (in respect of current and historical periods), and the Capital Buffer equal to 10% of the Class A Units being maintained.<br><br>Additional costs apply in relation to your investment in the Fund, including, expense recoveries and transaction costs. Refer to Section 9 for additional details. | Section 9 |
| **Unit pricing frequency** | Monthly | Section 10 |
| **Redemptions** | You may request that the Responsible Entity redeem part or all of your investment, with a 30 day notice period, by providing a redemption notice prior to the end of a calendar month, each being a redemption notice date. Redemption requests may be subject to certain restrictions from time to time as described in Section 10 including for example that the Responsible Entity may determine that, in respect of a specific Redemption Date, a maximum dollar amount of the Fund's assets will be available for the satisfaction of Withdrawal Requests, may suspend redemptions in certain circumstances and redemptions may also be staggered over a period of time. The Responsible Entity may accept or reject requests to withdraw from the Fund in its absolute discretion.<br><br>Under the Constitution, the maximum period for redeeming Units the subject of an accepted Withdrawal Request is 545 days.<br><br>Redemptions from the Fund are not guaranteed and there is a risk that you may not be able to redeem your investment in certain market conditions or where the liquidity profile of the Master Trust assets changes from time to time. | Section 10 |

1. Unless provided otherwise, all fees and costs quoted in this PDS are quoted, if applicable, on an Australian GST inclusive basis and net of any applicable reduced input tax credits (RITCs).

# 1. Fund features (continued)

| Feature | Summary | Further information |
|---|---|---|
| **Distributions** | The Responsible Entity expects to pay distributions monthly, subject to the Fund receiving distributions from the Fund Investment and will not use Unitholder capital invested in the Fund or Application Monies to fund the payment of distributions. Where distributions are not funded from the Fund Investment the Responsible Entity will notify Unitholders accordingly at least on a quarterly basis.<br><br>Payment of distributions is not guaranteed. They will be paid at the discretion of the Responsible Entity and may depend on a number of factors, including future earnings, capital requirements, financial conditions, future prospects and other factors that the Responsible Entity deems relevant. | Section 5 |
| **Key risks** | All investments are subject to risk, which means the value of your investment may fall and the income derived from your investment may rise or fall. Before making an investment decision, it is important to understand the risks that can affect the value of your investment.<br><br>Key risks of an investment in the Fund include but are not limited to:<br>• the inability of the Fund to meet redemption requests;<br>• the risk that the Fund does not achieve its investment objective;<br>• the risk that Unitholders may lose some or all of their capital invested in the Fund;<br>• internal valuation risk: due to the reliance by the Responsible Entity of the Fund and the Trustee of the Master Trust on an internally administered valuation and methodology process for credit investments held by the Master Trust, there is a risk to Unitholders that the Master Trust assets (and therefore, the Fund's assets) are not valued on an arm's length basis. As a result, the following valuation risks apply to Unitholders:<br>– the actual value of the Master Trust's credit investments may not be reflective of the price that may be obtained from an independent sale of its credit investments. This is particularly true in periods of economic volatility or where there is limited relevant data against which the valuation of the Master Trust's credit investments can be benchmarked. In these cases, there is a risk that the relevant credit investment is therefore overvalued or undervalued and may be worth less or more than expected when it matures or is sold. In particular, this means that the actual value of a credit investment in the Master Trust may be less than the price at which it has been valued by the Trustee, which would result in a negative impact to the NAV of the Master Trust and the Fund and, therefore, to the value of a Unitholders investment in the Fund.<br>– the Fund, through its investment in the Master Trust, will be exposed to illiquid credit investments for which valuation is inherently subjective as there is not a typically established market against which to compare valuations. Whilst a third-party has been appointed by the Manager of the Master Trust to provide ongoing validation of carrying values for the credit investments, both the valuation and validation process is inherently subjective, not reflective of market value and based on assumptions that may be inaccurate. | Section 7 |

# 1. Fund features (continued)

| Feature | Summary | Further information |
|---|---|---|
| **Key risks** (continued) | • Governance risk: due to the operation of the Fund and the Master Trust by MA Financial Group Entities that are not independent of each other, such as the Responsible Entity and Manager of the Fund and the Trustee and Manager of the Master Trust, there is a risk that related entities do not properly engage on an arm's length basis and cannot appropriately manage conflicts in decisions made in relation to the Fund and the Master Trust assets;<br>• Liquidity risk: some assets of the Master Trust are illiquid, and cannot be readily traded to recover their par value in a short period of time. Further, the liquidity profile of the Master Trust's assets may change over time thereby impacting a Unitholder's ability to redeem Units from the Fund as and when required. As the Fund invests substantially all of its assets in the Master Trust, the Fund's liquidity is dependent on the liquidity of the Master Trust;<br>• There is a risk that the private credit asset class becomes subject to additional regulation that impacts the ability of the Manager to effectively invest and manage the underlying assets of the Fund, affecting investment outcomes for Unitholders. Similarly, there is a risk that the private credit asset class is no longer considered an attractive asset class from a risk/return perspective, resulting in Units being redeemed unexpectedly at scale by Unitholders; and<br>• Related party risk: Similar to the "Governance Risk", the Fund's structure is dependent on a number of ongoing related party arrangements being in place, which must be carefully managed to ensure such arrangements are and remain in the best interests of Unitholders. It is possible that the Manager may, in the course of conducting its activities in relation to the Fund, have potential conflicts of interest which may not be managed effectively and therefore may impact the operation of the Fund. | Section 7 |
| **Liquidity** | Your ability to redeem from the Fund will be subject to various factors including available liquidity and the Fund's ability to redeem from the Master Trust. The assets of the Master Trust will include private debt investments, some of which are considered to be illiquid investments, which may ultimately limit the ability of the Fund to redeem its holdings in the Master Trust (and by extension, limit the Responsible Entity's ability to satisfy investors' redemption requests). Investors should take this into consideration when deciding whether or not to invest in the Fund. There is no guarantee that the Fund will be able to satisfy withdrawal requests in full, in part or within any particular timeframe. | Sections 5 and 7 |

## Further information

The PDS contains important information regarding the Fund. We encourage you to read it carefully and in its entirety, including without limitation Section 7 which sets out certain key risks associated with an investment in the Fund, and Section 9 which sets out the fees and other costs associated with investing in the Fund. If you have any questions, you should seek relevant professional advice before making an investment decision.

# 2. Investment summary

## 2.1 Structure

The Fund is a multi-class unit trust which is registered with ASIC as a managed investment scheme under Chapter 5C of the Corporations Act. The Fund will seek to gain its investment exposure by investing in Class A units in the Master Trust. The Fund currently has one class on issue that is offered for investment under this PDS.

The Responsible Entity has a broad discretion (subject to the Corporations Act) to issue additional classes of units with different rights, restrictions, entitlements, obligations and terms of issue. Future classes of units in the Fund may have different fees and different withdrawal terms from the units offered under this PDS. If a further class of Units is issued, this PDS will be updated by the Responsible Entity.

The Responsible Entity has appointed MA Investment Management Pty Ltd ACN 621 552 896, Australian financial services representative number 001 258 449 (MAIM) as the investment manager of the Fund (Manager). Both the Responsible Entity and MAIM are wholly-owned subsidiaries of MAAM Holdings Pty Ltd ACN 621 215 450 (MAAM Holdings). MAAM Holdings is a wholly owned subsidiary of MA Financial Group Limited ABN 68 142 008 428 (MA Financial Group). The Fund was established under the Constitution.

## 2.2 Target assets

**Designed for investors seeking consistent returns from a vehicle with potential downside protection.**

The Fund, via its exposure to Class A Units of the Master Trust seeks to provide Unitholders with exposure to a diversified portfolio of credit investments. The Fund is structured with the objective of providing investors capital preservation, consistent monthly cash distributions and an attractive risk-adjusted return.[2]

The Master Trust's investment strategy targets a broad spectrum of credit market segments, with a focus on Australian and global developed market private credit that is Secured, asset backed or otherwise have defensive characteristics. Such characteristics include contractual provisions relating to granting of security, covenants and other features which provide control to the lender by imposing obligations and restrictions in relation to the Debt.[3]

For further information on the Fund's investment strategy please refer to Section 6 of this PDS.

## 2.3 Manager alignment and capital and income preservation features

As at the date of this PDS, one or more MA Financial Group Entities invest in a separate class of units in the Master Trust, being Class B Units of the Master Trust, in an amount equal to 10% of the Fund's capital (Class B Co-Investment), providing Unitholders with the benefit of a Capital Buffer, as described further below.

Pursuant to the terms of issue of Class A and Class B units, the Class B Co-Investment will be made on a first-loss and Subordinated basis which means that:

- the Class B Co-Investment is first impacted in the event of an impairment of capital that is attributable to Class A and Class B units, providing Unitholders with the benefit of a Capital Buffer (for information on the Capital Buffer please refer to Section 5.5); and
- Unitholders (by virtue of the Class A Units held by the Fund) are expected to benefit from receiving returns in priority to returns payable to holders of Class B Units in respect of the Class B Co-Investment, providing a significant degree of capital and income protection.

An MA Financial Group Entity will only receive a return on their Class B Co-Investment if holders of Class A Units (including the Fund) have been paid an amount equal to Target Return[4] (in all prior periods) and the Capital Buffer is equal to 10% of Class A Units' invested capital into the Master Trust (Invested Capital).

As at the date of this PDS and since inception of the Fund, there have been no losses in the investment Master Trust's portfolio, resulting in the 10% Capital Buffer having never been impaired or impacted.

In consideration for the Class B Co-Investment, Class B Unitholders derive an investment return from the Master Trust (refer to the definition of "Realised Profit"), representing the residual distributions of the Master Trust following Class A Units receiving their full priority return (in respect of current and historical periods), and the Capital Buffer equal to 10% of the Class A Units being maintained. Refer to Section 5.5 for further information of the section's entitlement to Realised Profit.

In this PDS, where we refer to the Fund's investments we generally do so on a 'look-through' basis, that is, we are referring to the assets of the Master Trust that are properly referable to Class A Units of the Master Trust, which the Fund is exposed to through its investment in Class A Units of the Master Trust.

2. The Fund may not be successful in achieving this objective.
3. The Master Trust may not be successful in achieving this objective.
4. The target return in respect of the payment of distributions to Class B Units is equal to the Fund's Target Return.

# 2. Investment summary (continued)

## 2.4 Target Return

The Fund aims to distribute a net cash yield (after all fees and costs) equal to the RBA Cash Rate plus 4.00% per annum (Target Return). This is a target only and may not be achieved. The Fund's total return may rise or fall based on a number of factors including the performance of the underlying loan assets of the Master Trust and movements in the RBA Cash Rate.

## 2.5 Potential benefits

**The following are the key potential investment benefits of the Fund, however please refer to the risks of investing in the Fund set out in Section 7.**

| | |
|---|---|
| **Consistent monthly income** | • The Fund seeks to provide consistent monthly income across all market conditions.<br>• Target Return of RBA Cash Rate plus 4.00% p.a. (after all fees and costs), paid monthly.<br>• This is a target only and may not be achieved by the Fund, particularly where the Responsible Entity determines, in its discretion, to not pay Unitholders any distributions. |
| **A focus on capital preservation*** | • A defensive investment strategy focused on preserving investor capital.<br>• Achieved via a distinctive Fund investment strategy and structure:<br>– invests in a diversified portfolio of credit investments across market segments, borrowers and origination platforms.<br>– the investment strategy is primarily focused on Australian and global developed market credit that is secured, asset backed or otherwise has defensive characteristics.<br>The Fund structure seeks to mitigate downside risk while aligning MA Financial Group Entity and investor interests. The Fund structure is dependent on the success of the Manager to make investments that deliver appropriate risk-adjusted returns for the Fund, including the ability of the Manager to continually identify and execute suitable investment opportunities that deliver the appropriate investment returns required for the Fund. |
| **Prioritises income and capital preservation*** | • The Fund's downside risk is sought to be mitigated by a material 10% subordinated (to Class A Units), first loss co-investment by MA Financial Group Entities in Class B of the Master Trust. The Fund benefits from prioritisation of income and capital preservation in the Master Trust as any realised losses in respect of Class A Units and Class B Units will first be absorbed by MA Financial Group Entity's Class B Co-Investment in the Master Trust.<br>• This arrangement seeks to ensure a strong alignment of interest between Unitholders and MA Financial Group.<br>See Section 5.5 of this PDS for full details on the Priority Return features. Please also refer to Section 5.5 of the PDS for further information relating to the Realised Profit that Class B Unitholder's generate in consideration for making the Class B Co-Investment. |

# 2. Investment summary (continued)

| | |
|---|---|
| **Experienced investment manager** | • Actively managed by a team of experienced investment professionals.<br>• Deep expertise in credit and loan structuring.<br>• Curated access to a large, diversified portfolio of credit investments.<br>• Access to specialist lending opportunities originated through MA Financial Group's proprietary platforms and channel relationships.<br>• The Fund has an unbroken track record since inception in November 2018, with Unitholders receiving the full monthly distribution and the Capital Buffer remaining fully intact since inception*. **Past performance is not a reliable indicator of future performance and may not be repeated. The Fund and the Master Trust may not be successful in maintaining these distribution and capital levels.**<br>• While there is separation between the Investment Team and Portfolio Management team, such that the Investment Teams are focused on sourcing opportunities, structuring deals and managing credit positions, and the Portfolio Management teams are focused on portfolio construction, credit strategy, risk management, treasury and liquidity dynamics of the Master Trust assets, the Manager and the Responsible Entity are related bodies corporate, and are not separately managed by independent boards. |
| **Monthly Liquidity** | Unitholders may request to redeem part or all of their capital on a monthly basis, with a 30 day notice period. **You may not always be able to withdraw your investment from the Fund, particularly where the assets of the Master Trust become illiquid or the Responsible Entity determines to limit or otherwise prevent any redemptions being made from the Fund. See Section 10.10 for more information on withdrawal restrictions.** |
| **Proven track record** | The Manager is a highly experienced credit specialist with scale and more than 8 years of track record across a wide spectrum of credit types. The Fund and Master Trust are managed by a team of investment and portfolio management professionals who are located across Australia, Singapore and the United States, as part of an institutional grade asset management platform of over 200 people. |

* For further information on Class B Co-Investment and the associated Capital Buffer please refer to Section 5.5.

An investment in the Fund also involves material risks. These include:

- credit risk: that assets of in the Portfolio may suffer declines in price or fail to pay interest or principal;
- valuation risk: the risk that, as assets may not have readily available prices, their valuations may exceed the amount for which they are realised; and
- liquidity risk: the risk that as the investments of the Fund are illiquid, there may be times when the ability to withdraw from the Fund is restricted.

Please refer to the risk disclosures set out in Section 7 of this PDS for further information on the risks of investing in the Fund.

# 3. Australian and Global Credit Markets

## 3.1 Private Credit Overview

Private credit is the supply of debt capital to consumers, small and medium sized enterprises (SMEs) and large corporations through loans and credit instruments. The term 'private' refers to these loans not being traded or issued in public markets as well as these loans being issued by financial institutions other than banks.

A loan is an advance of money to a borrower with obligations to make interest payments on the amount borrowed (principal) over a set period of time. When that period ends, the borrower is obligated to repay the principal in full. An investor in private credit is essentially a lender, earning a return on their capital through interest and fee income received during the term of the loan. As returns generated in private credit are contractually agreed, private credit investments are considered to offer lower volatility of returns than equity investments.

The priority in the ranking of the capital structure of a loan is a key determinant of the level of risk of the loan investment. Debtholders generally have preferential treatment over equity holders for income distributions and capital returns in the event of insolvency.

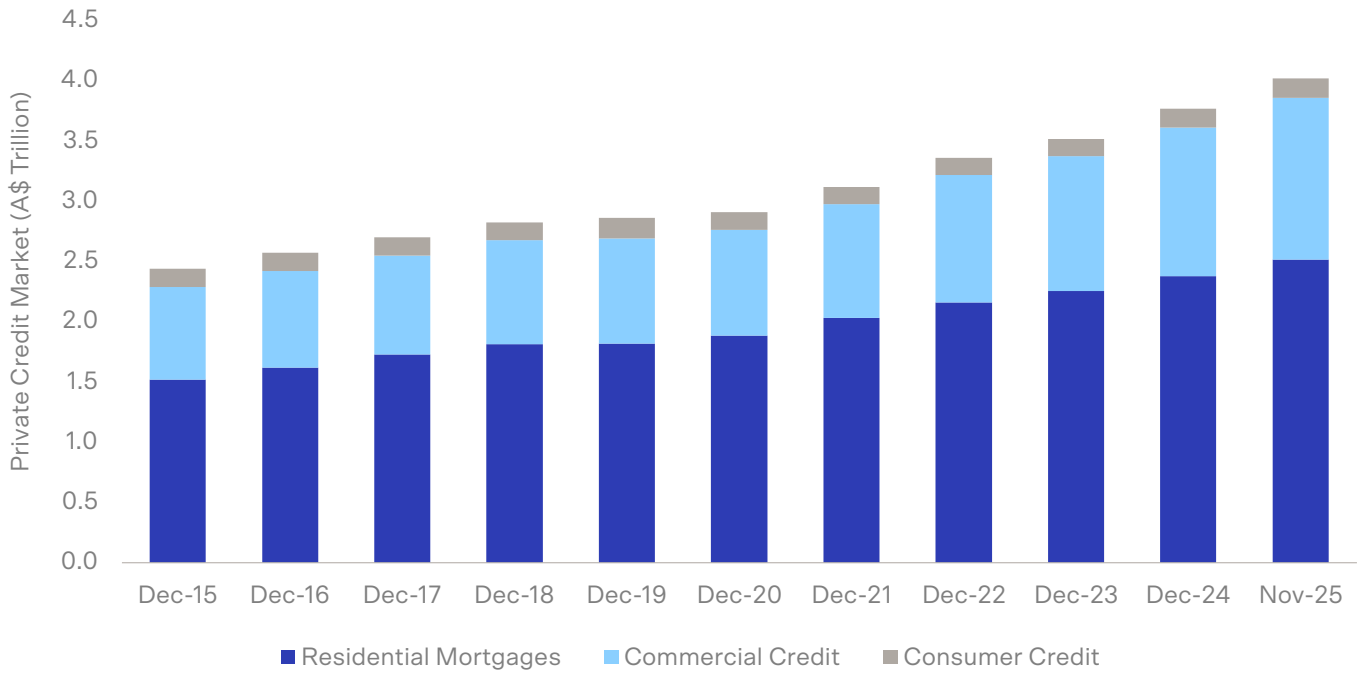
Furthermore, some debtholders may have priority over other debtholders.

Higher ranking debt, such as Senior Secured Debt will be the first debt to be repaid in the event of Default, before lower ranking debt such as Subordinated or Unsecured Debt, which ranks after Senior debt. Secured Debt refers to the loan being secured over a specific asset or business, such that if the Debt is not repaid, the lender has recourse to those assets to recover the amount owing. This provides higher recoverability to investors should the borrower(s) Default on their loan obligation(s). Default means a payment default in arrears by 90 days or more, or any other default as defined in facility documentation that has not been remedied within the cure period set out in the facility documentation.

Further information is provided in Section 6.6 "Credit Risk Management" of the PDS in relation to the processes the Trustee and the Manager will undertake on the occurrence of a Default in respect of a Master Trust credit investment.

Credit is an important source of capital for the Australian economy and includes loans issued to both businesses and consumers. As of the date of this PDS, total credit outstanding in Australia exceeded $4 trillion. In Australia, banks are currently the largest providers of credit to consumers and businesses. Regulatory conditions, however, are causing banks to scale back certain lending, resulting in private credit providers becoming increasingly important sources of capital. Total private credit issued by financial institutions outside of banks is estimated by EY to be $213 billion (as at September 2025).

**Figure 1: Size of the Australian private credit market[5]**




5. Source: Reserve Bank of Australia, D2 Lending and Credit Aggregates – December 2025.

## 3.2 Introduction to types of credit investments

Different types of loans and credit instruments are issued and traded in the Australian and global private credit market. Key types of private credit loans and credit instruments include:

- Direct loans; and
- Asset backed credit instruments.

### Direct loans

Direct loans involve an advance of funds to a borrower with contractual obligations to make repayments and interest to a lender (or group of lenders). Direct loans typically have defensive characteristics due to a range of protections which may include contractual provisions relating to granting of Security, covenants and other features which provide control to the lender by imposing obligations and restrictions on the borrower.

Examples of direct loans include:

- Direct asset lending: lending to real assets (e.g. first priority mortgages Secured by residential or commercial real estate assets); and
- Direct corporate lending: lending directly to established businesses, secured over the business, its assets and cash flow generation potential (e.g. Senior Secured term loans issued to companies as core Debt, for acquisition funding, working capital or growth initiatives).

### Asset backed lending

Asset backed lending involves financing pools of assets such as loans or receivables.

Examples of asset backed loans include:

- Specialty finance facilities: comprising specialty or niche lending to businesses, typically secured against assets (e.g. trade finance or legal disbursement funding); and
- Loan Warehouse facilities and Securitisations.

Securitisation is the process of converting portfolios of cashflow generating assets into securities. A special purpose vehicle (e.g. Loan Warehouse) purchases a pool of assets (such as loans, credit cards and mortgages) and finances this purchase through the issuance of investable securities to investors (e.g. credit notes). The underlying assets act as collateral for the security.

Cash flows generated from the pool of assets, such as interest and principal, are used to pay interest and principal on the notes issued by the securitisation vehicle.

Loan Warehouses and Securitisations can be categorised depending on the nature of the underlying pool of assets. Categories may include:

- Residential Mortgage Backed Securities (RMBS) and Commercial Mortgage Backed Securities;
- Loan Warehouses backed by either residential or commercial real estate mortgages;
- Asset Backed Securities: Loan Warehouses backed by non-mortgage assets such as commercial and consumer loans (e.g. automotive loans, fleet financing, equipment financing, and asset finance); and

Private loan portfolios: structures comprising pools of direct corporate, business loans or other types of direct loans. Notes issued to investors (including MA Financial credit funds) are typically distinguished by tranches of different levels of risk based on Seniority.

The Seniority impacts the order of repayment of principal and interest, and therefore the relative risk. The originator of the underlying pool of assets, referred to as the "issuer" typically takes the equity or lowest ranking note. As this note is the last note to be repaid and the first to incur losses, this creates an alignment of interest between the originator and investors.

The Master Trust obtains its investment exposure by investing in a combination of direct loans that provide direct exposure to a loan and asset backed credit instruments issued by securitisation trusts that provide exposure to an underlying pool of third-party originated credit assets.

## 3.3 Introduction to Non-bank Financial Institutions (NBFIs)

NBFIs are non-depositary financial institutions; meaning, unlike Authorised Deposit-taking Institutions (ADIs), they do not hold deposits. NBFIs provide loans to consumers, SMEs and corporates, targeting market segments that are underserviced by banks or where a bespoke approach is required. NBFIs are spread businesses – the income they earn is the difference between the cost they borrow money at and the cost they charge borrowers for loans. This difference is referred to as net interest margin.

NBFIs typically borrow money through the process of securitisation, whereby investors, such as the Master Trust, and banks provide financing secured against the discrete loan assets originated by NBFIs.

In recent years there has been an increase in NBFI lending, driven by (i) The Royal Commission into Banking, Superannuation and Financial Services Industries, which has curtailed some ADI lending in certain market segments, and (ii) the Australian Prudential Regulation

Authority's (APRA's) requirement for banks to hold more capital against non-standard loan types meaning it is uneconomical for banks to provide these loans.

The growth in NBFI lending may provide opportunities for debt investors, as they are the key source of capital for NBFIs through securitisation investments. Without continued investment, it would be more difficult for NBFIs to continue lending money to the broader Australian economy.

## 3.4 Introduction to Structured Credit and Securitisation

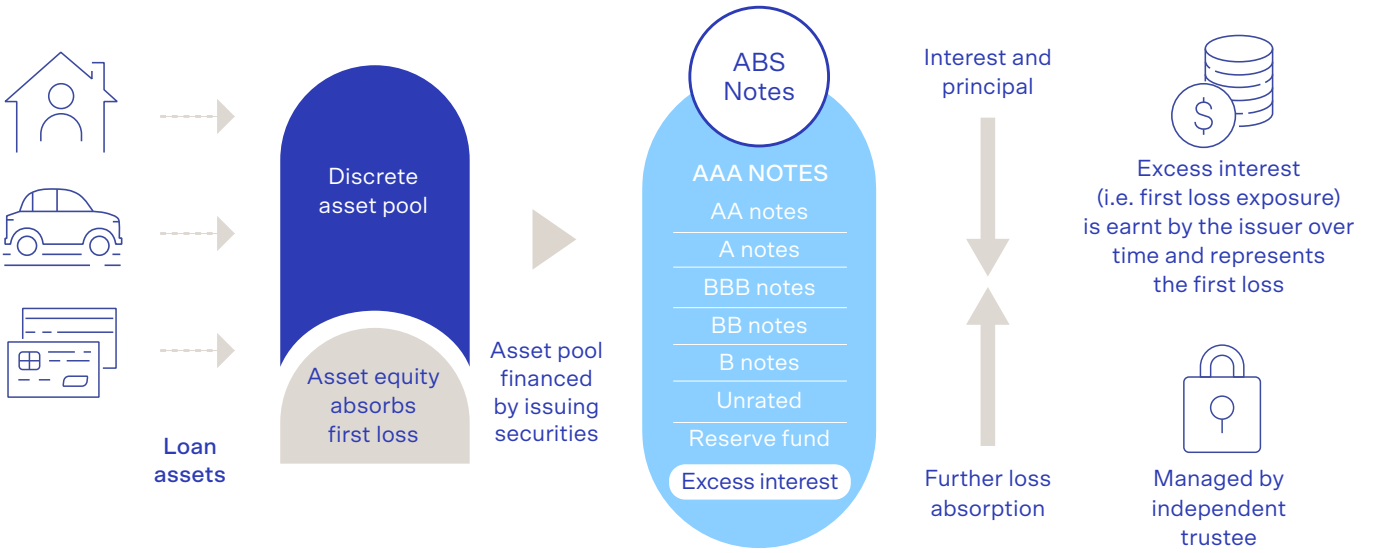
Securitisation is the process of converting typically illiquid portfolios of cashflow generating assets into securities. A bankruptcy remote vehicle purchases the pool of assets (such as loans, receivables and mortgages) and finances this purchase through the issuance of investable securities to investors. The underlying assets act as collateral for the security. Cash flows generated from the pool of assets, such as interest and principal, are used to pay interest and principal on the notes issued by the securitisation.

Notes issued to investors are typically distinguished by tranches of different levels of risk based on Seniority. The Seniority impacts the order of repayment of principal and interest, and therefore the relative risk.

The originator of the underlying pool of assets, referred to as the issuer typically takes the equity or lowest ranking note. As this note is the last note to be repaid and the first to incur losses, this creates an alignment of interest between the originator and investors. Figure 2 illustrates the typical securitisation process from pooling assets into a bankruptcy remote special purpose vehicle (SPV) to issuing financing to investors, in the form of notes, against the pool of assets. The credit ratings shown (e.g. AAA, AA, A, BBB, etc.) refer to the Seniority of the note classes within the capital structure of a Loan Warehouse, presented in descending order of the assessed creditworthiness of the noteholder. AAA denotes the most senior tranche of the Loan Warehouse with first priority on cashflows, highest credit quality and lowest loss exposure, followed by progressively more Junior tranches, with lower-rated notes bearing losses before higher-rated notes. As an example, investing in a Junior BBB note exposes the Master Trust to a higher level of credit risk than a senior note (such as a AAA note), notwithstanding the opportunity for the BBB note to generate a higher investment return for the Master Trust than a AAA note.

Investment in notes in Securitisations are typically only available to institutional investors. Investment in the Mezzanine (being a Subordinated tranche of Debt to the Senior tranche) notes of Securitisations is a material part of the Master Trust's investment strategy.

**Figure 2: Securitisation process**[6]



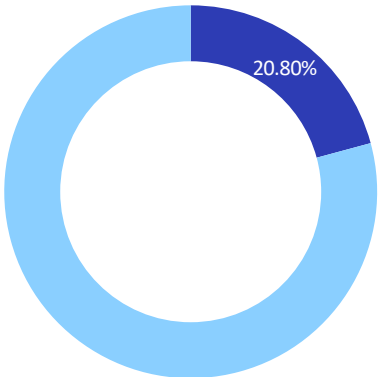
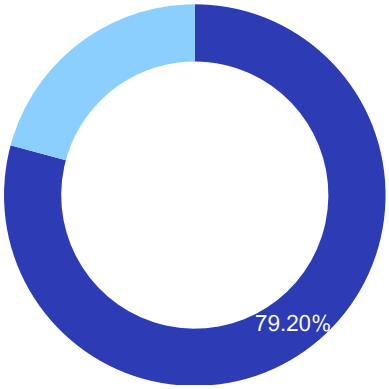

6. Source: MA Financial Group.

# 3. Australian and Global Credit Markets (continued)

## 3.5 Australian Structured Credit Market overview[7]

The Australian structured credit market includes both public and private Asset Backed Securities (ABS) and Residential Mortgage-Backed Securities (RMBS) created through securitisation. ABS are a type of fixed income investment, where interest payments are linked and secured against the performance of an underlying pool of loan assets. RMBS is similar to ABS, however the pool of assets are exclusively loans secured by residential property.

There is ~$196bn of public ABS and RMBS outstanding in Australia as at November 2025.[8] The majority (79.2%) of these are RMBS.

| Types of credit | Market composition | Description and features |
|---|---|---|
| ABS |  | ABS includes financing to consumers and businesses for a variety of purposes. Examples include:<br>• Auto and equipment loans<br>• Personal loans<br>• Fleet finance<br>• Credit Cards and Buy Now Pay Later<br>• Legal fee and disbursement financing<br>• Medical bill financing<br>• Accounts receivable and invoice financing<br>• Strata loans<br>• Insurance premium funding. |
| RMBS |  | RMBS includes financing to consumers and businesses with Security against residential property. Typical forms of RMBS include:<br>• Prime residential mortgages<br>• Self-Managed Super Fund (SMSF) mortgages<br>• Alternative documentation residential mortgages<br>• Non-conforming residential mortgages<br>• Residential construction loans<br>• Non-resident mortgages. |

## 3.6 Australian structured credit performance

The Australian ABS and RMBS market have performed well over time, with low losses and impairments to assets. Credit enhancement provides multiple layers of protection to investors, mitigating losses to ABS and RMBS investors caused by losses on the underlying loans.

All investment strategies are subject to risk, and the past success of these strategies is not a reliable indicator of future returns.

Performance has been particularly strong in RMBS, across both prime and non-conforming RMBS. Mortgages in Australian RMBS are first mortgages with priority claim over the property in the event of a borrower Default. Historically Default rates have been low, but even in this event there is typically a level of property equity, lenders mortgage insurance or structural credit enhancements such as excess spread, loss reserves and additional credit Subordination from the loan originator that have mitigated loss rates for RMBS investors. For prime RMBS, all losses as a result of foreclosure on properties Secured by Defaulted loans have been met by the lenders' mortgage insurance (LMI), the mortgage originator or

7. The past performance of the Australian structured credit sector is not a reliable indicator of future returns of this sector.
8. Source: Reserve Bank of Australia, D4 Debt Securities Outstanding – December 2025.

excess available income, with no losses to RMBS rated noteholders.[9] Highest losses in non-conforming RMBS to past credit impaired borrowers was cumulatively 1.39% during the GFC.[10]

The positive performance from securitisation is typically due to both the underlying asset performance and the idiosyncratic structural credit enhancements available to ABS and RMBS investors that provide additional loss absorption thus often mitigating (but not eliminating) downside risk.

Figure 3 and Figure 4 outline the loss rates of Australian ABS and RMBS.

## 3.7 Structural credit enhancements

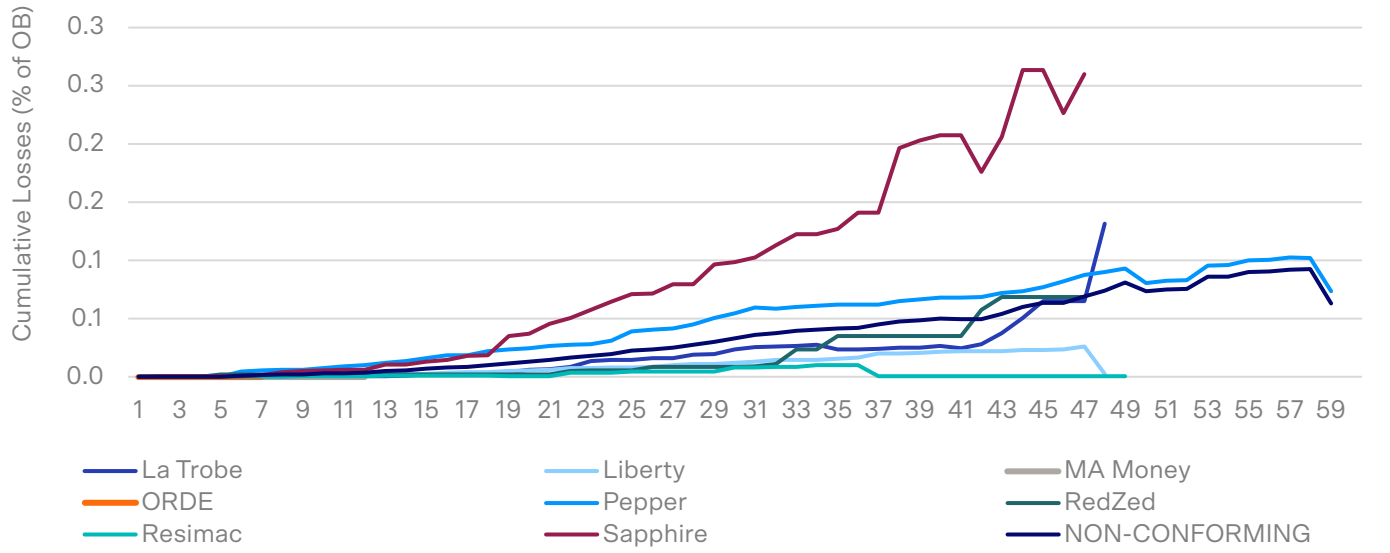
ABS and RMBS investments benefit from a number of credit enhancements that are built into the investment structure and provide loss mitigation to investors.

### Structural protections include:

#### Security

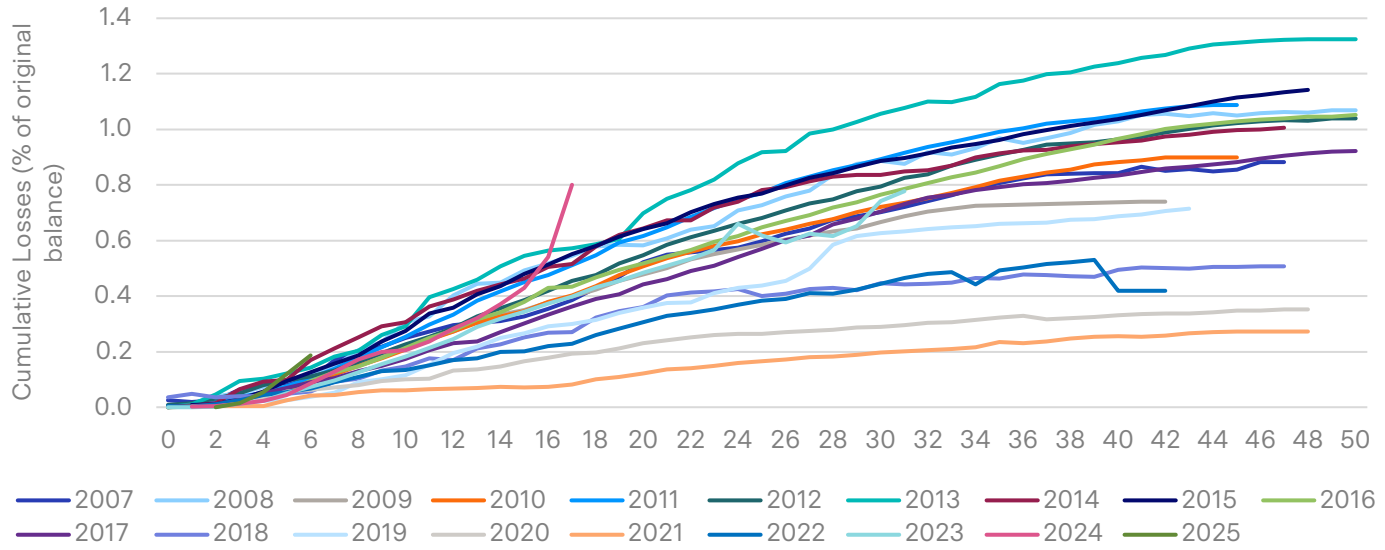
In a Securitisation, the special purpose vehicle (SPV) holds security over all loan assets. This means the investor benefits from the underlying collateral that the loan is secured against, such as the residential property, commercial property or vehicle. When a borrower Defaults, the first protection provided to investors is the repossession of the Secured collateral, which provides high recoverability to investors. The Manager views investments in asset classes like residential mortgages or automotive loans as preferable given their higher recoverability characteristics due to the deep secondary resale markets for these assets.

**Figure 3: Australian non-conforming and near prime RMBS cumulative loss performance[11]**




9. Source: S&P: An Overview of Australia's Housing Market and Residential Mortgage-Backed Securities 2020.
10. Source: Moody's Nonconforming Losses: Non-conforming RMBS – Australia cumulative losses (by issuer – Bluestone Sapphire).
11. Source: Moody's RMBS – Australia Performance Update Q3 2025.

Figure 4: Australia cumulative net losses – by vintage[12]




### Seniority

In many RMBS and ABS the issuer is required to hold the most Junior tranche or equity in the capital structure. This provides an alignment of interest, whereby any losses in the underlying portfolio of loans are first absorbed by the issuer before any other debtholders. This creates incentive for the issuer to underwrite new loans in a prudent manner, as they will be the first to be adversely impacted in the event of a loss.

### Excess Spread

Excess Spread refers to the surplus between the interest received by an underlying asset pool and the interest paid to the debtholders. It is typically one of the first defences against loss, as any losses incurred in the underlying portfolio will be first absorbed by the 'excess spread' before impacting first the Junior (issuer's) tranche then debtholders interest and principal.

### Diversification

Structured credit investments typically benefit from a high degree of diversification, both in the underlying collateral pool and the type of assets. Investments in ABS and RMBS are often secured by thousands of loans, with thousands of individuals or businesses repaying those loans. In a conventional loan, investors are generally exposed to a single borrower or asset. Even in traditional credit funds, concentration levels are typically much higher than the broad-based pools of underlying assets in ABS or RMBS transactions. The diversification provided to ABS and RMBS investors seeks to provide additional credit protection by limiting exposure to the risk of one or a small number of borrowers defaulting.

The idiosyncratic protections available to structured credit investors detailed above, have assisted in the performance of structured credit in Australia to date.

## 3.8 Global Private Credit Market

The private credit market is a subset of the broader private capital market. Global private capital markets continue to grow strongly, having more than tripled over the last 10 years to US$18 trillion, equating to a compound annual growth rate of ~13% (see Figure 5).

Private credit contributes ~10% of total private capital at US$1.7 trillion, with the US market accounting for 61% of this market (see Figure 6).

While growth in other private capital asset classes (such as private equity and real estate) has been impacted over the past few years against a backdrop of market turbulence, private credit has continued to grow strongly in comparison, with global assets under management growing at a compound annual growth rate of over 8% over the last 2 years (see Figure 7).

12. Source: Moody's ABS – Australia: Performance Update Q3 2025.

# 3. Australian and Global Credit Markets (continued)

**Figure 5: Total global private capital ($ trillions)[13]**

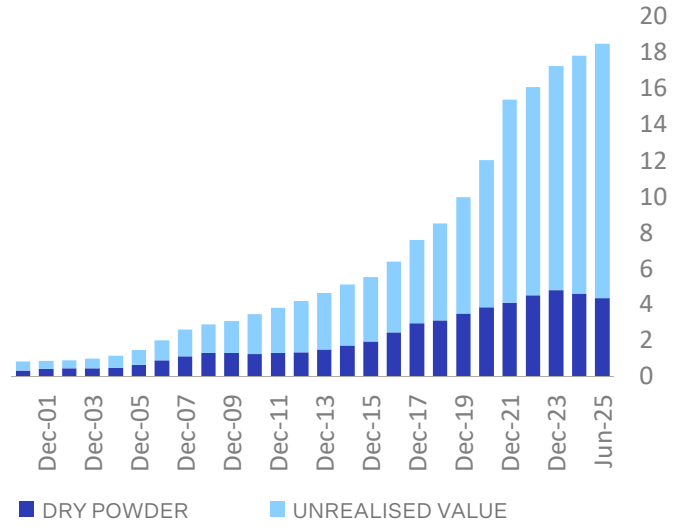



**Figure 6: Percentage of total global private credit by country[14]**

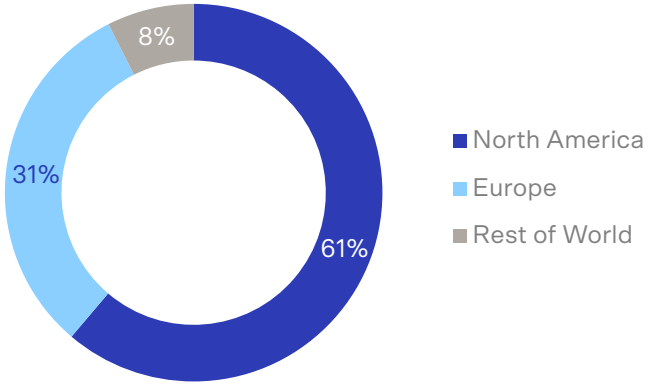
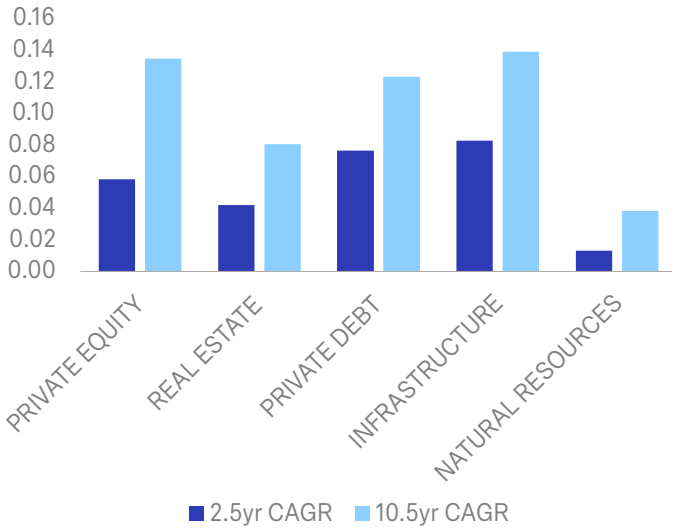



**Figure 7: % growth in AUM by private capital asset class[15]**




## 3.9 Market opportunity

RMBS and ABS markets play an important role in Australian capital markets and it is expected that continued growth in the NBFI lending market in Australia will further support funding requirements.

Given the historical performance of ABS and RMBS, the Manager views the asset class as an attractive alternative investment option that has traditionally not been available to retail investors seeking consistent cash yield across all economic conditions.[16]

13. Preqin (June 2025).
14. Preqin (June 2025).
15. Preqin (June 2025).
16. Past performance is not a reliable indicator of future performance.

# 4. About the Manager and the Responsible Entity

## 4.1 About MA Financial Group

*We invest. We lend. We advise*

MA Financial Group is a global alternative asset manager specialising in private credit, real estate and hospitality. We lend to property, corporate and specialty finance sectors and provide corporate advice.

We have over 900 professionals across locations in Australia, China, Hong Kong, New Zealand, the Philippines, Singapore and the United States.[17]

### Asset Management

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.

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.

### Lending and Technology

We offer a range of non-bank residential lending solutions including home loans and commercial loans for individual borrowers. We operate a large residential mortgage marketplace representing $175 billion in loans from over 80 bank and non-bank lenders as at the date of this PDS.[18]

We also offer specialty finance solutions including legal disbursement funding and bespoke receivable finance as well as asset backed and corporate lending.

### Corporate Advisory and Equities

Our Corporate Advisory business (MA Moelis Australia) provides companies with financial advice for clients across mergers and acquisitions and strategic advisory, equity and debt capital markets, capital structure advisory, equities research and trading.

We are a global strategic alliance partner and exclusive Australian partner of NYSE-listed global investment bank Moelis & Company.

Our Equities business provides equities research, sales and trading execution services.

## 4.2 The Manager

MAIM is the manager of the Fund and the Master Trust. The Manager is a wholly owned subsidiary of MA Financial Group. The Manager has been appointed by the Responsible Entity as the manager of the Fund under the Fund Investment Management Agreement (Fund IMA) and by the Trustee as manager of the Master Trust under the Master Trust Investment Management Agreement (Master Trust IMA). The Manager and the Responsible Entity are related bodies corporate and are not independently managed.

The Manager's Investment Team comprises professionals with experience across a range of credit sectors and is responsible for sourcing and managing the Fund and the Master Trust's investment portfolio. The investment committee (Investment Committee or IC) is responsible for implementation of the Fund's investment strategy and the approval of new and other specific investments and divestments.

## 4.3 Role of the Manager

The primary responsibility of the Manager is to implement the investment strategy and manage administration of the investment structure.

### (a) Manager of the Master Trust

As Manager of the Master Trust under the Master Trust IMA, the Manager has agreed to:

(i) implement the investment strategy, including actively manage and supervise the Master Trust's investments;

(ii) construct and manage the portfolio of the Master Trust in accordance with the investment guidelines set out in the Master Trust IMA;

(iii) regularly update the Trustee regarding the Master Trust's portfolio and provide all information necessary for the maintenance of the Master Trust's financial accounts to be completed; and

(iv) provide administrative support to assist and ensure the maintenance of the Master Trust's records and compliance with the Corporations Act.

### (b) Manager of the Fund

As Manager of the Fund, the Manager will:

(i) manage the Fund's investment in Class A Units on an ongoing basis;

(ii) regularly update the Responsible Entity regarding the Portfolio and provide all information necessary for the maintenance of the Fund's financial accounts to be completed; and

(iii) provide administrative support to assist and ensure the maintenance of the Fund's records and compliance with the Corporations Act.

17. As at December 2025.
18. As at December 2025.

# 4. About the Manager and the Responsible Entity (continued)

## 4.4 Investment Committee

The Manager has established an Investment Committee to assist with the governance and decision making for the Fund and the Master Trust. The Investment Committee includes executive members who are involved in the day-to-day management of the MA Financial Group's private credit business (referred to as its Global Credit Solutions platform), as well as non-executive members who provide independent oversight. While the board of the Trustee (Trustee Board) will have ultimate responsibility for the management of the Master Trust, the authority to approve investment decisions is delegated to the following persons and bodies based on the Global Credit Solutions Delegated Authority Framework. The framework delegates authority based on the type of investment (i.e. private or public markets) and materiality of the investment to the Master Trust.

Materiality is determined by the higher of investment size ($) or the % of the Master Trust's GAV, and is assessed on an aggregated basis, and not on a per investment basis. For example, multiple smaller investments can cumulatively trigger a threshold.

The delegations (including the threshold for approvals) may be changed by the Trustee Board from time to time.

The Global Credit Solutions Delegated Authority Framework is not made publicly available.

All related party transactions relating to the Portfolio must be approved by unanimous vote by the Investment Committee, except for market priced transactions, which are subject to Portfolio Manager delegated authority. See Section 12.2 for further information on related party transactions.

## 4.5 About the Responsible Entity

### Role of the Responsible Entity

The Responsible Entity is responsible for the overall management of the Fund in accordance with its duties to Unitholders. While the Responsible Entity has the power to delegate investment management and administrative services to other entities, it retains ultimate responsibility for these functions. As such, the Constitution contains indemnity provisions covering the Responsible Entity for losses and liabilities incurred in connection with the operation of the Fund subject to certain limited exclusions.

The Responsible Entity holds an AFSL issued by ASIC, which authorises it to operate the Fund.

The Responsible Entity is bound by the Constitution and the Corporations Act. The Responsible Entity has lodged a compliance plan with ASIC which sets out the key measures which the Responsible Entity will apply to comply with the Constitution and the Corporations Act.

The Responsible Entity has appointed an independent custodian to hold the assets of the Fund. MSC Certane has been appointed as an independent sub-custodian / nominee to hold the assets of the Fund on behalf of Melbourne Securities Corporation as custodian under the terms of the Custodian Agreement. A summary of the service provider arrangements are set out in Section 12.2.

## 4.6 Investment group

The investment group is responsible for investing and overseeing the Fund and underlying funds, including origination, negotiation of investment terms, credit assessment, credit analysis, portfolio construction, investment management and portfolio operation.

The Manager has processes in place to facilitate segregated decision making, separation of decision making bodies and conflict management.

The investment team is structured to focus on three main areas: investment management, Portfolio Management and investment governance.

### Investment Team

Investment Team sources and carries out investments, overseeing the entire process from initial review to final execution. They are responsible for maintaining the quality of the portfolio and work collaboratively on managing the investments throughout their duration.

### Portfolio Managers

Portfolio Managers are responsible for the overall composition and health of the investment portfolio. They manage the investment strategy and cash flow, and work with the investment group to maintain a strong investment process. The Portfolio Managers also undertake portfolio risk management including the monitoring and stress testing of the Portfolio as described in Section 6 of this PDS.

### Investment Committee

The Investment Committee includes senior members who oversee the investment strategy. See Section 4.4 for additional information on the role of the Investment Committee.

# 5. Overview of the Fund and Investment Structure

## 5.1 Overview of the Fund

The Fund was established on 12 November 2018 and is a registered managed investment scheme under the Corporations Act.

The Unit price of the Fund is available at the Fund's webpage at MAFinancial.com/invest/private-credit/ma-priority-income-fund.

Unitholders hold Units in the Fund, which represent their beneficial interest in the assets of the Fund, but do not give an interest in any particular asset of the Fund. As at the date of this PDS the Fund has one class of Units on issue. The Responsible Entity may at its discretion, issue additional Units in the Fund of the same class or of a different class to the Units already on issue. The Fund will invest solely in Class A Units in the Master Trust.

The following diagram shows the Fund's structure and the flow of investment money through the structure.

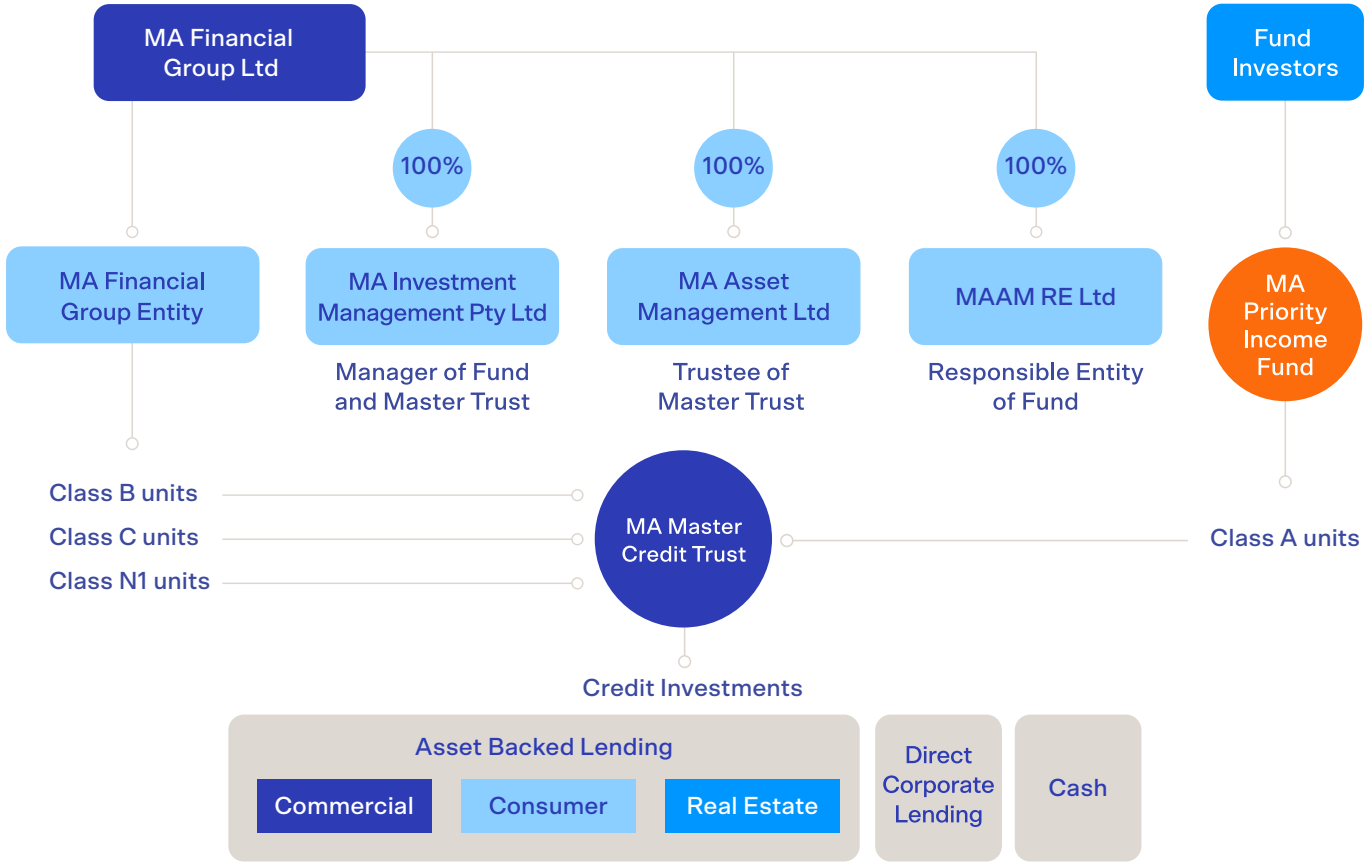
## 5.2 Investment Objective and Target Return

The Fund's investment objective is to provide Unitholders with consistent monthly cash distributions and a strong risk-adjusted return through exposure to a portfolio of credit investments while preserving and protecting capital.[19]

The Fund obtains an underlying exposure to the Portfolio through investing solely in Class A Units in the Master Trust (Fund Investment).[20]

The Fund's target return is the RBA Cash Rate plus 4.00% per annum (net of fees and costs), payable monthly (Target Return).

The Fund's Target Return is only a target and is not a guarantee of the actual return of the Fund which may be lower than the Fund's Target Return. Investors should review the risk summary set out in Section 7. The Fund may not be successful in achieving its objective or Target Return.




19. The Fund may not be successful in achieving its objective.
20. Together with minimal cash balances from time to time.

# 5. Overview of the Fund and Investment Structure (continued)

## 5.3 Investment Structure of the Master Trust

The Master Trust was established on 4 January 2019 and is an open-ended unregistered unit trust. MA Asset Management Ltd acts as trustee of the Master Trust (Trustee). The Trustee has appointed MAIM as the Manager of the Master Trust, which also acts as Manager of the Fund. The Master Trust is a multi-class trust. As at the date of this PDS, the Master Trust has four classes of units on issue, Class A Units, Class B Units, Class C Units and Class N1 units.

The Master Trust issues Class A Units to the Fund and Class B Units to one or more MA Financial Group Entities.

The Master Trust uses proceeds received from the issuance of units to construct and actively manage the portfolio of assets of the Master Trust in accordance with the investment strategy and investment guidelines (see Section 6 of the PDS and Section 3 for further information).

The NAV of the Master Trust[21] was $3,372 million as at 31 December 2025, with $2,322 million attributed to Class A Units and $232 million attributed to Class B Units.

## 5.4 Overview of the Investment Structure of the Fund

The Fund invests into Class A Units of the Master Trust through which Unitholders will achieve an underlying exposure to the Portfolio and benefit from Priority Return features associated with the Class B Co-Investment.

The Fund invests its capital after fees and costs in Class A Units, which, together with small cash balances from time to time, are the sole investment of the Fund. The Fund receives income distributions on its investment in Class A Units up to the Class A Unit Target Return, which is set equal to the Target Return of the Fund. The Fund then distributes this income to Unitholders.

Each MA Financial Group Entity, as a Class B Unitholder, makes their subordinated first-loss Class B Co-Investment (subordinated to Class A Units) by subscribing for Class B Units. Each time the Fund invests in Class A Units, MA Financial Group Entity will make an additional Class B Co-Investment equal to 10% of the amount invested in Class A Units. The rights attributed to Class A Units and Class B Units give effect to the Priority Return features outlined below.

## 5.5 Priority Return

The Fund is expected to benefit, due to its investment in Class A Units of the Master Trust, from an arrangement whereby it invests alongside MA Financial Group in the Master Trust and it will receive capital and income in priority to MA Financial Group's Class B Co-Investment.

One or more MA Financial Group Entities invest in the Master Trust subscribing for Class B Units. In accordance with the terms of issue of the Class A Units and Class B Units, Class B Units' receipt of income and capital from the Master Trust is Subordinated to those of Class A Units (which are held by the Fund). The Class A Units' Priority Return features (to which the Fund is exposed) comprise:

- Income Priority
- Income Shortfall Top-Up
- Capital Buffer
- Capital Priority
- Capital Buffer Top-Up.

Each of which are described in turn below.

### (a) Income Priority

The Master Trust makes income distributions in respect of Class A Units and Class B Units based on an underlying measure of net income attributable to Class A Units and Class B Units, defined in the accounting policies of the Master Trust Deed (Realised Profit) (see Section 5.8 below).

Class A Units have a priority entitlement to all Realised Profit up to the Class A Target Return (Income Priority).

Class B Units will have an entitlement to Realised Profit exceeding the Class A Target Return (if any), subject to amounts payable under the Income Shortfall Top-Up and Capital Buffer Top-Up mechanisms (see below).

### (b) Income Shortfall Top-Up

If, in any period, Class A Units receive less than the Class A Target Return, the income shortfall will carry forward to future periods to be paid in priority to any income distribution to Class B Units (Income Shortfall Top-Up).

### (c) Capital Buffer and Priority

Class A Units rank in priority of Class B Units on a capital basis, meaning:

- if the Master Trust incurs an impairment of capital attributed to Class A Units and Class B Units, it is Class B Units that are impacted first. Only once Class B Unit capital has been impaired to zero will Class A Units (and therefore Unitholders) incur any capital impairment (Capital Buffer); and
- in the event of a wind-up, Class A Units receive back their Invested Capital in priority to any return to Class B Unitholders,

(collectively referred to as the Capital Buffer and Priority).

21. The NAV of the Master Trust is calculated in accordance with the accounting policies of the Master Trust.

# 5. Overview of the Fund and Investment Structure (continued)

In this way, Class B Units act as a buffer, providing a degree of protection to Class A Units (and therefore Unitholders in the Fund) from capital losses attributable to Class A and Class B Units. An underlying measure of the Capital Buffer provided by the subordinated, first-loss Class B Co-Investment in Class B Units will be calculated by the Trustee on an ongoing basis in accordance with the accounting policies of the Master Trust. The Capital Buffer may change due to various factors such as performance of the Portfolio and future equity raises. The formula for calculation of the Capital Buffer is set out in terms of issue of Class A and Class B Units in the Master Trust Deed. In summary, the Capital Buffer will be reduced if the Class A Units and Class B Units of the Master Trust suffer a realised loss in any six-month period and will be replenished in subsequent periods by any Realised Profit retained under the Capital Buffer Top-Up mechanism (see below). The calculation of the Capital Buffer is reviewed semi-annually by the Auditor.

It is a requirement that the Capital Buffer is equal to 10% of Class A Unit Invested Capital before Class B can receive any income distributions or capital distributions (in the event of a wind-up or return of capital).

### (d) Capital Buffer Top-Up

If the Capital Buffer is less than 10% of Class A Invested Capital, then

- Class B is not entitled to any distributions; and
- any distributable income that would otherwise be available to Class B is retained by the Master Trust until the Capital Buffer is replenished to equal 10% of Class A Invested Capital (Capital Buffer Top-Up).

**Figure 8: Capital loss protection illustration**

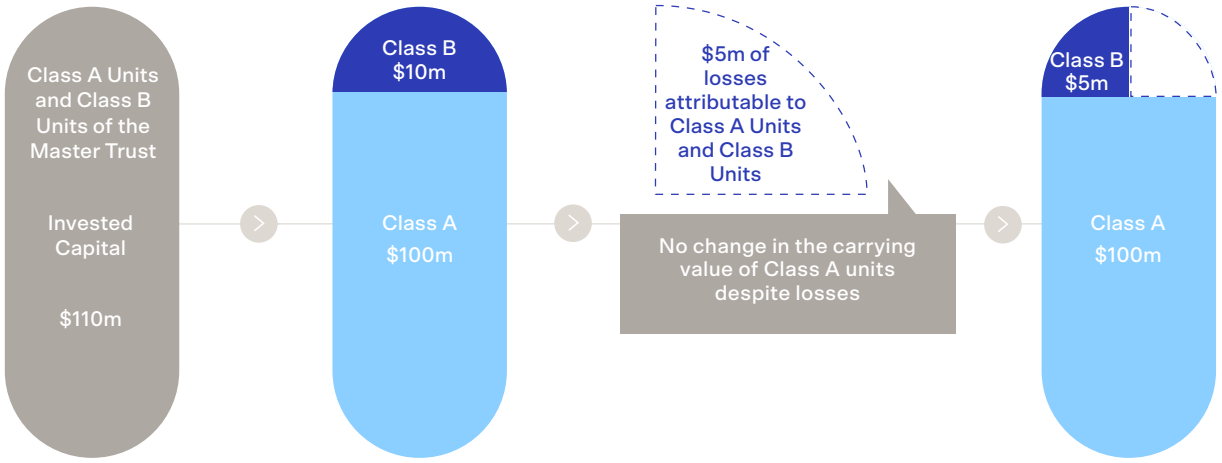
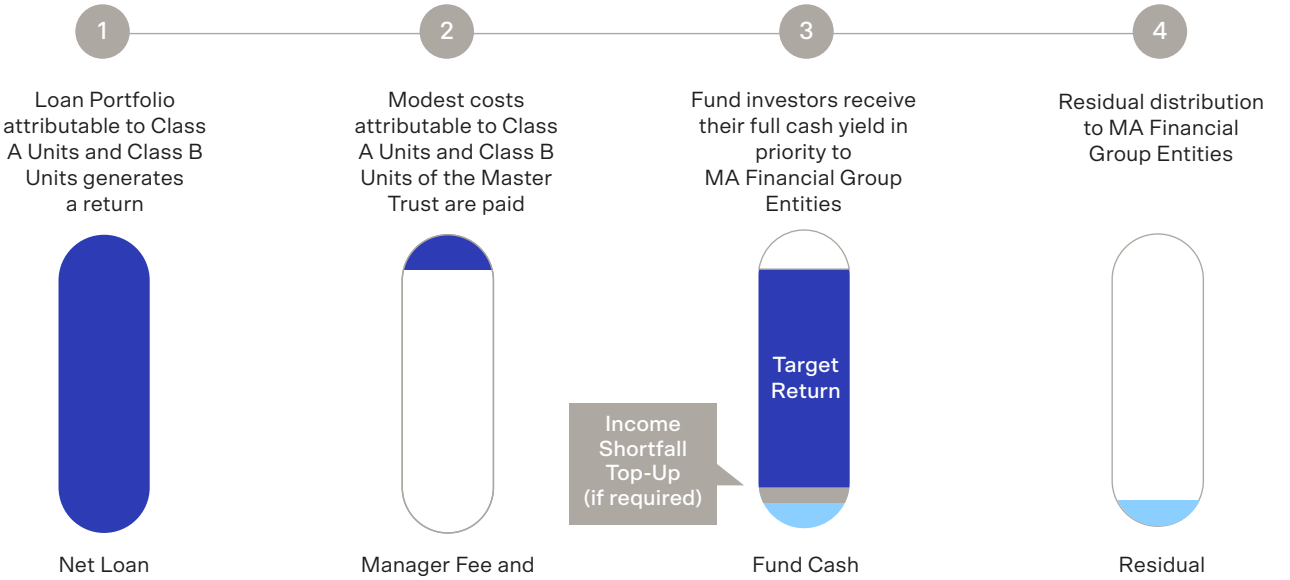



**Figure 9: Income priority illustration**



# 5. Overview of the Fund and Investment Structure (continued)

### Priority Return illustrative numerical examples

The operation of the Priority Return features is demonstrated using the illustrative numerical examples below. The examples are based on the following assumptions:

- the NAV of the Fund is $100 million and the Capital Buffer is $10 million;
- the Target Return is $6.00 million, being the RBA Cash rate + 4.00% multiplied by the Fund size of $100 million; and
- RBA Cash Rate of 2.00% used for this illustration.

### Illustrative worked example: Income Priority and Income Shortfall Top-Up

| A$m unless otherwise stated | Year 1 | Year 2 | Year 3 |
|---|---|---|---|
| Class A Target Return | 6.0 | 6.0 | 6.0 |
| Realised Profit/(Loss) | 7.0 | 5.5 | 7.0 |
| Class A Distribution (Income Shortfall Top-Up) | – | – | 0.5 |
| Class A Distribution (Target Return) | 6.0 | 5.5 | 6.0 |
| Total Class A Distribution | 6.0 | 5.5 | 6.5 |
| Class B Distribution | 1.0 | – | 0.5 |

The Income Priority and Income Shortfall Top-Up mechanisms seek to ensure that Unitholders, via the Fund's investment in Class A Units, receive their full Target Return (for the current and all prior periods) in priority to any residual distributions to Class B Units.

The Income Shortfall Top-Up mechanism is triggered if there is insufficient Realised Profit to pay the Class A Target Return. In this case, all available Realised Profit is paid to Class A Units. Any shortfall to the Class A Target Return is carried forward on a cumulative basis to be paid in future periods where there is sufficient Realised Profit. Class B Units are only paid a distribution after Class A Units (and therefore Unitholders in the Fund) have received the Class A Target Return for all previous periods.

### Illustrative worked example: Capital priority on wind-up

| A$m unless otherwise stated | Scenario 1 | Scenario 2 |
|---|---|---|
| Class A Invested Capital | 100 | 100 |
| Class B Invested Capital | 10 | 10 |
| Total Invested Capital | 110 | 110 |
| Net Asset Proceeds Realised | 110 | 105 |

In the event of a wind-up of the Master Trust, Class A Units (and therefore Unitholders in the Fund) receive their Invested Capital back in priority to Class B Units. If net asset proceeds attributable to Class A Units and Class B Units realised on a wind-up are insufficient to cover all Invested Capital, Class B Unitholders lose all of their capital, before Class A Unitholders make any loss on their investment.

### Illustrative worked example: Income Shortfall Top-Up and Capital Buffer Top-Up

| A$m unless otherwise stated | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---|---|---|---|---|---|
| Realised Profit/(Loss) | 8.2 | (2.0) | 8.0 | 10.0 | 9.1 |
| Class A Distribution (Income Shortfall Top-Up) | – | – | 6.0 | 4.0 | – |
| Class A Distribution (Target Return) | 6.0 | – | 2.0 | 6.0 | 6.0 |
| Total Class A Distribution | 6.0 | – | 8.0 | 10.0 | 6.0 |
| Capital Buffer Top-Up | – | – | – | – | 2.0 |
| Class B Distribution | 2.2 | – | – | – | 1.1 |
| Income Shortfall Top-Up Balance | – | 6.0 | 4.0 | – | – |
| Capital Buffer | 10.0 | 8.0 | 8.0 | 8.0 | 10.0 |
| Capital Buffer (%) | 10.0% | 8.0% | 8.0% | 8.0% | 10.0% |

Under the Capital Buffer Top-Up mechanism, if the Capital Buffer is less than 10% of Class A Unit Invested Capital, then no distributions can be paid on Class B Units until the Capital Buffer is replenished in full. As noted in Section 5.5 above, the Capital Buffer may be impaired if the Master Trust incurs a period of negative Realised Profit (for example, if the Portfolio experiences a heightened level of losses on the Portfolio). In future periods, Realised Profit otherwise available for distribution to Class B Units will be retained to replenish the Capital Buffer. Once the Capital Buffer returns to 10% of Class A Invested Capital, any remaining residual Realised Profit may be distributed to Class B Units.

## 5.6 Liquidity

The Fund will invest substantially all of its assets into Class A of the Master Trust, which will be private debt investments, some of which are considered to be illiquid investments. Because the Fund's investment mandate is largely fulfilled by holding units in Class A of the Master Trust, its liquidity depends on its ability to withdraw from the Master Trust. The illiquid nature of some of the assets of the Master Trust may ultimately limit the ability of the Fund to redeem its holdings in the Master Trust (and by extension, limit the Responsible Entity's ability to satisfy investors' redemption requests).

You may request that the Responsible Entity redeem part or all of your investment, with a 30 day notice period, by providing a redemption notice prior to the end of a calendar month. An investor's ability to redeem from the Fund will be subject to various factors including available liquidity and the Fund's ability to redeem from the Master Trust. There may be limitations or restrictions on redemptions from the Master Trust, which may limit the Fund's ability to withdraw from the Master Trust and provide liquidity.

While the Fund generally intends to process redemptions on a monthly basis, the Responsible Entity can only satisfy redemption requests to the extent that redemption proceeds are received from the Master Trust or otherwise, where there is sufficient amount of cash sourced consistency with the constitution of the Fund. There is no guarantee that the Fund will be able to satisfy withdrawal requests in full, in part or within any particular timeframe.

## 5.7 Distribution Reinvestment Plan (DRP)

As at the date of this Product Disclosure Statement, DRP is available for the Fund.

Unitholders have the option of opting into the DRP. The DRP provides Unitholders with the option of automatically reinvesting all or part of their distributions as additional Units in the Fund.

The price of the Units allotted from the DRP will be the applicable NAV per Unit of the Fund (as at the last day of the relevant distribution period, adjusted to exclude the income to be distributed for the distribution period minus transaction costs (DRP Issue Price). A Unit issued under the DRP will not have a right to distributions in respect of the period to which that distribution relates.

While the DRP is open, Unitholders can elect to participate in the DRP at any time. The DRP Form must be received by the Unit Registry no later than 5.00 pm Australian Eastern Time on the last Business Day of the calendar month in order to participate in the DRP for that particular month's distribution (if applicable).

Subject to the Corporations Act, the Responsible Entity may accept or refuse a DRP election without giving reasons for its decision. The Responsible Entity may, subject to applicable law, also determine that a Unitholder's DRP election is valid even if the DRP election is incomplete, contains errors or is otherwise defective. By submitting a DRP election, each Unitholder is taken to have authorised the Responsible Entity (and its delegates or agents) to correct any error in, or omission from, the Unitholder's DRP election.

No cooling off period applies in relation to the acquisition of Units under the DRP.

You can reinvest all or part of your distributions. If you choose to reinvest all of your distributions, the DRP will apply to all amounts paid by the Fund as a distribution on all of the Units registered to that holding, including any further Units issued to you under the DRP. If you choose to reinvest only part of your distribution, you can specify either the number of Units, or the percentage of your total Units, you wish to be subject to the DRP on the DRP Instruction Form.

If you specify the number of Units, your level of participation is fixed and all Units in excess of this number, including any new Units you may acquire in the future will not participate in the DRP. If you sell some of your Units in the future, such that your total holding becomes less than the number of Units you have specified to participate in the DRP, your participation level will automatically be reduced down to the total number of Units you hold as at the last Business Day of the relevant calendar month. However, if you later acquire more Units in the Fund, these will participate in the DRP to the extent indicated in your last DRP Instruction Form.

If you nominate a percentage, your level of participation will automatically change if you acquire or redeem Units in the future.

The number of Units you will receive will be calculated as the amount of the distribution you are entitled to receive

in respect of the number or proportion of your Units participating in the DRP (which may be all of your Units), of Units you hold, divided by the DRP Issue Price. The number of Units to be issued will be rounded down to the nearest four decimal places.

Participation in the DRP will automatically continue until:

- you notify the Unit Registry that you no longer wish to participate by submitting a DRP election;
- the DRP is suspended or withdrawn by the Responsible Entity; or
- you submit a full redemption request to the Unit Registry.

The DRP will be automatically suspended upon the Responsible Entity determining to suspend the DRP. If the DRP is suspended, an election as to your participation in the DRP will also be suspended and all Units are taken not to be participating in the DRP for the purpose of any distribution paid while the DRP is suspended. Upon reinstatement of the DRP, all of your prior elections are reinstated unless a DRP election is validly submitted by you by 5.00 pm Australian Eastern Time on the last Business Day of the calendar month for the next distribution which follows the reinstatement of the DRP.

If you submit a partial redemption, the DRP remains on for Units you still hold unless you change your DRP election.

Your right to participate in the DRP is not transferable.

Participating Unitholders may vary the level of participation or withdraw from the DRP at any time by submitting a new DRP form. Any variation to participation will take effect from the next distribution, provided that notification is received by no later than 5.00 pm Australian Eastern Time on the last Business Day of the applicable calendar month. Notices received after this time will take effect from the following Distribution Period. If you choose to withdraw from the DRP, your distributions will be paid by direct credit to your nominated bank account recorded under your investment, prior to your participation in the DRP.

The Responsible Entity may, at its sole and absolute discretion, modify, suspend or terminate the DRP at any time. The modification, suspension or termination shall take effect from the date specified by the Responsible Entity. Sufficient written notice shall be given to all Unitholders prior to the changes occurring to allow Unitholders to withdraw from the DRP before the changes come into effect (except in the event the Responsible Entity considers in its absolute discretion that the change is not adverse to Unitholders, in which case such notification only needs to be given within the three month period after the change is made).

The Responsible Entity may, in its sole and absolute discretion, arrange for the DRP to be underwritten in respect of a particular distribution on any terms it considers appropriate.

The Responsible Entity may delegate any of its powers, discretions, authorities or functions under these rules to any person or persons.

You should be aware that, by electing to participate in the DRP in accordance with these rules, you:

- acknowledge that the Responsible Entity may at any time, by giving notice to eligible Unitholders, limit participation in the DRP. This may include a determination that there will be a maximum or minimum number of Units permitted per Unitholder, whether this is in respect of a particular distribution or distributions generally;
- acknowledge that the Responsible Entity, its officers, employees, representatives or agents are not responsible for any loss or alleged loss or disadvantage suffered or incurred directly or indirectly by you as a result of the establishment, or operation, of the DRP, participation in the DRP or any advice given in relation to participation in the DRP.

## 5.8 Distribution Policy

### (a) Fund Distribution Policy

While the Responsible Entity has full discretion with regard to the distribution policy of the Fund, its intention is to pay 100% of its income less fees and costs in regular monthly distributions to Unitholders.

The Responsible Entity expects to pay distributions from the Fund Investment and will not use Unitholder capital or Application Monies to fund the payment of distributions.

Distribution payments are generally made within 15 Business Days after the end of the distribution period subject to receipt of distributions from the Master Trust.

### (b) Master Trust Distribution Policy

The Master Trust distribution policy will be based on an underlying measure of net income defined in the accounting policies of the Master Trust Deed (referred to above as Realised Profit). The Realised Profit measure recognises loan losses on a realised basis which differs from the fair value and provisioning accounting principles under AASB9.

The Trustee will distribute 100% of the Master Trust's Realised Profit (subject to any amounts retained under the Capital Buffer Top-Up) on a monthly basis to the holders of Class A Units and six-monthly to the holders of Class B Units. Periodic distributions will be based on the Trustee's calculation of Realised Profit, with calculation to be reviewed by the auditor engaged by the MA Financial

Group every six-month period (June and December) and any true-up distributions made accordingly.

In accordance with the Priority Return features, the Master Trust will apply its Realised Profit in the following order of priority:

1. payment of Income Shortfall Top-Up to Class A Units (if any);
2. payment of Class A Target Return to Class A Units;
3. retention by the Master Trust of any balance in the Capital Buffer Shortfall Top-Up; then
4. payment of residual distribution to Class B Units.

The Master Trust uses the following sources of liquidity to pay its distributions:

- cash held in the Master Trust;
- cash interest received from borrowers (including during the term of a loan, and payment-in-kind interest payable on maturity of a loan); and
- loan repayments received from borrowers (which includes capitalised interest).

## 5.9 Asset valuation and ratings

### (a) Asset valuations

The NAV of the Fund will include the value of its holding in Class A Units in the Master Trust. The value of the Class A Units will be calculated in accordance with AASB, taking into consideration the valuation of the Portfolio of the Master Trust and reflecting the priority ranking of Class A Units over Class B Units.

The NAV of the Master Trust will be calculated in accordance with its accounting policies.

The Trustee must calculate the Master Trust NAV by deducting the value of the Master Trust Liabilities (other than the liabilities representing rights attaching to units in the Master Trust) from the value of the Master Trust Property (determined on the basis of the most recent valuation of each item), each as at the Valuation Time.

The calculation of the Fund NAV and the Master Trust NAV will be reviewed annually by the Audit.

The Responsible Entity has documented valuation policies and adopts the accounting standards in the geographies where its private credit funds are domiciled. As the Portfolio is currently domiciled in Australia, the Responsible Entity will apply AASB 9 Financial Instruments. Under this standard, loans and credit investments in the Portfolio will be valued monthly.

In respect of the Master Trust's credit investments, and specifically, to determine the LVR for a credit investment, the Manager relies on the enterprise value provided by the borrower to assess the maximum amount of credit that the Master Trust will commit to the credit investment. In the context of direct real estate lending, the Manager may rely on valuations prepared for and provided by the borrower, to assess the maximum amount of credit that the Master Trust may commit to the credit investment, noting that under Section 6.2 "Investment Guidelines" of this PDS, the Master Trust's proposed allocation to real estate construction lending is 0%.

Carrying values of the Master Trust's credit investments are prepared by the Manager on behalf of the Master Trust and are tested regularly based on the actual credit performance of the underlying loans. Where there is a material deterioration in credit quality or performance, an impairment recovery analysis is undertaken, where a range of recovery scenarios are probability weighted to derive an expected recovery amount and to determine whether an impairment is required. MA Financial Group has established a quarterly valuation review process conducted by independent global firms. Carrying values of all assets in the Portfolio are reviewed annually, on a quarterly cycle. Watchlist or higher risk positions (per Manager's credit scoring methodology) are reviewed more frequently, such as every month or quarter, depending on the nature of the underlying asset and its risk profile.

MA Financial Group's approach to valuation is bolstered by internal segregation, in which the fund finance and group finance teams, which are distinct from investment and portfolio management teams, are responsible for applying its valuation policy to the loans and credit investments in its funds.

The Responsible Entity and Trustee have also established a Valuations Committee which comprises majority representatives separate to the Investment Team and provides a line for escalation on valuation issues. The Valuations Committee meets throughout the year, not less than semi-annual basis, or more frequently as circumstances dictate. The Valuations Committee will review findings prepared by appointed independent valuation providers, review expected credit loss provisioning and testing of impairment assumptions. Decisions and outcomes from the Valuations Committee relevant to the Portfolio will be documented with recommendations tabled to the Board and/or Trustee Board (as applicable).

The Responsible Entity will publish information in relation to underperforming assets in the Portfolio, including commentary on key aspects, which will be made available to Unitholders on a monthly basis on the Fund's webpage at MAFinancial.com/invest/private-credit/ma-priority-income-fund

# 5. Overview of the Fund and Investment Structure (continued)

### (b) Internal Ratings

To help Unitholders understand the credit characteristics of its assets, the Manager may disclose credit risk gradings or credit rating equivalents. Some loans in the Portfolio may be rated by third-party rating agencies, while many loans are not because they are bilaterally structured and negotiated on a proprietary basis between the Manager and borrowers.

Where an Internal Rating is undertaken, and where such ratings are disclosed, the Manager will seek to provide clarifying disclosure that some of its ratings are internally determined. Such methodologies are generally based on public comparables and/or rating frameworks published by public rating agencies. The Manager considers such disclosures can be helpful to enable investors to understand the nature of underlying investments in its portfolios.

The Internal Ratings applied by the Manager's internal ratings model reflects the relative and subjective opinion of the Manager's Investment Team on a certain degree of likelihood of the borrower of the rated credit investment to meet its debt obligations when they fall due, or the likelihood of loss in the event of a default of the borrower of the rated credit investment. Despite an independent, third-party being engaged by the Manager to review the Internal Ratings, the Internal Ratings applied by the Manager's Investment Team may not accurately reflect the credit risk of the credit investment, or the Manager may fail to assign or weight an Internal Rating, which may adversely affect the performance of the Master Trust, and ultimately its ability to pay distributions and offer redemptions to the Fund.

Additionally, the methodology for the adoption of the Internal Ratings may materially differ from the methodology adopted by public rating agencies, that tend to use objective and industry accepted rating techniques. Therefore, Internal Ratings produced by the Manager are not capable of being compared to third-party ratings that apply an independent framework to the assessment of an asset.

The Manager's framework for the adoption of Internal Ratings (or any summary thereof) will not be made publicly available.

## 5.9 Fund operations and service providers

The Responsible Entity has outsourced:

- investment valuation, accounting and certain administrative functions to the Manager;
- administration services to Alter Domus Australia Pty Limited;
- custody services to MSC Certane, as a sub-custodian / nominee to hold the assets of the Fund on behalf of Melbourne Securities Corporation as custodian under the terms of the Custodian Agreement; and
- unit registry services to Boardroom Pty Limited.

KPMG has been appointed as the independent auditor of the Fund and the Compliance Plan.

## 5.10 Leverage

### (a) Fund leverage

It is not anticipated that the Fund will have any debt.

### (b) Master Trust leverage

While the Master Trust Deed does not impose a cap on the level of leverage the Master Trust may incur, the Manager does not anticipate that leverage at the Master Trust level will exceed 25% of the Master Trust's NAV. Such leverage, if applicable, is intended to be incurred for purposes including but not limited to:

- financing to enable the Master Trust to undertake its investment activities;
- increasing the Portfolio size in advance of a follow-on equity raising; and
- meet short-term working capital requirements.

The Master Trust may enter into a revolving loan facility with MA Financial Group on arm's length terms under which the Master Trust may draw down funds in order to finance its working capital requirements.

The intention of the Trustee is that long-term leverage will not be used as a means of enhancing the Portfolio return.

# 6. Overview of the Investment Strategy

## 6.1 Investment Strategy

The investment strategy is to gain exposure via an investment in Class A Units in the Master Trust to the Portfolio of credit investments diversified across credit market segments, borrowers, industries, credit qualities and origination platforms. The Portfolio will be constructed and actively managed in accordance with the investment guidelines set out in Section 6.2. These are guidelines only and the portfolio construction of the Master Trust may not always reflect these guidelines. The credit investments to which the Fund is exposed may be Secured, Unsecured, Senior or Subordinated.

The Portfolio is primarily focused on Australian and global developed markets debt that is Secured, asset backed or otherwise has defensive characteristics. The Manager seeks assets that it considers offer an attractive risk adjusted return after application of its investment process outlined in Section 6.3.

The Manager will seek to construct the Portfolio with the following features:

- highly diversified lending base, with low underlying individual borrower exposure;
- predictable and resilient through the cycle returns;
- bias towards capital preservation and on minimising losses; and
- portfolio driven analysis that supports strong serviceability prospects.

The Fund's investment strategy covers four primary credit segments and a cash position. The details of each of these are described below:

### (a) Asset Backed Commercial

The commercial lending strategy encompasses financing to SMEs, either directly or indirectly originated through MA Financial Group lending businesses or by third-party platforms.

The commercial lending strategy is focused on asset backed or specialised lending. Asset backed lending is secured by collateral, which is a defensive characteristic to help minimise losses. Examples of asset backed lending include, debtor and trade finance, legal disbursement funding, insurance premium funding, fleet and equipment finance, supply chain/inventory finance, commercial auto finance and other receivables-backed financing. The Master Trust typically invests in this segment through ABS, targeting established originators of loans that have demonstrated a track record in their chosen sub-sector.

Specialised lending opportunities are niche lending opportunities that may arise through the Manager's proprietary origination platforms and provide attractive risk-return characteristics.

### (b) Asset Backed Consumer

The consumer lending strategy involves financing individual and household consumers. The Master Trust will achieve exposure to consumer lending by investing in assets originated by MA Financial Group lending businesses or by third-party platforms. Consumer lending can either be Secured or Unsecured loans. Examples of consumer lending includes, personal loans, auto loans, bridge finance and strata finance.

### (c) Asset Backed Real Estate

The real estate lending strategy involves financing backed by either residential or commercial real estate. Loans are typically secured by a first lien mortgage over the property. The Master Trust will achieve exposure to residential mortgages by investing in assets originated by third-party non-bank mortgage originators or by MA Financial Group related group mortgage lender MA Money Financial Services Pty Ltd (MA Money). Examples of real estate lending include RMBS, commercial mortgage-backed securities (CMBS) and construction loans.

### (d) Direct Corporate Loans

Direct corporate loans involve an advance of funds to a borrower with contractual obligations to make repayments and interest to a lender (or group of lenders). Direct corporate loans typically have defensive characteristics due to a range of protections which may include contractual provisions relating to granting of security, covenants and other features which provide control to the lender by imposing obligations and restrictions on the borrower.

### (e) Cash

The Master Trust expects to maintain an allocation towards cash and other liquid assets such as RMBS bonds, ABS bonds and other fixed income securities. Cash will be held for liquidity and portfolio risk management purposes and to allow the Master Trust to take advantage of investment opportunities as and when they arise.

# 6. Overview of the Investment Strategy (continued)

## 6.2 Investment Guidelines

As at the date of this PDS, the investment guidelines construction and management of the Portfolio are set out below:

| Category | Guidelines |
|---|---|
| Credit segments[22] | The Master Trust may invest in a broad range of credit segments. The primary credit segments and target Portfolio allocation bands (as at the time of the Master Trust's investment) are set out below:<br>• Asset backed lending – commercial: 30 – 60%<br>• Asset backed lending – consumer: 0 – 40%<br>• Asset backed lending – real estate: 20 – 60%<br>• Direct corporate lending: 0 – 40%<br>• Direct real estate construction lending: 0%<br>• Cash and cash equivalents: 5 – 25%<br>• Cash: 1 – 10%. |
| Permitted investments | The Master Trust may invest in a broad range of fixed income and debt securities, including but not limited to:<br>• Cash and cash equivalents<br>• Loans, notes, bonds and other debt securities<br>• Leases and hire purchase<br>• RMBS, ABS and CLO securities (across all tranches)<br>• Structured credit investments<br>• Derivatives (limited to risk management purposes only)<br>• Credit linked notes and total return swaps<br>• Equity arising from features of debt instruments (i.e. equity issues on conversion of debt instruments or equity entitlements included as part of a debt agreement). |
| Investment characteristics | Investments in the Portfolio may feature a broad range of credit investment characteristics, including:<br>• Senior or Subordinated ranking<br>• Secured or Unsecured positions<br>• Private or liquid/traded credit<br>• Rated or unrated by a credit rating agency<br>• Predominantly unrated or sub-investment grade<br>• Cash and/or payment-in-kind interest components<br>• Tenors up to 5 years, unless otherwise agreed by the investment committee. |
| Geography[23] | • Australia & New Zealand: 90 – 100%<br>• Global (developed markets, ex ANZ): 0 – 10% |

22. The Investment Committee may amend the concentration limits by +/- 10% in the ordinary course and up to 20% in extraordinary circumstances where determined in the best interests of the Master Trust unitholders.
23. The Investment Committee may amend the concentration limits by +/- 10% in the ordinary course and up to 20% in extraordinary circumstances where determined in the best interests of the Master Trust unitholders.

# 6. Overview of the Investment Strategy (continued)

| Category | Guidelines |
|---|---|
| Maximum exposures | Position exposures apply on the basis of total Portfolio assets: or $1billion (whichever is greater):<br>• Maximum Position size[24]: 15%<br>• Maximum Underlying Loan exposure[25]: 5%<br>• Maximum Borrower Group exposure[26]: 20%<br>• Top 5 Positions: 35%<br>• Top 10 Positions: 50%<br>• Asset Backed Securities: 0–100% across any tranche, including AAA, AA, A, BBB, BB, <B and unrated tranches. |
| Direct vs indirect assets | The Portfolio may be invested directly in loans with the end borrower and indirectly against portfolios of receivables, generally via securitisation, that have been originated by a variety of lending platforms. |
| Currency, hedging and derivatives | The Master Trust may also invest in assets denominated in foreign currencies. The Manager may choose to hedge foreign currency denominated investments in the Portfolio back to Australian dollars or remain unhedged. The Manager intends only to use derivatives and other hedging techniques for risk management and not for speculative purposes. |

While the intention is to construct and manage the Portfolio in accordance with the investment guidelines, the overriding objective is to invest the Portfolio in assets that generate the best risk-adjusted return with low capital volatility. This may result in the Master Trust having investment concentration in particular areas. It also reflects that investment portfolio originations are opportunistic by nature. The investment guidelines may be updated from time to time.

## 6.3 Investment process

The Manager's investment process in relation to the Master Trust is enabled by its expertise in structuring credit investments, analysing loan portfolios and structuring fixed return investments with a focus on capital preservation and delivering strong through-cycle returns. The investment philosophy incorporates the following three key tenets:

1. **Managed risk:** the focus is to identify structural features and characteristics of loans and overall loan portfolios that mitigate risks to both Unitholders and the Class B Co-Investment. By building high quality portfolios based on pricing discipline, the objective is to deliver consistent returns with low impairment rates.
2. **Resilient returns:** the focus is on rigorous and disciplined analysis to determine the strength of the serviceability prospects of loans and an overall loan portfolio. The aim is to ensure yield and returns are resilient through cycles and market conditions.
3. **Capital preservation:** the focus is to undertake an assessment of loan recoverability to determine and mitigate downside risks to Class A and B Unitholders' capital. This reflects the primary concern, which is to preserve and protect capital.

### Rigorous investment process

New or specific investments made by the Manager of the Master Trust are subject to a rigorous investment process, governed by the Investment Committee. This process is outlined below.

This process is designed to ensure direct investments are thoroughly vetted and evaluated to maximise returns while identifying and controlling for investment and portfolio risks. This process is governed by the Investment Committee and is subject to change at the Trustee Board's discretion. Variations to the process for any investment may also be adopted or ratified by the Investment Committee in its discretion.

24. Position means a single loan facility to a borrower.
25. Underlying Loan means (a) in respect of asset backed lending, the look-through exposure to an underlying loan or receivable that represents the collateral for a single Position, and (b) in all other cases, the underlying single loan facility provided to a borrower.
26. Borrower Groups means (a) in respect of asset backed lending, a bank or non-bank lender that is the originator under asset backed lending facility, and (b) in all other cases, the ultimate equity holder (including, if applicable, financial sponsor) in the borrowing entity that is a counterparty to loans in the Master Trust.

# 6. Overview of the Investment Strategy (continued)

### 1. Investment origination and preliminary due diligence

The first phase involves sourcing potential investments through proprietary networks. The Investment Team conducts initial discussions with borrowers and performs preliminary checks on financial health and risks. They summarise their findings in an investment summary for Portfolio Manager review (Investment Summary) for the Portfolio Manager's review.

### 2. Portfolio Manager sanction

The Portfolio Manager evaluates the opportunity based on the Investment Summary, considering its fit with the fund's goals, impact on the portfolio, and specific risks. If the evaluation is positive, the opportunity moves forward for an initial review by the Investment Committee.

### 3. Investment Committee 'early read'

At this stage, the Investment Committee conducts an initial assessment of the deal, while a 'red team' provides an independent review of potential risks. This ensures that all concerns are identified and addressed before proceeding.

### 4. Final due diligence and investment structuring

This phase involves a comprehensive review by senior management, focusing on the investment's financial viability, counterparty risk, and structural considerations. This detailed analysis prepares the investment for the final decision by the Investment Committee.

### 5. Investment Committee

The final phase is where the Investment Committee makes the ultimate decision on whether to proceed with the investment. If approved, the investment is incorporated into the portfolio.

The Manager employs a robust framework for governing and managing investments across the Fund with embedded checks and balances.

### 6. Valuation of investments

Investments of the Master Trust will be valued in accordance with the valuation process described in Section 5.9.

MA Financial Group has documented valuation policies and adopts the accounting standards in the geographies where its private credit funds are domiciled. As the Master Trust is domiciled in Australia, the Responsible Entity and Manager will apply AASB 9 Financial Instruments in the valuation of the Master Trust's assets. Under this standard, loans and credit investments of the Master Trust will be valued monthly. Carrying values are tested regularly based on the actual credit performance of the underlying loans. Where there is a material deterioration in credit quality or performance, an impairment recovery analysis is undertaken, where a range of recovery scenarios are probability weighted to derive an expected recovery amount and to determine whether an impairment is required.

The Manager has established a quarterly valuation review process of the Master Trust's assets that is conducted by highly qualified global firms. Carrying values of the Master Trust assets are reviewed annually, on a quarterly cycle. Watchlist or higher risk positions (per MA Financial Group's credit performance indicator methodology) are reviewed more frequently, such as every month or quarter, depending on the nature of the underlying asset and its risk profile.

MA Financial Group's approach to valuation is bolstered by internal segregation, in which the fund finance and group finance teams, which are distinct from investment and portfolio management teams, are responsible for applying their valuation policy to the loans and credit investments of the Master Trust.

The Responsible Entity and Trustee have also established a Valuation Committee which comprises majority representatives separate to the Investment Team and provides a line for escalation on valuation issues. The Valuation Committee meets throughout the year, not less than on a semi-annual basis, or more frequently as circumstances dictate.

The Valuation Committee will review findings prepared by appointed independent valuation providers, review expected credit loss provisioning and testing of impairment assumptions. Decisions and outcomes from the Valuation Committee relevant to the Master Trust assets are documented with recommendations tabled to the Responsible Entity.

# 6. Overview of the Investment Strategy (continued)

### Investment governance and portfolio management

The Manager employs a robust framework for governing and managing investments across the Fund with embedded checks and balances.

| Investment Governance | Frequency description | Manager approach |
|---|---|---|
| Investment Management | Ongoing | The Investment Team is accountable for handling each individual investment, and the deal originator retains ownership of the investment throughout its lifespan. |
| Portfolio Management | Ongoing | The Investment Team is tasked with constructing and managing the Fund's portfolio in accordance with the fund or investment mandates. |
| IC Approval | Ongoing | The Investment Committee responsibilities include reviewing and approving investments, providing oversight for Portfolio Management and Investment Management teams, and setting strategies across various asset classes. |
| IC Reviews | Monthly | Portfolios are thoroughly reviewed monthly. Any potential risks or concerns are identified and added to a watch list for further monitoring. |
| Stress Testing | Quarterly | Quarterly stress testing simulations are conducted at a Portfolio level, considering macro scenarios and discrete risks. Customised strategies are developed to rectify issues identified on from the resultant risk 'watch list'. |
| Market Analysis | Daily | Daily stand-up meetings are held to gather and incorporate market feedback. |

## 6.4 Portfolio Construction

### Portfolio construction methods

Assets for the asset backed lending segments of the Portfolio are sourced primarily from specialty non-bank lending platforms, including the MA Financial Group lending business and a variety of other third-party platforms and channel partners. These investments take a variety of forms, with the majority of investments being in structured credit products, including Asset Backed Securities (ABS), Commercial Mortgage-Backed Securities (CMBS), and Residential Mortgage Backed Securities (RMBS). Whole-loan investments may also be made from time to time. The allocation of funds between MA Financial Group lending business and third-party platforms and/or channel partners will be determined by the Manager and will depend on a number of factors. These may include the availability of investment opportunities and market or economic conditions. Direct lending assets are sourced through MA Financial Group's proprietary origination channels which include relationships with corporate borrowers and financial sponsors, MA Moelis Australia (MA Financial Group owned corporate advisory business) and co-lending partnerships. Assets will be assessed on an individual and portfolio level basis and the Manager will select investment opportunities that it believes will achieve the investment objective of the Master Trust and the Fund.

### Investment in assets originated by third-party platforms

The Master Trust may invest in assets originated by a variety of third-party platforms, including non-bank finance businesses and peer to peer lenders. As at 31 December 2025, the Master Trust held investments originated by 73 third-party channel partners representing 86% of the Portfolio. Investments are typically undertaken via participation in securitisation warehouses, however there may also be whole loan investments within portfolio constraints.

### Investment in loans originated by MA Financial Group

MA Financial Group operates a lending business that comprises principal platform operations and loan portfolio funding. MA Financial Group lending platforms currently include residential mortgage lending through MA Money

Financial Services Pty Ltd (MA Money) (a related party of MA Financial Group) and specialty finance such as legal disbursement funding loans. The Master Trust may invest in securitisation Loan Warehouses that acquire loans originated by the MA Financial Group lending business provided:

- the warehouse investment is in accordance with its investment strategy and investment parameters;
- the loan assets acquired by, or equitably assigned to, the warehouse comply in all material respects with applicable law;
- the loan assets acquired by, or assigned to, the warehouse are performing loans at the time of investment;
- the loan assets acquired by, or equitably assigned to, the warehouse are on arm's length terms.

The Master Trust is not obliged to further invest in any securitisation warehouse beyond the committed lending terms of the warehouse lending agreement. The Master Trust will consider acquiring assets offered for investment by the MA Financial Group lending business only to the extent that the Manager determines such investment to be beneficial to the Master Trust having regard to its investment objectives.

As at December 2025, 14.7% of the Master Trust is invested in asset backed facilities that constitute Loan Warehouses serviced by MA Money and MA Specialty Finance. These are both proprietary related party lending platforms of MA Financial Group that originate and service loans to third-party borrowers. MA Money uses the funding provided by the Master Trust (which is provided by the Master Trust in conjunction with several major Australian and global banks) to provide residential mortgages to borrowers, and MA Specialty Finance uses funding provided by the Master Trust to offer specialty finance products, such as disbursement funding loans, to borrowers.

The Master Trust does not provide any bilateral lending facilities to MA Money or MA Specialty Finance to support their business operations, and invests in the lending facilities provided to the Loan Warehouses on a structured basis.

MA Financial Group, as the parent company of MA Money and MA Specialty Finance derives a financial benefit from the operation of the proprietary related party lending platforms, including from investments made by the Master Trust in the platforms from time to time.

The Responsible Entity of the Fund will keep Unitholders informed of any additional related party investments the Fund has exposure to through monthly reporting and quarterly disclosures provided to Unitholders on a regular basis.

### Co-investment alongside a MA Financial Group entity

The Master Trust may invest in securitisation Loan Warehouses controlled by a third-party or a MA Financial Group entity where a MA Financial Group entity, or a fund managed by MA Financial Group, also invests in the securitisation warehouse. The Master Trust investment may rank Senior, pari passu or Junior to investments made by MA Financial Group entities or other funds managed by MA Financial Group. When the Master Trust invests in securitisation warehouses in these circumstances, the assessment and approval process is completed at arm's length and independently of other MA Financial Group entities and managed funds.

### Acquisition of future assets from MA Financial Group

The Master Trust may, from time to time, acquire assets from MA Financial Group or from other related parties of MA Financial Group on arm's length terms, provided that:

- the investment is in accordance with its investment strategy and investment parameters;
- the loan assets are performing loans that comply in all material respects with applicable law; and
- the loan assets are acquired on arm's length terms.

The Master Trust is under no obligation to acquire assets or invest in securitisation warehouses that are offered for investment by MA Financial Group or related parties of MA Financial Group.

See Section 12.13 for details on related party transaction policies.

## 6.5 Changes to investment strategy

It is expected that the investment strategy of the Fund will be implemented as detailed in this PDS. However, changes in the market conditions, which could be favourable or adverse to the Portfolio's performance, may require the Manager to adopt changes to the investment strategy and the investment guidelines. Subject to compliance with the Corporations Act, the Manager may change the investment strategy in order to achieve the Fund's investment objective (subject to the Responsible Entity's consent which must not be unreasonably withheld).

## 6.6 Stress testing

The Manager undertakes quarterly macro stress testing of the Master Trust's investments, as well as bottom-up modelling of discrete investment risks on origination and at least annually thereafter.

# 6. Overview of the Investment Strategy (continued)

Further information on the Manager's risk management processes is detailed below.

## Credit risk management

The Manager implements robust processes to ensure that credit risks associated with credit investments in the Master Trust are effectively managed over the lifecycle of a credit investment, including the origination process for credit investments, the monitoring framework for credit investments underwritten by the Master Trust and the recovery processes that will apply to credit investments that may become impaired during the term of the investment.

A summary of the three processes adopted by the Manager to manage credit risk in the Master Trust are set out below:

- **Origination of credit investments:** the Manager adopts a standardised credit assessment process for new asset backed and direct corporate lending investments originated by the Manager that may be underwritten by the Master Trust. This process helps ensure that new investments are assessed consistently against the same credit criteria and underwriting processes approved by the Manager and the Investment Committee. The credit review process also requires the Manager to identify the escalation protocols that can be applied by the Master Trust where the proposed investment may exhibit signs of distress during the term of the investment.

  Additionally, all new and other specific credit investments originated for the Master Trust must be approved by the Investment Committee, which acts to provide an impartial review and approval of an investment to ensure credit risks are identified by experienced professionals, and adequately addressed by the Manager, prior to exposing the Master Trust to the credit investment .
- **Oversight of credit investments:** following settlement of the credit investment by the Master Trust, the Manager regularly reviews borrower performance to ensure the credit investment is performing as required, and to identify any credit deterioration issues at the earliest opportunity. The Manager performs this credit review by obtaining loan reporting and attestations for each credit investment from borrowers, and reviews the information to ensure there are no financial or other risks that may undermine the exposure of the Master Trust to any credit investment.

  Additionally, the Manager stress tests the credit investments of the Master Trust on a quarterly basis against a range of credit and liquidity metrics to simulate how the Manager will respond to credit deterioration and other risks that the Master Trust may be exposed to across a range of micro and macroeconomic changes. To the extent any actions need to be undertaken with respect to a credit investment following the results of the stress tests, the Manager will engage as required with the borrowers to mitigate the identified risks.
- **Impairment framework:** the Manager classifies credit investments in accordance with the following framework categories: "Performing-Neutral Risks", "Performing-Moderate Risks", "Elevated Risks" or "Workout". Accordingly, where any of the Master Trust's credit investments exhibit deterioration in credit quality or otherwise become impaired during the term of the investment, the Manager triages the investment to be managed in accordance with the processes that apply to the respective categories of the impairment framework to mitigate credit risk for Master Trust unitholders. Such steps typically include:
  - where a Performing credit investment is re-classified as Performing-Moderate Risks, the Manager will place the relevant credit investment under heightened monitoring, which includes the Manager undertaking more frequent engagement with the borrower, enhanced review of financial reporting, covenant compliance and other key risk indicators, and use of such processes to identify and escalate any further emerging issues at the earliest opportunity. Where required, expected credit loss provisioning is taken against the value of the impacted credit investment to reflect the expectations of principal and interest recovery in respect of the impacted credit investment
  - where a material credit issue in a Performing-Moderate Risks credit investment is identified, the Manager will escalate the credit investment to the "Elevated Risks" category, and engage with the Investment Committee to manage the credit investment to recoverability. This may involve amending the transaction documents to further enhance the interests of the Master Trust with respect to the credit investment, granting of specific waivers, extensions or other forms of forbearance, where such actions are determined to yield a favourable outcome for the Master Trust
  - if a credit investment requires further escalation to maximise recoverability for unitholders and minimise loss to the Master Trust, the Manager will place the credit investment into Workout, which will involve the Manager appointing professional advisers (including legal counsel and insolvency practitioners) taking action in accordance with transaction and security documents to stabilise, protect and recover value for Master Trust unitholders.

The Manager will document the relevant analysis and decisions in relation to actions it takes under its impairment framework, and will reassess the carrying

value of impacted credit investment for the Master Trust as required from any actions it may take from time to time.

## Capital & Liquidity Management Policy

The Responsible Entity, the Trustee and Manager have adopted a "*Capital & Liquidity Management Policy*" which documents the processes and procedures that will be applied to primarily ensure the funds it acts as responsible entity for have sufficient financial resources to meet financial and liquidity obligations such as payment of distributions and to facilitate redemptions.

In accordance with the Capital & Liquidity Management Policy, the following processes are implemented in relation to manage liquidity in the Master Trust and the Fund:

- **Liquidity profile and portfolio construction:** when setting and implementing the investment mandate for the Master Trust, the Manager considers the liquidity characteristics of the underlying investments in the Master Trust and establishes liquidity targets that are proportionate to anticipated liquidity needs (including withdrawals, distributions, operational requirements and unexpected expenses). The Manager aims to maintain a 5%-25% allocation towards cash and cash equivalents (such as bonds and money-market instruments) for liquidity and portfolio risk management purposes.
- **Cash buffer:** while there is no hard minimum limit defined by the Manager in respect of cash holdings to be maintained by the Master Trust, the Portfolio Managers aim to ensure that on average, the Master Trust maintains adequate cash holdings of 5% of the value of the AUM of the Master Trust. This cash buffer enables the Master Trust to be well positioned for short term liquidity requirements, such as monthly redemptions from the Master Trust and payment of any fees and costs for the operation of the Master Trust.
- **Liquidity monitoring:** the Portfolio Managers regularly monitor the liquidity status of the Master Trust and the Fund to ensure the availability of liquid assets, being primarily cash and cash equivalents and proceeds from maturing credit investments in the Master Trust, to fund future redemption requests and new credit investments.
- **Portfolio stress testing:** the Manager conducts regular stress testing of the Master Trust to demonstrate that if the Manager's current portfolio and capital management assumptions do not hold true, the Master Trust can still maintain liquidity for unitholders of the Master Trust. Some parameters stress tested by the Manager include:
  - evaluating the impact of no new applications into the Master Trust on the Master Trust over a short term period;
  - evaluating the impact of monthly redemptions from the Master Trust exceeding Portfolio Manager expectations, and its effect on liquidity of the Master Trust and unitholders;
  - evaluating the impact on the Master Trust of there being less than expected, or no repayments or return of capital, from the Master Trust's maturing credit investments over a defined period and consequences to the liquidity of the Master Trust and its unitholders; and
  - evaluating the liquidity impact on the Master Trust from simulated changes in economic conditions that may affect borrowers and underlying credit investments of the Master Trust. In particular, the Manager assess how long the Master Trust can maintain performance, adequate liquidity and deliver redemptions to unitholders (without impacting their invested capital).

The outcomes of such stress testing are shared with the Investment Committee, the Trustee and the Responsible Entity for oversight purposes.

- **Other capital management tools:** while the Master Trust does not currently utilise any working capital facilities or lines of credit to augment its existing capital and liquidity management initiatives, the Master Trust is well capitalised and positioned to access such facilities where the Trustee determines it favourable to do so to effectively manage the liquidity profile of the Master Trust.
- **Responses to illiquidity events:** to the extent a liquidity issue is identified (including where the Master Trust is considered to be at risk of becoming illiquid in accordance with the Master Trust Deed), the Trustee may apply the following liquidity management mechanisms in accordance with the Master Trust Deed and the principles of the Capital & Liquidity Management Policy:
  - staggered redemptions
  - freezing redemptions; or
  - caps on new applications into the Master Trust.

Adoption of the above response principally aim to protect unitholder capital invested in the Master Trust.

Further information on steps the Responsible Entity may undertake to restrict redemptions from the Fund to manage illiquidity events resulting from the Master Trust is set out in Section 10.10 of this PDS.

The Capital & Liquidity Management Policy is not made publicly available.

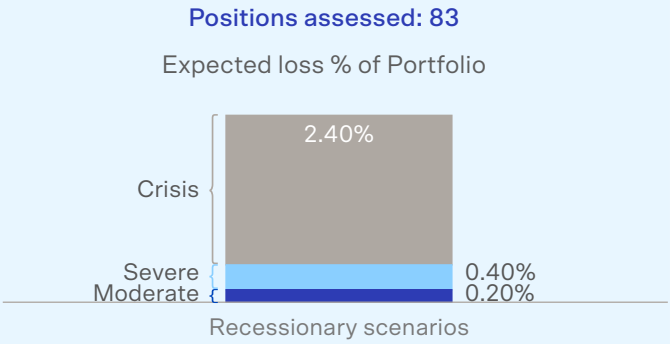
# 6. Overview of the Investment Strategy (continued)

Figure 10: Stress testing scenarios as at 30 June 2025

## Recession scenarios

Assessed impact to probability of default and loss given default by asset due to changes in:

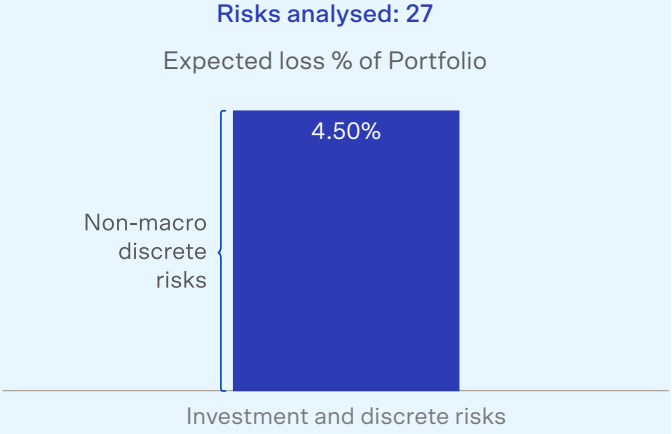
- GDP
- Unemployment
- Borrower income growth
- Business activity levels
- Default levels
- Property values
- Property and asset recovery values
- A range of other economic and market indicators.




## Investment and discrete risks

Instances of investment specific and discrete risks analysed:

- Company specific nuances, related to changing customer behaviour, supplier behaviour, revenue or margin drivers, and impacts to other KPIs
- Industry specific nuances, such as technology disruption or industry-wide demand shocks
- Investment structure nuances, such as intercreditor provisions, ability to enforce, exit strategy in a distressed scenario, etc.
- Fraud risks, such as borrower fraud, customer fraud, and supplier fraud.



# 6. Overview of the Investment Strategy (continued)

## 6.7 Description of Portfolio

The Portfolio data presented is current as at 31 December 2025. The Manager provides updated information on the Portfolio monthly and detailed Portfolio statistics quarterly on MAFinancial.com/invest/private-credit/ma-priority-income-fund.

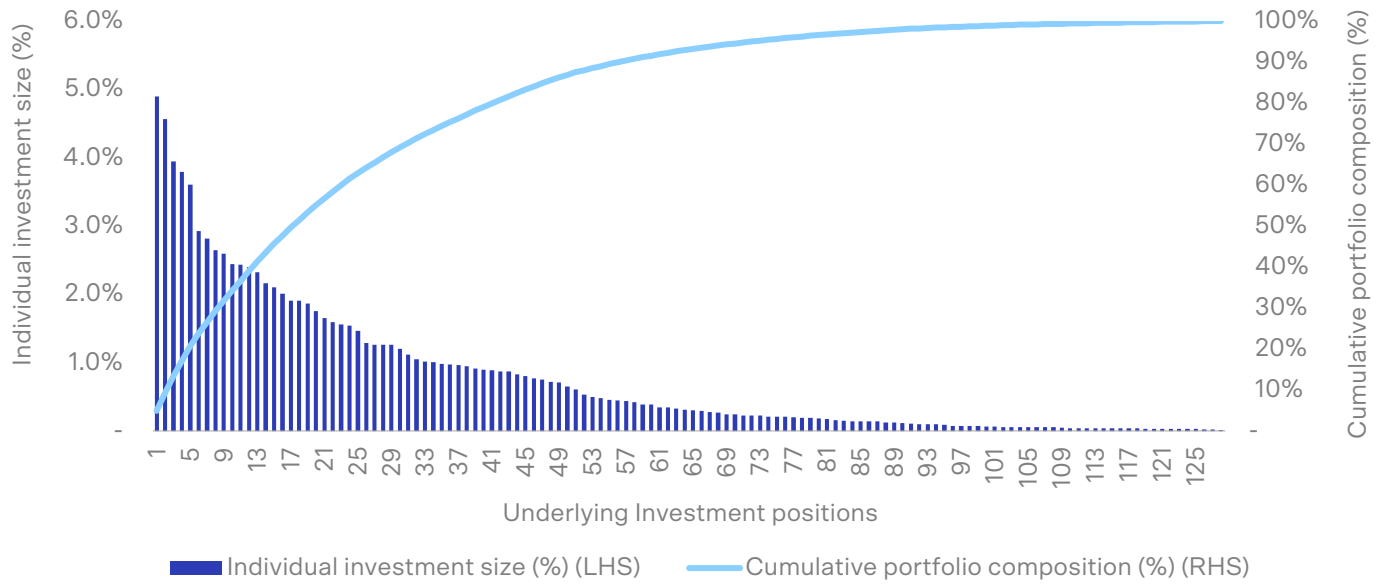
As at 31 December 2025, the Portfolio spans 128 positions consisting of 769,432 underlying loans, diversified across lending strategies with an 85% allocation to asset backed lending and 15% allocation to direct corporate lending. Geographically, the Portfolio is predominately exposed to Australia and New Zealand, with a 6.5% global exposure.

| Key portfolio statistics | Guideline limits | 31 December 2025 |
|---|---|---|
| Number of Positions | - | 128 |
| Number of Underlying Loans | - | 769,432 |
| Fund size | - | $2,322m |
| Master Trust size | - | $3,373m |
| New / exited positions in month | - | 8 / 2 |
| Portfolio credit duration (months to maturity) | - | 12.4 |
| Average cash Position | 10% | 2.8% |
| Median Position size | - | 0.3% |
| Average Position size | - | 0.8% |
| Largest Position size (% AUM) | 15% | 4.9% |
| Largest Underlying Loan exposure (% AUM) | 5% | 2.4% |
| Largest borrower group exposure | 20% | 9.2% |
| Top 5 loans (% AUM) | 35% | 20.8% |
| Top 10 loans (% AUM) | 50% | 34.2% |
| Australia / New Zealand exposure | 100% | 93.5% |
| Global (ex Aus / NZ) exposure | 10% | 6.5% |
| Development exposure | - | 0.0% |
| Floating rate / fixed rate loans | - | 97% / 3% |
| Positions amended to capitalise interest | - | 0.0% |
| Positions in non-accrual status | - | 0.0% |
| Positions in 90+ day arrears or Default | - | 0.0% |
| Positions in Workout | - | 0.0% |

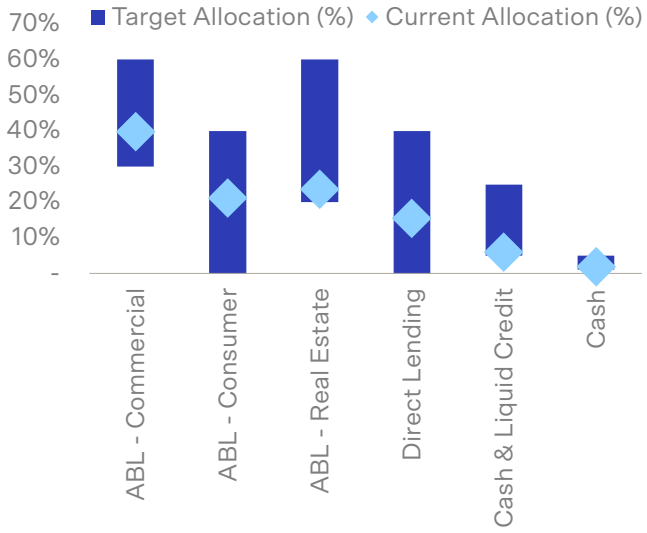
# 6. Overview of the Investment Strategy (continued)

### Figure 11: Underlying portfolio diversification[27]

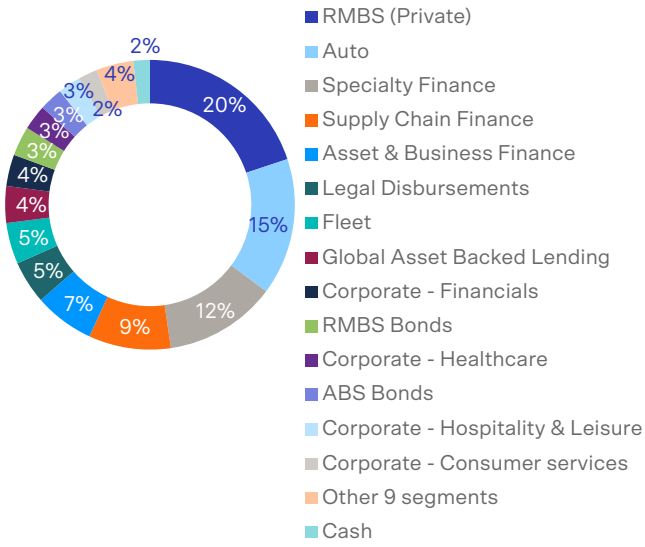
The Master Trust has a high level of granularity with a median position size comprising ~0.3% of the Master Trust's total portfolio asset exposure.




### Figure 12: Asset Target Allocation[28]




### Figure 13: Sub sector breakdown[29]



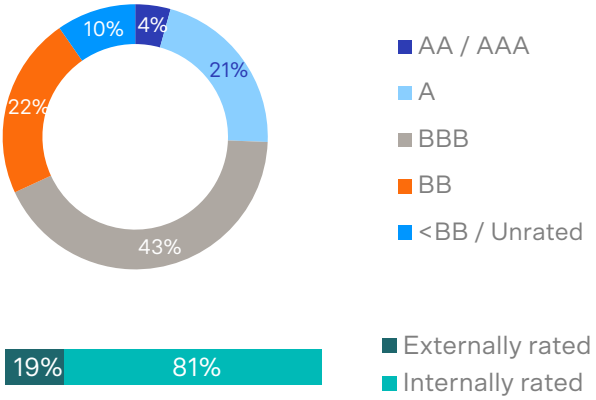

The Master Trust's portfolio is diversified across credit sub-segments, spanning more than 20 different sub segments (as at 31 December 2025) representing a wide range of asset types and end markets.

While the Manager does not invest on the basis of credit ratings (rather it uses its own proprietary credit risk grading analytics using quantitative and qualitative metrics), a credit rating methodology is applied to all positions in the underlying portfolio of the Master Trust, with the initial indicative compositions shown below.

27. Based on the Master Trust's proportionate interest in credit investments on a look through basis. Numbers may not add to 100% due to rounding.
28. Asset target allocations per the PDS. Cash & Liquid Credit includes cash, fixed income securities, RMBS bonds and ABS bonds.
29. Based on the Master Trust's proportionate interest in credit investments on a look through basis. Numbers may not add to 100% due to rounding.

# 6. Overview of the Investment Strategy (continued)

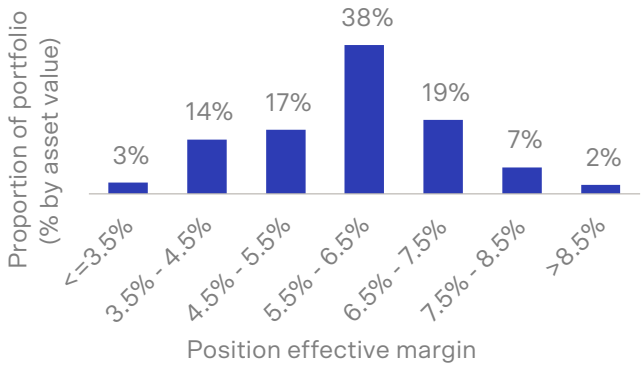
### Figure 14: Credit quality[30]



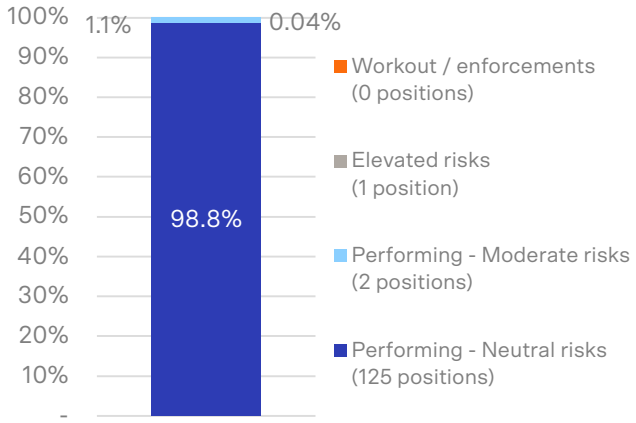

Some of the private loans in the Master Trust's underlying portfolio of assets are rated by third-party rating agencies, while others are not (for example, because they are bilaterally structured and negotiated on a proprietary basis between the Manager on behalf of its funds and borrowers).

The Manager has engaged an independent third-party for ongoing validation of carrying values and investment ratings applied by the Investment Team for investments held by the Master Trust.

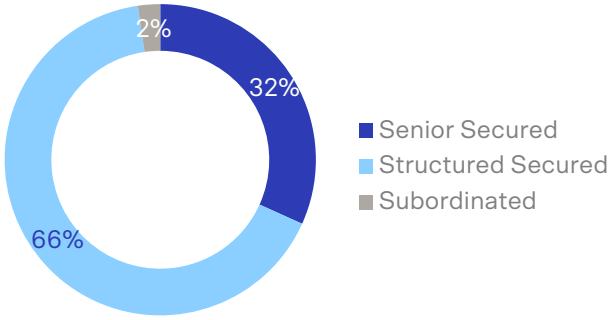
### Figure 15: Interest margin distribution[31]




### Figure 16: Performance indicator (% by asset value)[32]

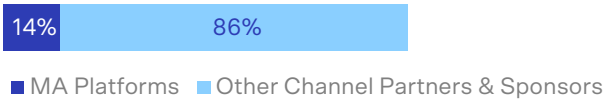



### Figure 17: Investment ranking of Master Trust's assets[33]




The Master Trust's portfolio is predominantly Senior Secured or Structured Secured in nature.

### Figure 18: Exposure to MA Financial related party platforms vs other channels




As at 31 December 2025, the Master Trust's portfolio had 73 channel partners (for asset–backed lending) and equity sponsors (for direct corporate lending), including ~14% of its portfolio originated and serviced by two MA Financial related party platforms.

30. Rated by MAIM including where investments are not rated by public ratings agencies. MA's credit rating framework is derived from methodologies published by public rating agencies and applied to the investments of the Master Trust. Where appropriate, the investments of the Master Trust are benchmarked to comparable transactions that have a published rating. Cash holdings are treated as having the same public rating as the banking institution in which cash is deposited. Rating categories (e.g., BBB, BB) reflect MAIM's internal framework mapped to the S&P scale for comparability and are not external credit ratings.
31. Interest margin represents the contractual pricing of loan positions above a reference rate (e.g. BBSW, SOFR or BKBM). For fixed-rate positions, where no reference rate applies, an implied margin has been calculated to facilitate comparison. Adjusted for any underlying investment level financing.
32. Performance indicator classifications formulated by MAIM based on its internal credit risk scoring matrix, specific for each investment strategy.
33. Master Trust credit investments means each of the discrete investment positions that the Master Trust holds, including on a look through basis where investments are held in the Master Trust established for the purpose of holding loans or credit assets.

# 6. Overview of the Investment Strategy (continued)

## Loan payment statistics (% by asset value)

| Interest payment structure | Cash interest | Capitalising |
|---|---|---|
| **By Investment strategy** | | |
| Asset backed lending | 100% | - |
| Direct corporate lending | 100% | - |
| Total % portfolio | 100% | - |

| Credit risk positions | % Portfolio |
|---|---|
| Positions amended to capitalise interest | - |
| Positions in non-accrual status | - |
| Positions in 90+ day arrears or default | - |

## Fund leverage and investment level financing

| Fund leverage | % Portfolio |
|---|---|
| Fund | - |
| Master Trust | - |
| Total fund leverage | - |

| Investment level financing | % Strategy AUM | % Portfolio |
|---|---|---|
| Asset backed lending | - | - |
| Direct corporate lending | 25.4% | 3.9% |
| Total investment level financing | 3.9% | |

## Master Trust – portfolio metrics by investment strategy

| | Dec qtr 2025 |
|---|---|
| **Asset Backed Lending** | |
| Underlying investments (#) | 79 |
| Underlying receivables (#) | 769,432 |
| Mean position size (AUD $m) | 35.6 |
| Median position size (AUD $m) | 23.9 |
| Positions in 90+ day arrears or Default (% of Fund AUM) | - |
| Weighted average credit enhancement-to-loss-rates (x)[34] | 16.6x |
| Weighted average 90+ day arrears in underlying receivables (%)[33] | 1.4% |
| Manager Principal Capital Loss Experience (%)[35] | - |
| **Direct Corporate Lending** | |
| Underlying investments (#) | 49 |
| Mean position size (AUD $m) | 14.8 |
| Median position size (AUD $m) | 7.2 |
| Positions in 90+ day arrears or Default (% of Fund AUM) | - |
| Weighted average net leverage (EBITDA) (x)[36] | 3.6x |
| Weighted average loan-to-value ratio (%)[37] | 33.8% |
| Manager Principal Capital Loss Experience (%)[34] | - |

34. 90+ day arrears in 'underlying receivables' (in the table above) 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. This metric does not represent arrears in loan payments at the investment level and therefore does not, of itself, indicate underperformance of the investment position. 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. It is a measure of the structural protections that the 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.
35. Manager principal capital loss experience (in the table above) is calculated as cumulative historical principal capital losses on investments compared to cumulative principal deployed in loans originated in the Master Trust since inception, for loans originated in MA Financial's flagship credit strategies to which the Fund is exposed. A principal capital loss in this context means where the total value (consisting of all realised earnings and principal capital returned, plus any unrealised earnings and expected capital return net of projected impairments) of a loan/credit investment is less than the cumulative principal deployed in that loan/credit investment. This is often referred to in the investment industry as total-value-to-paid-in-capital or TVPI. Past performance is not an indicator of future performance.
36. Net leverage is based on net debt divided by last twelve months EBITDA.
37. The "loan-to-value ratio" for a loan is calculated by dividing the amount of the relevant loan by the Managers best assessment of the borrower's current enterprise value at the time of calculation. The "loan-to-value ratio" is therefore determined on an "as is" basis by having regard to the current enterprise value of the borrower, and does not assume that a future set of circumstances will occur (such as further improvements that may enhance the enterprise value of the borrower).

# 6. Overview of the Investment Strategy (continued)

## Fund performance[38]

| | 1 month | 3 months | 6 months | 1 year | 2 years (p.a.) | 3 years (p.a.) | Inception[39] |
|---|---|---|---|---|---|---|---|
| Total return (%) | 0.65% | 1.93% | 3.92% | 8.17% | 8.43% | 8.34% | 6.27% |
| Average Capital Buffer (%) | 10% | 10% | 10% | 10% | 10% | 10% | 10% |

**Figure 19: Distribution history[37]**

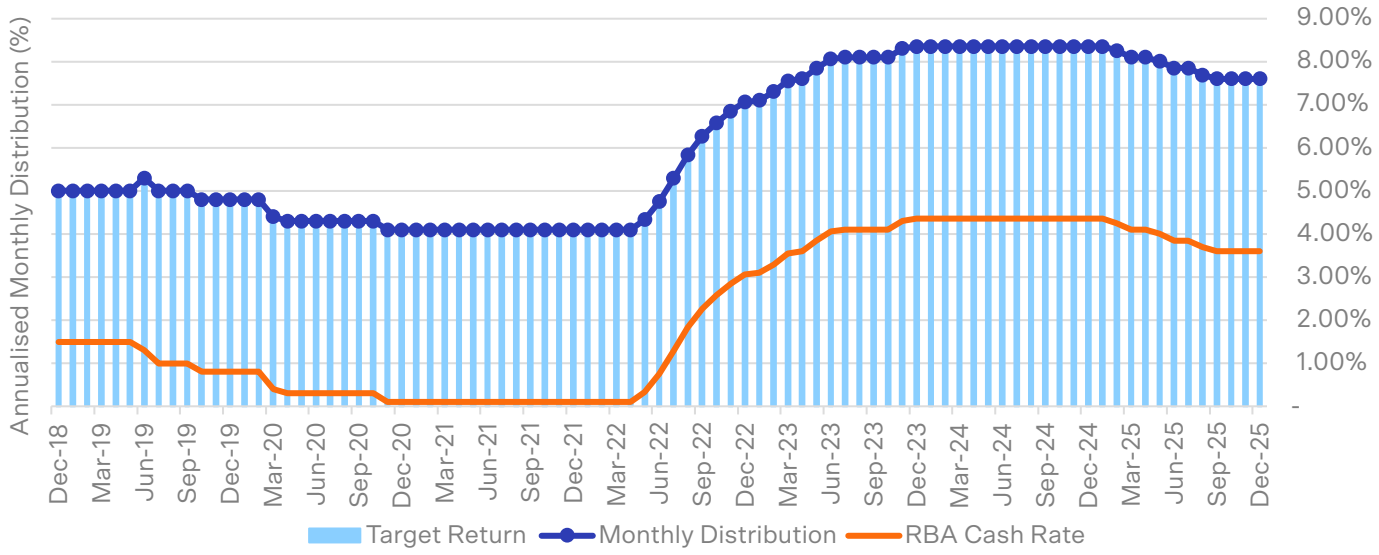
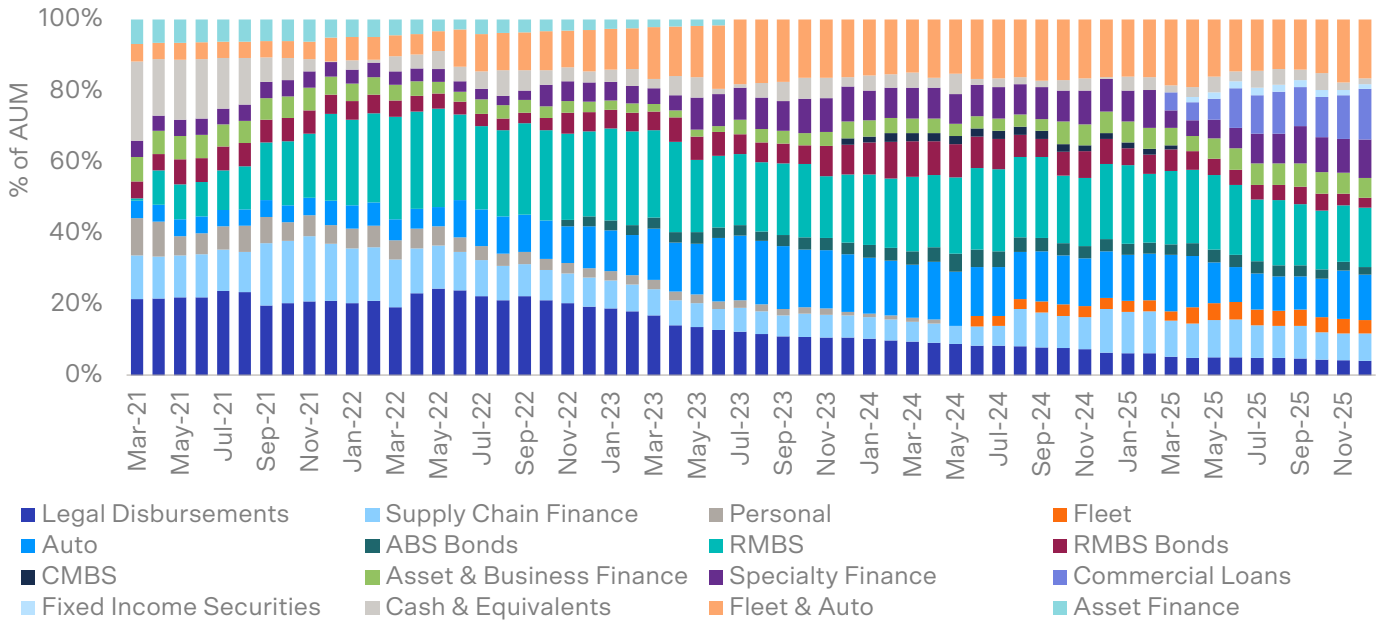



**Figure 20: Master Trust – asset allocation through time**




38. Returns reflect the value of a continuing investor's investment assuming the reinvestment of all distributions and is calculated in accordance with investment performance reporting guidelines of the Financial Services Council (FSC) of which MA Financial Group is a member. Actual distributions paid in that month assuming they were annualised for the respective financial year. Past performance is not a reliable indicator of future performance.

39. Inception date November 2018.

# 6. Overview of the Investment Strategy (continued)

**Figure 21: Master Trust – credit quality through time[40]**

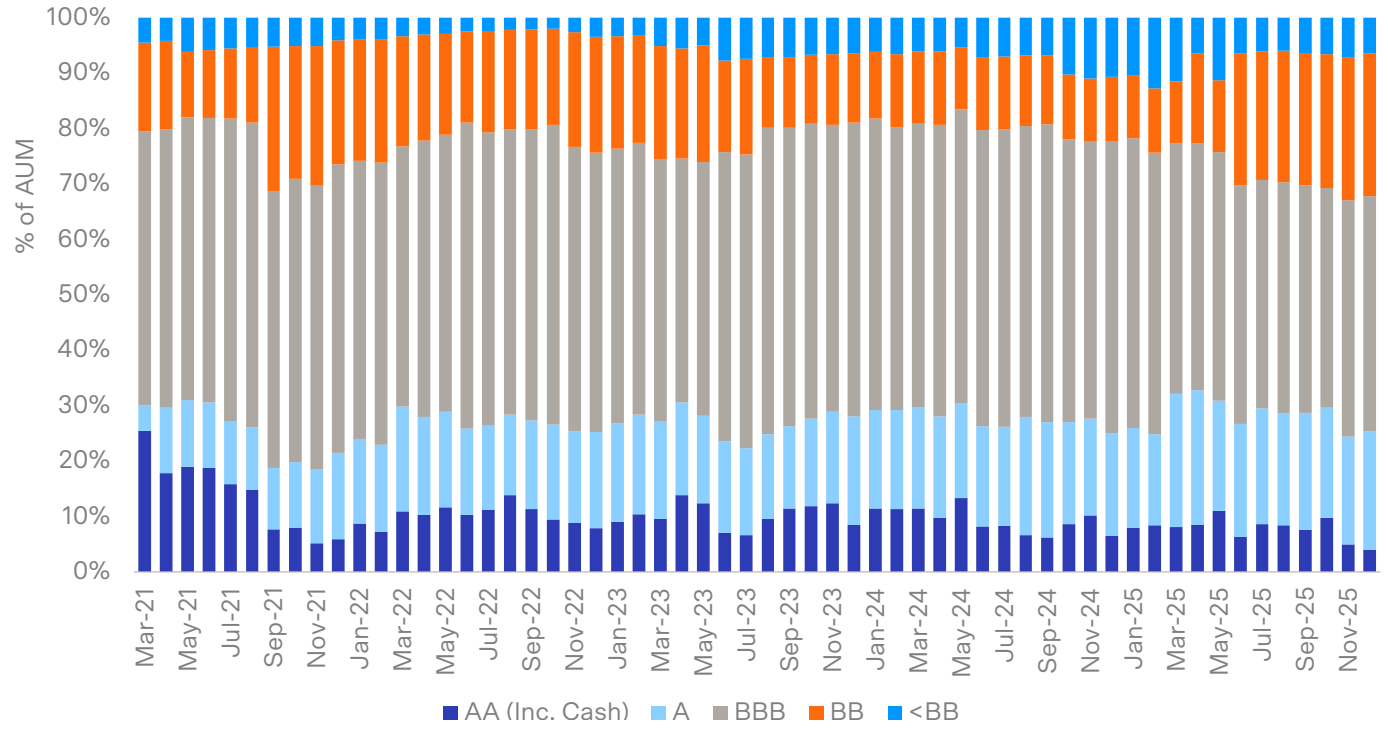
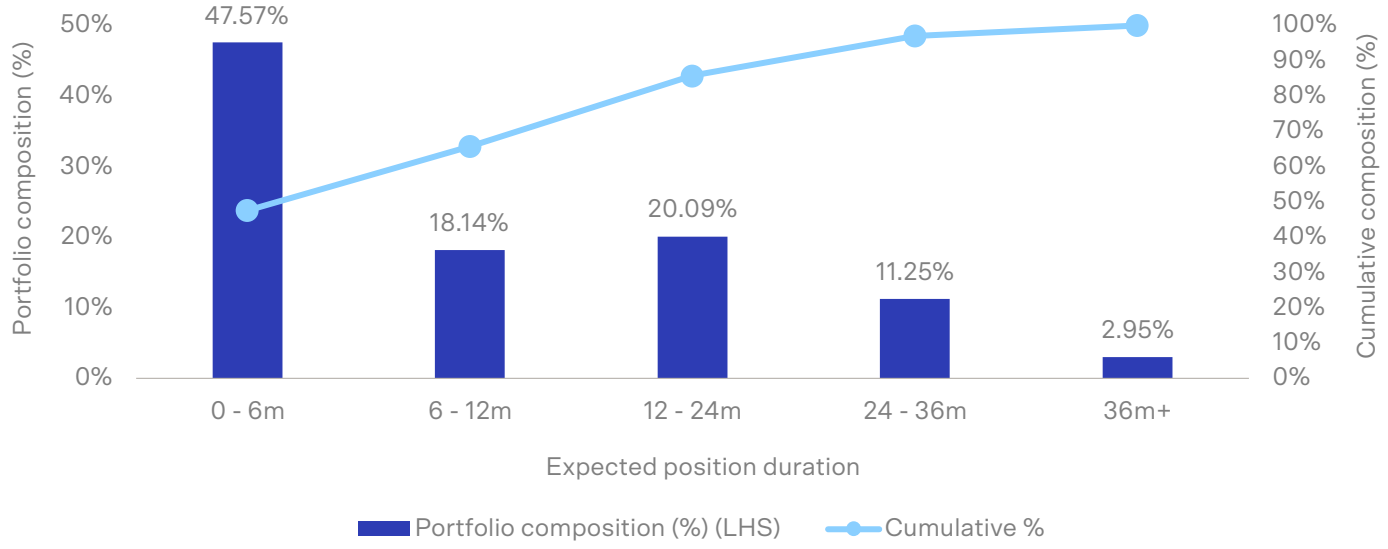



**Figure 22: Master Trust – expected liquidity and duration profile[41]**




40. As at 31 December 2025. Rated by the Manager including where not rated by public ratings agencies. The Manager's credit rating framework is derived from methodologies published by public rating agencies, applying such methodologies to the Master Trust's credit investments, as well as benchmarking the Master Trust's credit investments to comparable transactions that have a published rating by public rating agencies. Cash holdings are treated as having the same public rating as the banking institution in which cash is deposited.
41. Expected position duration represents the estimated amount of time for positions to be realised. This is based on either 1) the end of the availability date for loans in asset backed facility structures, 2) the expected time to execute a trade for tradeable credit (or 1 month, whichever is greater), or 3) the maturity date of the position, as applicable. The most relevant position duration for each position is adopted at an a Master Trust credit investment level. Data is as at 30 September 2025. Data as at 31 December 2025. Performance Indicator classifications formulated by the Manager based on its credit risk scoring matrix, specific for each investment strategy.

# 7. Risks

## 7.1 Introduction

You should be aware that an investment in the Fund involves material risks. The value of your investment may fall for a number of reasons, which means that you may receive back less than your original investment or you may not receive income over a given timeframe. The level of income distributed can also vary from month to month or no distribution may be made. Before making an investment decision, it is important to understand the risks that can affect the value of your investment.

While not exhaustive, this section identifies the risks that the Responsible Entity and Manager regard as the major risks associated with an investment in the Fund. You should read the whole of this PDS in order to fully appreciate the risks of an investment in Units before any decision is made to subscribe for Units.

Different strategies may carry different levels of risk, depending on the assets that make up the investment strategy and past performance is not a reliable indicator of future performance. The value of Units may decline significantly if the Fund's business, financial condition or operations were to be negatively impacted. In these circumstances, you could lose all or part of your investment in the Fund.

If you are considering an investment in the Fund, you are also strongly advised to consider whether the Units are a suitable investment having regard to your personal investment objectives and financial circumstances (and the risk factors set out in this Section 7). If you are in any doubt about the suitability of an investment in the Fund, you should consult with your financial adviser, stockbroker, solicitor, accountant or other professional adviser before deciding whether to apply for the Units.

## 7.2 Investment strategy risk

### Construction and management of the Portfolio

The investment strategy to be used by the Manager includes inherent risks. These include, but are not limited to, the ability of the Manager to build and maintain a Portfolio that achieves the Fund's investment objective, and which is consistent with the investment strategy and investment guidelines set out in this PDS and as permitted under the law.

While the Manager attempts to moderate these risks, there can be no assurance that the investment strategy will be managed successfully or that the Fund will meet its investment objectives. Failure to do so could negatively impact the performance of the Fund.

### Manager risk

The success and profitability of the Portfolio, and therefore the Fund, will depend in large part upon the performance of the Manager, which is dependent on the skill and expertise of the Investment Team, Portfolio Management team and Investment Committee. The Manager may not manage the Portfolio in a manner that consistently achieves the Fund's investment objective over time.

If the Manager was to lose the services of its key members or otherwise be precluded from providing its management services (for example, by virtue of the loss of their respective licenses or registration), the success and profitability of the Portfolio could be materially and adversely affected. There can be no assurances that the Investment Team, Portfolio Management team and Investment Committee will remain wholly intact or that the Manager will maintain key licences and registrations throughout the term of the Fund.

If the Manager ceases to manage the Fund or the Master Trust, the Responsible Entity will need to identify and engage an alternative, and suitably qualified and experienced investment manager. This may affect the Fund's success and performance.

See Section 12.1 for further details of the terms of the Fund IMA.

### Related investments

The Master Trust may invest in loans or portfolios of loans which rank equally, Senior or Junior to other funds operated by, or entities which are related to, MA Financial Group and may be wholly owned by MA Financial Group. It is the Manager's policy, in the event of any Default, to exercise all the enforcement rights held by a lender, where the Manager considers it value-maximising, regardless of any cross-holdings by MA Financial Group or its related entities (including any funds managed by such).

### Investment sourcing

The success of the Fund depends on the ability of the Manager to identify suitable investment opportunities. The availability of investment opportunities will be subject to market conditions and other factors outside the control of the Manager. There can be no assurance that the Manager will be able to identify sufficient investment opportunities to enable the Fund to meet its investment objective.

### Leverage risk

While the Master Trust does not intend to use leverage as a part of its investment strategy, the Master Trust does intend to borrow to manage its liquidity, including through short-term financing to enable the Master Trust

to undertake its investment activities and to meet short-term working capital requirements of the Master Trust. The Master Trust may invest in underlying investment vehicles that may use leverage to fund their investments (Underlying Funds). The principal, interest expense and other costs incurred in connection with any borrowing of the Master Trust or Underlying Funds may not be recovered by the income from and appreciation in its investments. Gains realised with borrowed funds may cause the Master Trust's returns to increase at a faster rate than would be the case without borrowings. If, however, investment results fail to cover the principal, interest and other costs of borrowings, the Master Trust's returns could also decrease faster than if there had been no borrowings. If the Master Trust or Underlying Funds use leverage to fund investments and the counterparty to a debt investment Defaults on payment, the Master Trust or the Underlying Funds will still obliged to service its interest and principal payment obligations. Their inability to do so may give rise to the Master Trust or Underlying Funds debt provider taking action under the relevant debt facility terms to recover amounts owed. The debt provider would be senior ranking to investors (including the Fund and MA Financial Group) and have a first claim over the loans (and associated assets) and cash flows of the Master Trust and the Underlying Funds in a winding-up scenario.

### Currency risk

Where the Master Trust invests in global assets, which would expose the Master Trust to foreign currency exposure (by converting Australian dollars to the relevant foreign currency), the following currency risks apply to the Master Trust (and therefore the Fund):

- there is potential for adverse movements in exchange rates to reduce their Australian dollar value and, therefore, the value of the Portfolio. The Manager may seek to mitigate currency risk by hedging foreign currency exposures to the Australian dollar, including by using derivatives. There can be no assurance that such currency hedging will be effective or available.
- in hedging the Master Trust's foreign currency exposure, the Master Trust may be required to provide collateral (including cash or other assets) to counterparties under such derivative arrangements. There is a risk that such collateral may be subject to market movements, operational delays, disputes or enforcement actions. If the Master Trust is required to post additional collateral due to adverse market movements or margin calls, it may need to liquidate assets at short notice and potentially at less favourable prices, which may adversely affect returns. In the event of a counterparty default or dispute, there is also a risk that posted collateral may be delayed in being returned or may not be recovered in full.

### Limited performance history of the Fund and the Master Trust

The Fund was established on 12 November 2018 and the Master Trust was established on 4 January 2019, therefore limiting the performance history of the investment strategy. In addition, historic performance of both the Fund and the Master Trust cannot be relied on as a guide to future performance of the Fund or the Master Trust.

### Insufficiency of Class B Co-Investment

Whilst the Class B Co-Investment is designed to provide protection (through the Income Priority and Capital Buffer and Priority as described in this PDS) to the Fund with respect to its investment in Class B of the Master Trust, there can be no assurance that the Class B Co-Investment will be sufficient to absorb all losses attributable to Class A of the Master Trust and therefore insulate the Fund's investment in Class A Units in the Master Trust from any such losses.

Unitholders should note that MA Financial Group is not required to contribute additional capital to replenish any losses suffered by the Class B Co-Investment.

### Concentration risk

A substantial concentration of the Fund's capital is invested in platforms owned by two MA Financial Group proprietary related parties, that originate and service investments held by the Master Trust. There is a risk that such concentration in related platforms creates may give rise to potential conflicts of interest which may not be managed effectively and therefore may impact the portion of the Fund's capital invested in the related party platforms. Such a risk can also create a contagion risk to the Fund if the related party platforms are impacted by an act or omission in the operation of those platform.

Further, there is also a risk that the Portfolio may be too concentrated to specific credit segments, resulting in the Fund's exposure to the Master Trust not being as diversified as contemplated. Accordingly, the Fund may not offer Unitholders the appropriate level of diversification required to mitigate investment concentration risk to specific credit investments.

### Master Trust Liquidity

Whilst the Fund invests solely in Class A Units of the Master Trust, the Master Trust is a multi-class trust and other funds and investment vehicles may also have exposure to the Master Trust through other classes of units. Those other investors may have different liquidity requirements, including investments made via products with a defined repayment or maturity date (such as listed notes), which may result in increased or concentrated redemption requests or other liquidity demands on the

Master Trust at certain times. In order to meet these liquidity requirements, the Master Trust may need to hold higher levels of cash or other liquidity, transition towards more liquid and/or shorter-dated exposures, and/or realise investments earlier than would otherwise be the case (potentially at less favourable prices), which may reduce overall returns.

The Fund will invest substantially all of its assets into Class A of the Master Trust, which will be private debt investments, some of which are considered to be illiquid investments. Because the Fund's investment mandate is largely fulfilled by holding units in Class A of the Master Trust, its liquidity depends on its ability to withdraw from the Master Trust. This may adversely affect the Master Trust's ability to satisfy redemption requests (including redemptions of Class A Units by the Fund) and, as a result, the Responsible Entity may delay, suspend or stagger redemptions of Units in the Fund (and distributions may also be reduced or delayed).

## 7.3 Portfolio and asset class risks

### Credit risk

Credit risk is the risk that one or more assets in the Portfolio may decline in price or fail to pay interest or principal when due because the credit counterparty or borrower experiences a decline in its financial status. Losses may occur because the value of the asset is affected by the creditworthiness of the borrower or by general economic and specific industry conditions.

While all debt instruments are subject to credit risk, to the extent the Portfolio is invested in subordinated, sub-investment grade or unrated debt (which exposure may be significant for the Portfolio), it will be exposed to a greater degree of credit risk than a portfolio invested purely in investment grade debt. The prices of lower grade or unrated debt instruments are more sensitive to negative developments, such as a decline in the borrower's cash earnings or a general economic downturn, than are the prices of higher-grade debt instruments. Debt instruments of sub-investment grade and unrated debt instruments are higher risk with respect to the counterparty's capacity to pay interest and repay principal when due and therefore involve a greater risk of Default.

While investments in the Portfolio may have security over certain assets to reduce the impact of credit and Default risk, this security in addition to third-party guarantees may not be considered to fully mitigate the risk of credit loss.

The Responsible Entity will publish the performance indicator of each asset held within the Portfolio on an anonymised basis, including commentary on positions that are in Workout, Default or more than 90 days in arrears which will be made available to Unitholders on the Fund's webpage at https://MAFinancial.com/invest/private-credit/ma-priority-income-fund.

### Impaired Assets risk

As at the date of this PDS, the portfolio of credit investments to which the Fund is indirectly exposed does not contain any impaired assets. An asset will generally be considered impaired where, in the Responsible Entity's reasonable assessment, there is objective evidence that the contractual cash flows of the asset are unlikely to be received in full
when due.

If impaired assets exist at a future date, the Responsible Entity will provide disclosure regarding the nature and extent of those impairments through the Fund's monthly and quarterly investor reporting and, where required by law, through continuous disclosure notices. Where impaired assets exist at the date of issue of a future PDS, appropriate disclosure will be included in that PDS. The Responsible Entity will publish the portion of impaired assets in the Portfolio, including commentary on key aspects, which will be made available to Unitholders on the Fund's webpage at MAFinancial.com/invest/private-credit/ma-priority-income-fund.

### Interest rate risk

Interest rate risk is the risk that the investment value or future returns of an asset may be adversely impacted by changes in interest rates. The Portfolio may comprise both fixed rate and floating rate instruments, both which have their own interest rate risks. For fixed rate investments, interest rate risk relates to the risk of a change in value of a private debt instrument due to a change in interest rates. For floating rate investments, the amount of income generated can rise or fall with movements in the relevant base rate. This may impact the relative attractiveness of these investments relative to other assets.

The Manager may seek to mitigate interest rate risk by using derivatives. There can be no assurance that such interest rate hedging will be effective or available.

### Recovery risk

To the extent that the Fund is exposed to Unsecured Loans, it will be exposed to a greater risk of loss in a Default scenario than a Secured Loan. Unsecured Loans generally carry a higher risk of loss than Secured Loans due to their lower priority in an insolvency and lack of collateral support.

### Credit margin risk

Credit margin risk is the risk of a change in the value of a debt investment due to a change in credit margins.

Longer term assets are generally more impacted by credit margin risk than short term assets. As credit margins increase, the Security value may decrease and as credit margins decrease, the Security value may increase.

### Liquidity risk

Liquidity risk arises when there is a shortage of buyers and sellers in the marketplace and refers to the ability to realise full market value for the sale of investments. The Portfolio will include private debt investments, some of which are considered to be illiquid investments. Prices realised on any sale of illiquid investments may be less than the prices that were used in calculating the NAV per Unit of the Fund.

### Real estate financing risk

Real estate financing risk is the risk that the value of real estate financing loans (also known as "construction loans") are negatively impacted by construction related issues, including delays, builder default, increased costs and pre-sale defaults. These may result in delays on the repayment of a construction loan, potentially delaying or compromising the ability of a lender to recover the full loan amount.

While both the Fund and the Master Trust do not directly engage in real estate financing, the asset backed Loan Warehouses that the Master Trust invests in may have exposure to construction and real estate finance loans. The Manager of the Master Trust mitigates such indirect exposure to real estate financing risk by:

- applying a maximum limit to positions it can hold in the Master Trust with construction and real estate finance exposure; and
- assessing and approving the processes of the issuer of the underlying construction loans in relation to their credit underwriting processes and management of construction risk, prior to deploying any capital of the Master Trust into asset backed Loan Warehouses that have such exposure.

### Asset backed securities risks

The value of ABS and RMBS can be affected by a number of factors, including:

(i) changes in the market's perception of the underlying assets backing the Security;

(ii) economic and political factors such as interest rates and levels of unemployment which can impact on the arrears, foreclosures and losses incurred with respect to the pool of assets backing the Security;

(iii) changes in the market's perception of the adequacy of credit support built into the Security's structure to protect against losses caused by arrears and foreclosures;

(iv) changes in the perceived creditworthiness of the originator, of the underlying Security or any other third parties to the transaction; and

(v) the speed at which loans within the pool are repaid by the underlying borrowers (whether voluntary or due to arrears or foreclosures).

The investment characteristics of ABS and RMBS differ from traditional debt securities. Among the major differences are the interest and principal payments are made more frequently, often monthly, and the principal may be repaid at any time because the underlying loans are often capable of being prepaid at any time.

### Utilisation risk

The Portfolio may include investments in drawn and undrawn loans. Undrawn loans include revolving loans and facilities where the borrower can draw down and repay the facility over time, subject to an overall facility limit. For these investments, returns will vary depending on the level of utilisation of the revolving loan facility by the borrower. In addition, the Master Trust may need to hold higher levels of cash or other liquidity to allow for undrawn capacity on its revolving loan investments, which may reduce overall Portfolio returns.

### Risk associated with the acquisition of assets from MA Financial Group

The Master Trust may, but is not obliged to, invest in securitisation warehouses, or acquire certain assets from MA Financial Group. Whilst such assets will be acquired on arm's length terms at face value (being the amount of the outstanding principal plus any accrued or capitalised interest and fees) and will be performing loans as at the time of acquisition, there can be no assurance that the terms of acquisition will be favourable to the Master Trust or such assets will continue to be performing until disposal by the Master Trust. Investors should note that the Master Trust may suffer losses if any such asset becomes non-performing or its fair value falls below the acquisition price.

### Class risk

Class A of the Master Trust has been established as a separate class of units to other classes of units in the Master Trust. As the assets are held on trust for all investors in the Master Trust, there is a risk that investors of Class A units, may be exposed to liabilities of another class of units.

## 7.4 Risks of a trust

### Redemption risk

The Responsible Entity may accept or reject requests to withdraw from the Fund in its absolute discretion. It is expected that under normal market conditions, Withdrawal Requests to redeem Units, when accepted by the Responsible Entity will be processed monthly (with a 30-day notice period) and paid within 365 days of acceptance of the Withdrawal Request. Factors affecting whether redemption requests can be accepted include the ability of the Responsible Entity to redeem the units it holds in the Master Trust, the level of redemption requests received by the Trustee and prevailing market conditions. If the Fund is not liquid as determined by the Corporations Act, the Responsible Entity cannot accept redemptions other than pursuant to a withdrawal offer regulated under the Corporations Act.

There may be times at which an Investor's ability to redeem from the Fund is restricted. The Responsible Entity may suspend redemptions in certain circumstances and redemptions may also be staggered over a period of time.

Additionally, as the Fund will invest substantially all of its assets into Class A of the Master Trust, which will be private debt investments, some of which are considered to be illiquid investments. Because the Fund's investment mandate is largely fulfilled by holding units in Class A of the Master Trust, its liquidity depends on its ability to withdraw from the Master Trust. The illiquid nature of some of the assets of the Master Trust may ultimately limit the ability of the Fund to redeem its holdings in the Master Trust (and by extension, limit the Responsible Entity's ability to satisfy investors' redemption requests).

### Distribution risk

The Fund's ability to pay a distribution is contingent on the income it receives from its investments (primarily, the Master Trust). No guarantee can be given concerning the future earnings or capital appreciation of the Fund, the Master Trust or the Portfolio. The Manager may make poor investment decisions which may result in the Fund's returns being inadequate to pay distributions to Unitholders.

### Valuation risks

Whilst an independent third-party has been appointed by the Manager to provide ongoing validation of carrying values for the credit investments, the Fund and the Master Trust will rely on the Manager for valuation of their assets and liabilities. Certain securities and assets held in the Master Trust may not have readily assessable market values. In such instances, the Manager will determine the fair value of such securities and assets in their reasonable judgement based on various factors and may rely on internal pricing models. Such valuations may vary from similar valuations performed by independent third parties for similar types of securities or assets. Due to a wide variety of market factors and the nature of certain securities to be held in the Master Trust, there can be no assurance that the value determined by the Manager will represent the value realised on the eventual realisation or disposition of an investment or the fair market value of the investment.

Due to the reliance by the Responsible Entity of the Fund and the Trustee of the Master Trust on an internally administered valuation and methodology process for credit investments held by the Master Trust, there is a risk to Unitholders that the Master Trust assets (and therefore, the Fund's assets) are not valued on an arm's length basis. As a result, the following key valuation risks apply to Unitholders:

- the actual value of the Master Trust's credit investments may not be reflective of the price that may be obtained from the potential sale of its credit investments. This is particularly true in periods of economic volatility or where there is limited relevant data against which the valuation of the Master Trust's credit investments can be benchmarked. In these cases, there is a risk that the relevant credit investment is therefore overvalued or undervalued and may be worth less or more than expected when it matures or is sold. In particular, this means that the actual value of a credit investment in the Master Trust may be less than the price at which it has been valued by the Trustee, which would result in a negative impact to the NAV of the Master Trust and the Fund and, therefore, to the value of a Unitholders investment in the Fund; and
- the Fund, through its investment in the Master Trust, will be exposed to illiquid credit investments for which valuation is inherently subjective as there is not a typically established market against which to compare valuations. Whilst an independent third-party has been appointed by the Manager of the Master Trust to provide ongoing validation of carrying values for the credit investments, both the valuation (conducted by the Manager) and validation process (conducted by an independent provider) is inherently subjective, not reflective of market value and based on assumptions that may be inaccurate.

The Fund's valuation policy can be obtained free of charge by contacting the Responsible Entity.

### Operational risk

There is a risk that inadequacies with systems and procedures or the people operating them could lead to a problem with the Fund's or the Master Trust's or the Manager's operation and result in a decrease in the value of Units or otherwise disadvantage to the Fund.

Operational risks include, but are not limited to, portfolio investment and liquidity models and assumptions, systems and procedures implemented include, but are not limited to, those that identify and manage conflicts of interest.

The Fund and the Master Trust rely on a number of external service providers to facilitate the offering of Units in the Fund, including (but not limited to) a custodian, administrator, registry provider, auditor and other professional advisers. There is a risk that these service providers may fail to perform their obligations properly or in a timely manner, including due to insolvency, systems failures or operational errors. Any disruption, replacement or failure of these service providers may adversely impact the operation, valuation, reporting or liquidity of the Master Trust and the Fund and may result in losses or delays affecting Unitholders.

### Cyber risk

There is a risk of fraud, data loss, business disruption or damage to the information of the Fund or to Unitholders' personal information as a result of a threat or failure to protect such information or data.

## 7.5 Conflicts of interest and related party risks

### Related party/conflict of interest risk

The Fund's structure assumes a number of ongoing related party arrangements within MA Financial Group. As a result of the range of activities undertaken by MA Financial Group and its related entities, actual or potential conflicts of interest may arise in relation to investment selection, allocation of opportunities, pricing, valuation, servicing arrangements, fee structures and other commercial matters.

Although the Responsible Entity and the Manager have implemented policies and procedures to identify and manage conflicts of interest, there is no assurance that all conflicts will be resolved in a manner that is favourable to the Fund. Conflicts may result in decisions being made that differ from those that might otherwise have been made in the absence of such relationships and may adversely affect the performance of the Fund and returns to Unitholders.

Please refer to Sections 6.4 and 12.13 for further information on related party transactions.

### Potential conflicts of interest of the Responsible Entity, the Trustee, the Manager and their affiliates

The Responsible Entity, the Trustee, the Manager and third-party service providers of the Fund may, in the course of their business, have potential conflicts of interest which may not be managed effectively and may be detrimental to the Fund and its Unitholders. The Manager, the Responsible Entity, the Trustee and their affiliates are part of MA Financial Group. MA Financial Group's businesses include asset management, lending and technology, corporate advisory and equities businesses. MA Financial Group may in the future acquire interests in other businesses.

As a result of the range of MA Financial Group's activities, the Manager and its affiliates, personnel and associates may have multiple advisory, transactional, financial and other interests and relationships that conflict with the interests of the Fund and the Master Trust. They manage a range of investment funds and vehicles which may compete with the Fund and the Master Trust for investment opportunities. These funds and vehicles may also take actions which are contrary to the interests of the Fund and the Master Trust – in particular, when the securities respectively held do not align in interests.

MA Financial Group may also provide other services to the Fund, the Master Trust and to portfolio companies of the Master Trust. These service providers may receive fees, commissions and other payments for these activities. MA Financial Group also makes substantial investments for its own account, which may have an adverse impact on the Fund and the Master Trust, for example by reducing the amount of an investment opportunity that is allocated to the Master Trust.

The Manager, the Trustee, the Responsible Entity and their affiliates have implemented policies and procedures to seek to identify and manage or avoid conflicts in a fair and equitable manner as described in Section 12.13. There can be no guarantee that any such conflicts will be resolved in a manner that will not have an adverse effect on the Fund and the Master Trust.

### Asset class regulation risk

The Fund and its direct and indirect investments are subject to a range of regulatory controls imposed by government (federal and state) and regulatory authorities (for example, ASIC).

There is a risk that the private credit asset class becomes subject to additional regulation that impacts the ability of the Manager to effectively invest and manage the underlying assets of the Fund, affecting the investment outcomes for Unitholders. Such a risk may result in the private credit asset class no longer being considered an attractive asset class from a risk and return perspective, resulting in Units of the Fund being redeemed by Unitholders of the Fund.

The Fund is also subject to the DDO Regime. The DDO Regime imposes additional obligations on the Responsible Entity regarding the design and distribution of certain financial products offered to retail investors, including

the Units, and the related PIP Regime grants product intervention powers to ASIC if it believes significant consumer detriment may occur. The DDO Regime is supplemented by the *Corporations Amendment (Design and Distribution Obligations) Regulations 2019* (Cth).

The PIP Regime gives ASIC a significant, proactive power to issue a product intervention order if it believes that a financial product has resulted in or will, or is likely to, result in significant detriment to retail investors. It is uncertain whether ASIC would perceive there to be any significant consumer detriment in relation to the Units. The PIP Regime requires ASIC to undertake a consultation process before it makes a product intervention order. The impact of the DDO Regime and the PIP Regime remain uncertain, however, there is a risk that they may adversely impact the issue, distribution and reinvestment of financial products in the future, including the Units.

## 7.6 General risks

### General investment risk

The value of an investment in the Units and the Fund's investment in the Master Trust may fall for a number of reasons, including the risks set out in this PDS, which means that Unitholders may receive less than their original investment when they redeem their Units or may not otherwise achieve the targeted yield or overall return from their investment.

### Market and Economic Risk

The investment returns of the Fund and the Portfolio to which it is exposed may be subject to general economic conditions (including interest rates, unemployment, inflation and economic growth), market conditions and government policy risks. In addition, certain events may negatively impact the prices of investments held in the Portfolio. These may include (but are not limited to) changes in legal, tax, social, technology or political conditions, laws as well as general market sentiment. There is also a risk of industry specific shocks relevant to underlying loan assets and general market disruptions.

### Legal and regulatory risk

The Fund's and the Master Trust's investments are subject to a range of regulatory controls imposed by government (federal and state) and regulatory authorities (for example, ASIC). The relevant regulatory regimes are complex and are subject to change over time depending on changes in the laws and the policies of the governments and regulatory authorities.

The Fund and the Master Trust are exposed to the risk of changes to the applicable laws and/ or the interpretation of existing laws or the risks associated with non-compliance with these laws (including reporting or other legal obligations), all of which may have a negative effect on the Fund, its indirect investments and/or returns to Unitholders. In addition, differences between rules in domestic and foreign markets, including those relating to taxation, accounting, investments, may adversely impact your investment.

All regulatory approvals for the continued operation of the Fund and the Master Trust, including licences and exemptions from licencing for the Manager, have been obtained and the Responsible Entity and Manager are not aware of any circumstances which might give rise to the cancellation or suspension of any of those approvals. If any of the approvals are cancelled or suspended, the Fund and the Master Trust may be adversely affected.

### Accounting policy risk

Changes to accounting policies may influence the approach in determining the fair value of investments held by the Master Trust and the Fund and may have a detrimental impact on the fair value of investments.

### Taxation laws and policies

Tax laws are in a continual state of change and reform which may affect the Fund's and the Master Trust's performance and/or returns achieved by Unitholders.

There may be tax implications for Unitholders arising from investing in Units, the receipt of distributions and returns of capital from the Fund, and on any disposal of Units. Taxation consequences of any investment in the Fund will depend on the Unitholder's circumstances and it is the responsibility of the Unitholder to make their own enquiries and obtain advice from an accountant or other professional tax adviser concerning the taxation consequences of an investment in the Fund. The Responsible Entity, the Manager and the Fund are not responsible for either taxation or penalties incurred by Unitholders.

### Litigation risk

From time to time, the Responsible Entity may be involved in litigation. This litigation may include, however is not limited to, documentation enforceability and contractual claims. If a claim is pursued against the Responsible Entity, the litigation may adversely impact on the profits and financial performance of the Fund. Any claim, whether successful or not, may adversely impact on the Fund's Unit price and/or the return on your investment.

### Counterparty risk

Counterparty risk is the risk that a counterparty, such as a bank, clearing house, securities broker or custodian, will not be able to meet its obligations under a contract.

The investment strategy and the Manager rely on the successful performance of contracts with external parties, including securities brokers and service providers. There is a risk that these counterparties may not meet their responsibilities, including as a result of insolvency, financial distress or liquidation of the counterparty, which may expose the Master Trust to the risk of loss. In the case of a Default, the Master Trust could also become subject to adverse market movements while replacement transactions are executed. The ability of the Master Trust to transact business with one or more counterparties, the lack of any independent evaluation of such counterparties' financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Master Trust.

A special purpose vehicle (SPV) is an off-balance sheet subsidiary created by a parent company to isolate financial risk. SPVs have a legal status separate to its parent company, which makes its obligations separate and distinct from that of the parent company. It is anticipated the majority of investments of the Master Trust are directly in bankruptcy remote SPVs for the purpose of protecting Unitholders from the impact of potential bankruptcies and Defaults.

### Pandemic Risk

Global pandemics such as COVID-19, can result in disruptions to the operation and valuation of the assets of the Fund and the Master Trust to which it is exposed. Therefore, unforeseen disruptions to cash flows and asset valuations may arise in such instances.

## 7.7 Timeframe for investments

Investors are advised to regard any investment in the Fund as a medium to long term proposition and to be aware that fluctuations in the value of their investment may occur.

In addition, the above list of risk factors should not be taken as exhaustive of the risks faced by the Fund and/or the Master Trust or by investors in the Fund. The above factors, and others not specifically referred to above, may in the future materially affect the performance of the Fund and the value of the Units. Therefore, there is no guarantee with respect to the payment of distributions, return of capital or the market value of the Units.

# 8. Corporate Governance

## Conflicts of interest and related party

MA Financial Group has robust governance, conflict and related party management protocols in place. The firm has designed its credit investment processes to identify and effectively manage the risks of actual or perceived conflicts in the execution of its fiduciary duties as a manager of client capital. Examples include (but are not limited to):

- different investment committees across MA Financial Group's diversified private credit, real estate credit and other asset management investment areas;
- oversight from the MA Financial Group investment committee, distinct from fund level investment committees;
- distinguishing between investment and origination professionals and portfolio and fund management professionals to ensure clear focus on investor interests;
- protocols and practices for segregation of decision making where a conflict could, or could be perceived, to arise;
- empowered legal and compliance functions with segregated reporting lines to senior management that is distinct from asset management professionals;
- MA Financial Group managed funds not directly lending to MA Financial Group, or any of its subsidiaries, in a personal capacity; and
- third-party reviews of MA Financial Group's practices. These reviews are undertaken biennially with the last having been undertaken in June 2024.

Consistent with the Corporations Act principles and market best practice, any transactions involving related parties must be on arm's length commercial terms. MA Financial Group's private credit platform and fund suite have a number of frameworks supporting independent governance, due diligence and fund research reviews.

## Managing conflicts of interest

The Manager has limited appetite for conflict risk associated with allocation of investments. The Manager has adopted an allocation policy which describes the processes undertaken that are intended to ensure that funds are treated fairly and equitably in allocations on transaction and limits circumstances where funds are placed in conflict with each other (i.e. where one fund managed by a member of MA Financial Group controls a borrower where another fund managed by a member of MA Financial Group is the lender). In managing the Portfolio, the Manager does not accept fees from borrowers. These are passed on to the Master Trust which distributes through to the Fund.

Investments may be exposed to different types of credit investments, such as Senior Debt, Mezzanine Debt and equity in respect of the same borrower. This can create a conflict of interest where there is a Default by the borrower and there is insufficient money to repay all of the debt. Both the Manager and MA Financial Group have policies and procedures in place to effectively manage any potential conflicts of interest and ensure investors are treated fairly and their best interests maintained at all times. In seeking to manage these potential conflicts, MA Financial Group follows industry standard best practice procedures, including:

- **The Investment Committee:** the Investment Committee is responsible for all investment decisions, oversight, monitoring and control of assets held by the Master Trust, with a structure including external or non-executive members to ensure investments are thoroughly vetted and evaluated to maximise returns, while identifying and controlling investment and portfolio risks. The purpose of having non-executive members without day-to-day roles within the Global Credit Solutions platform is to provide a control, especially in situations where decisions involve multiple funds or related MA Financial Group Entities or have varying impacts on different fund investors.
- **Segregated decision making:** alternate decision makers will act on behalf of different MA Financial credit funds in the event of a conflict, providing a balanced perspective on the investment at each respective fund level from a broader portfolio perspective.
- **Allocation procedures:** MA Financial Group has established allocation procedures in a guidance document for the Master Trust in the event an opportunity is considered suitable for multiple funds, subject to: (i) available capital; (ii) portfolio concentration / diversification considerations; and (iii) risk management considerations.
- **Third-party validation and credit ratings review:** the Manager has engaged an independent third-party for ongoing validation of carrying values and investment ratings applied by the Investment Team for investments held by the Master Trust, helping to ensure the carrying values applied to credit investments reflect the Manager's valuation processes. Where an external investment rating has not been applied, the Manager will prominently disclose this and the proportion of internal and external investment ratings on a periodic basis to Unitholders in monthly reporting.
- **Separate teams and information barriers:** separate deal teams are established in the event of a conflict, focused on achieving the best risk-adjusted return for respective fund investors on an arm's length basis for all matters involving potential conflicts. Key investment

information and analysis (i.e. in relation to borrower, sponsor, property, etc.) is shared only where no conflict of interest could arise. All related party transactions and arrangements involving the Portfolio must be approved by unanimous vote by the Investment Committee.

- **Separate legal documentation:** where appropriate, separate external legal counsel is engaged and operates on an arm's length basis for each fund. In general, legal documents for credit investments are highly structured, with Senior Debt repaid first, then Mezzanine Debt (if any and with an inter-creditor agreement) and with equity ranking last.
- **Standardised approach to shortfall:** MA Financial Group takes a highly structured and standardised approach in the event of a potential impairment to principal to prevent any potential conflicts, with: (i) third-party valuation of impaired assets; (ii) a broader target to achieve at least this valuation in a Workout scenario; (iii) ensuring recoveries are distributed in accordance with the established payment priorities; and (iv) ensuring more Senior Debt is repaid in priority to Junior ranked Debt.

## Equitable asset valuation and pricing

MA Financial Group maintains a Valuation Policy with the objective of ensuring that the valuations of all assets and liabilities within portfolios of MA Financial Group are appropriately and accurately determined, taking into account relevant accounting standards, industry standards and other applicable requirements. The Valuation Policy considers timing, valuation sources, valuation type and the process for determining the valuation for all non-third-party priced securities. The Manager has also established a Valuations Committee which comprises majority representatives who are separate to the Investment Team and provides a line for escalation on valuation issues. The Valuations Committee meets throughout the year, not less than semi-annual basis, or more frequently as circumstances dictate. The Valuations Committee will review findings prepared by appointed independent valuation providers, review expected credit loss provisioning and testing of impairment assumptions. Decisions and outcomes from the Valuations Committee relevant to the Portfolio will be documented with exceptions tabled to the Board.

## Credit risk oversight and management

The Manager has a carefully designed team structure whereby the Investment Team and Portfolio Management team are distinct from each other and have clear segregation of duties. The Investment Team is primarily responsible for originating, conducting due diligence, negotiating and structuring investments, and the Portfolio Management team is primarily responsible for Portfolio construction, Portfolio Management and treasury / liquidity management. While there are distinct teams, the Manager's culture is that risk management is everyone's responsibility. In particular, the identification and management of credit risk is the responsibility of both the investment and Portfolio Management teams and is embedded throughout the Manager's processes. For example, credit risks are identified and mitigants considered during the multi-stage investment process described in this PDS. The investment process, characterised by a preliminary tear sheet submission, Investment Committee paper, Portfolio Manager sanction and red team process, enable each of the Investment Team, Portfolio Management team and Investment Committee to be involved in the identification of credit risks and assessment of mitigants. On an ongoing basis for active portfolio investments, credit risks are considered in weekly credit meetings, monthly portfolio reviews, and during the quarterly stress testing analysis. Key to the monitoring of credit risks are the Manager's proprietary risk grading, investment performance monitoring, investment watchlists and portfolio management exercises.

## Investment Committee oversight

Complementing the credit risk function is the Investment Committee which is responsible for implementation of the investment strategy and approval of new and other material investments and divestments. See Section 4.4 for more information on the Investment Committee.

## Risk Management and Compliance

The Manager's approach to risk and compliance is underpinned by MA Financial Group's established and prudentially sound risk management framework and MA Financial Group's broader strategic objectives. The intended objective of the Manager's compliance framework is to uphold and deliver upon the organisation's commitment to maintaining a culture of integrity and compliance. It aims to ensure that the Manager's overall strategy and the way it conducts its business accords with its obligations to meet relevant laws, regulatory requirements, industry codes and standards, as well as community and client expectations regarding governance, ethics and conduct.

## MA Financial Group Code of Conduct

MA Financial Group Code of Conduct outlines expected ethical and professional behaviour for all employees, contractors and representatives. It emphasises integrity, respect and responsibility in all business practices. The Code of Conduct covers areas like ethical conduct, fraud prevention and creating a safe and inclusive workplace.

# 9. Fees and other costs

**DID YOU KNOW?**

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from $100,000 to $80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower fees. Ask the Fund or your financial adviser.

**TO FIND OUT MORE**

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC) MoneySmart** website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

## 9.1 Fees and costs summary

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the Fund as a whole.

Tax details are set out in the 'Taxation' section (Section 11) of this PDS.

You should read all the information about fees and costs, because it is important to understand their impact on your investment.

### MA Priority Income Fund

| Type of cost* | Amount | How and when paid |
|---|---|---|
| **Ongoing annual fees and costs**** | | |
| **Management fees and costs**<br>The fees and costs of managing your investment[42] | Estimated to be 0.54% p.a. of the NAV of the Fund, comprised of:<br>1. A management fee of 0.00% p.a. of the NAV of the Fund***.<br>2. Estimated indirect costs of 0.50% p.a. of the NAV of the Fund.<br>3. Estimated expense recoveries of 0.04% p.a. of the NAV of the Fund. | 1. As at the date of this PDS a management fee is not charged directly to the Fund.<br>2. Indirect costs are generally deducted from the assets of the Fund or the Master Trust as and when incurred. Indirect costs include the Master Trust management fee that is attributable to Class A Units of 0.50% p.a. of the NAV of Class A units of the Master Trust, which is calculated and accrued daily and generally paid monthly in arrears out of the assets of the Master Trust within 20 Business Days after the end of the month.<br>3. Expense recoveries are generally deducted from the assets of the Fund as and when incurred. |

42. The transaction costs disclosed in this fees and costs summary are shown net of any recovery received by the Fund from the buy/sell spread charged to transacting unitholders. Please refer to the 'Additional explanation of fees and costs' in this PDS for further details

# 9. Fees and other costs (continued)

| Type of cost* | Amount | How and when paid |
|---|---|---|
| **Performance fees**<br>Amounts deducted from your investment in relation to the performance of the product | Nil | Not applicable |
| **Transaction costs**<br>The costs incurred by the scheme when buying or selling assets | Estimated to be 0.00% p.a. of the NAV of the Fund. | Transaction costs generally arise when the value of the assets of the Fund are affected by the day-to-day trading of the Fund, and are deducted from the assets of the Fund as and when incurred. |
| **Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)**** | | |
| **Establishment fees**<br>The fee to open your investment | Nil | Not applicable |
| **Contribution fee**[43]<br>The fee on each amount contributed to your investment | Nil | Not applicable |
| **Buy/sell spread**<br>An amount deducted from your investment representing costs incurred in transactions by the scheme | Nil[44] | Not applicable |
| **Withdrawal fee**[41]<br>The fee on each amount you take out of your investment | Nil | Not applicable |
| **Exit fee**[41]<br>The fee to close your investment | Nil | Not applicable |
| **Switching fee**<br>The fee for changing investment options | Nil | Not applicable |

* Unless otherwise stated, all fees and costs are quoted inclusive of GST and any applicable stamp duty, and net of any input tax credits (ITCs) or reduced input tax credits ('RITCs') that are expected to be available to the Fund, and are shown without any other adjustment in relation to any tax deduction available to the Responsible Entity.

** All estimates of fees and costs in this section are based on the relevant costs incurred to date and those expected to be incurred during the financial year ending 30 June 2026. All fees reflect our reasonable estimates of the typical fees for the current financial year. All costs reflect the actual amount incurred for the previous financial year and may include our reasonable estimates where information was not available as at the date of this PDS, or where we were unable to determine the exact amount. For the Master Trust, which is an established vehicle, management fees and costs have been based on the actual costs incurred in the previous financial year. Please refer to the "Additional explanation of fees and costs" section below for more information on fees and costs that may be payable.

*** For certain wholesale clients (as defined in the Corporations Act), the Responsible Entity may, at its discretion and in accordance with ASIC Policy and the Corporations Act, negotiate, rebate or waive all or part of the Responsible Entity's management fee. Please refer to the 'Additional explanation of fees and costs' in this PDS for further details.

43. This fee includes an amount payable to an adviser. Please refer to the 'Additional explanation of fees and costs' in this PDS for further details.

44. As at the date of this PDS, the buy/sell spread is 0% on applications and 0% on withdrawals. In estimating the buy/sell spread, the Responsible Entity has assumed that the applications or withdrawals are made during normal market conditions, as in times of stressed or dislocated market conditions (which are not possible for the Responsible Entity to predict) the buy/sell spread may increase significantly and it is not possible to reasonably estimate the buy/sell spread that may be applied in such situations. Please refer to the 'Additional explanation of fees and costs' in this PDS for further details.

# 9. Fees and other costs (continued)

## 9.2 Example of annual fees and costs for the Fund

This table gives an example of how the ongoing annual fees and costs for the MA Priority Income Fund can affect your investment over a 1-year period. You should use this table to compare this product with other products offered by managed investment schemes.

| Example – MA Priority Income Fund (Managed Fund) | Balance of $50,000 with a contribution of $5,000 during the year | |
|---|---|---|
| **Contribution fees** | Nil | For every additional $5,000 you put in, you will be charged $0 |
| **PLUS** Management fees and costs[45] comprising: | 0.54% p.a. of the NAV of the Fund | |
| Management fee[46] to the Responsible Entity | 0.00% p.a. of the NAV of the Fund | |
| Indirect costs | 0.50% p.a. of the NAV of the Fund | **And,** for every $50,000 you have in the Fund you will be charged or have deducted from your investments $270.00 each year. |
| Expense recoveries | 0.04% p.a. of the NAV of the Fund | |
| **PLUS** Performance fees | $0 | **And**, you will be charged or have deducted from your investments $0 in performance fees each year. |
| **PLUS** Transaction costs[47] | 0.00% p.a. of the NAV of the Fund | **And**, you will be charged or have deducted from your investments $0 in transaction costs. |
| **EQUALS** Cost of Managed Fund | | If you had an investment of $50,000 at the beginning of the year and you put in an additional $5,000 during that year, you would be charged fees and costs in the range of: $270.00.[48,49,50]<br>**What it costs you will depend on the fees you negotiate.** |

45. Please refer to footnote ** in the Fees and costs summary above.
46. Please refer to footnote *** in the Fees and costs summary above.
47. Please refer to footnote ** in the Fees and costs summary above.
48. Please refer to footnote *** in the Fees and costs summary above.
49. Additional fees may apply. In limited circumstances, where a Unitholder directly applies for units in or a redemption of units from the Fund, a buy/sell spread may apply which is not taken into account in this example. Please refer to the 'Additional explanation of fees and costs' in this PDS for further details.
50. This amount excludes fees for any additional contributions that may be made during the year. Please note that the minimum initial investment for the Fund is $10,000, and the minimum additional investment is $1,000. We have assumed that the $5,000 contribution is made at the end of the year and that the value of the investment is a constant. This example is therefore calculated using the $50,000 balance only. Please note that this is just an example. In practice, actual investment balances are unlikely to vary while the Capital Buffer remains positive, and the actual fees and costs charged are based on the value of the Fund.

# 9. Fees and other costs (continued)

## 9.3 Additional explanation of fees and costs

The investment returns of the Fund will be affected by the fees and expenses incurred. The formula below broadly outlines the fees and costs associated with your investment in the Fund. Further information on these fees and costs are calculated is set out below in this section.

Total fees and costs = management fees and costs (comprised of the management fee, indirect costs and expense recoveries (if incurred)) + transaction costs + buy/sell spread (if applicable).

All estimates of fees in this PDS are based on information as at the date of this PDS. All costs reflect the actual amount incurred for the previous financial year, including the Responsible Entity's reasonable estimates where the Responsible Entity was unable to determine the exact amount or information was not available at the date of the relevant PDS.

As at the date of this PDS, Unitholders in the Fund will not bear any establishment costs, performance fees, contribution fees, withdrawal fees, exit fees or switching fees.

### Management fees and costs

Management fees and costs include the amounts payable for administering the Fund, amounts paid for investing in the assets of the Fund and other expenses and reimbursements in relation to the Fund and investments. The management fees and costs of the Fund are comprised of a management fee (where charged), indirect costs and any recoverable expenses (if incurred).

### Management fee (includes ordinary expenses)

Although entitled to do so under the Fund's constitution, as at the date of this PDS a management fee is not charged by the Responsible Entity to the Fund.

When charged the Responsible Entity may rebate all or part of its management fees to 'wholesale clients' as defined in the Corporations Act on an individually negotiated basis. For further information, on negotiated fees, see the 'Differential Fees' section below.

Wholesale clients seeking to negotiate alternate fee arrangements can contact the Responsible Entity at the address specified in the 'Corporate Directory' section (Section 14) of this PDS.

Should the Responsible Entity seek to charge a management fee in the future, the Responsible Entity will provide you with at least 30 days' advance notice.

The Fund's estimated and/or historical management fees may not be an accurate indicator of the actual management fees you may pay in the future. Details of any future changes to management fees will be provided on the Responsible Entity's website where they are not otherwise required to be disclosed to Unitholders under law.

### Indirect costs

Indirect costs include any amount that we know or reasonably ought to know, or where this is not the case, may reasonably estimate has reduced or will reduce (as applicable), whether directly or indirectly, the return of the Fund, or the amount or value of the income of, or property attributable to the Fund, or an interposed vehicle (including the Master Trust) in which the Fund invests. Indirect costs include (where applicable), the trustee fees, security trustee fees, manager fees, service fees and administration fees of the interposed vehicles (being the Master Trust) in which the Fund invests.

Other indirect costs can also include costs incurred where the Responsible Entity engages in trading activity in certain types of publicly traded securities.

The management fees and costs figure disclosed in the fees and costs summary of this PDS includes the estimated indirect costs of the Fund of 0.50% p.a., including the Responsible Entity's reasonable estimates where the Responsible Entity was unable to determine the exact amount or information was unavailable at the date of this PDS. The indirect cost figure comprises the management fee charged by the Manager of the Master Trust, which is equal to 0.50% per annum of the NAV of Class A of the Master Trust, accrued daily and payable monthly in arrears (Master Trust Management Fee). This is an indirect cost to the Fund.

These indirect costs are deducted from the assets of the Fund or the Master Trust as and when incurred and reflected in the unit price of the Fund.

The indirect costs may vary from year to year, including to the extent that they rely on estimates.

### Expense recoveries

#### Normal expense recoveries

The Responsible Entity is entitled to separately recover expenses (such as valuation fees, fund accounting, unit registry, custody, audit costs, postage and preparation of tax returns etc) from the assets of the Fund.

Provided that the expenses are properly incurred, there is no limit on the amount of these expenses that may be recovered by the Responsible Entity from the assets of the Fund.

# 9. Fees and other costs (continued)

The management fees and costs figure disclosed in the fees and costs summary of this PDS includes the estimated expense recoveries of the Fund of 0.04% p.a. of the NAV of the Fund. This is based on the actual costs incurred during the financial year ending 30 June 2026 and may include the Responsible Entity's reasonable estimates where the Responsible Entity was unable to determine the exact amount or information was unavailable at the date of this PDS.

### Abnormal expense recoveries

The Responsible Entity may also recover abnormal expenses (such as costs of unitholder meetings, changes to constitutions, and defending or pursuing legal proceedings) from the Fund from time to time.

Abnormal expenses are not generally incurred during the day-to-day operation of the Fund and are not necessarily incurred in any given year. In circumstances where such events do occur, we may decide not to recover these from the Fund. Abnormal costs may vary from year to year including to the extent that they rely on estimates. This amount is not an indication or guarantee of the amount that may be charged in the future.

Abnormal or extraordinary expenses are expected to occur infrequently and may include (without limitation):

- convening of an investors' meeting;
- amending the Constitution; and
- defending or bringing of litigation proceedings.

The management fees and costs figure disclosed in the fees and costs summary in this PDS includes the estimated abnormal expense recoveries of the Fund of 0.00% of the NAV of the Fund, which is the amount actually incurred by the Fund for the previous financial year, including the Responsible Entity's reasonable estimates where the Responsible Entity was unable to determine the exact amount or information was unavailable at the date of the PDS.

### Transaction Costs

Transaction costs are the costs incurred when assets are bought or sold by the Fund and include brokerage, buy/sell spreads, settlement costs (including custody costs), clearing costs and stamp duty. Transaction costs also include costs incurred by an interposed vehicle (such as the Master Trust) that would be transaction costs if they had been incurred by the Fund and certain costs in relation to derivative financial products.

Generally, the Fund will not directly incur any transaction costs as there are no transaction costs associated with buying and selling of Class A Units in the Master Trust. However, as the Master Trust may incur transaction costs when buying and selling its underlying investments, the Fund will indirectly incur transaction costs that are attributable to Class A Units in the Master Trust. The estimated indirect transaction costs of the Fund are 0.00%.

Transaction costs are reflected in the Fund's Unit price. As these costs are factored into the value of the Fund's assets and reflected in the Unit price, they are an additional cost to you and are not a fee paid to the Responsible Entity. The impact of transaction costs can be offset in part by the buy/sell spread charged by the Responsible Entity to transacting members. These costs can arise as a result of bid-offer spreads being applied by trading counterparties to securities traded by the Master Trust.

Where Unitholders apply for or redeem units in the Fund from the Responsible Entity, the Fund may charge a buy/sell spread on the application or redemption amount (please refer to the section headed "Buy/sell spread" below). The estimated transaction costs disclosed in the fees and costs summary in this PDS are shown net of any amount expected to be recovered by the buy/sell spread charged by the Responsible Entity, and reflects the amount actually incurred by the Fund for the previous financial year, including the Responsible Entity's reasonable estimates where the Responsible Entity was unable to determine the exact amount or information was unavailable at the date of this PDS.

The total transaction costs incurred by the Fund for the last financial year were 0.00% p.a. of the NAV of the Fund. The buy/sell spread recovery for the last financial year was 0% p.a. of the NAV of the Fund. As such, the net transaction costs of the Fund (representing the total transaction costs minus the amount recovered through the buy/sell spread) incurred for the last financial year were 0% p.a. of the NAV of the Fund. The dollar value of these costs over a 1 year period based on an average account balance of $50,000 is $0.

The Fund's estimated and/or historical transaction costs may not be an accurate indicator of the actual transaction costs you may incur in the future. Details of any future changes to transaction costs will be provided by the Responsible Entity and accessible via the Fund's webpage, free of charge, at MAFinancial.com/invest/private-credit/ma-priority-income-fund where they are not otherwise required to be disclosed to Unitholders under law.

### Loan Origination Fees

The Master Trust (including the Class B Unitholders) will generally be the recipient of all Loan Origination Fees paid by borrowers on settlement of new loan facilities or when a loan is varied or extended. The loan origination fee is paid by the borrower to the Master Trust as compensation for the work in originating, negotiating, structuring, analysing and documenting the loan facility.

# 9. Fees and other costs (continued)

From time to time, the Trustee or Manager of the Master Trust may decide (at their discretion) to keep or share the loan origination fee for a specific loan with one or more MA Financial Group Entities and/or third parties. Where a loan origination fee is kept or shared, the Manager will disclose retained or shared loan origination fees in the periodic reporting provided to Unitholders. For completeness, during the previous financial year, total loan origination fees that were not retained by the Master Trust was equal to 0% of the NAV of the Master Trust.

### Net Interest Margin and Class B Co-Investment

One or more MA Financial Group Entities hold Class B Units in the Master Trust. Class B Units are Subordinated to the Fund's investment in Class A Units and may earn a return from the Master Trust's net interest margin (NIM) only after Unitholders have received the full Target Return (in all prior periods) and the Capital Buffer requirements have been satisfied.

Class B Unitholders derive an investment return from the Master Trust, representing the residual distributions of the Master Trust following Class A Units receiving full priority return (current and historical periods) and the Capital Buffer equal to 10% of the Class A capital amount being maintained. As at 31 December 2025, the Class B Unitholder return is 2% p.a. of Master Trust AUM for the period 2025H2[51] (annualised).

The Manager does not retain net interest margin from discrete loans in the Portfolio.

For further information on the Priority Return features of Class A Units of the Master Trust, see Section 5.5.

### Buy/Sell spread

A buy/sell spread is an amount deducted from the value of a unitholder's application money or redemption proceeds that represents the estimated costs incurred in transactions by the Fund as a result of the application or redemption.

Applicants and redeeming investors or Unitholders in the Fund will not be charged a 'buy spread' or a 'sell spread'.

### Differential fees

The Responsible Entity may charge, rebate or waive all or part of the management fee to 'wholesale clients' as defined in the Corporations Act on an individually negotiated basis, subject to the Corporations Act and any relevant ASIC policies. In addition, different or additional fees may be applied in respect of investments in the Fund by wholesale clients. The Responsible Entity can be contacted at the address specified in the 'Corporate Directory' section of this PDS for further details.

### Financial advisers

Additional fees may be paid by you to a financial adviser if you have consulted a financial adviser. You should refer to the Statement of Advice provided by your financial adviser in which details of the fees are set out.

### Adviser Service Fee

The Manager does not pay any commission to financial advisers in respect of the issue of Units in the Fund. The Responsible Entity may permit Investors to direct the Responsible Entity to pay an amount on their behalf to their adviser. This amount will be deducted from your applications money and will accordingly reduce the amount of your capital invested in the Fund and corresponding number of Units issued to you. Please contact the Responsible Entity to verify if such payments can be paid to your adviser.

From time to time, the Manager or its affiliates may pay commissions to certain intermediaries (who are not financial advisers) in respect of investments in the Fund by wholesale clients.

### Changing the fees

The Responsible Entity may change the amount of any fees in this PDS (including increase fees up to the maximum set out in the Constitution) without your consent on 30 days' advance notice to you, when legally required to do so.

In accordance with the Constitution and subject to law, The Responsible Entity may vary the amount of abnormal expense recoveries and the buy/sell spread at any time without your consent or advance notice, subject to Corporations Act and ASIC policy.

The Responsible Entity may introduce and increase fees at its discretion, including where increased charges are due to government changes to legislation, increased costs, significant changes to economic conditions and/or the imposition of increased processing charges by third parties.

However, the Responsible Entity cannot charge more than the maximum fees permitted under the Constitution as set out below (otherwise we would need unitholders' approval to increase the fee maximums in the Constitution). All estimates of fees and costs and costs in this section are based on information available as at the date of this PDS. You should refer to the webpage from time to time for any updates which are not materially adverse to investors.

51. Class B return represents the residual distributions (net of expected credit losses provision recognised under AASB9) paid to Class B Unitholders subject to (a) Class A have received full priority return (current and historical periods) and (b) Capital Buffer equal to 10% of the Class A capital amount being maintained.

# 9. Fees and other costs (continued)

### Tax

Information about tax is set out in 'Taxation' section (Section 11) of this PDS.

## Maximum fees

### Management fees

Under the Constitution the maximum management fee for the Fund is 2% (excluding GST) per annum of NAV. The Responsible Entity has waived its entitlement to this fee.

The current management fee for the Master Trust is 0.50% p.a. calculated on the NAV of the Master Trust (inclusive of GST and less any RITC entitlement).

### Establishment fee

The Fund has a maximum establishment fee of 3% (excluding GST) of the application money for Units. No establishment fee is currently charged.

### Additional Fund Administration Services fee

Under the Constitution, the Responsible Entity is entitled to a remuneration fee for time spent by it and Responsible Entity personnel in providing additional fund administration services, as defined in the Constitution.

### Additional disclosure of fees and costs of the Master Trust

The table set out below is to assist investors with understanding the fees and costs of the Master Trust, including upfront fees retained by the Manager and the net interest margin generated by the Manager from underlying credit investments. The fees and costs set out in the table below reflect the actual fees and costs incurred by the Master Trust for the previous financial year, and the Class B Unitholder return set out below is for the period 2025H2. Past performance is not a reliable indicator of future performance and may not be repeated.

| Fee disclosures | Strategy % AUM | Cost % Strategy AUM | Amount (% AUM, p.a.) |
|---|---|---|---|
| **Type of cost** | | | |
| Management fees | | | 0.50% |
| Performance fees | | | - |
| **Total Fees and Costs** | | | 0.50% |
| **Upfront fees retained by Manager by strategy** | | | |
| Asset Backed Lending | 82% | | |
| Direct Corporate Lending | 18% | | |
| **Net interest margin generated by Manager from Underlying Credit investments by strategy** | | | |
| Asset Backed Lending | 82% | | |
| Direct Corporate Lending | 18% | | |
| **Other fees** | | | |
| Other fees earned by Manager (e.g. Workout fees) | | | |
| **Total additional fees and costs** | | | |
| **Class B return (residual distributions net of ECL) – 2025H2[52]** | | | **2.00%** |

52. Class B return represents the residual distributions (net of expected credit losses provision recognised under AASB9) paid to Class B Unitholders subject to (a) Class A have received full priority return (current and historical periods) and (b) Capital Buffer equal to 10% of the Class A capital amount being maintained. (Rounded to two decimal places).

# 10. Applications and withdrawals

## 10.1 Applications into the Fund

The minimum initial investment amount is $10,000. The Responsible Entity can vary or waive the minimum investment amount at any time. The minimum investment amount does not apply if investing through an Investor Directed Portfolio Service (IDPS) or master trust. Please refer to Section 12.12 for more information. You should check with the operator of the IDPS or master trust to verify what minimum limits apply for investing in the Fund through that IDPS or master trust.

If accepted, valid applications will be processed on the date the Unit Registry receives both a completed Online Application or Application Form for the Fund by email or mail and your application money in cleared funds. If accepted, valid applications for Units received by the Unit Registry before 2pm on any Business Day will be processed at the application price, and Units will be issued on the first Business Day of the following month (Application Dealing Day).

Applications received by the Unit Registry after 2pm on a Business Day, or on a day that is not a Business Day, will typically be treated as having been received prior to 2pm on the following Business Day.

Once you have made your initial investment in the Fund, you can make additional investments by completing an Online Application or by sending a completed Application Form, by email, fax or mail, to the Unit Registry. The minimum additional investment amount is $1,000.

You can make a regular investment in the Fund through a Regular Investment Plan via the Application Portal or by sending a completed Direct Debit Request Form to nominate the amount you will regularly invest and your direct debit details. The minimum amount for regular investment is $1,000 per month. Your Direct Debit Request Form must be received by the Unit Registry 5 Business Days before the start of your Regular Investment Plan. Changes can be made to your regular investments, provided you give us 5 business days to action your request. Your Regular Investment Plan will automatically cease if two consecutive payments are dishonoured.

The PDS and Application Portal are available on the Fund webpage, free of charge, at MAFinancial.com/invest/private-credit/ma-priority-income-fund. Should you require a pdf copy of the Application Form, please contact Client Services.

You should also read the Target Market Determination for Units in the Fund located at MAFinancial.com/invest/private-credit/ma-priority-income-fund before submitting an application for Units in the Fund.

## 10.2 Identification and verification requirements

The *Anti-Money Laundering and Counter Terrorism Financing Act 2006* (Cth) (AML/CTF Act) requires the collection and verification of information from investors and where relevant, from beneficial owners.

As well as completing the Application Form or Application Portal, you may also be required to provide identification. The actual documentation required will depend on what type of investor you are (for example, individual, sole trader, superannuation fund, trust or Australian company). The required identification documents are outlined in the Application Form or Application Portal.

Under relevant laws, we may be required to ask you for additional identity verification documents and/or information about you or anyone acting on your behalf, either when we are processing your investment request or at some stage after we have issued units in the Fund. We may pass any information we collect and hold about you or your investment to relevant government authorities.

If we do not receive all the required valid customer identity verification documents with your Application Form or via the Application Portal, or we are unable to verify your identity at any time, we may not be able to commence your investment or may not process any future redemption requests until we receive the required document(s). We will contact you as soon as possible if we require more information. More information regarding our obligations under the AML/CTF Act are provided in Section 12.16 of this PDS.

The Application Form and Online Application includes details of the identification documentation that we are required by law to collect from you before we can issue units in the Fund to you.

## 10.3 Restrictions on applications

Application Forms for an investment may be mailed as originals, emailed as scanned copies or completed via the Online Application portal.

## 10.4 Incomplete or rejected Application Forms

Under the Constitution we can accept or reject investments into the Fund at any time and are not required to give any reason or grounds for such a refusal. To address money laundering and terrorism financing risks, verification of each unitholder's identity, and where relevant, beneficial owner's identity is a prerequisite for all new unitholders. If we do not receive all valid documents with your relevant Application Form or Online Application or we are unable to verify your identity at any time, we

may not be able to commence your investment or may not process any future redemption requests until we receive the required documents.

If your Application Form or Online Application is not completed to our satisfaction or accepted by us and we are not able to proceed with your request, we may:

- attempt to contact you; and/or
- hold your application monies in a non-interest bearing trust account until we receive the required information.

Monies will be held for a maximum period of one month commencing on the day we receive the monies. After this period your funds will be returned to the source of payment as soon as is reasonably practicable. If your Application Form or Online Application is subsequently completed to our satisfaction and accepted by us prior to the expiration of the one-month period, before 2pm on any Business Day will be processed at the application price, and Units will be issued on, the first Business Day of the following month. Applications received by the Unit Registry after 2pm on a Business Day, or on a day that is not a Business Day, will typically be treated as having been received prior to 2pm on the following Business Day.

## 10.5 Issue price

The issue price of Units will be calculated as at the relevant Application Dealing Day as follows:

$$\frac{\textit{(Net Asset Value + Transaction Costs)}}{\textit{(Number of Units on issue)}}$$

## 10.6 Direct investors

### Read PDS

Before completing the Application Form or Online Application please ensure you have read this PDS and the Target Market Determination.

### Initial investment

Complete all relevant sections of the Online Application available on the Fund's webpage at MAFinancial.com/invest/private-credit/ma-priority-income-fund. Should you require a pdf copy of the Application Form, please contact Client Services.

### Additional investment

If you are applying for additional units in the Fund, please complete all relevant sections of the Online Application or Application Form, available on the Fund's webpage at MAFinancial.com/invest/private-credit/ma-priority-income-fund. Should you require a pdf copy of the Application Form, please contact Client Services.

If you require assistance completing an Application Form, you can contact Client Services via the contact details specified in the 'Corporate Directory' section (Section 14) of this PDS.

We accept the following payment options:

1. **By electronic funds transfer.** The details to transfer funds by electronic funds are available in the Application Form or Application Portal.
2. **By BPAY®.**

   To make a BPAY payment you will need an Australian bank account. You can make your payment using telephone or internet banking. You will need to quote the Fund's biller code and your unique Customer Reference Number (CRN) when making a BPAY payment.

   The BPAY Biller Code is available in the Application Form and Application Portal. To obtain a CRN, please contact the Unit Registry or complete the Online Application.

   Investments made by BPAY will be processed once we receive your funds. Please note that, although your BPAY transaction is processed from your financial institution account immediately, your funds may take some time to be transferred to us from your financial institution. Typically, if your BPAY request is made before your financial institution's cut-off time (usually 5:00 pm Sydney time), we will receive your funds the following Business Day.

   BPAY® is registered to BPAY Pty Ltd ABN 69 079 137 518.
3. **By direct debit.** Direct debit payments can only be made from an Australian bank account. Do not select Direct Debit, if you are submitting your application less than 7 business days before the last day of the month. As payments can take a minimum of 3 business days to clear, please take the application cut-off into consideration, as this may result in you missing the application cut-off date and you may receive fund units at a later date. Direct Debit is only available for initial investments less than $500,000. If your investment is greater than $500,000, please use BPay, cheque or EFT. To use this option you will need to complete the Application Portal or Direct Debit Request Form, provide the details of the bank account from which to deduct your investment amount and acknowledge that you have read and understood the terms of the Direct Debit Request Service Agreement set out in the Direct Debit Request Form.
4. By cheque. Please make your cheque payable to "MAAM RE Ltd ATF MA Priority Income Fund" and crossed "Not negotiable".

## 10.7 Indirect investors

If you are an indirect investor investing via an IDPS you must complete documentation which your IDPS operator requires.

## 10.8 Your cooling-off rights

If you are a retail investor (as defined in the Corporations Act), who invests directly in the Fund, you are entitled to a 14 day cooling-off period during which you may change your mind about your investment. During that time, you may exercise your cooling-off rights by requesting your money be returned. This cooling-off period commences on the earlier of either the date you receive confirmation of your investment or the end of five Business Days after the day on which your Units are issued. The realised market value of the Units will be refunded, less any taxes and reasonable transactional and administrative costs. This may result in you receiving back a lower amount than you originally invested. You may also have capital gain/loss tax implications if you happen to receive a higher or lower amount back than you originally invested.

If you wish to cancel your investment during the cooling-off period, you need to inform us in writing of your intention to exercise this right before the end of the cooling-off period (and before exercising any rights or powers you have in respect of your investment in the Fund).

Cooling-off rights will not apply to "wholesale clients" as defined by the Corporations Act.

Also, cooling off rights do not apply in respect of any investment acquired through an IDPS. However, indirect investors should contact their operator and read the operator's offer document for more information on any cooling-off rights that may apply in relation to the relevant IDPS.

## 10.9 Withdrawals from the Fund

Where the Fund is not liquid, withdrawals from the Fund may only be effected pursuant to a regulated withdrawal offer issued by the Responsible Entity in accordance with the Corporations Act.

Under normal market conditions, the Responsible Entity expects that the Fund will be liquid. Where the Fund is liquid, Unitholders may request to redeem all or a portion of their Units by sending a completed Withdrawal Form, by email, fax or mail, to the Unit Registry (Withdrawal Request) with a 30 day notice period, or a lesser period as determined by the Responsible Entity (Notice Period).

The minimum withdrawal amount is $1,000. If your withdrawal request results in your remaining investment in the Fund falling below $5,000, we may require you to withdraw your entire balance.

The Responsible Entity can vary or waive the minimum withdrawal or holding amount at any time.

Subject to the Corporations Act, the Responsible Entity may accept or reject Withdrawal Requests in its absolute discretion. It is expected that, under normal market conditions whilst the Fund is liquid, Withdrawal Requests, when accepted by the Responsible Entity (with 30 days' notice) will be processed on the first Business Day of each calendar month (Redemption Date) following expiry of the Notice Period. Withdrawal Requests not accepted and processed due to insufficient cash reserves, will be prioritised in the following applicable month. Where the Responsible Entity has accepted a Withdrawal Request, the Units which are the subject of a Withdrawal Request will be redeemed within 365 days of acceptance of the Withdrawal Request unless withdrawals are suspended in accordance with the Constitution.

Under the Constitution, the maximum period for redeeming Units the subject of an accepted Withdrawal Request is 545 days.

Withdrawals from the Fund may be restricted in certain circumstances. Please refer to Section 10.10.

Withdrawal proceeds will be paid directly into your nominated bank account which must be in your name. If you do not provide us with bank account details, your withdrawal proceeds may be paid by cheque. Payment of withdrawal proceeds cannot be made to a third-party.

The redemption price of Units will be calculated as at the relevant Redemption Date. The withdrawal price is calculated as follows:

$$\frac{\textit{(Net Asset Value – Transaction Costs)}}{\textit{(Number of Units on issue)}}$$

The Withdrawal Form is available by contacting Client Services.

## 10.10 Restrictions on withdrawals for the Fund

### Availability of redemptions

As the Fund will invest substantially all of its assets into Class A of the Master Trust, the availability of redemptions from the Fund is dependent on the availability of redemptions from the Master Trust. Accordingly, the illiquid nature of some of the assets of the Master Trust may ultimately limit the ability of the Fund to redeem its holdings in the Master Trust (and by extension, limit the Responsible Entity's ability to satisfy investors' redemption requests).

The Responsible Entity may determine that, in respect of a specific Redemption Date, a maximum dollar amount of the Fund's assets will be available for the satisfaction of

Withdrawal Requests. Where the number of Withdrawal Requests in respect of a Redemption Date exceeds that amount, such Withdrawal Requests will be satisfied on a priority basis based on when each Withdrawal Request was received. Any unsatisfied Withdrawal Request will be carried forward to the next Redemption Date and will be given priority above later Withdrawal Requests.

### Suspended redemptions

The Responsible Entity may, in accordance with the Constitution and the Corporations Act, at any time suspend the withdrawal of Units for a period of up to 180 days in certain circumstances, including but not limited to where:

- there have been, or the Responsible Entity anticipates that there will be, Withdrawal Requests that involve realising a significant amount of the Fund's assets and the Responsible Entity considers that if those Withdrawal Requests are all met immediately, Unitholders who continue to hold Units may bear a disproportionate burden of capital gains tax or other expenses, or the meeting of those Withdrawal Requests would otherwise be to the existing Unitholders; disadvantage including by way of a material diminution in the value of the Fund's assets or departure from the investment strategy of the Fund;
- the Responsible Entity receives, within one day, Withdrawal Requests which, in the Responsible Entity's reasonable estimation, exceeds 5% of the value of the Fund's assets;
- a withdrawal request is received during any period before or after a distribution which period the Responsible Entity determines to be necessary or desirable to facilitate the calculation and distribution of distributable income;
- the Responsible Entity believes that the Fund's assets cannot be realised at prices that would be obtained if the Fund's assets were realised in an orderly fashion over a reasonable period in a stable market;
- the Responsible Entity considers that it is not possible or it is impracticable for it to process Withdrawal Requests or make the payment (as applicable) Withdrawal Requests due to one or more circumstances outside its control that could not have been reasonably foreseen at the relevant time; or
- it is otherwise legally permitted.

### Staggered redemptions

Under certain circumstances, such as where there have been, or the Responsible Entity anticipates that there will be, Withdrawal Requests of 5% or more of the total Units, the Responsible Entity may stagger those Withdrawal Requests over the successive calendar quarter in accordance with the Constitution such that one fifth of each Withdrawal Request is processed in each calendar quarter.

## 10.11 Transferring Units

Transferring Units may have tax implications and you should consult your taxation adviser before you arrange any transfer of Units. The Responsible Entity may, in its discretion, refuse to register any transfer of Units and is not required to give any reasons. Where the Responsible Entity refuses to register a transfer, it may compulsorily redeem those Units in accordance with the Constitution. For further information about how you may transfer your Units, please contact us. There is unlikely to be a secondary market in Units.

## 10.12 Instructions by fax

The Responsible Entity does not accept any responsibility or liability for any loss caused as a result of non-receipt or illegibility of any fax notice or for any loss caused in respect of any action taken as a consequence of such fax instructions believed in good faith to have originated from properly authorised persons.

## 10.13 Unit prices

Under the Constitution, Unit prices are generally calculated each month by dividing the NAV by the number of Units on issue in the Fund. Application and withdrawal Unit prices are then calculated by applying a buy or sell spread to the NAV Unit price. The NAV of the Fund includes the assets (including income accumulated since the previous distribution) less any liabilities (including borrowings and expenses). The buy/sell spread is an estimate of the costs of buying and selling the underlying assets of the Fund. For more information on the buy/sell spread, refer to the section entitled 'Buy/sell spread' in Section 9 of this PDS. The NAV at the end of each month can be found on the monthly report, which is available on the Fund's webpage, free of charge, at MAFinancial.com/invest/private-credit/ma-priority-income-fund.

The Unit price of the Fund is expected to remain reasonably stable, due to the income and Capital Buffer enhancements provided by the Class B Co-Investment (please refer to Section 5.5). The Fund Unit price could fall in value if adverse market conditions fully eroded the protections provided by the Class B Co-Investment. All Unit prices are calculated to four (4) decimal places.

The Responsible Entity has adopted a Unit Pricing Policy that sets out policies and procedures when exercising discretions under the Constitution. For the purpose of calculating the NAV of the Fund, the Responsible Entity will rely on financial data provided by the Fund's brokers and/or independent third-party pricing services where relevant. The Responsible Entity may also use and rely

# 10. Applications and withdrawals (continued)

on industry standard financial models in pricing any of the Fund's securities or other assets. These methods are consistent with ordinary commercial practice for valuing Units in the Fund and/or will be independently verifiable.

A copy of our Unit Pricing Policy is available, free of charge, at MAFinancial.com/invest/resources/unit-price-policy.

# 11. Taxation

**WARNING: Investing in a registered managed investment scheme is likely to have tax consequences and you are strongly advised to seek professional tax advice.**

The information in this PDS summarises certain Australian taxation matters you may wish to consider before investing in the Fund on the basis that you will hold your Units on capital account and are not in the business of investing, trading in investments or investing for the purposes of profit making by sale. The information in this PDS should be used as a guide only and does not constitute professional tax advice as individual circumstances may differ. Potential Unitholders should seek their own professional advice specific to their own circumstances in respect of any taxation implications of an investment in the Fund.

This summary is based on the taxation laws as at the date of this PDS. However, taxation laws can change at any time, which may have adverse taxation consequences for Unitholders concerned. It is recommended that Unitholders seek their own professional advice, specific to their own circumstances, of the taxation implications of investing in the Fund.

The Fund should be treated as a 'flow-through' entity for Australian tax purposes, meaning that the Fund should not be subject to Australian income tax, with tax instead being borne by Unitholders. As a Unitholder, you will be assessed for tax on your share of the taxable income generated by the Fund. In normal circumstances, you should allow for some taxable income to be generated each year.

The following information regarding taxation implications is general in nature and intended as a guide only.

## 11.1 DRP Tax implications

Participating Unitholders should seek professional tax advice on the taxation implications of participating in the DRP, taking into account their specific circumstances.

Reinvested distributions are assessable for income tax purposes as if received in cash. Participating Unitholders who have not supplied their Tax File Number (TFN) or exemption details may have TFN withholding tax deducted from income distributions before being reinvested under the DRP. Participating Unitholders with an address or place of payment outside Australia may have withholding tax deducted from income distributions before being reinvested under the DRP. For capital gains tax purposes, Units issued under the DRP should be treated as a new investment with a cost base that should be equal to the amount reinvested.

## 11.2 Income tax status of the Fund

The Fund should be treated as a 'flow-through' entity for Australian tax purposes, meaning that the Fund should not be subject to Australian income tax, with tax instead being borne by Unitholders.

The Fund is a Managed Investment Trust (MIT) and will be administered as an Attribution Managed Investment Trust (AMIT).

## 11.3 Taxation of distribution to Australian tax resident Unitholders

Australian resident Unitholders are generally subject to tax on the taxable income from the Fund in the year they are 'attributed' the income under the AMIT regime. Any attribution must be worked out by the Responsible Entity on a fair and reasonable basis in accordance with the Constitution of the Fund.

Where the Fund is in a tax loss position in a particular year, the loss is retained in the Fund and is not distributable to Unitholders. The loss can be carried forward by the Fund and used to offset taxable income in future years (subject to satisfaction of certain loss integrity tests).

If the cash distribution to a Unitholder exceeds a Unitholder's allocation of the Fund's net (taxable) income, the excess (known as a 'tax deferred' distribution) will generally not be assessable to the Unitholder. Similarly, a return of capital by the Fund will not be assessable to the Unitholder.

Distributions of tax deferred or capital will generally reduce the Unitholder's capital gains tax (CGT) cost base of their Units in the Fund. Once the cost base of a Unitholder's Units has been reduced to nil any additional tax deferred or capital distributions will be assessable to a Unitholder as a capital gain.

Conversely, under the AMIT regime, if the cash distributed to a Unitholder is less than the Unitholder's allocation of the Fund's net (taxable) income, the Unitholder will be entitled to a cost base increase on their Units in the Fund. These cost base adjustments will impact upon the capital gains tax position upon the ultimate disposal of the Unitholder's Units in the Fund.

Unitholders should wait until receipt of a tax distribution statement or, an AMIT member annual statement (AMMA Statement) before completing their income tax return. The tax distribution statement or AMMA Statement will set out details of any attributed taxable income, non-assessable components and capital gains (if any) attributed to the Unitholder for the financial year.

# 11. Taxation (continued)

## 11.4 Disposal of Units – Australian tax resident Unitholders

If an Australian resident Unitholder transfers or redeems their Units, this will result in a disposal for income tax purposes.

Where a Unitholder holds their Units on capital account, a disposal of those Units may trigger a capital gain or loss and each Unitholder should calculate their capital gain or loss according to their own particular facts and circumstances.

Unitholders would derive a taxable capital gain where the capital proceeds received as a result of the disposal of their Units exceed the cost base of the relevant Unit at the time of disposal. Unitholders would incur a capital loss where the reduced cost base of the Units disposed of is greater than the capital proceeds.

Generally, the capital proceeds received by Unitholders from the disposal of Units will equal the consideration received on disposal of those Units. The Units' cost base will generally be equal to the amount paid to acquire those Units plus brokerage (if any) and any other incidental costs. The Units' cost base will also need to include relevant cost base adjustments since acquisition (such as tax deferred components or cost base increases as outlined above).

In calculating the capital gain, a discount of 50% for individuals and trusts, or 331/3% for complying Australian superannuation funds may be allowed where the Units have been held for at least 12 months. No CGT discount is available to corporate Unitholders.

Any capital losses arising from the disposal of the investment may be used to offset other capital gains the Unitholder may have derived. Net capital losses may be carried forward for offset against capital gains of subsequent years but may not be offset against ordinary income.

## 11.5 Taxation of distributions to Foreign tax resident Unitholders

The Fund is expected to earn and distribute mostly interest income. The distribution of interest income by the Fund will be subject to 10% interest withholding tax when paid to a non-resident Unitholder, unless an exemption applies. Foreign sourced interest income from investments outside Australia will not attract Australian interest withholding tax.

The Fund may also distribute income that is not in the nature of interest, which may attract a higher rate of withholding tax. Non-resident Unitholders may also be subject to tax in the country they reside, and may be entitled to a credit for some or all of the tax paid in Australia.

## 11.6 Disposal of units – Foreign tax resident Unitholders

If a foreign resident Unitholder disposes of the Unitholder's investment in the Fund, the disposal would generally be a CGT event. However, the capital gain or loss that arises in relation to the CGT event can be disregarded if the Units do not meet the definition of taxable Australian property (TAP).

In the case of the Fund, the Units are not expected to meet the definition of TAP. Consequently, any capital gain/ loss arising on a disposal by a foreign resident Unitholder should be disregarded.

## 11.7 Goods and Services Tax (GST)

The Fund is registered for GST. The acquisition and disposal of Units should not be subject to GST. The distributions paid by the Fund should not be subject to GST. GST is payable on certain ongoing expenses, but the Fund may be able to claim a reduced input tax credit, depending on the precise nature of the expenses incurred. All fees and expenses are quoted inclusive of GST net of RITCs.

## 11.8 Stamp Duty

The issue, redemption, transfer or any other arrangement involving a change in unitholding in the Fund may result in stamp duty consequences. Unitholders should seek professional taxation advice regarding any potential duty in connection with any dealing in their Units.

## 11.9 Tax File Number (TFN) and Australian Business Number (ABN)

The Fund is an investment body for income tax purposes and accordingly, in certain cases the Responsible Entity will be required to obtain a TFN or ABN from Unitholders.

It is not compulsory for a Unitholder to quote their TFN or ABN. If a Unitholder is making this investment in the course of a business or enterprise, the Unitholder may quote an ABN instead of a TFN. Failure by a Unitholder to quote an ABN or TFN or claim an exemption may cause the Responsible Entity to withhold tax at the top marginal rate, plus levies, on gross payments including distributions of income to the Unitholder. The Unitholder may be able to claim a credit in their tax return for any TFN or ABN tax withheld. Collection of TFNs is permitted under taxation and privacy legislation.

# 11. Taxation (continued)

## 11.10 Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS)

In compliance with the US income tax laws commonly referred to as FATCA and the Intergovernmental Agreement signed with the Australian Government in relation to FATCA, the Responsible Entity will be required to provide information to the ATO in relation to:

(a) Unitholders that are US citizens or residents;

(b) entities controlled by US persons; and

(c) financial institutions that do not comply with FATCA.

The Responsible Entity intends to conduct all appropriate FATCA related due diligence. Where Unitholders do not provide appropriate information, the Responsible Entity will also be required to report those accounts to the ATO.

The CRS is the single global standard for the collection, reporting and exchange of financial account information of non-residents. The CRS is similar to FATCA and accordingly the Responsible Entity will need to collect and report similar financial account information of all non-residents to the ATO. The ATO may exchange this information with the participating foreign tax authorities of those non-residents.

## 11.11 Annual Investment Income Report (AIIR)

The Responsible Entity is required to lodge annually an AIIR to the ATO containing Unitholder identity details and details of unit disposals and investment income paid or attributed to Unitholders for the relevant income year.

# 12. Additional information

## 12.1 How the Fund is governed and managed

### Manager

MA Investment Management Pty Ltd (MAIM) acts as the Manager of the Fund pursuant to an investment management agreement between the Responsible Entity and the Manager (Fund IMA).

MA Investment Management Pty Ltd acts as the Manager of the Master Trust pursuant to the investment management agreement between the Trustee and the Manager (Master Trust IMA).

The Manager is wholly-owned subsidiary of MA Financial Group.

As at the date of this PDS there has been no adverse regulatory finding against the Manager of the Master Trust or any individuals within their investment teams.

## 12.2 Service providers

The Responsible Entity has appointed a number of key services providers that are involved in the ongoing operation of the Fund and the Master Trust.

Where applicable, we have appointed the same service providers for the Fund as used by the Master Trust and have relied on the due diligence previously undertaken in respect of these service providers.

We have a policy which sets out the procedures for selecting, monitoring and reviewing the performance of third-party service providers (and in some instances for new service providers we have performed additional due diligence). The Responsible Entity conducts annual and other periodic reviews to ensure compliance with service level obligations.

The key service provider arrangements are summarised below:

### Custodian and Administrator

The Responsible Entity has appointed an independent custodian to hold the assets of the Fund.

MSC Certane (Certane CT Pty Ltd) has been appointed as an independent sub-custodian / nominee to hold the assets of the Fund on behalf of Melbourne Securities Corporation as custodian under the terms of the Custodian Agreement.

The Custodian's role is to hold the assets in its name and act on the direction of the Responsible Entity to effect cash and investment transactions.

MSC Certane and Melbourne Securities Corporation are part of the MSC Group, an established Australian, independent provider of corporate trust, custodial, fund administration and financial intermediary services for domestic and international fund managers, corporates and financial services industry participants.

Neither MSC Certane nor Melbourne Securities Corporation have any supervisory role in relation to the operation of the Fund and have no liability or responsibility to any unit holder for any act done or omission made in accordance with the Custodian Agreement.

The Responsible Entity has appointed and Alter Domus Australia Pty Limited as the administrator (Administrator) for the Fund to provide certain administration services.

Subject to the relevant agreements between the Responsible Entity and the Manager, the Responsible Entity, in its discretion, may change the Custodian and Administrator from time to time and appoint additional service providers.

MSC Certane also acts as the sub-custodian for the Master Trust.

### Unit Registry

The Responsible Entity has appointed Boardroom Pty Limited to act as the Unit Registry.

### Auditor

The Responsible Entity has appointed KPMG Limited as the independent auditor of the Fund and Compliance Plan as required by the Corporations Act.

### Legal Adviser

MinterEllison has acted as the Responsible Entity's Australian legal adviser and in that capacity has been involved in providing Australian legal advice to the Responsible Entity in relation to this PDS.

We will inform Unitholders of any changes to the key service providers to the Fund and the Master Trust during the year on an annual basis. We may provide this information more frequently where it is considered a material change to the Fund. The updated information will also be available on our Fund webpage at MAFinancial.com/invest/private-credit/ma-priority-income-fund.

## 12.3 The Constitution

The Fund is governed by the Constitution. A copy of the Constitution, which has been lodged with ASIC, is available free of charge by contacting Client Services.

The Constitution (in addition to the Corporations Act and general law) provides an operational framework for the ongoing management of the Fund. It also provides for the Responsible Entity's powers, duties and obligations in

respect of the Fund, the limits to our liability and our right to be indemnified for proper administration of the Fund.

The Constitution includes provisions dealing with:

- distributions to Unitholders;
- obligations, duties and powers of the Responsible Entity;
- duration and termination of the Fund and distribution of net proceeds on winding-up;
- reimbursement and indemnification of the Responsible Entity and others for expenses in connection with the Fund;
- procedures for convening and holding Unitholder meetings;
- fees payable to the Responsible Entity;
- issue, transfer and redemption of Units;
- retirement of the Responsible Entity;
- valuation of Fund assets; and
- amendments to the Constitution.

The key provisions of the Constitution are summarised below. The following summary does not refer to every provision of the Constitution and should be read in conjunction with the rest of this PDS. In the event of a conflict between this summary and the Constitution, the Constitution prevails. Copies of the Constitution can be obtained free of charge by contacting Client Services.

### Interests in the Fund

Subject to the power of the Responsible Entity to issue different classes of Units with different rights, obligations and restrictions, each Unit gives Unitholders an equal and undivided interest in the Fund, but does not give Unitholders an interest in any particular asset of the Fund. For the avoidance of doubt and without limiting the powers of the Responsible Entity, the Responsible Entity may in its absolute discretion allocate the issue price, the redemption price, Net Asset Values and distributions from the Fund between different classes of unit.

### Transfer of Units

A Unitholder may only transfer Units in the manner the Responsible Entity determines.

### Unitholder meetings

The Responsible Entity may at any time convene a meeting of Unitholders. Unitholders may appoint proxies to attend and vote at a meeting of Unitholders on their behalf.

### Distributions to Unitholders

Unitholders are entitled to a pro rata proportion of any distributions made by the Fund, calculated on the basis of the number of Units they hold, relative to the total number of Units on issue at the time that entitlements to distributions are calculated.

### Powers of the Responsible Entity

Subject to the Constitution, the Responsible Entity has all the powers in respect of the Fund that it is legally possible for a natural person, corporation or trustee to have.

### Termination and winding up of the Fund

The Constitution contains provisions dealing with termination and winding up of the Fund. If the Fund is terminated, the net proceeds of the Fund will be distributed pro rata to Unitholders according to their Unit holdings, provided that the Responsible Entity may retain such part of the proceeds it thinks fit to meet all the liabilities and expenses.

The Constitution also contains provisions designed to limit your liability to the amount invested in the Fund. However, you should be aware that the effectiveness of such a limitation is yet to be conclusively determined by the courts.

### Retirement of the Responsible Entity

The Constitution contains provisions dealing with the retirement and removal of the Responsible Entity. The Responsible Entity may retire by giving notice to Unitholders in the Fund with such retirement being effective on the appointment of the replacement responsible entity. The Responsible Entity must retire when directed by 50% of the total votes that may be cast by Unitholders entitled to vote on the resolution, provided that a new replacement trustee is appointed.

A copy of the Constitution, which has been lodged with ASIC, is available free of charge to Unitholders by contacting the Responsible Entity.

## 12.4 The Master Trust Deed

The Master Trust Deed contains the rules governing the operation of the Master Trust and the rights, liabilities and responsibilities of the Trustee and unitholders in the Master Trust. The Master Trust Deed includes provisions dealing with:

- unit class rights;
- distributions to unitholders in the Master Trust;
- obligations, duties and powers of the Trustee;
- duration and termination of the Master Trust and distribution of net proceeds on winding-up;
- the Priority Return and Capital Buffer arrangements applicable to the Class A Units and Class B Units of the Master Trust;

- reimbursement and indemnification of the Trustee and others for expenses in connection with the Master Trust;
- procedures for convening and holding unitholder meetings;
- fees payable to the Trustee;
- issue, transfer and redemption of units in the Master Trust;
- retirement of the Trustee;
- valuation of Master Trust assets; and
- amendments to the Master Trust Deed.

The key provisions of the Master Trust Deed are summarised below.

### Transfer of units in the Master Trust

A unitholder in the Master Trust may only transfer units in the Master Trust in the manner determined by the Trustee.

### Powers of Trustee

Subject to the Master Trust Deed, the Trustee has all the powers in respect of the Master Trust that it is legally possible for a natural person, corporation or Trustee to have.

### Redemption of units in the Master Trust

The Master Trust Deed contains provisions dealing with the redemption of units in the Master Trust. A unitholder in the Master Trust may make a request to redeem all or some of their units in the Master Trust. The Trustee has no obligation to satisfy any redemption request other than as set out in the Master Trust Deed.

The Trustee may approve or reject redemption requests for units in the Master Trust in its absolute discretion. Any redemption request in respect of units in the Master Trust is irrevocable unless consented to by the Trustee. The Master Trustee may in certain circumstances suspend the redemption of units in the Master Trust for up to 120 days, for example where total redemption requests in the Master Trust exceeds 5% of the value of Master Trust's property or where redemption requests are at a level such that if met immediately the Trustee considers that remaining Unitholders would be disproportionately burdened.

**The ability of the Fund to redeem from the Master Trust may affect the ability of Unitholders to redeem from the Fund.**

The Trustee may determine to redeem units in the Master Trust compulsorily on 3 days' notice in certain circumstances, including where:

- the Trustee believes Units are held in circumstances which might result in a violation of an applicable law or regulation, or subject the Master Trust to taxation or otherwise adversely affect the Master Trust in any material respect;
- the holder of units in the Master Trust has made a misrepresentation in acquiring such units; or
- where the Trustee determines such is in the interests of Unitholders in the Master Trust.

### Indemnity

The Trustee is indemnified out of the property of the Master Trust for any liability it, or its agents incur in relation to the proper performance by that person of their duties in relation to the Master Trust.

### Master Trust Management Fee

The Manager is entitled to be paid a management fee out of the assets of the Master Trust equal to 0.50% of the Master Trust's NAV per annum.

### Expenses

The Trustee is entitled to be reimbursed out of the assets of the Master Trust for all costs reasonably and properly incurred by the Trustee in the proper performance of its duties.

### Retirement and Removal

The Trustee may, on notice to investors in the Master Trust, retire as trustee of the Master Trust effective on the appointment of a new trustee.

The Trustee must retire when required by law or directed to do so by a special resolution of investors in the Master Trust.

### Termination and winding up of the Master Trust

Under the Master Trust Deed, the Trustee may at any time terminate the Master Trust by written notice to holders of units in the Master Trust. When such notice is given there will be no redemption of units in the Master Trust.

### Retirement of Trustee

The Master Trust Deed contains provisions dealing with the retirement and removal of the Trustee. The Trustee may retire by giving notice to unitholders in the Master Trust with such retirement being effective on the appointment of the replacement trustee. The Trustee must retire when directed by 75% of the votes cast by unitholders of the Master Trust, provided that a new replacement trustee is appointed.

## 12.5 Fund IMA

The Manager has been appointed by the Responsible Entity as the exclusive manager of the Fund pursuant to the Fund IMA. The Manager may also perform investment management services in respect of other funds and for other entities. The Responsible Entity may, under certain circumstances terminate the Fund IMA, thus terminating the Manager's appointment as investment manager of the Fund.

These circumstances include but are not limited to:

- a receiver, receiver and manager, administrator or similar person is appointed in relation to the Manager;
- the Manager's liquidation;
- where the Manager ceases to carry on business in relation to its activities as an investment manager;
- where the Manager breaches the Fund IMA in a material manner and fails to correct such within 20 Business Days of receiving notice in writing from the Responsible Entity; and
- where required by law.

The Fund IMA may also be terminated by the Manager on 3 months' written notice and at any time in particular circumstances, such as the Responsible Entity's insolvency.

### Indemnification

The Manager is entitled to be indemnified by the Responsible Entity against any amounts or direct losses or liabilities the Manager reasonably incurs arising out of or in connection with, and any costs, charges and expenses incurred in connection with, the Manager or any of its officers or agents acting under the Fund IMA or on account of any bona fide investment decision made by the Manager or its officers or agents, other than where such amounts arise out of the Manager or any of its officers', employees' or agents' gross negligence, fraud or dishonesty, or its officers, employees or agents.

The Manager must indemnify the Responsible Entity against any amounts or direct losses the Responsible Entity incurs in connection with any gross negligent, fraudulent or dishonest act or omission of the Manager, its officers, employees or agents, the Manager's breach of the Fund IMA and any act or omission of the Manager or any of its officers, employees or agents that causes the Responsible Entity to be liable to Unitholders for which the Responsible Entity has no right of indemnity from the Fund.

### Amendment

The Fund IMA may be amended by the written agreement of the Manager and the Responsible Entity.

## 12.6 Master Trust IMA

The Trustee has appointed the Manager as the investment manager of the Master Trust under the Master Trust IMA.

### Termination

The Manager may retire as manager of the Master Trust on no less than 3 months' written notice to the Trustee or as otherwise determined by the Manager and the Trustee.

The Master Trust IMA may also be terminated if the Manager ceases to be the Manager of the Fund in certain circumstances.

The Trustee may terminate the Manager as manager of the Master Trust in certain circumstances such as where required by relevant law or where the Manager as manager of the Master Trust breaches a provision of the Fund IMA and fails to correct such within 20 Business Days of the Trustee notifying the Manager of such in writing.

## 12.7 Custody agreement

The Responsible Entity has entered into a custody agreement with the Custodian under which the Custodian agrees to hold the assets of the Fund on custody for the Responsible Entity. The Custodian is not responsible for any investment decisions or the valuation of any of the Fund's assets.

## 12.8 Compliance plan and compliance committee

The Fund has a compliance plan which has been lodged with ASIC (Compliance Plan). It sets out measures that the Responsible Entity is to apply in operating the Fund to ensure compliance with the Constitution. A compliance committee has been appointed to monitor compliance by the Responsible Entity with the Constitution and Compliance Plan. A copy of the Compliance Plan is available free of charge on request by contacting the Responsible Entity.

## 12.9 How we keep you informed

As a Unitholder you will receive the following information:

### Confirmations

You will receive confirmations of all your applications and withdrawals.

### Periodic reporting

The Responsible Entity will provide periodic disclosure of certain key information on a quarterly and monthly basis.

# 12. Additional information (continued)

Reports issued in connection with the Portfolio will provide detailed statistics regarding portfolio composition, loan types, borrower exposures, diversification, credit performance, credit rating and rating type, asset security and asset level performance indicators.

The following information will be made available to all investors on at least a quarterly basis:

- the actual allocation to asset types;
- the liquidity profile of the portfolio assets as at the end of the period;
- the current total NAV of the Fund;
- where there have been changes since prior reporting, an overview of key service providers including any changes in the provider's related party status;
- return performance (current month, year-to-date and since inception);
- detailed fee breakdown including management and performance fees, upfront fees retained by the Manager, net interest margin generated by the Manager, other fees paid to the Manager and residual distributions paid to MA Financial Group Entities on the Buffer Units;
- disclosure when Fund distributions are no longer derived from the Fund Investment and paid to Unitholders from other sources;
- disclosure of the source of returns, including confirmation of whether returns are funded from cash income or payment-in-kind interest;
- percentage of the Master Trust invested in related party platforms such as MA Money and MA Specialty Finance;
- Portfolio and investment level leverage;
- expected liquidity profile of the Portfolio;
- valuation metrics; and
- impaired assets included in the Portfolio

MA Financial Group is committed to providing disclosure in a clear and understandable format to its investors. Where technical industry terms or 'jargon' is used, the Manager seeks to have clarifying definitions.

The following reporting information will be provided to all investors and will be made available at https://MAFinancial.com/invest/private-credit/ma-priority-income-fund/performance-report.pdf.

## Annual report

An annual report will be made available on the Fund's webpage, free of charge, at MAFinancial.com/invest/private-credit/ma-priority-income-fund.

## Distribution statements

A distribution statement will be provided to you following a distribution. This will contain information in respect of the amount you have received as a distribution, if any, for the Fund.

## Periodic statements

A periodic statement will be provided to you annually for the year ending 30 June. This will contain your transaction history, investment value at 30 June, investment performance and fees you have paid for the Fund. If a full withdrawal is made, an exit statement will be provided to you for the nearest quarter ending 31 March, 30 June, 30 September or 31 December.

## Tax statements

A tax statement will be provided to you annually for the year ending 30 June. This will contain information on the tax classification of assessable amounts in respect of the Fund.

## Audited financial statements

Audited financial statements of the Fund are generally issued at least annually for the year ending 30 June. They will be prepared in accordance with accounting standards applicable to general financial statements in Australia to the extent that the Fund is required to comply with those standards by the Corporations Act or under the Constitution. The audited financial statements are made available to unitholders via the Fund's webpage, free of charge, at MAFinancial.com/invest/private-credit/ma-priority-income-fund. A hard copy may be requested free of charge by contacting the Responsible Entity. Audited financial statements will not be mailed to unitholders unless specifically requested.

## Keeping us informed

Our records about you are important. When requesting a change to your records please provide the Unit Registry with the following:

(i) your Unitholder reference number;

(ii) the full name/s in which your investment is/ are held;

(iii) the change(s) you are requesting;

(iv) a daytime telephone number; and

(v) ensure the request is signed by the appropriate signatories.

Some changes may require additional documentation, such as a change of name request. If you wish to change your nominated bank account to which withdrawal payments are made, you will be required to complete the Change of Details Form.

# 12. Additional information (continued)

## 12.10 Continuous disclosure

Where the Fund is, or becomes, a "disclosing entity" (generally this will occur when the Fund has 100 Unitholders or more) the Fund will be subject to regular reporting and disclosure obligations. We will comply with our continuous disclosure obligations under the law by publishing new material information about the Fund on our webpage, free of charge, MAFinancial.com/invest/private-credit/ma-priority-income-fund, in accordance with ASIC's good practice guidance on website disclosure.

In addition, you would have the right to receive the following documents at no charge:

- the annual financial report most recently lodged with ASIC;
- any half-year financial report lodged with ASIC by the Fund after the lodgement of the annual report most recently lodged with ASIC and before the date of this PDS; and
- any continuous disclosure notices given by the Fund after the lodgement of the annual report most recently lodged with ASIC and before the date of this PDS.

Copies of documents lodged with ASIC in relation to the Fund can be obtained from, or inspected at, an ASIC office.

## 12.11 Complaints

The Responsible Entity has a formal complaints handling procedure in place. If you have any concerns or complaints you can contact our Client Services Team at clientservices@MAFinancial.com. Or by completing the online complaint form via our webpage MAFinancial.com/complaints/. We will acknowledge your complaint within two Business Days of receipt of the complaint and will address your complaint within 30 days of receipt.

All Unitholders (regardless of whether you hold Units directly or indirectly via an IDPS), are able to access the Responsible Entity's complaints procedures outlined in this section.

After receipt of the complaint, the Responsible Entity will use reasonable endeavours to deal with and resolve the complaint within a reasonable time but in any case in accordance with its duties under the Corporations Act.

If you believe that your matter has not been dealt with satisfactorily or we do not address your complaint within 30 days of receipt and an extension has not been agreed, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA) by calling 1800 931 678 or by writing to AFCA at GPO Box 3, Melbourne VIC 3001 or by emailing info@afca.org.au. AFCA provides a fair and independent financial services complaint resolution service that is free to consumers.

## 12.12 Indirect investors

Unitholders and prospective Unitholders may access the Fund indirectly. This PDS has been authorised for use by operators through an IDPS or master trust. Such indirect investors do not acquire the rights of a unitholder of the Fund. Rather, it is the operator or custodian of the IDPS or master trust that acquires those rights. Therefore, indirect investors do not receive income distributions or reports directly from the Responsible Entity, do not have the right to attend meetings of unitholders and do not have cooling off rights. Indirect investors should not complete the Application Form. The rights of indirect investors are set out in the disclosure document for the IDPS or master trust. If you are investing through an IDPS or a master trust, enquiries should generally be made directly to the IDPS operator or the trustee of the master trust. However, the Responsible Entity's complaints handling procedure is also available to indirect investors.

## 12.13 Related Party transactions and conflicts

### General

The Responsible Entity and its related entities are trustees of other funds that may have different exposures to the same underlying assets of the Master Trust e.g. another fund operated by the Responsible Entity or an MA Financial Group Entity may hold an equity interest in the borrower of a credit investment held by the Master Trust. This may result in circumstances where other MA Financial Group funds have competing interests or conflicts with the Master Trust in relation to the borrower and the underlying credit investment.

Further, the Manager may also be the investment manager in respect of other MA Financial Group funds that share an interest in the borrower or credit investment of the Master Trust, and may also have other business interests in relation to Master Trust credit investments that are not disclosed in this PDS. While the Manager has implemented policies and procedures to identify and mitigate conflicts of interest, it is possible that the Manager may, in the course of its business, have potential conflicts of interest which may not be managed effectively and may be detrimental to the Fund and its Unitholders. These conflicts could include the Manager having to decide which of its clients and funds it allocates investment opportunities to and what actions it recommends be taken in relation to certain investments that require particular action to be taken. In order to manage this conflict, the Manager has a policy of allocating opportunities between those funds and clients for which the opportunity is considered appropriate and among such clients and funds proportional to their available capital for that opportunity.

Additionally, the Investment Committee provides investment approval for new and/or specific investments before any investment decision or action is undertaken in relation to an investment of the Master Trust. This includes conducting due diligence on each investment opportunity and proposed action, associated risk analysis and the identification of all potential conflicts/related party transaction issues which may be the result of a decision made in respect of a Master Trust investment.

Except as otherwise disclosed in this PDS, there are no existing agreements or arrangements and there are no currently proposed transactions in which the Responsible Entity was, or is to be, a participant, and in which any related party of the Responsible Entity had or will have a direct or indirect material interest.

### Related party arrangements and conflicts management

As the Responsible Entity, the Trustee and the Manager are members of MA Financial Group. As part of its broader asset management, lending, advisory and technology businesses, MA Financial Group and its related bodies corporate may provide services to, invest in, or otherwise have commercial relationships with, the Fund, the Master Trust and entities in which the Master Trust invests.

The Fund may obtain exposure to investments originated, serviced, arranged or otherwise supported by related parties of MA Financial Group, including through asset backed lending platforms and securitisation warehouses. As at 31 December 2025, the Master Trust's exposure to asset backed lending opportunities originated and serviced by related party platforms of MA Financial Group represented approximately 14% of the Master Trust's assets, with the balance sourced from third-party originators and sponsors. MA Financial Group and its related entities may act in multiple capacities in respect of the Fund and the Master Trust (including as responsible entity, trustee, manager, arranger, originator, servicer or investor):

- provide administration, advisory or other services to the Fund, the Master Trust or underlying counterparties, for which they may receive fees and other remuneration;
- manage or advise other funds and accounts with similar or competing investment mandates; and
- make investments for their own account or for other clients which may compete with, or differ from, those of the Fund or the Master Trust.

The Manager has implemented policies and procedures designed to identify, manage and, where appropriate, mitigate conflicts of interest. These include documented allocation policies for investment opportunities, governance and approval processes for related party transactions, and oversight by the Responsible Entity in accordance with its statutory duties. The Responsible Entity and the Manager are subject to duties under the Corporations Act to act in the best interests of members and to give priority to members' interests where there is a conflict.

### Related party transactions in portfolio construction

As detailed in Section 6.4 of the PDS, when constructing the portfolio of the Master Trust, in addition to sourcing investments directly from third parties, the Manager will make use of the resources and lending infrastructure of the MA Financial Group by investing in or acquiring assets originated by, or warehoused by, other group entities. These arrangements comprise:

- investing in loans originated by MA Financial Group lending businesses via participation in Loan Warehouses
- investing in or acquiring loans from MA Financial Group lending businesses or other funds managed by MA Financial Group
- investing in Loan Warehouses where a MA Financial Group entity owns or controls the securitisation warehouse
- the Master Trust has invested in Loan Warehouses that acquire residential mortgage loans originated by MA Money. A MA Financial Group entity, MA Money or a fund managed by MA Financial Group also invested in these warehouses. In the future, the Master Trust may (but is not obliged to) make further investments in Loan Warehouses alongside or senior to MA Money, an entity wholly or partially owned by MA Money, a MA Financial Group entity or a fund managed by MA Financial Group. These transactions will be on arms-length terms and benchmarked against the prevailing market conditions at the relevant time
- the Master Trust has invested in a Loan Warehouse controlled by MA Specialty Finance. MA Specialty Finance originates legal disbursement funding loans into the securitisation warehouse. The Master Trust may (but is not obliged) to maintain or increase the facility limit commitment to fund future legal disbursement funding loans in the securitisation warehouse
- the Master Trust invests in a separate Loan Warehouse controlled by a MA Financial Group entity where the commercial loans are originated by third-party funder. Another MA Financial Group wholly owned subsidiary also invests in the Loan Warehouse.

## Manager loans

### Bridging loan from MA Financial Group or an entity owned and controlled by MA Financial Group to the Master Trust

A wholly owned subsidiary of MA Financial Group may provide bridging loans to the Trustee in its capacity as trustee of the Master Trust from time to time to support liquidity of the Master Trust and to facilitate swift allocation to investments. Such bridging loans will be on arm's-length terms and benchmarked against the prevailing market conditions at the relevant time.

## Fund or Master Trust investments

### Class B Units

Class B Units are held by one or more MA Financial Group Entities and as such MA Financial Group, its related entities and funds managed by MA Financial Group have co-invested in the Master Trust.

### Fund Units

A MA Financial Group related party or a MA Financial Group fund may invest in Units in the Fund.

### Conflicts of interest and approval of related party transactions

The Trustee considers that all related party arrangements are arrangements that have been entered into on an arm's length basis and for reasonable remuneration.

The Manager, Trustee and MA Financial Group offer a variety of products and services to their clients and may find themselves in a position where the interests of one part of the business could be or is in conflict with the interests of another part of the business. Examples of common related party transactions and conflict scenarios are set out below:

- where the Master Trust is lending to a borrower where MA Financial Group is also providing financial advisory services to that borrower).
- where other MA Financial Group managed investment schemes share competing interests in the same underlying assets held as Security by the Master Trust e.g. a different MA Financial Group managed investment scheme may have an equity interest in the Borrower or the Security, creating a direct conflict of interest in the management of the Debt by the Master Trust.
- as the Class B Unitholders derive an economic return from their investment in the Master Trust, the Class B Unitholders (that are related entities of the Trustee) may be incentivised by different outcomes, potentially impelling the Trustee and the Manager to act in a manner that does not reflect the best interest of all Master Trust unitholders.

As detailed in Section 4.4 of the PDS, the Investment Committee has been established to assist with governance and decision making of the Fund and the Master Trust in relation to transactions that do not involve a related party of the Trustee or the Manager.

As a matter of policy, all related party transactions (which will include all of the arrangements described in 'Related party transactions in portfolio construction' above) will require unanimous approval of the Investment Committee, except for market priced transactions, which are subject to Portfolio Manager delegated authority.

### Interests and benefits of experts and advisers

Except as disclosed below or elsewhere in this PDS, no person named in this PDS and who has performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this PDS, promoter of the Fund or financial services licensee involved in the issue of the Units under this PDS holds at the time of lodgement of this PDS with ASIC, or has held in the two years before lodgement of this PDS with ASIC, any interest in:

(a) the formation or promotion of the Fund; or

(b) property acquired or proposed to be acquired by the Fund in connection with its formation or promotion or the invitation under this PDS, and no amount (whether in cash, Units or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given, to such persons for services in connection with the formation or promotion of the Fund or the issue of units under this PDS.

## 12.14 Labour standards and environmental, social or ethical considerations

MA Financial Group's Asset Management division is a signatory of the United Nations Principles for Responsible Investment (PRI), a set of principles designed to highlight the investment implications of environmental, social and corporate governance issues in investment decision making and stewardship practices. Neither the Fund nor the Master Fund have a sustainable investment objective, nor will they be marketed as a sustainability-related product. The Fund is not designed for investors who wish to screen out particular types of companies or investments or are looking for funds that meet specific environmental, social (which includes labour standards) and governance goals.

The Responsible Entity and the Manager takes into account labour standards, environmental, social and ethical considerations when selecting, retaining or realising investments in the Fund. The Manager believes that a holistic view of environmental, social and governance (ESG) issues can provide a greater understanding of the investment's risks and opportunities that contribute to evaluating better long-term returns for investors.

Whilst the Manager incorporates ESG information or insights as part of its investment process it is not bound by these considerations. The Manager has no predetermined view on the labour standards, ethical or ESG considerations which it will apply or a fixed methodology or weightings for taking these standards and considerations into account when selecting, retaining and realising investments of the Fund, but rather the Manager examines a range of material labour standards, ethical and ESG considerations. The Manager will consider the effect of ESG issues that it becomes aware of and considers to be material, in respect of the creditworthiness of the borrower, issuer or Security asset (where relevant), and to the extent that these impact the ability of the borrower or issuer to satisfy its contractual credit obligations.

Whilst, as described above, the Manager has no fixed or predetermined views as to the ESG factors relevant to a potential investment, examples of ESG considerations that may be taken into account on a case-by-case basis are set out below:

- Environmental factors may include, and are not limited to, pollution prevention, biodiversity and natural resource management, climate change risk, energy transition and efficiency and water and waste management.
- Social factors may include, and are not limited to, human rights, indigenous rights, community impacts, modern slavery in the supply chain and responsible lending (including avoidance of predatory lending practices).
- Governance factors may include, and are not limited to, corporate accountability structures, compliance, executive remuneration and incentive plans, negligence and bribery and corruption.

The above ESG factors may be considered selectively based on the type of investment made by the Fund, and the Manager does not represent or warrant that any or all of the above ESG factors will be incorporated into its investment decision making processes.

As part of its approach to investing responsibly, the Manager also incorporates an exclusion criteria for investments of the Fund (on a look through basis). The Manager's due diligence program seeks to avoid investments where the business activity of the counterparty to the loan is directly or indirectly involved with the production of tobacco, production and distribution of controversial weapons, production and operations of pornography and operation and distribution of predatory lending (which generally involves unfair, deceptive, or fraudulent loan practices, such as excessive interest rates, hidden fees, and lending to those unable to repay). The exclusion criteria is in accordance with the Responsible Investment Policy that has been adopted by the Manager and is available upon request from our Client Services team.

Where the Manager identifies material ESG issues that it considers cannot be mitigated or appropriately managed, the Manager may avoid that investment, and for an existing investment, may take steps to divest the investment if the Manager's ESG criteria can no longer be met. However, under the relevant transactional documentation in respect of an investment, divestment may not always be possible where the only factor is an ESG issue, and in all circumstances, the divestment of an investment may be delayed. The Manager and Responsible Entity will typically only seek to divest of an asset under these circumstances to the extent they consider that such divestment is, and in a manner, in the best interests of the Fund.

## 12.15 Consents and disclaimers

Each of the parties who is named below:

(a) has not made any statement that is included in this PDS, or any statement on which a statement is made in this PDS is based, other than as specified in this section;

(b) has not authorised or caused the issue of any part of this PDS;

(c) makes no representations or warranty, express or implied, as to the fairness, accuracy or completeness of information contained in this PDS; and

(d) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any statements made in, or omissions from, this PDS, other than as specified in this section, and excludes and disclaims all liability for any damage, loss (including direct, indirect or consequential loss), cost or expense that may be incurred by a Unitholder as a result of this PDS being inaccurate or incomplete in any way or for any reason.

### Australian Legal Adviser

MinterEllison has given and, as at the time of lodgement of this PDS, has not withdrawn its consent to be named in this PDS as the legal advisers to the offer, in the form and context in which it is named.

### Auditor

KPMG has given and, as at the time of lodgement of this PDS, has not withdrawn its consent to be named in this PDS as the auditor to the Fund, in the form and context in which it is named. KPMG has had no involvement in the preparation of any part of this PDS other than being named as the Auditor. KPMG has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of this PDS.

### Administrator

Alter Domus Australia Pty Limited has given and, as at the time of lodgement of this PDS, has not withdrawn its consent to be named in this PDS as the Administrator of the Fund, in the form and context in which it is named. Alter Domus Australia Pty Limited has had no involvement in the preparation of any part of this PDS other than being named as the Administrator. Alter Domus Australia Pty Limited has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of this PDS.

### Custodian

Both MSC Certane and Melbourne Securities Corporation, respectively, have given written consent to be named in this PDS in the form and context in which they are named and have not withdrawn that consent prior to the date of this PDS. Neither MSC Certane and Melbourne Securities Corporation make, or purport to make, any statement that is included in this PDS and there is no statement in this PDS which is based on any statement by MSC Certane, Melbourne Securities Corporation (collectively or individually).

To the maximum extent permitted by law, MSC Certane and Melbourne Securities Corporation, respectively, expressly disclaim and take no responsibility for any part of this PDS other than the references to each of their names, respectively. Neither MSC Certane nor Melbourne Securities Corporation guarantee the repayment of capital or any particular rate of capital or income return.

### Unit Registry

Boardroom Pty Limited has given and, as at the time of lodgement of this PDS, has not withdrawn its consent to be named in this PDS as the Unit Registry of the Fund, in the form and context in which it is named. Boardroom has had no involvement in the preparation of any part of this PDS other than being named as the Fund's Unit Registry. Boardroom has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of this PDS.

### Manager

MAIM has given and, as at the time of lodgement of this PDS, has not withdrawn its consent to be named in this PDS as the Manager and to the inclusion in this PDS of the statements by it, or the statements based on statements made by it, concerning its business, investment strategy and philosophy, its opinions, expectations and beliefs, its financial and investment results, in the form and context in which those statements appear in this PDS.

### Trustee

The Trustee has given and, as at the time of lodgement of this PDS, has not withdrawn its consent to be named in this PDS as the Trustee and to the inclusion in this PDS of the statements by it, or the statements based on statements made by it, concerning its business, in the form and context in which those statements appear in this PDS.

### MA Financial Group

MA Financial Group has given and, as at the time of lodgement of this PDS, has not withdrawn its consent to be named in this PDS and to the inclusion in this PDS of the statements by it, or the statements based on statements made by it, concerning its business, in the form and context in which those statements appear in this PDS.

## 12.16 Anti-money laundering and counter-terrorism financing

The AML Act and other applicable anti-money laundering and counter-terrorism laws, regulations, rules and policies which apply to the Responsible Entity (AML Requirements), regulate financial services and transactions in a way that is designed to detect and prevent money laundering and terrorism financing.

The AML Act is enforced by AUSTRAC. In order to comply with the AML Requirements, the Responsible Entity is required to, amongst other things:

- verify an investor's identity and the source of their application monies before providing services to them, and to re-identify them if they consider it necessary to do so; and
- keep a record of documentation for 7 years.

The Responsible Entity and Unit Registry as its agent (collectively, the Entities) reserve the right to request such information as is necessary to verify the identity of an investor and the source of the payment. In the event of delay or failure by the investor to produce this information, the Entities, may refuse to accept an application and the application monies relating to such application or

may suspend the payment of withdrawal proceeds if necessary, to comply with AML Requirements applicable to them. Neither the Entities nor their delegates shall be liable to the investor for any loss suffered by the investor as a result of the rejection or delay of any subscription or payment of withdrawal proceeds.

The Entities have implemented a number of measures and controls to ensure they comply with their obligations under the AML Requirements, including carefully identifying and monitoring Unitholders. As a result of the implementation of these measures and controls: transactions may be delayed, blocked, frozen or refused where an Entity has reasonable grounds to believe that the transaction breaches, or causes the Responsible Entity to commit or participate in an offence under, the law or sanctions of Australia or any other country, including the AML Requirements where transactions are delayed, blocked, frozen or refused the Entities are not liable for any loss Unitholders suffer (including consequential loss) caused by reason of any action taken or not taken by them as contemplated above, or as a result of their compliance with the AML Requirements as they apply to the Fund; and the Responsible Entity or Unit Registry may from time to time require additional information from Unitholders to assist it in this process.

The Entities have certain reporting obligations under the AML Requirements and are prevented from informing you that any such reporting has taken place. Where required by law, an entity may disclose the information gathered to regulatory or law enforcement agencies, including AUSTRAC. The Entities are not liable for any loss an investor may suffer as a result of their compliance with the AML Requirements.

## 12.17 Privacy

Privacy laws apply to the handling of personal information and the Responsible Entity or Manager will collect, use and disclose your personal information in accordance with its privacy policy.

Privacy laws apply to the handling of personal information and the Responsible Entity or Manager will collect, use and disclose your personal information in accordance with its privacy policy which includes details about the following matters:

(a) the kinds of personal information the Responsible Entity or Manager collects and holds;

(b) how the Responsible Entity or Manager collects and holds personal information;

(c) the purposes for which the Responsible Entity or Manager collects, holds, uses and discloses personal information;

(d) how you may access personal information that the Responsible Entity or Manager holds about you and seek correction of such information (note that exceptions apply in some circumstances);

(e) how you may complain about a breach of the Australian Privacy Principles (APP), or a registered APP code (if any) that binds the Responsible Entity or Manager, and how the Responsible Entity or Manager will deal with such a complaint; and

(f) whether the Responsible Entity or Manager is likely to disclose personal information to overseas recipient and, if so, the countries in which such recipients are likely to be located if it is practicable for the Responsible Entity or Manager to specify those countries.

The Responsible Entity, Manager and the Unit Registry may disclose your personal information with their agents and service providers including those listed below or as otherwise authorised under the *Privacy Act 1988* (Cth):

(a) the Unit Registry for ongoing administration of the unit register;

(b) the printers and the mailing house for the purposes of preparation and distribution of holding statements and for handling of mail; and

(c) others who provide services on the Fund's behalf, some of which are located outside of Australia.

Under the *Privacy Act 1988* (Cth), you may request access to your personal information held by (or on behalf of) the Fund or the Unit Registry. You can request access to your personal information by writing to the Fund or contacting the Unit Registry at: MAclientservices@boardroomlimited.com.au.

You can obtain a copy of the Responsible Entity's and Manager's Privacy Policy free of charge online or by emailing clientservices@MAFinancial.com.

The Responsible Entity may use your personal information for direct marketing purposes. Please contact Client Services at clientservices@MAFinancial.com to request not to receive direct marketing communications from us.

If you are investing in the Fund via an IDPS, please be aware that the Responsible Entity does not collect or hold personal information in connection with an investment in the Fund.

### MSC Certane

MSC Certane and Melbourne Securities Corporation may collect your personal information for the primary purpose of providing custodial services to the Fund and for ancillary purposes detailed in the Privacy Policy.

MSC Certane and Melbourne Securities Corporation may disclose your personal information, such as, your name and contact details, along with your account information to its related bodies corporate, the trustee, manager, professional advisers, the land titles office

and/or as otherwise instructed by the manager. They are also permitted to collect and disclose your personal information when required or authorised to do so by law. MSC Certane and Melbourne Securities Corporation are not likely to disclose your personal information to overseas recipients.

Your personal information will be used in accordance with MSC Group's Privacy Policy. The Privacy Policy contains information about how you may access or correct your personal information held by MSC Certane and Melbourne Securities Corporation and how you may complain about a breach of the Australian Privacy Principles.

You can obtain a copy of MSC Group's Privacy Policy at Privacy Policy – MSC Group.

## 12.18 Target Market Determination

The Target Market Determination for Units in the Fund is available at the Fund webpage located here MAFinancial.com/invest/private-credit/ma-priority-income-fund, available free of charge.

## 12.19 Governing Law

This PDS and the contracts formed on acceptance of Applications are governed by the laws in force in the State of New South Wales and each Applicant submits to the non-exclusive jurisdiction of the courts of New South Wales.

# 13. Glossary

The following terms used in this PDS have the following meanings unless the context otherwise requires.

| | DEFINITION |
|---|---|
| AASB | means the Australian Accounting Standards. |
| ABS | means Asset Backed Securities. |
| Administrator or Alter Domus | means Alter Domus Australia Pty Limited. |
| AFCA | means the Australian Financial Complaints Authority. |
| AFSRN | means an Australian financial services representative number. |
| AML/CTF Act | means the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth). |
| Applicant | means a person who makes an Application for Units under this PDS. |
| Application Form | means the form for applying to make an initial investment as described in Section 10.1, which is available at MAFinancial.com/invest/private-credit/ma-priority-income-fund. |
| Application Portal | means the online application portal link described in Section 10, which is available at MAFinancial.com/invest/private-credit/ma-priority-income-fund. |
| Application | means an application under this PDS. |
| Application Dealing Day | means the day on which Applications are processed. |
| Application Monies | means the monies payable in connection with an Application. |
| ARSN | means Australian registered scheme number. |
| ASIC | means the Australian Securities and Investments Commission. |
| AUD | means Australian dollars (AU$). |
| AUM | means assets under management. |
| Board or Board of Directors | means the board of directors of the Responsible Entity. |
| Boardroom | means Boardroom Pty Limited. |
| Business Day | means a day, other than a Saturday, Sunday or public holiday on which Australian banks (as defined in the Corporations Act) are open for business in Sydney, Australia. |
| Capital Buffer and Priority | has the meaning to that term in Section 5.5. |
| Capital Buffer | relates to the Class B Co-Investment in Class B Units and has the meaning given to that term in Section 5.5. |
| Capital Buffer Top-Up | has the meaning to that term in Section 5.5. |
| CGT | means capital gains tax. |
| Class A Subscription Amount | means in relation to the Capital Buffer, an amount equal to 10% of Class A Invested Capital less any Class A capital returns. |

# 13. Glossary (continued)

| | DEFINITION |
|---|---|
| Class A Target Return | means the target return to Class A Units, being the RBA Cash Rate plus a 4.0% margin per annum (net of fees and costs). |
| Class A Unitholder | means the holders of Class A Units. |
| Class A Units or Class A | means class A units of the Master Trust. |
| Class B Co-Investment | means an MA Financial Group Entity's investment in Class B Units of the Master Trust described in Section 2.3. |
| Class B Unitholder | means the holders of Class B Units, being one or more MA Financial Group Entities. |
| Class B Units or Class B | means class B units of the Master Trust. |
| Client Services | means MAAM RE Client Services. |
| CLO | means structured securities known as 'Collateralised Loan Obligations'. |
| CMBS | means Commercial Mortgage-Backed Securities. |
| Compliance Plan | means the compliance plan for the Fund lodged with ASIC, as described in Section 12.8. |
| Constitution | means the constitution for the Fund dated 12 November 2018 as amended from time to time, a copy of which is available free of charge by contacting the Responsible Entity. |
| Corporations Act | means *Corporations Act 2001* (Cth) as amended from time to time. |
| CRS | means the Common Reporting Standard as described in Section 10.10. |
| Custodian or MSC Certane | means Certane CT Pty Ltd ACN 106 424 088 as sub-custodian / nominee for Melbourne Securities Corporation Limited ACN 160 326 545 AFSL 428289 (Melbourne Securities Corporation). |
| Custody Agreement | means the agreement entered into between the Custodian and the Responsible Entity in relation to the custody of assets held under the Portfolio dated 12 March 2021. |
| DDO Regime | means the design and distribution obligations regime contained in Part 7.8A of the Corporations Act. |
| Debt | means an instrument involving an advance of a fixed amount of money in exchange for a return profile involving fees, interest and return of the advanced amount over a specified timeframe, such as a loan or note. |
| Default or Defaulted | means a payment default in arrears by 90 days or more, or any other default as defined in facility documentation that has not been remedied within the cure period set out in the facility documentation. |
| Direct Debit Request Form | means the form to authorise us to arrange for funds to be debited from your account as described in Section 10.1, which is available at MAFinancial.com/invest/private-credit/ma-priority-income-fund. |
| Directors | means the directors of the Responsible Entity. |
| DRP | means the Fund's distribution reinvestment plan as varied from time to time. |
| Elevated Risks | means the performance of the Debt is substantially below expectations, risk has increased materially since origination and the Debt is under enhanced monitoring with proactive strategies in place to mitigate risk and limit potential downside. |

# 13. Glossary (continued)

| | DEFINITION |
|---|---|
| Expense Reimbursement Agreement | means the agreement entered into by the Fund and the Master Trust under which the Master Trust agrees to reimburse the Fund for expenses and fees incurred by the Fund. |
| FATCA | means the Foreign Account Tax Compliance Act, as described in Section 11.10. |
| Fund | means the MA Priority Income Fund ARSN 648 809 849. |
| Fund IMA | means the agreement between the Manager and the Responsible Entity dated 1 April 2021. |
| Fund Investment | means the Fund seeking to achieve its Target Return by investing in Class A Units of the Master Trust. |
| Gross Asset Value or GAV | means, in respect of the Fund or the Master Trust, as the context requires, the value of the Fund's assets. |
| GST | means Australian Goods and Services Tax. |
| IDPS | means Investor Directed Portfolio Service. |
| Impaired Assets | means assets in respect of which there is objective evidence that the contractual cash flows of the asset are unlikely to be received in full when due, as reasonably assessed by the Responsible Entity. |
| Income Priority | has the meaning given to that term in Section 5.5. |
| Income Shortfall | means an amount equal to the aggregate Target Return relating to Class A Units for that distribution period, less an amount equal to the aggregate distribution paid to Class A Unitholders for that distribution period. |
| Income Shortfall Top-Up | has the meaning given to that term in Section 5.5. |
| Internal Rating | means a credit rating which has been determined by the Manager's investment team rather than an external credit rating agency. Note that credit ratings are intended to be used by Wholesale Investors only and should not be relied on by retail investors when making a decision about investing in the Fund. See Section 5.9(b) of this PDS for further information on the associated risks. |
| Invested Capital | means the amount of capital invested by the Fund into Class A Units of the Master Trust, less fees and costs. |
| Investment Committee | means the investment committee of both the Master Trust and MA Priority Income Fund. |
| Investment Team | means the Managers investment team that manages the assets of the Master Trust and the Fund. |
| Junior | in respect of a Debt, means a creditor that may or may not have a claim in respect of Security and is generally entitled to be repaid after Senior creditors recover their Debt. |
| LMI or Lenders' Mortgage Insurance | is a form of insurance that protects a mortgage lender against loss if a borrower defaults on a loan. |
| Loan Warehouse | is a short-term credit facility that can be drawn on from time to time that is typically used to assist lenders in funding new loans. |
| LVR or Loan to Value Ratio | means the proportion of an asset funded by a lender, expressed as a percentage of the total value of the asset. |
| MAAM RE | means MAAM RE Ltd ACN 135 855 186, AFSL 335 783. |

# 13. Glossary (continued)

| | DEFINITION |
|---|---|
| MA Financial Group | means MA Financial Group Limited ACN 142 008 428. |
| MA Financial Group Entity or Entities | means MA Financial Group, or a subsidiary of MA Financial Group, or a fund managed by MA Financial Group or subsidiary of MA Financial Group. |
| MA Money | means MA Money Financial Services Pty Ltd ACN 639 174 315, AFSL and Australian Credit Licence 522267. |
| MA Specialty Finance | means the specialty finance business of MA Financial Group, where that business operates as an originator of assets outside the credit investment activities it undertakes for its managed funds. |
| MAIM | means MA Investment Management Pty Ltd ACN 621 552 896, AFSRN 001 258 449. |
| Manager | means MA Investment Management Pty Ltd ACN 621 552 896, AFSRN 001 258 449. |
| Manager's Fee or Management Fee | means the fee paid to the Manager for its services as Manager of the Fund. |
| Master Trust Management Fee | has the meaning given to that term in Section 9. |
| Master Trust Deed | means the trust deed of the Master Trust dated 4 January 2019 as amended from time to time. |
| Master Trust IMA | means the investment management agreement between the Manager and the Trustee in relation to the management of the Master Trust, dated 23 January 2019 as amended from time to time. |
| Master Trust | means the MA Master Credit Trust ABN 56 803 241 782. |
| Master Trust Liabilities | has the meaning given to that term in the Master Trust Deed. |
| Master Trust Property | means the Trust Property of the Master Trust as that term is defined in the Master Trust Deed. |
| Mezzanine | means Debt that typically ranks below Senior Debt and ahead of equity in a capital structure. Mezzanine Debt may not always be Secured. |
| Net Asset Value or NAV | means, in respect of the Fund or the Master Trust, as the context requires, the value of the Fund's assets minus its liabilities. |
| Original Unit Class | means the first class of Units to have been issued in the Fund, being a segregated class of Units not offered under this PDS. |
| PDS | means this Product Disclosure Statement. |
| Performing-Neutral Risks | in relation to Debt, means the Debt is performing as expected with risk factors neutral or favourable since origination of the Debt. |
| Performing-Moderate Risks | in relation to Debt, means the Debt is performing, however moderate risks have emerged since origination of the Debt, and the Debt is under enhanced monitoring. |
| Portfolio | means the portfolio of securities and other assets and liabilities attributable to Class A of the Master Trust, to be managed in accordance with the Master Trust IMA by the Manager pursuant to the investment strategy and investment guidelines set out in this PDS. |

# 13. Glossary (continued)

| | DEFINITION |
|---|---|
| Portfolio Manager | means the portfolio managers appointed by the Manager to manage the portfolio of assets held by the Master Trust and the Fund. |
| PIP Regime | means the product intervention order regime in Part 7.9A of the Corporations Act. |
| Priority Return | means the priority return features contained in Section 5.5 of this PDS. |
| RBA Cash Rate | means the Reserve Bank of Australia Cash Rate. |
| Realised Profit | means in relation to the terms of issue that apply to the Class A Units and Class B Units, the residual distributions of the Master Trust following Class A Units receiving the Class A Target Return (in respect of current and historical periods), and the Capital Buffer equal to 10% of the Class A Units being maintained. |
| Regular Investment Plan | means a regular direct debit from your account to top up your investment in the Fund on a monthly basis, as described in Section 10.1. |
| Responsible Entity | means the Responsible Entity of the Fund, being MAAM RE Ltd ACN 135 855 186, AFSL 335 783. |
| RITCs | means reduced input tax credits. |
| RMBS | means Residential Mortgage-Backed Securities. |
| Securitisation | means the process of converting portfolios of cashflow generating assets into securities as described in Section 3.2. |
| Security or Secured | in respect of a Debt, Security (or a Secured position) refers to the lender having recourse to specified assets of the borrower, such that if the Debt is not repaid, the lender may enforce its rights against those assets to recover amounts owing. |
| Senior or Seniority | in the context of a Debt investment, means having priority ranking in the capital structure such that the Debt owed to a lender will be repaid before other Debts or obligations of that borrower. Senior Debt typically has first claim on the borrower's assets and cash flows ahead of other creditors. |
| Senior Secured | means Debt that ranks senior in priority in respect of Security, such that it has a higher-ranking claim on the secured assets and is entitled to be repaid before Subordinated or Junior creditors. |
| SME | means a small to medium sized enterprise. |
| Structured Secured | refers to Mezzanine Debt investments within the asset backed lending investment strategy, which are typically Secured against a pool of underlying assets and structured into tranches with different risk and return profiles. |
| Subordinated | In the context of a Debt investment, means ranking lower in priority in the capital structure such that the Debt is only entitled to be repaid after more Senior ranking Debt has been repaid. Subordinated Debt has a lower ranking claim on the borrower's assets and cash flows compared to Senior creditors. |
| Target Return | means the target return of the Fund, being the RBA Cash Rate plus 4.0% per annum (net of fees and costs). |
| Transaction Costs | means an estimate by the Responsible Entity of the total transaction costs that would be incurred to acquire afresh, or dispose of the assets of the Fund (including such costs which would be incurred due to the issue or disposal of Units), or zero where the Responsible Entity makes no such estimate. |

# 13. Glossary (continued)

| | DEFINITION |
|---|---|
| Trustee | means the trustee of the Master Trust, being MA Asset Management Ltd ACN 142 008 535. |
| Trustee Board | means the board of the Trustee. |
| Underlying Funds | means the underlying investment vehicles that the Master Trust may invest into which may use leverage to fund their investments. |
| Unit | means a fully paid ordinary unit in the Fund. |
| Unitholders | means a holder of one or more Units. |
| Unit Pricing Policy | means a document that sets out policies and procedures when exercising discretions under the Constitution. |
| Unit Registry or Boardroom | means Boardroom Pty Limited ACN 003 209 836. |
| Unsecured | in respect of Debt, means that it is not Secured. |
| Updated Information | means any updated information in this PDS. |
| US person | means "U.S. person" as defined in Regulation S under the US Securities Act. |
| US Securities Act | means the *U.S. Securities Act of 1933* (as amended). |
| Valuation Time | has the meaning given to that term in the Master Trust Deed. |
| Webpage | means MAFinancial.com/invest/private-credit/ma-priority-income-fund. |
| Workout | means any enforcement or any remedial action taken in relation to a Debt with the objective of stabilising, protecting or recovering value of the associated Security. |
| Wholesale Applicant, Wholesale Investor or Wholesale Client | means an Applicant or Unitholder who is (in either and in each case) not a retail client under section 761G or 761GA of the Corporations Act. |
| Withdrawal Form | means a form for requesting withdrawals from the Fund, as described in Section 10.9. The form is available by contacting Client Services. |
| Withdrawal Request | means the request by Unitholders to redeem all or a portion of their Units by sending a completed Withdrawal Form. |

# 14. Corporate Directory

| | |
|---|---|
| **Responsible Entity** | **MAAM RE Ltd ACN 135 855 186 AFSL 335 783 (MAAM RE)**<br>**Address:** Level 27, Brookfield Place, 10 Carrington Street, Sydney NSW 2000 |
| **MAAM RE Client Services (Client Services)** | Address: Level 27, Brookfield Place, 10 Carrington Street, Sydney NSW 2000<br>Phone: 02 8288 5594 (within Australia)<br>+61 2 8288 5594 (outside Australia)<br>Email: clientservices@MAFinancial.com |
| **Unit Registry** | **Boardroom Pty Limited**<br>Address: Level 8, 210 George Street, Sydney NSW 2000<br>Phone: 1300 135 167 (within Australia)<br>+61 2 8023 5415 (outside Australia)<br>Fax: 02 9252 1987 (within Australia)<br>+61 2 9252 1987 (outside Australia)<br>Email: MAclientservices@boardroomlimited.com.au |
| **Administrator** | **Alter Domus Australia Pty Limited**<br>**Address:** Suite 301, 75 Castlereagh Street, Sydney NSW 2000 |
| **Auditor** | **KPMG**<br>Address: Level 38, Tower 3/300 Barangaroo Avenue, Barangaroo NSW 2000 |
| **Custodian** | **MSC Certane**<br>Address: Level 6, 80 Clarence Street, Sydney NSW 2000 |
| **Legal Advisor** | **MinterEllison**<br>**Address:** Level 40, Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000 |
| **Manager** | **MA Investment Management Pty Ltd ACN 621 552 896**<br>**Address:** Level 27, Brookfield Place, 10 Carrington Street, Sydney NSW 2000 |
| **Trustee** | **MA Asset Management Ltd ACN 142 008 535**<br>**Address:** Level 27, Brookfield Place, 10 Carrington Street, Sydney NSW 2000 |
| **Tax Advisor** | **SW Accountants and Advisors Pty Ltd**<br>**Address:** Level 10/530 Collins Street, Melbourne VIC 3000 |

MA Financial Group