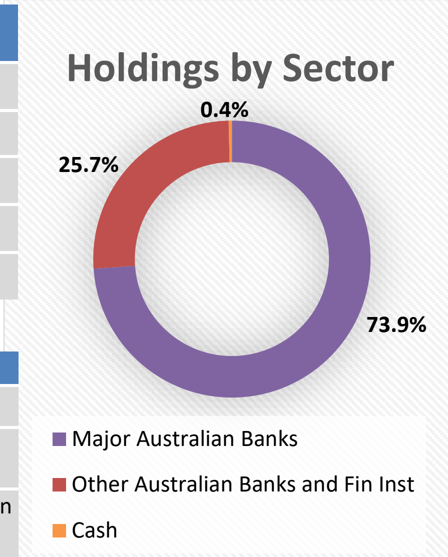
Prime Value Enhanced Income Fund Monthly Update – February 2024

- The Fund performed well in February with a 0.32% return after-fees. For the past 12 months, the return was 3.72% after-fees (excluding franking credits) and 4.04% after-fees (including franking credits).
- The distribution paid to investors in early January 2024 for the December quarter was $0.01 per unit which was a large increase on previous quarters, and equivalent to 4.06% after-fees on an annual basis (assuming all distributions are re-invested). Our aim is to also distribute $0.01 per unit for the March quarter provided interest rates do not fall significantly, and the market remains stable.
- Markets continue to remain stable. However, there are several market, economic and geopolitical risks that are unresolved and may potentially cause some market volatility. Hence, we will continue to manage the Fund conservatively to ensure it meets its key objectives of capital preservation and quarterly distributions.

	Net Return*	Net Return including Franking Credits**	Benchmark Return - 90 Day Bank Bill Rate (BBSW)
Since inception (p.a.)	**2.59%**	**3.01%**	1.78%
5 Years (p.a.)	**1.80%**	**2.06%**	1.52%
3 Years (p.a.)	**1.83%**	**1.99%**	2.11%
1 year	**3.72%**	**4.04%**	4.15%
6 Months	**2.40%**	**2.55%**	2.12%
3 Months	**1.28%**	**1.43%**	1.07%
1 month	**0.32%**	**0.32%**	0.34%

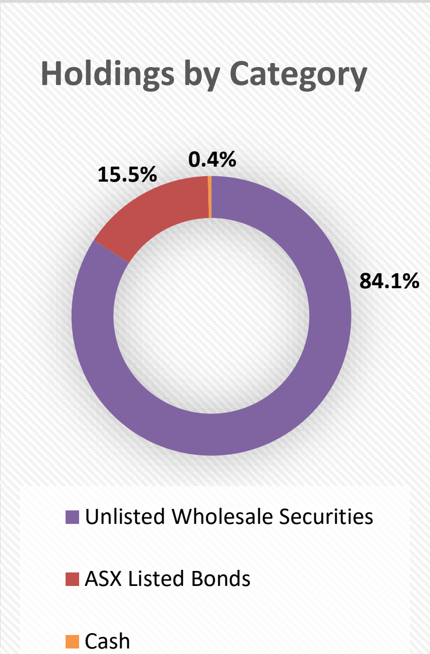
* Performance figures have been calculated in accordance with Financial Services Council (FSC) standards. No allowance has been made for taxation. Performance assumes the reinvestment of income distributions. Past performance is not necessarily an indicator of future performance. Net returns are calculated after management fees. **Returns grossed up for Franking Credits are estimates.

Major Holdings	Sector	Category
NAB	Banks	Wholesale Notes
Westpac	Banks	Wholesale Notes
CBA	Banks	Wholesale Notes
ANZ	Banks	Wholesale Notes
Bendigo and Adelaide Bank	Banks	Wholesale Notes



Feature	Fund Facts
Portfolio Manager	Matthew Lemke
Responsible Entity	Prime Value Asset Management Ltd (ABN 23 080 376 110; AFSL 222 055)
Investment Objective	To provide regular income with low risk of capital loss in the medium term (the Fund's unit price will vary with market factors and other factors affecting the prices of securities in the investment portfolio). The Fund targets a return to investors of the benchmark. The return will vary over time depending on the market and economic outlook
Target Market	The Fund is for investors seeking a regular return above the 90-day BBSW rate from a diverse portfolio of investments with an emphasis on capital preservation.
Benchmark Return	90-day BBSW rate
Inception Date	3 June 2014
Interest Rate Reset Duration	Approx. 0.3 years
Distributions	Quarterly
Suggested Investment Period	1 + year
Minimum Investment	$50,000
Indirect Cost Ratio (ICR)	0.60% p.a.[1]
Issue price	$1.0086
Withdrawal Price	$1.0082
Distribution (31/12/2023)	$0.0100

[1]Unless otherwise stated, all fees quoted are inclusive of GST and less the relevant RITC



Fund review and strategy

The Fund performed well in February with a 0.32% return after-fees. For the past 12 months, the return was 3.72% after-fees (excluding franking credits) and 4.04% after-fees (including franking credits). Past performance is not a reliable indicator of future performance.

The distribution paid to investors in early January 2024 for the December quarter was $0.01 per unit, a large increase on previous quarters, and equivalent to 4.06% after-fees on an annual basis (assuming all distributions are re-invested). Our aim is to also distribute $0.01 per unit for the March quarter provided interest rates in the market do not fall significantly and the market remains stable.

Global credit, equity, bond and property markets have continued to trade on a positive note on the expectation that the global tightening cycle is over and that global growth will be resilient through 2024 and 2025.

The principal risk facing the Fund is a significant slowdown in the Australian economy. The market expects a 'soft landing' for the Australian economy as the 4.2% of rate hikes by the RBA since May 2022 are absorbed. A significant slowdown is not expected, especially after the monthly CPI for January (released 28 February) of 4.1% (excluding 'volatile' items like fruit and vegetables) corroborated the fall in inflation seen in the December quarter CPI (released 31 January) to 4.1%. The other important release in February was the employment data for January 2024 which showed that unemployment rose to 4.1% in seasonally adjusted terms from 3.9% in December 2023.

As a result of the CPI and employment data, the market is not expecting the RBA to hike the official cash rate again. Nonetheless, we note that Michele Bullock the RBA Governor has publicly stated that the RBA will need to continue to forecast inflation to fall into its target band of 2-3% in a "reasonable timeframe" for the RBA not to hike further. The RBA's current forecast is for inflation to fall to slightly below 3% by the end of 2025 - this is considered to be a "reasonable timeframe".

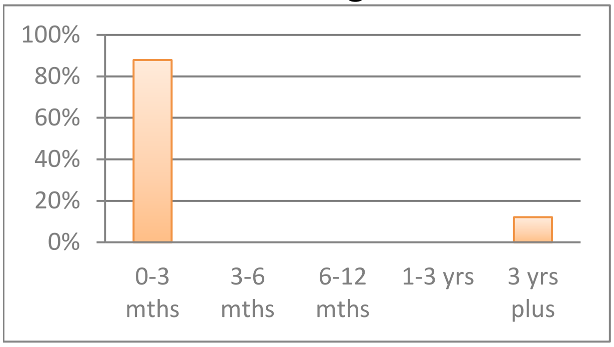
Internationally, we are carefully monitoring the US where the market expects the US Federal Reserve to cut rates as early as June 2024 – this is supporting global credit, equity, bond and property markets. While recent economic data in the US has been mixed, the core Personal and Consumption Expenditure (PCE) index, which tracks expenditures for goods and services excluding 'volatile' items like food, fell to 2.8% in January, the lowest core PCE reading since March 2021. The market believes this data supports the Fed commencing an easing cycle at its meeting on 12 June 2024. If inflation does not continue to abate in the US and the market pushes out its expectation for the Fed to cut rates, 'disappointment' is likely to impact market sentiment globally, causing some 'unwinding' of the current support for credit, equity, bond and property markets, and a degree of market volatility can be expected.

We are monitoring the economic slowdown in China and whether the stimulus measures are curbing the slowdown. The stock market in China has been quite volatile in recent weeks, reflecting investor uncertainty and concerns about the economy. China's economic situation is particularly important to Australia's economic performance, and so we are carefully reviewing official statements from China, and economic and market data. The Hamas-Israel and Hezbollah-Israel conflicts have the potential to escalate in ways that cannot be anticipated, potentially causing periodic spikes in commodity prices such as crude oil with possible effects on inflation and the global economy.

Given the geopolitical, economic and market uncertainties, we will continue with our conservative strategy of investing the Fund's portfolio mainly in floating (variable) rate securities which benefit directly from higher interest rates, and in 'AA-' rated securities issued by the major Australian banks and 'AAA' rated securities – these securities have very low credit risk and strong liquidity. This strategy is a major reason for the Fund continuing to perform well and being able to meet its key objectives of capital preservation and quarterly distributions.

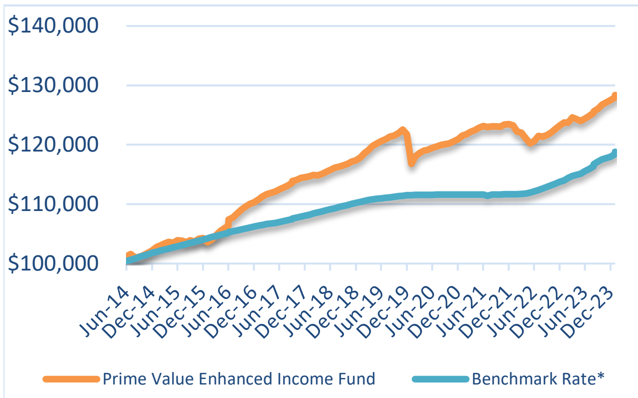
If you have any questions, please do not hesitate to arrange a call through your Investor Relations contact with the Fund Manager, Matthew Lemke, or Prime Value's CEO, Yak Yong Quek.

Interest Rate Reset Management



The Fund's portfolio weighted average interest rate reset duration is approximately 3 months. The vast majority of securities in the Fund's portfolio have interest rates that reset every quarter, and therefore benefit from the higher interest rates in the market.

Fund Performance



This graph shows how $100,000 invested at the Fund's inception has increased to $128,360 (net of fees). This compares with the Fund's benchmark return, where a $100,000 investment would have increased to $118,810 over the same period.

*The Benchmark Return was calculated by reference to the RBA Official Cash Rate until December 2020 and thereafter by reference to the 90-day BBSW rate

Performance figures have been calculated in accordance with the FSC standards. No allowance has been made for taxation. Performance assumes the reinvestment of income distributions. Past performance is not necessarily an indicator of future performance. Net returns are calculated after management fees.

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