Prime Value Enhanced Income Fund Monthly Update – March 2024

- The Fund performed well in March with a return of 0.35% after-fees. For the past 12 months, the return was 4.08% after-fees (excluding franking credits) and 4.41% after-fees (including franking credits).
- The Fund paid a distribution of $0.01 per unit to investors in early April 2024 for the March 2024 quarter. This is equivalent to 4.06% on an annual basis (assuming all distributions are re-invested). This distribution is the same as for the December 2023 quarter.
- 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.

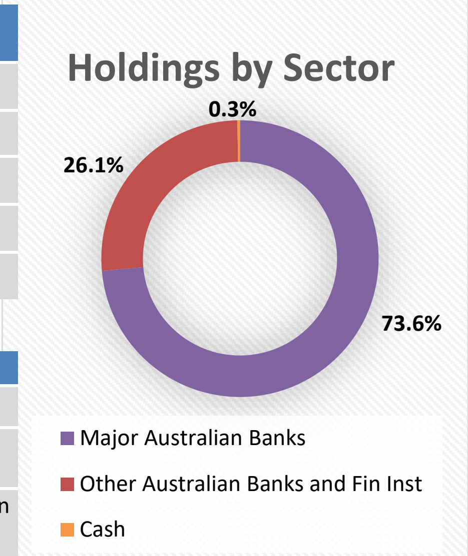
	Net Return*	Net Return including Franking Credits**	Benchmark Return - 90 Day Bank Bill Rate (BBSW)
Since inception (p.a.)	**2.61%**	**3.02%**	1.80%
5 Years (p.a.)	**1.79%**	**2.02%**	1.55%
3 Years (p.a.)	**1.90%**	**2.04%**	2.22%
1 year	**4.08%**	**4.41%**	4.17%
6 Months	**2.52%**	**2.67%**	2.12%
3 Months	**1.00%**	**1.00%**	1.05%
1 month	**0.35%**	**0.35%**	0.33%

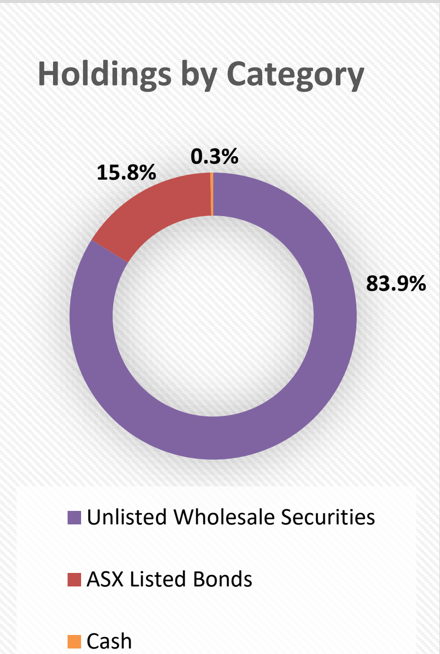
* Performance figures have been calculated in accordance with Financial Services Council (FSC) standards. No allowance has been made for taxation. Performance assumes the reinvestment of income distributions. Past performance is not necessarily an indicator of future performance. Net returns are calculated 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	$1.0021
Withdrawal Price	$1.0017
Distribution (31/03/2024)	$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 March with a return of 0.35% after-fees. For the past 12 months, the return was 4.08% after-fees (excluding franking credits) and 4.41% after-fees (including franking credits). Past performance is not a reliable indicator of future performance.

The Fund paid a distribution of $0.01 per unit to investors in early April 2024 for the March 2024 quarter. This is equivalent to 4.06% on an annual basis (assuming all distributions are re-invested). This distribution is the same as for the December 2023 quarter.

Global credit, equity, bond and property markets have continued to be stable during March on the expectation that the global tightening cycle is over and that global growth will be resilient through 2024 and 2025. Market measures of volatility, such as the widely-used VIX index (which measures equity market volatility), have fallen to historically low levels.

The principal risk facing the Fund continues to be a significant slowdown in the Australian economy. This is not expected. Even though the RBA has retained its "tightening bias" – unlike the central banks of the US, Canada, Switzerland, the UK and the European Central Bank which have all moved to an "easing" bias - the market is not expecting the RBA to hike further. Hence, it would appear that the RBA's monetary policy will not of itself cause a significant slowdown in the Australian economy. Only a modest slowdown, slightly below the long-term growth trend, is forecast by the RBA - the RBA's official forecast is for Australia's GDP to be growing at an annual rate of 1.8% in December 2024, rising to 2.1% by June 2025, 2.3% by December 2025 and 2.4% by June 2026. The RBA has retained its tightening bias, principally because the inflation rate (4.1% annual) is above the RBA's target band of 2-3% and the employment data is strong– the employment data released in March 2024 showed the seasonally-adjusted unemployment rate falling back to 3.7% in February 2024 from 4.1% in January.

It is somewhat understandable that the RBA is slower to move to an easing bias compared to the countries mentioned above given Australia's inflation rate is above the inflation rates in those countries, whilst the RBA's official cash rate (4.35%) is lower than the respective rates in those countries. We are particularly watching the economic situation in China. From the increase in exports seen in recent data, it appears China is trying to export its way out of its economic downturn partly through lower export prices - this is a source of disinflation to the world. China's efforts to stimulate its economy are supportive to Australia given the considerable trade and investment flows between the two countries.

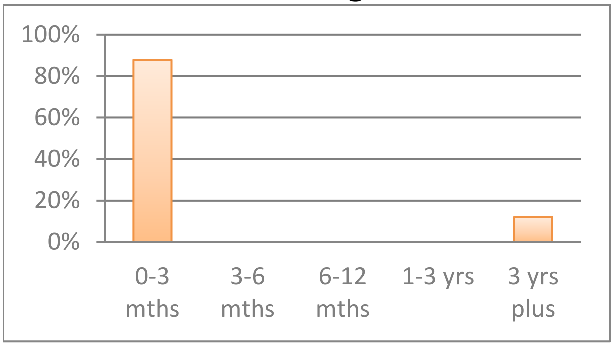
Overall, we are carefully watching the evolvement of interest rate policy in Australia and internationally. The move by the central banks of the countries mentioned above to an easing bias, particularly by the US Federal Reserve, has been supporting global economic growth and the credit, equity, bond and property markets around the world. In March 2024, some of the economic data released in the US was quite strong, which has led the US Fed to actively "water down" market expectations of a rate cut before September 2024.

The Hamas-Israel, Hezbollah-Israel and Ukraine-Russia conflicts are ongoing and each has the potential to escalate in ways that cannot be anticipated. These conflicts may cause periodic bouts of volatility in global markets and potentially large moves in commodity prices such as crude oil with potential flow-on effects to 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.

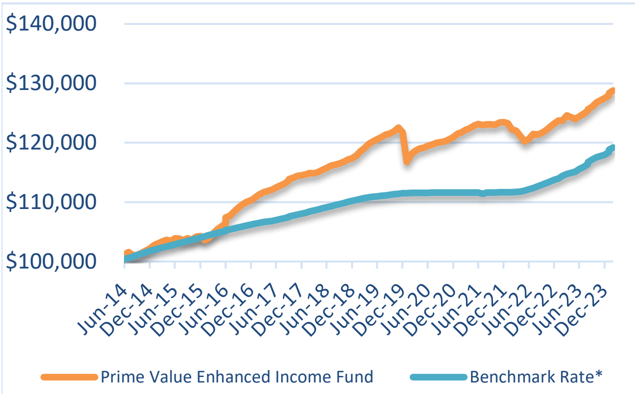
If you have any questions, please do not hesitate to arrange a call through your Investor Relations contact with the Fund Manager, Matthew Lemke, or Prime Value's CEO, Yak Yong Quek.

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 $128,800 (net of fees). This compares with the Fund's benchmark return, where a $100,000 investment would have increased to $119,200 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

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