

## Issuer Name

MA Credit Portfolio Holdings Ltd

## Security Name

MA Credit Portfolio Notes

## Security Recommendation

Subscribe

## Security Risk

Upper Medium

## Issuer Outlook

Improving

Stable

Deteriorating

## Key Characteristics

|                         |                      |                        |                  |
|-------------------------|----------------------|------------------------|------------------|
| Product Type            | Senior Secured       | Issue Price            | A\$100.00        |
| Issue Size*             | A\$300 million       | Accrued                | A\$0.00          |
| Par Value               | A\$100.00            | Capital Price          | A\$100.00        |
| Fixed/Floating          | Floating             | Running Yield**        | [6.86]%          |
| Payment Frequency       | Monthly              | Yield to Call***       | [7.27]%          |
| Current Interest Rate** | [6.86]%              | Trading Margin         | 3.25%            |
| Issue Margin            | 3.25%                | Step-Up Date           | 10 December 2031 |
| Franking Credits Incl.  | No                   | Legal Final Maturity   | 10 December 2032 |
| ASX Listed              | Yes (ASX: MA2HA)     | Next Ex-Date           | TBC              |
| Convertible             | No                   | Next Payment Date      | 9 February 2026  |
| GICS Sector             | Investment Companies | Next Cash Distribution | A\$ TBC          |

\*Up to \$300mn. \*\*Based on 2mBBSW of 3.61% for the first long coupon as at 14/11/25. \*\*\*Based on the 6-year S/Q swap rate of 4.02% as at 14/11/25 10:14am.

## Summary

On 17 November 2025, MA Credit Portfolio Holdings Ltd ('MACPH' or the 'Issuer') launched an offer for the MA Credit Portfolio Notes (prospective ASX code: MA2HA, the 'Notes'), to raise up to \$300 million. The proceeds will be used to invest in a portfolio of fixed income and structured credit investments predominantly originated by MA Financial's global credit solutions platform. The underlying assets of the Notes will be managed by MA Investment Management Pty Ltd (the 'Manager'), a wholly owned subsidiary of MA Financial.

The Notes are structured as secured, deferrable, extendable and redeemable notes, with interest paid on a floating-rate, monthly basis in arrears. The indicative margin is 1mBBSW +325bps and interest can be deferred (on a cumulative and compounding basis) if insufficient income is available in any given month. Deferral of interest does not constitute a Winding Up Event unless the Issuer fails to pay the deferred interest payments on the Note within 10 business days of maturity. The Notes will rank either pari passu or ahead of all future notes of the Issuer and ahead of Equity and Buffer Unit investors. The Notes benefit from a 5% capital buffer (in the form of Buffer units) provided by MA Financial Group entities and funds managed by MA Financial, which provide first-loss protection to Noteholders. The Issuer may mandatorily redeem all or some of the Notes on each interest payment date at \$101 if redeemed 12 months prior to the Target Call Date, or at face value if at or following this date. The Notes have an initial six-year term to the Target Call Date of 10 December 2031 which is extendable by the Issuer for up to 12 months. All or some of the Notes can be redeemed on each subsequent interest payment date up to the Legal Final Maturity Date on 10 December 2032. If extended, the Notes will be subject to a 1.00% margin step-up (to 1mBBSW +425bps) which is also deferrable and cumulative until payment at final maturity. Equity Trustees has been appointed to act as the Note and Security Trustee for Noteholders.

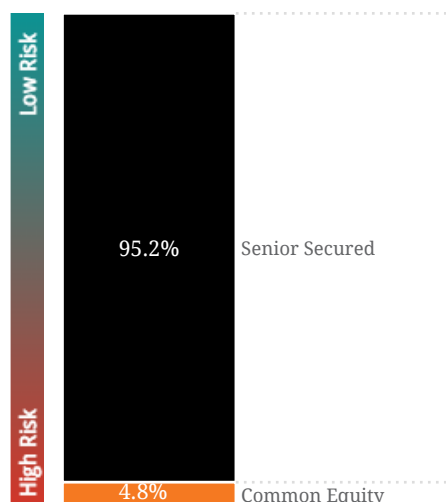
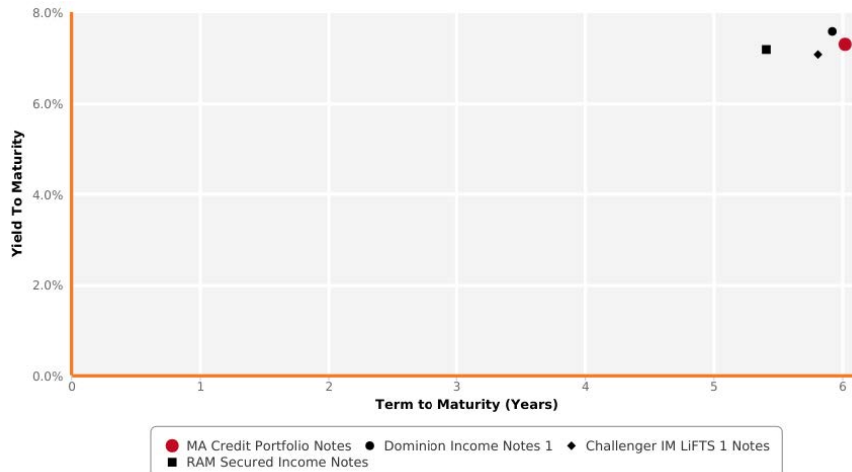
Figure 1: Capital Structure<sup>1</sup>

Figure 2: Relative Value



<sup>1</sup> Assumes \$300mn raised.

## Security Recommendation - **Subscribe** as at 14 November 2025

We recommend investors **Subscribe** to the MA Credit Portfolio Notes (ASX: MA2HA).

MA2HA provides investors with a stable income stream backed by underlying exposure consisting of a diversified portfolio of predominantly asset-backed credit investments. Similar to other listed note structures, the Notes offer a 5% Capital Buffer including at least \$10 million contributed by MA Financial Group and the balance by funds managed by MA Financial. Whilst this structure is still in its infancy with a handful of direct comparables, our fundamental credit comfort is underpinned by the Manager's strong track record across structured credit investing, with zero capital lost across flagship strategies. The initial proceeds are indicatively expected to be deployed between 75-100% in Class N1 Units in the Master Credit Trust with the balance predominantly in direct assets.

For the purposes of our analysis, we have assumed 100% of proceeds raised under the Offer will be deployed into the Master Credit Trust (MCT) upon issuance of the Note. This represents one of the Manager's core strategies having been established in Jan-19 and grown into a \$2.8 billion investment vehicle across all classes with a target return of 1mBBSW +550-600bps. This compares favourably to the indicative margin is 1mBBSW +325bps of the Notes with an estimated excess spread ranging from 100-150bps per annum representing the first line of protection against any potential arrears and/or impairments in the underlying portfolio. Our comfort with MCT stems from our coverage of the MA Priority Income Fund (MAPIF) for more than five years, of which we have assigned our top-tier Product Assessment of Highly Recommended since September 2024 under the BondAdviser Alternative Investment Funds Methodology. The MAPIF invests in Class A Units in the MCT and has delivered on its target return each month with no impairment to its capital buffer since inception of the fund. In conjunction with the MAPIF's strong track record over this period, a key determinant of our assessment is the fund's credit enhancement whereby MA Financial Group co-invests alongside MAPIF investors in the MCT to form a first-loss absorption mechanism representing ~10% of the MAPIF's capital (or ~\$225 million). This buffer has not been utilised since the inception of the fund seven years ago, reflecting the consistently solid performance and strong alignment in interest between the Manager and investors in avoiding any capital losses in the underlying portfolio. MAPIF is our preferred vehicle to gain exposure to MCT in this context. However, MA2HA is equally suitable for investors looking for a defined legal maturity and ASX-listed status (including CHES settlement and daily liquidity). We also recognise the ability for the MA2HA portfolio to dynamically reallocate to direct assets held outside of the MCT that could result in a more conservative risk profile over the lifetime of the Notes. Importantly, credit enhancement is also present for MA2HA with a first-loss buffer totalling 5% of the Note proceeds. This provides an uplift from the weighted average credit rating of BBB+ based on the indicative portfolio allocation, corresponding to a Risk Score of **Upper Medium** based on our internal framework. While we note 80% of the indicative portfolio is internally rated due to the private nature of these assets, we take a level of comfort that the Manager has engaged an independent third-party for ongoing validation of carrying values and investment ratings applied by the Investment Team. From a valuation perspective, we view the issue margin of +325bps to be on the slightly rich side of fair value against the secondary trading levels of comparable listed notes when adjusting for the different levels of hard credit enhancement across these instruments. This reflects softer trading of ASX-listed private credit vehicles more broadly which has seen the trading margin of these comparable listed notes rise from issuance, now trading 20-30bps wider to their issue margins. In our view this does not reflect a fundamental change in credit quality in the underlying asset pools, but supply/demand issues in the market. It is important to recognise this has been a function of thin liquidity and therefore do not solely rely on this lens of relative value for the purpose of fair value determination, as acquiring comparable notes in significant size may be difficult given traded volumes on the ASX. Against the broader credit market, MA2HA screen attractively with a ~103bp spread pick-up to BBB- comparables and 133bp premium to major bank AT1 spreads, as well as a ~115bp pick-up to BBB prime RMBS tranches.

Our valuation assumptions are therefore based on all distributions being made in a timely manner and MA2HA being redeemed (in full) on the Target Call Date of 10 December 2031. This could occur as part of a straightforward refinancing or cash redemption. That said, we believe the Manager can sufficiently manage the redemption of the Notes should this prove challenging and the extension period of up to 12 months to the Legal Final Maturity date is utilised. This is supported by the short-tenor maturity profile of the underlying assets and the size of the underlying fund (MCT) exceeding the proceeds of the Notes significantly, allowing for roll-off of underlying investments to meet the Note obligation. There is an element of risk to this scenario given the proceeds could be subject to gating at the MCT level, but we are comfortable this can be managed effectively over the long lead time between the Target Call Date and Legal Final Maturity.

The MA Credit Portfolio Notes Offer comprises:

- a Cornerstone Offer to Institutional Investors
- a Broker Firm Offer to clients of Syndicate Brokers who are either a Wholesale Investor; or a Retail Investor that has received personal financial advice from a qualified financial adviser.

There is no general public offer. Applications under the Offer can only be made through a Syndicate Broker. The Broker Offer is expected to open on 19 November 2025 and close on 28 November 2025.

## Positive / Negative Risk Factors

### What factors would change the Recommendation **UP**

- **First Loss Buffer.** The Notes benefit from a minimum 5% first loss reserve invested by MA Financial (and affiliated funds) which absorbs any losses before Noteholders and ensures distributions are paid in full and on a timely basis. We view this first loss buffer as a strong credit positive and provides a strong alignment of interest between the Manager and investors. We note MAFG holds a demonstrated track record in products with capital protection such as the MAPIF, which offers a 10% first loss buffer, having not seen a single impairment to the capital buffer since inception seven years ago. More broadly MA Financial has recorded no capital losses across flagship credit strategies since inception, giving us comfort in the track record of the Manager.

- **Demonstrated Restructuring Expertise.** MA Moelis Australia, the advisory arm of MA Financial, is ranked the #1 restructuring advisor in Australia by deal value according to Refinitiv's SDC Platinum (Eikon) and holds the largest domestic market share (>50%). Domestically, it holds a market share of more than 50%. This in-house expertise provides investors with a differentiated advantage with superior ability to restructure and protect capital, leading to strong recovery outcomes under distressed scenarios.
- **Fundamental Improvement in Underlying Asset Base.** The underlying asset exposure is expected to have a weighted average credit rating of around BBB primarily tilted to private credit investments (pre-credit enhancement). Importantly, this is verified periodically by an independent third-party. That said, there is scope to reallocate to assets with a stronger credit rating over time as the Issuer's underlying exposure increases to direct assets. Any improvement in the credit quality of the underlying assets may result in margin compression for the Notes based on potential relative value against other debt securities.
- **Pull-to-Par Effect.** While the Notes will be subject to mark-to-market volatility in line with other domestic fixed income securities, the structure benefits from a Target Call Date and Legal Final Maturity Date. This results in an attractive pull-to-par effect in contrast to peer credit products such as listed investment trusts which are perpetual in nature. Attractive price convexity could also be positive for the Notes.
- **Additional Manager Support.** As per the Prospectus, MA Financial Group and any managed funds have the ability to repurchase the Notes. Whilst there is no obligation to do so, this could provide price stability during periods of market weakness.
- **Future Note Issuance.** Any subsequent note series issuance at the Issuer level would increase the asset pool, reducing asset/liability mismatch risk, ultimately reducing refinance risk as there would be more underlying assets rolling off in the asset pool.

## What factors would change the Recommendation **DOWN**

- **Income Shortfall.** Any inability to meet the target distribution rate of 1mBBSW +325bps would be credit negative and adversely impact the market price of the Notes. That said, this would likely require a significant deterioration in the liquidity of the underlying asset pool or a material compression in the underlying portfolio's yield. Deferred interest is cumulative as well as compounding and paid once surplus income is achieved but this will result in a greater reliance on the future performance on the underlying portfolio. We highlight the Manager can call the Notes at 101% until 10 December 2031 should there be a prolonged period of insufficient income arising from a significant tightening in public and private credit spreads. The estimated excess spread of 100-150bps per annum provides a healthy buffer to this risk.
- **Material Market Deterioration.** Our base case assumption is that the Notes will be refinanced at the Target Call Date 12 months prior to maturity. However, this could prove challenging should there be a material deterioration in market conditions during this period. While MA2HA benefits from a 12-month extension period to the Legal Final Maturity date to manage any liquidity risk, this would increase refinancing risk of the Notes all else equal. The Notes would also likely experience adverse mark-to-market price volatility in such a scenario. We view the short credit duration of the underlying exposures as positive in this context, ensuring a natural roll-off in liquidity if required to redeem the Notes. However, this could be subject to gating at the MCT in extreme market conditions.
- **Risk Retention Dilution.** MA Financial must maintain a minimum \$10 million in Equity in the Issuer. Any additional note series issued by the Issuer is required to meet the 5% minimum Capital Buffer, however this can be achieved instead through Capital Buffer Units invested in by funds managed by MA Financial. Should additional series of notes be issued without additional equity invested by the balance sheet of MA Financial, this would dilute risk retention by the Group. We note that any losses borne by funds managed by MA Financial would have significant implications for its reputation as an asset manager, providing some incentive to ensure underwriting remains sound. We also highlight that over \$230 million of balance sheet and staff co-investment capital is invested across its private credit strategies, with over \$180 million in the underlying portfolio of the Notes Issuer, ensuring stringent risk management is maintained. This ultimately benefits (directly and indirectly) all investors in MCT.
- **Increase in Risk Appetite.** Whilst the Manager's track record has been demonstrably strong with zero capital losses across the underlying initial fund (MCT), an increase in risk appetite which would result in a higher excess spread would benefit the Manager at the expense of Noteholders. This is balanced against MA Financial Group balance sheet holding first-loss exposure before Noteholders (both at the Issuer and MCT level).
- **Manager Risk.** A significant deterioration in the quality of the Manager (MA Financial) could adversely impact the Notes. This could include (but is not limited to), poor fund performance, material breaches in governance, risk management failures and/or loss of key personnel. This is somewhat balanced by MA Financial's strong track record spanning over 12 years in asset management.

## Issuer Outlook - Stable *as at 14 November 2025*

### Income and Cash Flow:

The **MA Credit Portfolio Notes** (ASX: MA2HA) aims to provide investors with a steady income stream backed through investment in a diversified pool of fixed income and alternative debt securities. MA Credit Portfolio Holdings Ltd (the Issuer) will subscribe to Senior Units in MA Credit Portfolio Holdings Trust (the Trust) which will in turn invest in the Manager's credit platform. The proceeds are expected to initially be deployed into one of MA Financial's flagship credit strategies, the MCT (ranging between 75-100%) before deployment into direct assets over time. We note for the purposes of our analysis, we have assumed the initial portfolio will consist of a 100% allocation to MCT.

Based on the composition of the indicative portfolio, we expect the Issuer to comfortably meet the interest payments to Noteholders over the life of the Note with excess spread of between 100-150bps per annum after operating costs. This provides sufficient income headroom above senior interest payments of 1mBB\$W +325bps and required operating costs (consisting of a 0.50% management fee per annum plus other operating expenses).

In the event there is insufficient income to meet noteholder distributions, interest can be deferred on a cumulative and compounding basis. Any deferred interest payments on Notes must be made prior to any residual income payments made to Buffer Unit holders. Should the Capital Buffer fall below 5%, any payments are paused to Buffer Unit holders and any excess spread is redirected to rebuild the buffer back to 5%. Any missed residual income payments to Buffer Unit holders are not cumulative. This differs slightly to recent listed transactions whereby junior notes within the capital structure of comparable deals have cumulative deferrable interest payments, which is a minor credit positive to Noteholders relative to other listed notes as it provides additional headroom each year on income payments all else equal.

While not our base case, there is structural protection in the event spreads compress materially to the point where the income on the portfolio is insufficient to meet senior interest and operating expenses for a prolonged period via optional call dates. We expect in this instance the Issuer would call the Notes early at 101% of face value, as otherwise Buffer Unit holders would receive minimal excess spread, if any, over the remaining term of the Note. That said, we view this event to be low probability, but believe it is a risk that investors should be aware of.

Failure to meet the distribution schedule does not constitute an Event of Default under the Note Prospectus, however deferred interest payments must be paid at least 10 business days after the legal final maturity date or otherwise constitutes a Winding Up Event. This does not form part of our base-case assumptions, and we take comfort in the minimum 5% first loss reserve provided by the Manager as a last resort to cover any shortfall once the Notes are redeemed. This results in a strong economic alignment of interest between MA2HA noteholders and the Manager, but we note no guarantee is made beyond the first loss buffer provided.

### Capital Management:

The indicative capital structure of MA Credit Portfolio Holdings Trust will consist of Equity and Buffer Units totalling 5% of the face value of the Notes alongside Senior Units comprising up to \$300 million. We note that of the 5% buffer, a minimum of \$10 million will be provided by MA Financial's balance sheet which will be used to subscribe in Buffer Units at the Trust level, and the balance invested by MA Financial funds in Buffer Units at MACPT level (see Structure Overview for more information). Given Group balance sheet capital is first at risk before Noteholders, we view this alignment of interest positively as it provides greater incentive to ensure underwriting standards and risk management protocols remain robust. The Issuer may issue additional series of notes, which will rank either pari passu or subordinated to the Notes, subject to their own terms of issue.

The Issuer and any related entities of the MA Financial Group (including funds managed by MAFG) have the ability (but not obligation) to repurchase the Notes. This allows MA Financial to provide capital price support during periods of weakness, albeit this remains an option and not obligation. The Issuer may raise up to 25% of net asset value of the Issuer in Short-Term Financial Indebtedness for the purposes of foreign exchange hedging, swaps, repos and settlements. We note that MA Financial Group has the ability to provide this financing on commercial terms which introduces conflicts of interest, all else equal. However, we are comfortable with the Manager's governance frameworks.

In terms of capital management at the targeted maturity, the Manager intends to invest increasingly into assets with maturities aligning with the maturity of the Notes. Given Class N1 Units in the Master Credit Trust cannot be redeemed within six years (outside of the discretion of the trustee), this constrains direct asset holdings to 25% of the Note proceeds unless agreed to by the trustee (MA Asset Management Ltd, related party). Whilst it is our base case a direct refinancing will occur 12 months prior to maturity, we believe there are sufficient levers to be pulled to ensure liquidity requirements are met as the call date approaches if a direct refinancing is unavailable. This involves a number of call dates on each interest payment date at par following the Target Call Date, providing the Manager additional headroom to refinance the Note if market conditions deteriorate materially. Additionally, we view the 100bp step up occurring 12 months prior to maturity to be punitive, providing strong incentive to call the Notes, as otherwise excess spread paid to Buffer Unit holders would be meaningfully reduced. We take further comfort by the additional 5% in hard credit enhancement which would be first at risk in the instance the Issuer is unable to repay the Notes in full.

In the event a straightforward refinancing proves challenging for a prolonged period, we take in the short credit duration of the underlying portfolio. Specifically, the MCT has a credit duration of 1.0-yrs (as of 30-Sep-25) with \$0.9bn of assets rolling off through maturity in the next six months. This provides natural liquidity for the Manager to repay the Notes in a worse-case scenario assuming limited default risk on the underlying assets. While we recognise there could be structural risk given flows from these maturities will need to be redeemed from MCT over this period, we are comfortable with the strong lead time between the Target Call Date and legal final maturity date (12-18 months).

## Outlook:

We assign MA Credit Portfolio Holdings a **Stable** outlook.

MA Financial benefits from a strong track record of 12+ years across asset management with zero capital losses across its flagship strategies. Importantly, this includes zero impairments incurred in the MCT, which the Notes will hold exposure to via Class N1 Units. With demonstrated expertise and alignment of interest having been a key philosophy underpinning the Manager's investment strategy, we take comfort that the underlying portfolio will be managed prudently to ensure that it can deliver on the net return of 1mBBSW +325bps to Noteholders.

Based on our Quantitative Analysis, which simulates a structured credit portfolio under credit rating migration rates empirically experienced across the Asia-Pacific in distressed market conditions, the Notes are well supported by significant credit enhancement. This comprises hard credit enhancement totalling 5% of Note proceeds and soft credit enhancement in the form of excess spread ranging from 100-150bps per annum over the life of the Note. This results in no losses under out GFC-like condition modelling, albeit having some distributions being deferred due to income shortfalls. That said, this modelling is conducted over a 12-month investment horizon and does not account for any top-ups over a multi-year period, which sees residual income redirected to Senior Unit holders in the event of interest deferral. While this gives a comfort in the investment strategy of the Notes, it is important to recognise that ancillary risks would still be present in such a scenario including operational, reputational and liquidity risks.

Overall, we have comfort in the Manager's ability to deliver the targeted distribution of 1mBBSW +325bps throughout the life of the Note. In the medium term, asset rotation may be required to address any potential refinancing risk associated with the Notes in adverse market conditions, however these risks are well balanced against levers that can be pulled to ensure Noteholders are repaid at the target call date.



## Relative Value

The Note structure of MA2HA is relatively new with a handful of comparable listed notes priced this year with a similar investment structure. As such, we can first compare the offered margin against these direct comparables as a first lens of valuation. That said, each security is structured with slightly different nuances, including differing levels of hard and soft credit enhancement as well as differing underlying asset exposure, and therefore our fair value analysis also draws upon a range of securities and asset classes in the domestic market. These different markets provide some level of comparison from an underlying credit quality and asset class perspective (domestic bonds), deferability and callability (regulatory capital instruments), and from the perspective of an asset class that reflects the underlying portfolio exposure (asset-backed securities).

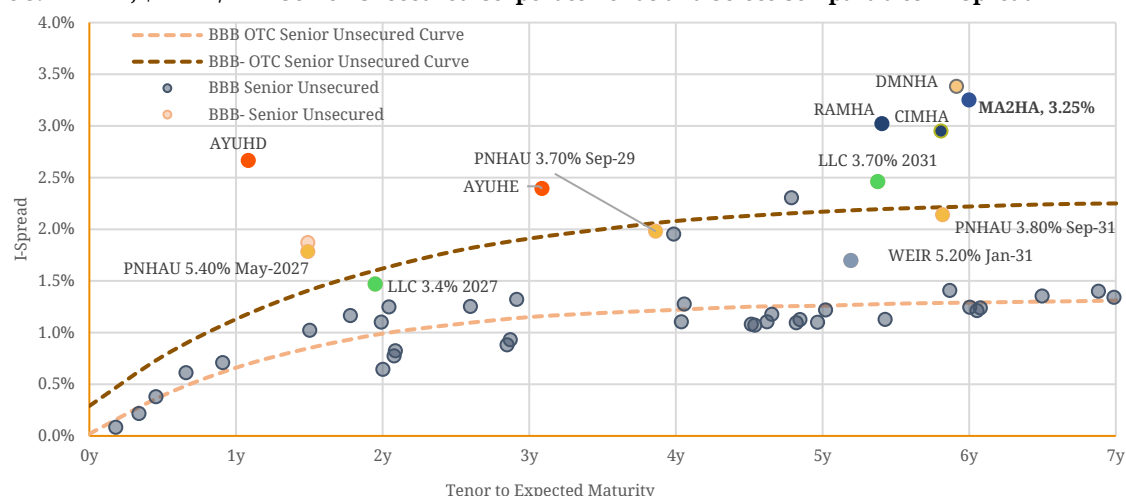
**In summary, we see believe the issue margin of +325bps is fair** when considering a broad range of domestic credit investments of comparable credit quality, accounting for 5% minimum first loss buffer and liquidity dynamics from an opportunity cost perspective in the ASX-listed fixed income security market.

### Relative Value – Domestic Market

With several issuers now having priced listed notes with similar structures, we can refer to the secondary discount margin across the market as a lens of fair value. This market has seen relatively consistent structuring, with a degree of hard credit enhancement (ranging for 3-6% of gross asset value) a common structural benefit across the market, albeit with each note having nuanced structural differences.

- The **Dominion Income Notes 1** (ASX: DMNHA) priced at a spread of 1mBBSW +300bps, but has since traded softly on the ASX, with a capital price move to \$98.20 equating to a secondary market discount margin of +338bps. We note this has been a common theme across recently issued ASX-listed Notes and in our view reflects soft supply/demand dynamics rather than credit fundamentals of the underlying portfolio and manager, with traded volumes being relatively thin across each listed note. In terms of the underlying asset pool, we view DMNHA to be the closest comparable with a similar tilt to structured credit investments, albeit with DMNHA having 1ppt higher hard credit enhancement (6%). As such, MA2HA screens on the rich side of fair value in comparison from this perspective.
- We can also compare the Notes to the **Challenger IM LiFTS 1 Notes** (ASX: CIMHA), structured as a note investing in a diversified pool of public, private and structured credit assets. CIMHA priced at a margin of 1mBBSW +275bps with 6% in hard credit enhancement, plus an additional 2ppts in targeted buffer. While the Note opened strongly on the secondary market (reaching just under \$101), it has since traded weaker with a discount margin of +295bps based on our estimates. The underlying asset exposure across CIMHA is arguably riskier (BB+) at the margin, and in this context the Notes screens around fair value at an offered margin of 1mBBSW +325bps when considering a slightly lower capital buffer.
- **RAM Secured Income Notes** (ASX: RAMHA) can also be referred to as a comparable, albeit less so than the other ASX-listed notes described due to the underlying asset pool exposure being Australian residential mortgages. With this underlying exposure generally being lower risk than other private credit assets, RAMHA is supported by credit enhancement of approximately ~3.2% and additional structural protections. Supported by independent third-party verification, we assigned a Risk Score of **Lower Medium** to this transaction (one notch higher than the Notes). In this context, having priced at +302bps, MA2HA screens on the richer side of fair value. That said, we believe RAMHA was conservatively priced.

**Figure 3. MA2HA, \$A BBB/BBB- Senior Unsecured Corporate Bonds and Select Comparables – I-Spread**



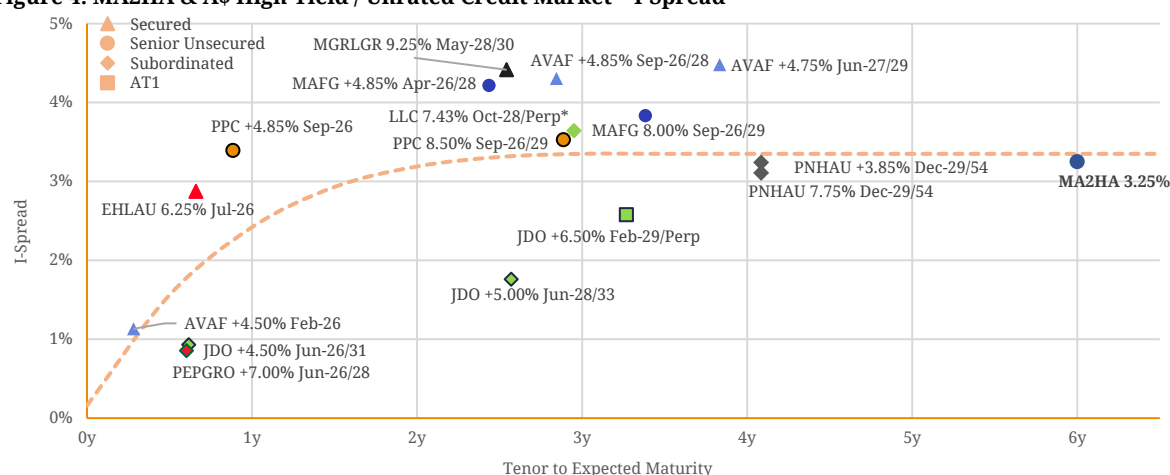
Source: BondAdviser, Bloomberg. Data as at 13-Nov-25.

While these comparables have traded softer in recent weeks, we note this has been a function of thin liquidity and therefore do not solely rely on this lens of relative value for the purpose of fair value determination. As a result, Figure 3 above also plots the BBB and BBB- A\$ senior unsecured non-financial corporate bond market, illustrating that the MA2HA offers a spread materially wider (+103bps) to the BBB- non-financial corporate credit curve. In our view, the added credit enhancement provided by the minimum 5% first loss buffer and excess spread provides an uplift in rating to the underlying asset pool, bringing our implied rating to Upper Medium.

We also highlight the retail fund managed by MA Financial, the MA Priority Income Fund (MA PIF). The unlisted fund offers a target return of 1mBBSW +400bps alongside a 10% capital buffer, as opposed to the 1mBBSW +325bps target return, and 5% capital buffer. Some of this differential can be explained through (1) the underlying portfolio expected to be slightly more conservative over the life of the Note (through the ability to invest in high quality assets directly), (2) the Notes offer daily liquidity on the ASX, and (3) MA PIF is a perpetual vehicle which arguably commands a greater premium relative to a defined redemption date. That said, for investors with a longer investment horizon without the need for short-term liquidity, MA PIF offers a more attractive risk-adjusted return profile in our opinion, and this is reflected by our *Highly Recommended* Product Assessment for the fund under our *Alternative Investment Fund Research Methodology*.

Compared to the broader domestic high-yield/unrated corporate bond market, the offered margin is 10bps tight relative to the A\$ high-yield and/or unrated domestic bond market, of which shadow ratings are sub-investment grade, and assigned ratings are generally around BB. We note this includes securities issued by MA Financial (ASX: MAF) itself at a holding company level. While this universe covers a range of sectors and security structures from contractual and structural subordination to senior unsecured and senior secured bonds, it helps provide a gauge of opportunity cost for sub-investment grade wholesale bonds. In this context, the margin offered by the Note pricing appears attractive when considering our view that the credit quality is investment-grade. While this supports the valuation of the Note, we note this comparison should also be viewed in the context Manager risk, illiquidity of the underlying asset pool and other structural differences.

**Figure 4. MA2HA & A\$ High Yield / Unrated Credit Market – I-Spread**

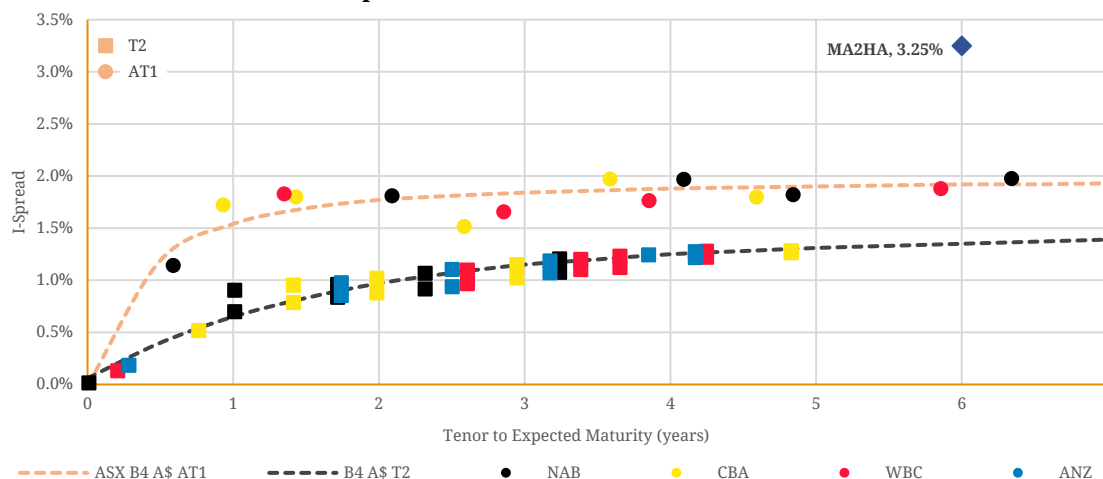


Source: BondAdviser, Bloomberg. Data as at 13-Nov-25. \*Margin priced on a gross basis, including the benefit of franking.

## Relative Value – Regulatory Capital Securities

Figure 5 below plots the Big Four Bank (B4) A\$ Tier 2 and A\$ Additional Tier 1 (AT1) capital security curves. We view this relative value lens as complementary to the broader domestic bond universe, particularly given (1) the ASX-listed nature of B4 AT1 hybrids, (2) B4 hybrid credit quality being broadly similar to the indicative underlying portfolio of the Notes with the first loss buffer, and (3) the deferrable and extendable features of AT1 hybrids. However, unlike the Notes, hybrids do not have a legal final maturity date, contain non-viability triggers at the discretion of the regulator and deferred coupons are not cumulative. On this basis, we view the ~133bp differential between the offered margin and B4 AT1 hybrid curve as attractive. As mentioned, there is in our view are illiquidity and structural complexity premia priced into the offer, but nonetheless we still see significant value against deeply subordinated hybrids.

**Figure 5. MA2HA & A\$ B\$ AT1 & T2 – I-Spread**



Source: BondAdviser, Bloomberg. Data as at 13-Nov -25.

We can also compare the Offer to BBB band A\$ Tier 2 instruments from Australia-domiciled issuers. As seen below, the Offer is 169bps wider than the closest BBB T2 (QBE), screening as attractive value based on our Risk Score of the Notes.

**Figure 6. MA2HA & A\$ BBB Band T2 – I-Spread**



Source: BondAdviser, Bloomberg. Data as at 13-Nov -25. Credit ratings reflect individual security ratings, not issuer ratings. \*SUN T2 individual credit rating dependent on coupon deferability. JDO T2 not included in curve calculation but used as reference point for sub-investment grade T2.

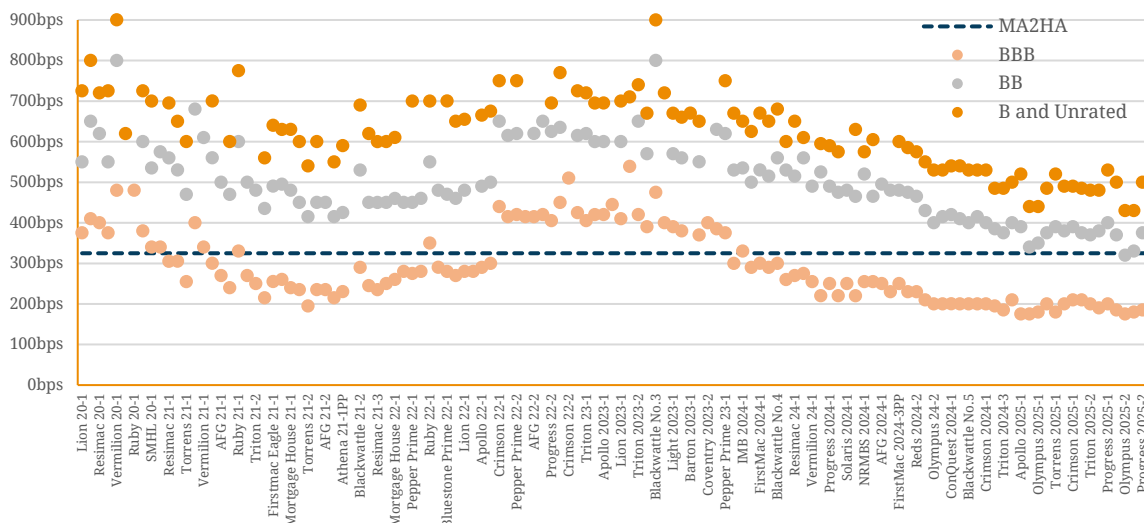
## Relative Value – Domestic Securitisation

Figure 7 plots historical prime RMBS margins at origination. While the Notes are not specifically a securitised instrument and the underlying securitised asset exposure is broader than securitised residential mortgages, the Notes share some similarities through priority of payments. In addition, these deals also offer valuation context in terms of opportunity cost for sophisticated institutional investors. That said, floating rate note pricing generally differs to RMBS tranche pricing, but we can use the BBB to BB tranches of recently priced RMBS deals as a yardstick for fair value. We also note the underlying portfolio will have significant exposure (80%+) to asset-backed financing which offers some similarity to RMBS when considering the underlying asset pool exposure.



Our analysis of the underlying credit quality is dependent on internal risk ratings assigned by the Manager (which are independently verified by a third-party on a periodic basis), as well as any ratings assigned by rating agencies on publicly traded instruments. Our estimate of the indicative underlying portfolio is around BBB, and when notching the underlying portfolio for additional credit enhancements, this takes our risk score estimate to around BBB+. As such, the margin offered on the Notes is around 140bps wider than the primary issuance margin of recently priced BBB tranches of domestic prime RMBS with a slightly short weighted average life (~5 years), and 50bps tight to the BB tranche of recent deals. In this context, we see attractive value here against RMBS of implied equivalent credit quality.

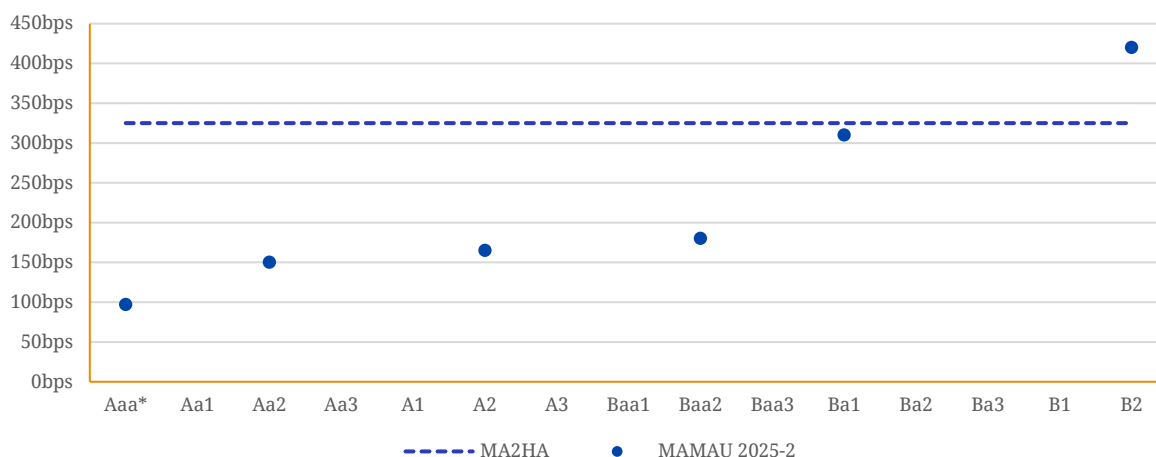
**Figure 7. MA2HA & Prime RMBS Margins at Origination**



Source: BondAdviser, Bloomberg. Data as at 14-Nov-25.

We can also compare the Notes to the most recent non-conforming RMBS transaction priced by MA Money in May-25 as a lens of valuation across structured credit vehicles originated by MA Money, a wholly owned subsidiary of MAFG. The deal is offered closely in-line with the Ba1 tranche, which priced at a spread of 1mBBS +310bps, with a 3.5-year weighted average life. Given our Upper Medium Risk Score, we view the Offer to be priced attractively against this lens, considering the weighting to securitised asset backed credit exposure.

**Figure 8. MA2HA & MAMAU 2025-2 Primary Margins**



Source: BondAdviser, Bloomberg. Data as at 14-Nov-25. \*Aaa tranche based on weighted average spread across Aaa tranches.

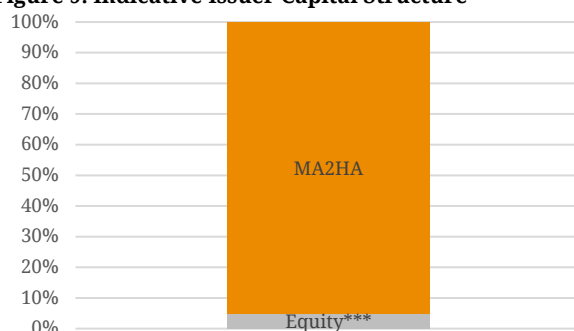
## Structure Overview

It is expected that MA2HA will be managed by MA Investment Management (a wholly owned entity of MA Financial) throughout the lifetime of the Notes and will invest in a diversified portfolio of credit assets. The Issuer has appointed Equity Trustees Ltd as the Note Trustee and Security Trustee, a third party independent of MA Financial, which will hold the benefit of certain rights of Noteholders including the right to enforce repayment of the Notes among other duties. The Issuer must maintain a minimum 5% Capital Buffer over the life of the Note, including where additional series of notes are issued, defined as Issuer Gross Asset Value to the total Principal Amount of Note Obligations. Should the buffer fall below 5%, residual income is trapped until the Capital Buffer increases back to the minimum 5% threshold through replenishment. A similar mechanism applies whereby any residual income is redirected to Noteholders should any Note interest payments be deferred (on a cumulative and compounding basis).

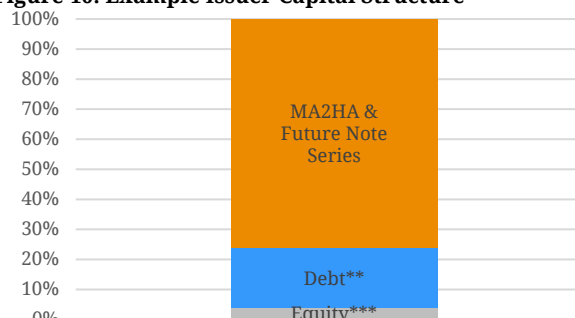
The Notes will rank senior to Equity investors at all times, which includes at least a \$10 million contribution from MA Financial raised at the Issuer level (MA Credit Portfolio Holdings Ltd, MCPH), subsequently invested in Buffer Units in the MA Credit Portfolio Holdings Trust (MCPHT). \$5 million raised from MA funds (subject to the final amount raised) will be invested in Buffer Units in MCPHT, while the Note proceeds will be invested in Senior Units in the MCPHT. Proceeds will subsequently be deployed into Class N1 units in the Master Credit Trust (which a target allocation of between 75-100%). Any losses incurred in the Master Credit Trust will be borne pro rata between the Class B, Class C and Class N1 units, albeit noting in this instance Buffer Units would provide first-loss protection to Noteholders at the MCPHT level.

Funds invested by both the balance sheet of MAF Group and via its funds management platform through Buffer Units are both accounted for in the 5% Capital Buffer. We note that Noteholders, via the Issuer, are not structurally subordinate to Buffer Unit holders at MCPHT level given the Security Group encompasses both MCPH and MCPHT. The capital buffer is not impacted by marked to market movements in underlying assets, instead only where impairments or realised losses are incurred on underlying assets. This differs slightly to some recently listed notes transactions which maintain the minimum capital buffer on a marked to market basis of the underlying assets, albeit we note that the underlying exposure will be to predominantly private assets of which there is generally no observable or traded market price. Some residual public credit assets will be accounted for at amortised cost as hold to maturity assets (under AASB9 reporting).

**Figure 9. Indicative Issuer Capital Structure**

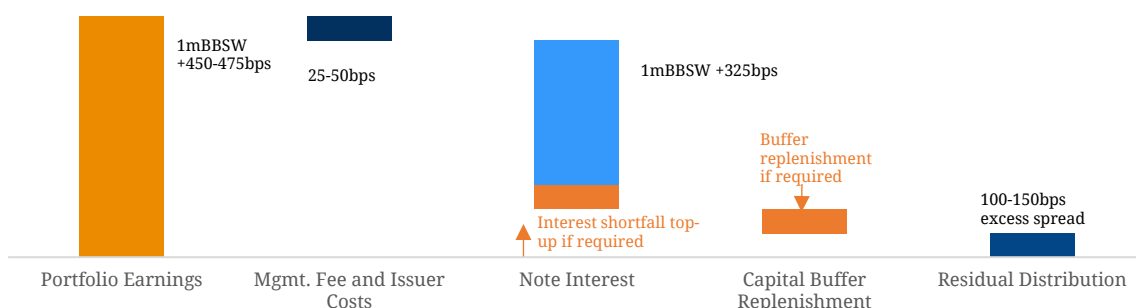


**Figure 10. Example Issuer Capital Structure\***



Source (both): BondAdviser, MA Financial. \*For illustrative purposes only, assumes maximum amount of short-term financial indebtedness is raised. \*\*Debt may be raised up to 25% of net asset value of the Issuer and may rank either equal or subordinate to Noteholders. \*\*\*Equity and Buffer Units. Excludes obligations treated preferentially by law.

**Figure 11. Priority of Payments – MA2HA**



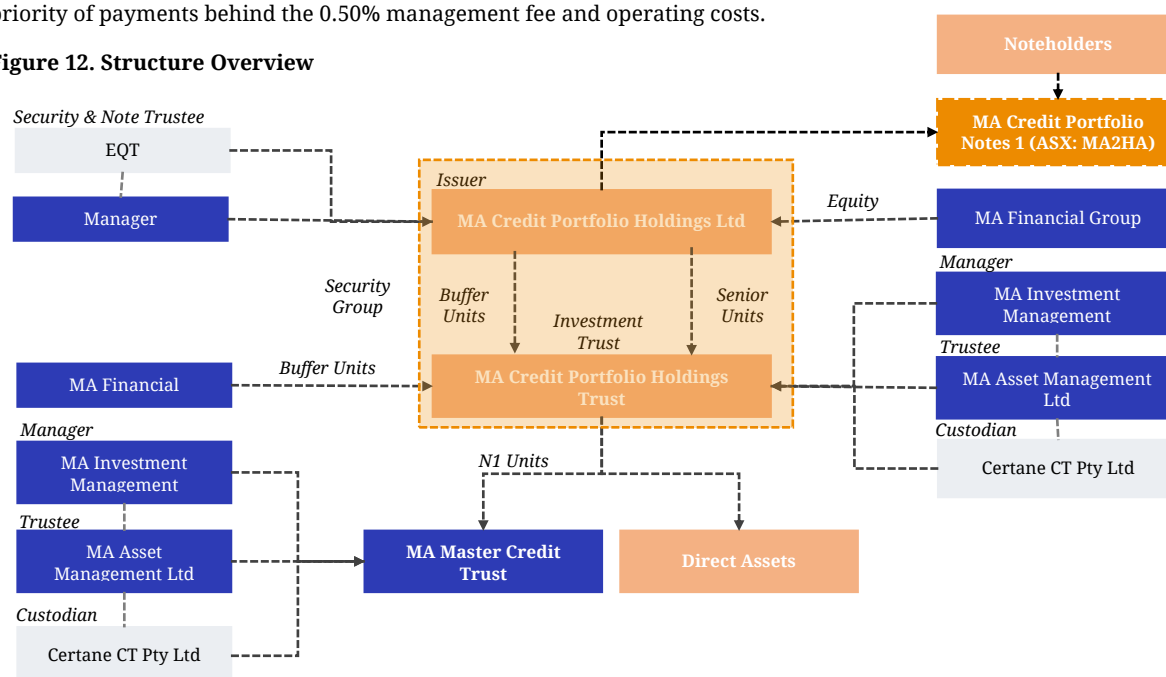
Source: BondAdviser, MA Financial. Illustrative example of priority of payments, not to scale. Senior interest payments may be deferred but are cumulative and rank senior to equity/buffer unit claims. Assumes zero secured debt outstanding.

We note that while MA Financial will contribute at least \$10 million in Equity at the Issuer level, the Group is not obligated to contribute any additional equity where the Issuer issues additional series of notes. Any Equity contributed by MA Financial Group, as well as Buffer Units, contribute to the 5% Capital Buffer. Whilst we would prefer MA Financial Group balance sheet to contribute additional equity with additional note series as otherwise risk retention is diluted, we note that any losses borne by funds managed by MA Financial would have significant implications for its reputation.

as an asset manager. This still provides incentive for maintaining strong underwriting standards, and Noteholders benefit indirectly from the Manager have \$225 million of balances sheet exposure (through investment in Class B Units) via the MAFIF which also invests in the Master Credit Trust.

The Issuer may incur short-term financial indebtedness in relation to swaps, foreign exchange hedging, repos and settlements, which if incurred, would rank behind the Notes. The level of leverage that may be incurred is constrained to a maximum of 25% of the net asset value of MA Credit Portfolio Trust and may rank equally or behind the Notes, for the purposes of undertaking investment activities and working capital requirements. We note that leverage is not intended to be used to enhance returns, but to fund working capital requirements and/or investment activities. MCPT may enter into a revolving loan facility with MA Financial Group on an arm's length basis. Unlike recent listed note transactions, the indicative capital structure consists of Buffer Units and Senior Units, and no mezzanine/second ranking note obligations such as junior notes (unless debt is raised as per the Prospectus). This structural difference is not material from a credit perspective in our opinion however given Senior Interest is always first ranking in terms of priority of payments behind the 0.50% management fee and operating costs.

**Figure 12. Structure Overview**



Source: BondAdviser, MA Financial. \*Funds managed by MA Financial may be used to invest in Buffer Units in MA Credit Portfolio Holdings Trust.

**Figure 13. Sector Parameters**

|                                  |        |
|----------------------------------|--------|
| Commercial Asset Backed Lending  | 30-60% |
| Consumer Asset Backed Lending    | 0-40%  |
| Real Estate Asset Backed Lending | 20-60% |
| Direct Lending                   | 0-40%  |
| Direct Construction Lending      | 0%     |
| Cash & Cash Equivalents          | 5-25%  |
| Cash                             | 1-10%  |

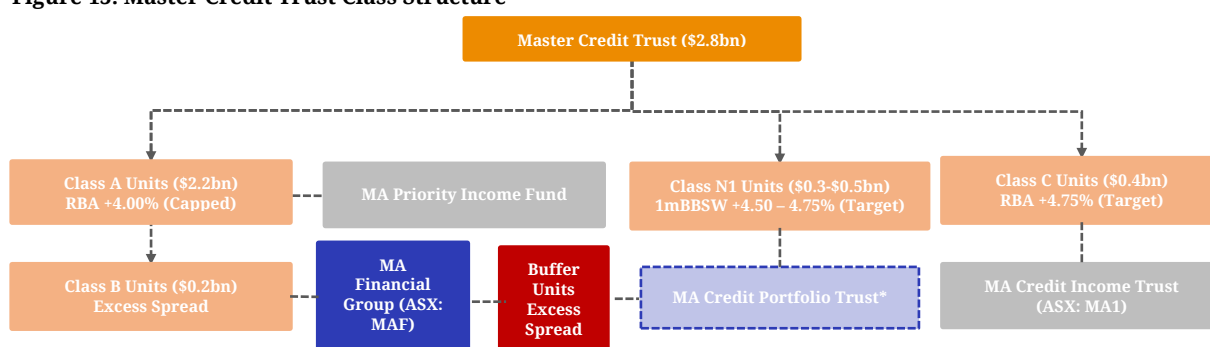
Source: BondAdviser, MA Financial.

**Figure 14. Position Parameters**

|                                |         |
|--------------------------------|---------|
| Max Position Size              | 15%     |
| Max Underlying Loan Exposure   | 5%      |
| Max Borrower Group Exposure    | 20%     |
| Top 5 Positions                | 35%     |
| Top 10 Positions               | 50%     |
| Geographical Exposure – ANZ    | 90-100% |
| Geographical Exposure – Global | 0-10%   |

Source: BondAdviser, MA Financial.

**Figure 15. Master Credit Trust Class Structure**



Source: BondAdviser, MA Financial. Not a complete representation of each underlying fund asset allocation for simplicity. \*May also invest in direct assets. May not sum correctly due to rounding.

## Credit Profile

Our assessment of the credit profile and expected performance considers three elements: credit risk (quality of the underlying assets), liquidity risk, and our proprietary quantitative analysis, which simulates the performance of the underlying funds under benign and distressed scenarios. We note that given the underlying asset/liability interest rate duration is expected to be well-matched based on the indicative asset allocation, risk considerations surrounding interest rate risk are minimal.

Our analysis indicates the indicative portfolio will perform in line with its targets over the term of the Notes, given the sufficient headroom in return generated on the indicative underlying portfolio. This is further supported by the expertise of MA Financial with zero capital losses across key flagship credit strategies, and significant credit enhancement built into the Notes which provides a strong alignment of interest between the Manager and Noteholders. In addition, whilst it is our base case that there is a direct refinancing at the Target Call Date, we are comfortable with the levers that can be pulled to increase liquidity in the event this is not the case during a material and prolonged market downturn.

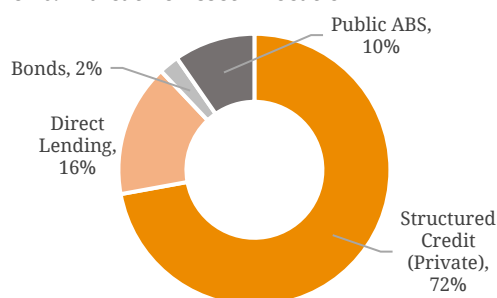
Based on the indicative allocation provided by MA Financial, we expect that the underlying portfolio will have a weighted average credit rating of around Baa2, noting that private assets may be rated internally using external rating agency methodologies and/or an internal rating methodology. We note these ratings are independently verified by a third-party on a periodic basis. As a function of 5% minimum credit support, we notch up the Notes to an assigned Risk Score of **Upper Medium**.

### Credit Risk

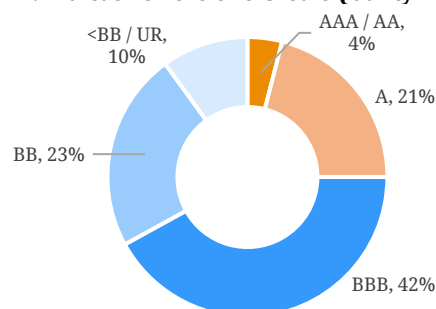
The underlying portfolio has been designed to meet all coupon payments and costs over the term of the Notes, with an initial allocation of between 75-100% to the Master Credit Trust (MCT) upon issuance. This allows relatively quick ramp-up of the Note proceeds and provides significant diversification, with the Master Credit Trust holding 94 positions. MCT was established in Jan-19 and has delivered 1mBBSW +614bps over the past 12 months with a total current portfolio of \$2.8bn. We have extensively monitored the MCT through our coverage of the MAPIF since 2020, which invests in Class A Units in the MCT. Following ramp-up into MCT, the Manager intends to dynamically reallocate into direct assets at the Issuer or Trust level to facilitate liquidity management as the Note approaches the Target Call Date. As such, the initial indicative portfolio provided by the Manager assumes 100% allocation to MCT.

While this portfolio suggests the underlying credit quality will be consistent with a Baa2 weighted average credit rating, the Manager has flagged it expects the portfolio positioning to be of slightly higher credit quality over time as the Note reduces exposure to the Master Credit Trust and deploys into assets directly. As seen below, the indicative asset allocation will be tilted predominantly to private structured credit (72%) at the outset, allowing the Notes to capture illiquidity premia to meet the target return of the Notes. These exposures have historically represented predominantly mezzanine tranches within structured credit vehicles, which have offered attractive risk-adjusted returns. That said, we note MCT has expanded into other credit strategies such as direct lending as the vehicle has grown.

**Figure 16. Indicative Asset Allocation**



**Figure 17. Indicative Portfolio Credit Quality<sup>1</sup>**



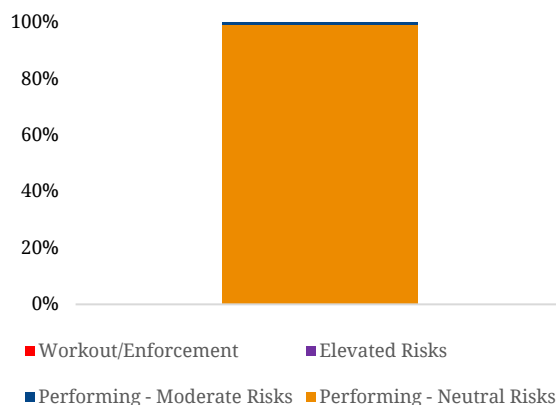
Source (both): BondAdviser, MA Financial. <sup>1</sup>Indicative based on MA PIF which the Note is expected to initially be invested in, subject to change. Credit ratings may be internal where a public rating is not available.

Credit risk is further mitigated through a 5% minimum Capital Buffer via Buffer Units. Whilst it is our expectation at the outset the Group will invest on balance sheet into the Buffer Units, MA Financial is expected to also utilise its managed funds platform to acquire Buffer Units. It is expected MA Financial Group will hold at least \$10 million in the first loss buffer, ensuring risk retention remains and therefore providing a stronger alignment of interest with investors. While any potential losses will be shared by other holders of the buffer units, in comparison to the layered approach of equity units and junior notes seen in other ASX-listed credit notes, MA Financial also has material first loss exposure in the MCT via Class B Units. Specifically, this equates to \$225 million on the Group's balance sheet and indirectly benefits Noteholders (through Class B Units) in terms of ensuring stringent risk management across the MCT portfolio.

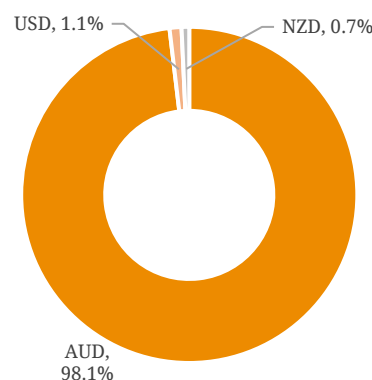
Investors benefit from additional soft credit enhancements in the form of residual income paid to Buffer Unit holders of around 1-1.5ppts p.a. throughout the life of the Note, albeit this will likely be variable over time dependent on asset

allocation and movements in credit spreads. This provides a first layer of defence for Noteholders whereby insufficient income to meet Note interest payments would see residual income redirected to Noteholders. MAFG has a demonstrated track record in managing a similar investment structure in the MAPIF, which has not experienced a single impairment to its first loss buffer since inception of the fund in Nov-18. This highlights the Manager's strong track record, having zero capital losses incurred across corporate and asset backed lending across MA Financial's flagship credit strategies to date.

**Figure 18. Asset Quality – MA PIF<sup>1</sup>**



**Figure 19. Indicative Currency Allocation<sup>2</sup>**

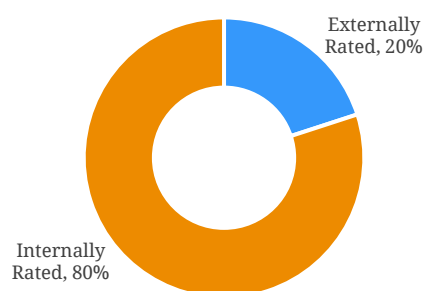


Source (both): BondAdviser, MA Financial. <sup>1</sup>Asset quality reflects MA PIF, which the Note is expected to initially be invested in. <sup>2</sup>Indicative, subject to change. Foreign currency exposure expected to be fully hedged.

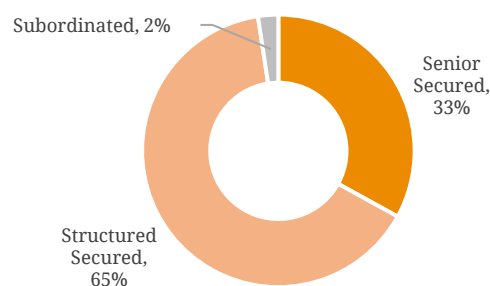
In terms of foreign currency exposure, the indicative portfolio will hold 98% A\$ exposure, with the balance allocated to minor US\$ and NZ\$ exposures. Whilst there are no explicit constraints to foreign currency exposure, there are constraints surrounding geographical exposure with 80%+ of the Note constrained to Australia and New Zealand domiciled companies. We also note the MCT Class N1 Units have a cap on international exposure of 10%. Any non-A\$ exposures held directly are expected to be fully hedged, whilst non-A\$ exposures held within the Master Credit Trust are hedged at the underlying trust level. When hedging using FX forwards, the Manager intends to only trade with counterparties that have effective legal documentation in place, predominantly under ISDA/CSA agreements.

Given the underlying assets are predominantly private credit investments, 80% of underlying assets are internally rated, with the balance primarily being public RMBS, which are rated by at least one of the Big 3 rating agencies. The Manager utilises an internal framework for the independent review of the appropriateness of its internal ratings methodology. All ratings are reviewed annually by an independent third party, with a portion of the portfolio reviewed each quarter, however any positions deemed to be at an elevated risk are reviewed more frequently.

**Figure 20. Rating Type – MA PIF<sup>1</sup>**



**Figure 21. Indicative Underlying Security**



Source (both): BondAdviser, MA Financial. As at 30-Sep-25. <sup>1</sup>Asset quality reflects MA PIF, which the Note is expected to initially be invested in.

The composition of underlying assets is primarily structured secured (65%), reflecting a combination of public and private asset backed securities within the underlying portfolio. We note that the domestic structured credit market has historically exhibited remarkably stable performance. During the global financial crisis (GFC), whilst RMBS SPIN index for non-conforming loans more than tripled (peaking at ~17%), no uncured charge backs were recorded on any rated tranche. This is predominantly due to the level of security and recourse over the underlying assets, relatively conservative LVRs, a consistently supportive pricing environment across residential real estate, as well as credit enhancement including excess spread within RMBS vehicles. That said, we note that the underlying securitised asset exposure extends beyond residential mortgage-backed securities, including niche specialty financing such as insurance premium funding and legal disbursement funding, among other types of asset-backed funding strategies. Whilst MA Financial has a strong track record with zero capital losses across its flagship credit strategies, these assets are private in nature and therefore publicly available data is limited, and as such broader conclusions cannot be drawn across the performance of niche private asset-backed markets.



Separate to credit risk, we note that interest rate risk and asset/liability mismatch risk associated with income is limited as a function of the indicative portfolio being primarily floating rate.

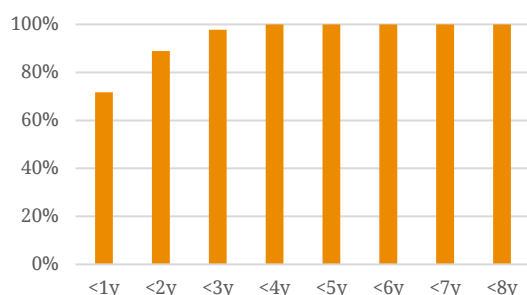
## Liquidity Risk

The nature of the underlying assets opens up MA2HA to liquidity risks; however, in our opinion these risks are well balanced and accounted for, allowing MA Financial to capture illiquidity premia to deliver higher risk-adjusted returns than comparably rated public securities, and therefore providing headroom to meet the target return on the Notes.

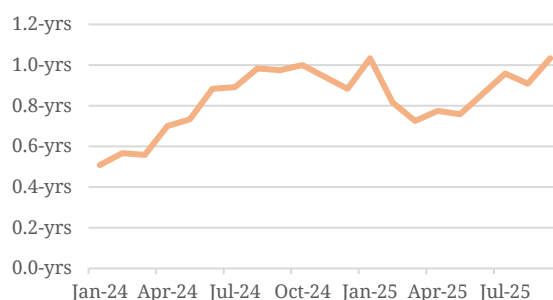
Whilst it is our base case the Notes are refinanced at the Target Call Date, in our opinion the underlying portfolio has sufficient levers that can be pulled to ensure there is sufficient liquidity to meet the repayment of the Note where a refinancing is uncertain. This may be in instances such a material market downturn, or where the structure of the Note is no longer viewed favourably by the market. Whilst secondary trading of the note structure has been weaker of late, we argue that the market has broadly accepted this structure as evident by strong primary demand across similarly structured notes, with recent poor trading likely indicative of poor supply/demand dynamics (thin liquidity) and potential forced/irrational selling associated with current market dynamics.

In terms of meeting the liquidity requirements of the Note, the short credit duration of underlying assets helps ensure a consistent roll off of investments into cash. As seen below, MA PIF, which invests in Class A Units in the Master Credit Trust, has consistently held a short credit duration. We are comforted by the limited size of the Note relative to the broader asset pool of the MCT, at over \$2.8bn and the short credit duration, which implies significant dollar value roll off each month should refinancing be difficult. That said, there is the risk of lock up in the underlying fund which may arise due to significant outflows, however the underlying fund has a demonstrated ability in attracting investor funds having scaled to \$2.2bn in Class A Unit capital 7 years since inception. We note the excludes the unbuffered Class C Units held by the MA Credit Income Trust (ASX: MA1) and Class B Units held by MA Financial.

**Figure 22. Indicative Portfolio Maturity Profile<sup>1</sup>**



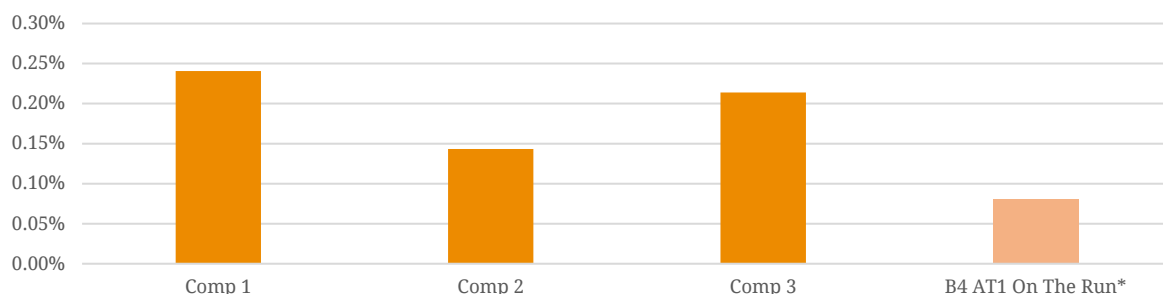
**Figure 23. Credit Duration – MA PIF<sup>2</sup>**



Source (both): BondAdviser, MA Financial. As at 30-Sep-25. <sup>1</sup>Indicative, subject to change. Does not reflect potential additional note issuance or investment into direct assets following ramp-up. <sup>2</sup>Reflects MA PIF, which the Note is expected to initially be invested in.

It is our base case this note structure is being increasingly adopted and accepted by the market, particularly due to increasing demand arising from the roll-off of the \$38bn outstanding (as at Oct-25) bank AT1 market. This opens MA Financial up to issue additional series of Notes in the future, directly benefitting liquidity of the underlying asset pool and reducing the absolute liability of the redemption of MA2HA as the asset base grows. A further option available to the Manager is the addition of par calls on each interest payment date following the Target Call Date, allowing for future refinancing windows, or asset roll-off until maturity. We suspect that this will be a last resort option given the relatively punitive 100bp step-up which would materially impact the excess spread paid to Buffer Unit investors (such as the Manager) subordinate to Noteholders.

**Figure 24. Average Daily Traded Volumes % of Market Cap – Listed Note Market & B4 AT1s**



Source: BondAdviser, Bloomberg. Pricing based on last price, not VWAP. \*Daily average volume traded to issue size across the B4 AT1 on the run securities over the past three months.

Lastly, we note that on-market liquidity can be limited and may continue to worsen over time as the existing notes become off-the-run, which may affect investors seeking to exit larger positions. As a result, investors with shorter investment horizons should consider potential liquidity risks if market conditions move unfavourably. This means

Noteholders should consider a medium-term investment horizon when investing in such products. While listed notes in this market have generally traded well upon listing, recent price performance has softened, with most securities trading below face value on a capital price basis. Importantly, this has occurred despite continued strength in broader credit markets. In our view, recent pricing reflects technical factors, including excess supply relative to demand in the domestic market, rather than deterioration in credit fundamentals.

## Quantitative Analysis

BondAdviser's Quantitative Analysis framework models a credit asset pool under baseline and distressed scenarios, using a number of historically observed inputs under varying economic conditions. These empirical inputs include credit rating migrations (including jump to default probabilities), recovery rates across security types, and historical yield curves. Under our distressed modelling, we model the underlying portfolio using empirical inputs (defaults, recovery rates, migration rates) that were observed in the *Asia Pacific* region for ABS securities during the GFC.

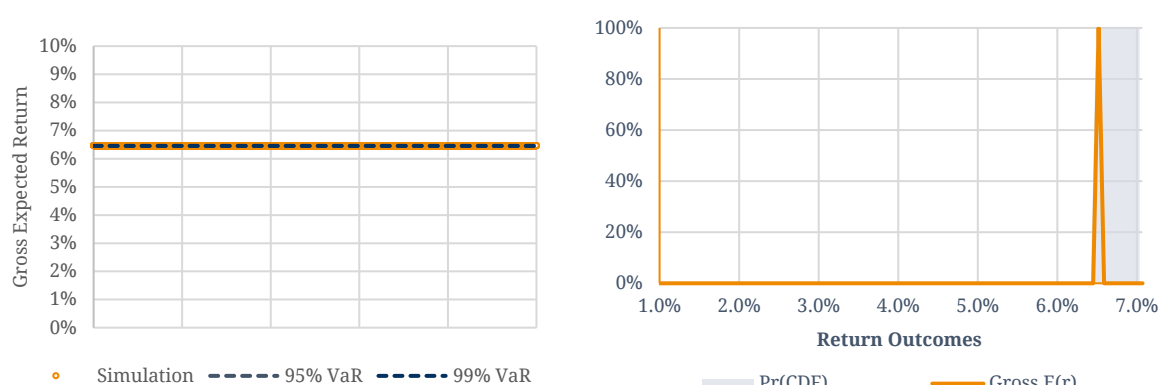
**We note that the below analysis has been conducted on the indicative portfolio provided by the Manager**, which reflects the Note initially holding 100% exposure to the Master Credit Trust. Over time, the Note will hold differing exposures via direct assets, however our understanding is that these exposures are expected to be more conservative than that of the Master Credit Trust. We also note that our analysis, while utilising empirical rating transition probabilities based on historical data, is applied based on the provided internal credit ratings (80% of portfolio), which could differ to implied publicly assigned ratings by the Big 3 rating agencies on a like-for-like basis. That said, we take comfort that these ratings are independently verified by a third party on an ongoing basis each quarter.

Though imperfect, these scenarios are applied to assess how the portfolio would perform under normal conditions, and distressed scenarios. **Importantly, this analysis does not make any assumption on MA Financial's ability as a manager, including its capability in avoiding capital losses through active management of the portfolio**, and the benefit of its advisory arm being one of the leading restructuring advisers domestically.

The first scenario models the underlying assets under benign conditions, accounting for the structural feature of the 5% minimum first loss capital and excess spread within the portfolio. This involves utilising transition rates empirically observed over benign economic conditions (2018), reflecting the probability of an asset transitioning from its current rating over a one-year period. In the event of default, recovery is based on priority of payment with ultimate recovery values simulated as a random variable using a beta-distribution based on seniority.

As seen below, **the portfolio performs exceptionally well under the benign scenario, with all 10,000 simulations producing the target return of 1mBBSW +325bps**. Noteholders are well protected under benign conditions, a function of (1) the quality and composition of the underlying portfolio, and (2) the material credit enhancement offered by the 5% minimum hard credit enhancement and excess spread. For the avoidance of doubt, these return simulations reflect the income distributed to Noteholders, and do not reflect the total return where an investor sells their Notes below or above face value.

**Figure 25. Scenario 1 - Benign Default Probabilities (2018)**



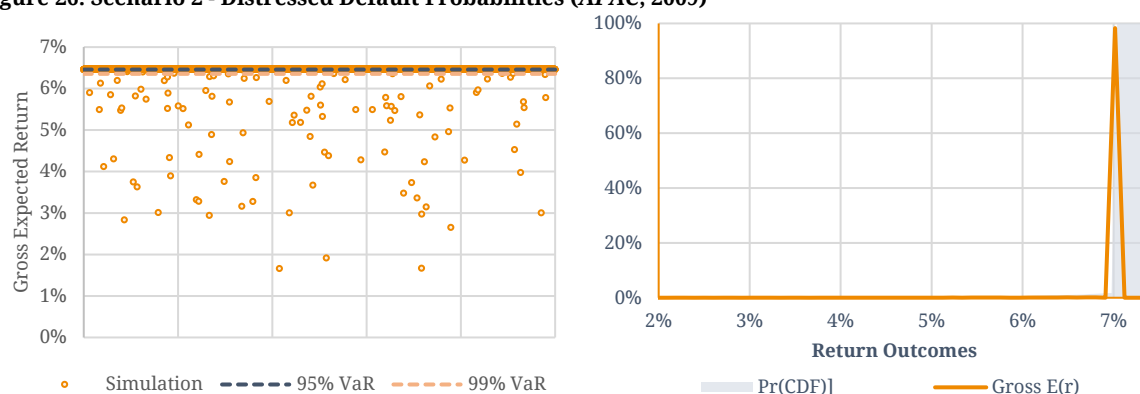
*Source: BondAdviser Estimates. Excludes the impact of mark-to-market movements in the traded price of MA2HA. Only modelling credit migration and JTD impact on NAV. Assumes losses are directly taken on underlying assets, does not assume early wind up with early call of bond for punitive modelling purposes. Based on pro forma portfolio of MA PIF. Underlying portfolio subject to change over life of Note.*

The second scenario models the structured credit investments using empirical inputs observed in the Asia Pacific region during the GFC, and corporate credit investments using global transition and recovery rates across corporate credit during the GFC.

Despite relatively punitive assumptions, the modelled returns across this scenario demonstrate strong downside protection, with returns supported by the 5% minimum subordination below the Notes. This relatively positive modelled performance results from (1) significant hard credit enhancement and excess spread protection at the Issuer level, (2) relatively favourable performance across APAC structured credit assets during the GFC, and (3) the level of diversification in the Master Credit Trust, mitigating tail risk outcomes across the scenario modelling. Only 114 in 10,000 simulations (1.14%) do not return the full net 1mBBSW +325bps return, and no losses incurred across any simulation

with a minimum stimulation return of 1.7%. We note that this modelling is over a one-year period and does not account for top-ups which results from excess spread being redirected to Noteholders to make up for deferred distributions. In this context, we view the total credit enhancement to provide strong structural support to Noteholders, and therefore assign an uplifted Risk Score of **Upper Medium** to the Notes.

**Figure 26. Scenario 2 - Distressed Default Probabilities (APAC, 2009)**



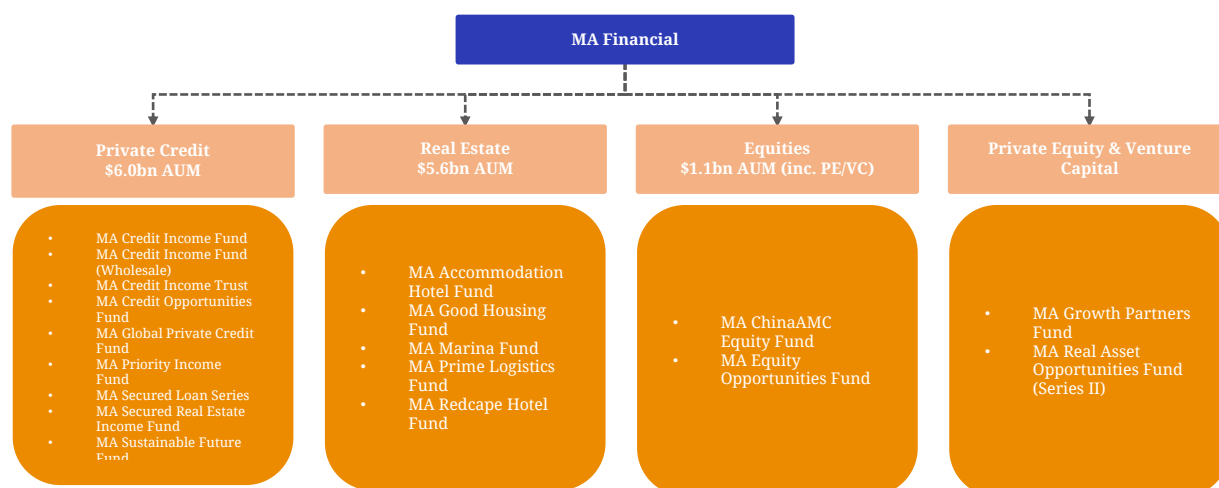
Source: BondAdviser Estimates. Excludes the impact of mark-to-market movements in the traded price of MA2HA. Only modelling credit migration and JTD impact on NAV. Assumes losses are directly taken on underlying assets, does not assume early wind up with early call of bond for punitive modelling purposes. Based on pro forma portfolio of MA PIF. Underlying portfolio subject to change over life of Note.

## Manager Overview

**MA Financial Group** (ASX: MAF) is a global alternative asset manager specialising in a range of private market strategies, including private credit (specialty finance/asset-backed lending), real estate (including hospitality) and private equity/venture capital. It manages approximately \$13.3 billion on behalf of clients (as of September 2025).

Established in 2009, MAF began operations in Australia as Moelis & Company under the umbrella of the NYSE-listed global investment bank. The firm subsequently rebranded to Moelis Australia in 2017 upon listing on the ASX and renamed to MA Financial in 2021, reflecting the broad scope of business activities the Group now operates under. The Group's team spans over 800 professionals across Australia, China, Hong Kong, New Zealand, Singapore and the United States, including 40 investment professionals located across Australia.

**Figure 27. MA Financial Asset Management Overview**

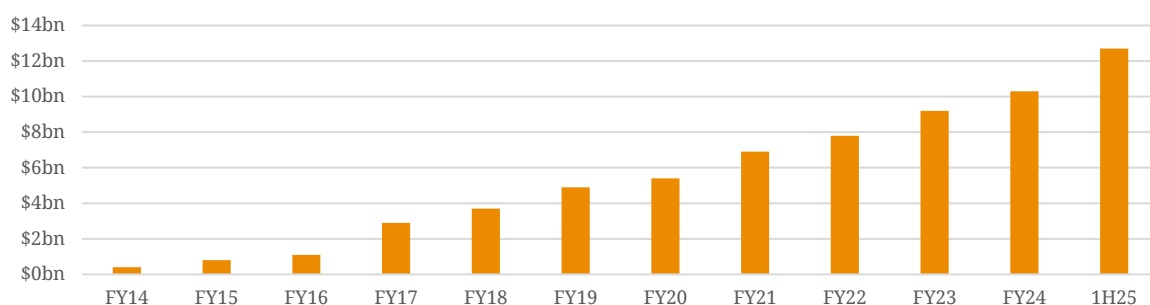


Source: BondAdviser, MA Financial. Data as at 30-Jun-25.

The group is complemented by its Lending & Technology platform which includes non-bank lender MA Money and mortgage aggregation platform Finsure (acquired in December 2022). This is complimented by a smaller Specialty Finance unit. Finsure's mortgage aggregation platform has over \$165 billion of loans and MA Money has a loan book of \$4 billion (30-Sep-25). The group also provides corporate advisory services across equity and debt capital markets, mergers & acquisitions and capital structure advisory, executing on over \$125 billion in deal value since inception of the firm, as well as equities research and trading

Alignment of interest is a core value of MA Financial with 30% of MAF equity held by staff and \$225 million coinvested across underlying funds and credit portfolios managed by MAF across private credit. This alignment of interest ensures strict underwriting standards, especially where MA Financial Group balance sheet capital is at risk, including across the Master Credit Trust (MCT) which currently has \$2.8 billion in total capital (as of 30 September 2025). Underpinning the Manager's investment philosophy is a focus on proprietary investment origination, targeting lending segments where banks are not the most efficient providers of capital. This approach offers opportunities for attractive pricing and robust downside protection, helping to mitigate capital losses across the cycle whilst delivering strong risk-adjusted returns.

**Figure 28. MA Financial AUM Growth**



Source: BondAdviser, MA Financial. Data as at 30-Jun-25.

MA Asset Management employs a robust multi-layered oversight structure to ensure the valuation framework remains robust and conflicts of interest are mitigated. This involves the separation of duties between teams, having a separate finance team responsible for valuation of funds, and a Valuation Committee comprising majority MA representatives from other departments of the Group external from MA Asset Management. The committee convenes throughout the year at least on a semi-annual basis (but more frequently if required). It is responsible for reviewing findings from independent valuation providers, and testing of impairment assumptions, as well as reviewing expected credit loss provisioning. Independent third-party valuation assurance providers are engaged to assess carrying values on assets on a quarterly and at least once per annual cycle

## Research Methodology

Every research report prepared by BondAdviser includes a clear recommendation on the security. This recommendation framework is designed to help investors navigate different investment opportunities by identifying the market price, yield, term to maturity, liquidity, volatility and risk.

The guide below may help you understand our research opinions. For further information on our research approach, you can refer to our RG79 statement by [clicking here](#).

### Research Opinions key

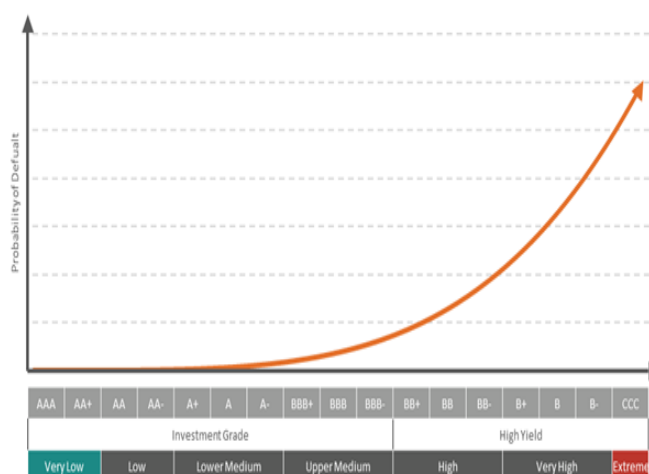
- **Buy** - Over the next 12 months, the analyst expects the security to outperform the current yield due to credit spread tightening or favourable movements in the underlying yield curve.
- **Hold** - Over the next 12 months, the analyst expects the security to provide stable returns broadly in line with the current yield but with little credit spread tightening.
- **Sell** - Over the next 12 months, the analyst expects the security to underperform the current yield due to credit spread widening or adverse movements in the underlying yield curve.
- **Suspended** - The recommendation has been suspended temporarily due to the disclosure of new information or market events that may have a significant impact on our recommendation. This also includes situations where we have been given non-public information and we need to temporarily suspend our coverage in order to comply with applicable regulations and/or internal policies.
- **Not Rated** - A security that has not been assigned a formal recommendation.
- **Ceased Coverage** - The recommendation has ceased due to issuers failure to disclosure necessary information or coverage is subjectively removed in accordance with our Research Governance Statement.

## About BondAdviser

BondAdviser is Australia's only specialist independent fixed income research platform providing valuable information and clear investment recommendations for all ASX-listed interest rate securities and a broad range of over-the-counter corporate bonds.

We are the first choice for financial advisers, stockbrokers, private banks; and wealth management firms that need access to the highest quality, most timely and independent fixed income insights and useful analytical tools.

Clients use BondAdviser to meet their risk, governance and compliance requirements. Partnering with us gives them confidence they have a transparent audit trail when making recommendations about fixed income securities. This ensures they can demonstrate they have always acted in their clients' best interests.



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