Prime Value Diversified High Income Fund Monthly Update – November 2024

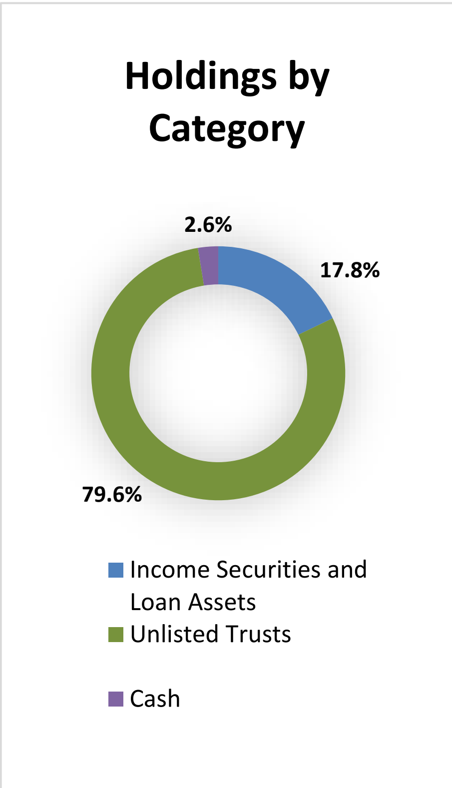
- The Fund's return for November 2024 was 0.32% after-fees. In December 2024, the Fund distributed $0.53 cents per unit to investors, equivalent to 6.55% p.a. (assuming all distributions are reinvested). This distribution is the 64th consecutive distribution since the Fund was incepted in August 2019.
- Markets in November 2024 were again broadly stable. We are managing the Fund's investment portfolio within a risk-management framework that allows for an increase in market volatility, which may result from several areas of uncertainty in Australia and globally. These areas relate to economic performance, inflation, monetary policy, trade and geopolitical conflicts. We continue to manage the Fund conservatively to ensure it meets its key objectives of capital preservation over the medium term and ongoing monthly distributions.

	Net Return*	Benchmark Return (RBA Cash Rate + 4% p.a.)
Since inception (p.a.)	**4.75%**	5.83%
3 years (p.a.)	**4.39%**	7.01%
2 Years (p.a.)	**3.12%**	8.06%
1 Year	**0.30%**	8.35%
6 Months	**-1.08%**	4.08%
3 Months	**1.12%**	2.00%
1 Month	**0.32%**	0.64%

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

Feature	Fund Facts
Responsible Entity	Prime Value Asset Management Ltd (ABN 23 080 376 110; AFSL 222 055)
Investment Objective	The Fund aims to provide regular income with medium risk exposure. The Fund targets a return to investors of the RBA Cash Rate plus a margin of 4.0% p.a. This return may vary from month to month depending on the market.
Target Market	The Fund is designed for investors seeking a return above the RBA cash rate and regular monthly distributions from a diverse portfolio of investments with an emphasis on capital preservation.
Benchmark	RBA Cash Rate + 4% p.a.
Inception Date	1 August 2019
Distributions	Monthly
Suggested Investment Period	1-2 years
Individual Security Maximum Exposure	Individual security holdings will generally be limited to 15% of the portfolio, however, the Fund Manager is permitted to invest above 15% but generally not exceeding 25% of the portfolio if this is considered to be in the best interests of investors.
Minimum Investment	$50,000
Management Fee	0.85% per annum[1]
Performance Fee	15%[1] of net performance above the RBA Cash Rate + 4% p.a. benchmark
Issue price	$0.9546
Withdrawal Price	$0.9546
Distribution (30/11/2024)	$0.0053

[1]The Fund may hold one or more unlisted trusts (Interposed Vehicles). Indirect costs are the impact on the Fund from fees and costs such as management fees in connection with Interposed Vehicles. The fees in the above table exclude indirect costs. Indirect management fees and costs for the year ended 30 June 2024 were 1.40%. Indirect performance fees charged or accrued since the Fund's inception to 30 June 2024 were 0.4% pa. Indirect costs will vary every year.



Fund review and strategy

The Fund's return for November 2024 was 0.32% after-fees. In December 2024, the Fund distributed $0.53 cents per unit to investors, equivalent to 6.55% p.a. (assuming all distributions are reinvested). This distribution is the 64th consecutive distribution since the Fund was incepted in August 2019. Past performance is not a reliable indicator of future performance.

The major risks faced by the Fund are a major deterioration in the performance of the Australian economy or a significant market selloff. Neither appears likely. ABS data released in early December 2024 shows that Australia's GDP for the September quarter grew by only 0.3%, and 0.8% year-on-year. This continues the below-trend growth in the economy. However, the Federal Treasury, RBA and IMF continue to forecast a pickup in the Australian economy in 2024/25 and 2025/26.

Global markets were again broadly stable in November 2024. Equity markets continued to perform well with US, European and Australian equity markets closing November at or near all-time highs, and there was a noticeable fall in the VIX (which measures equity market volatility). Markets are essentially waiting for more information and developments in three broad areas:

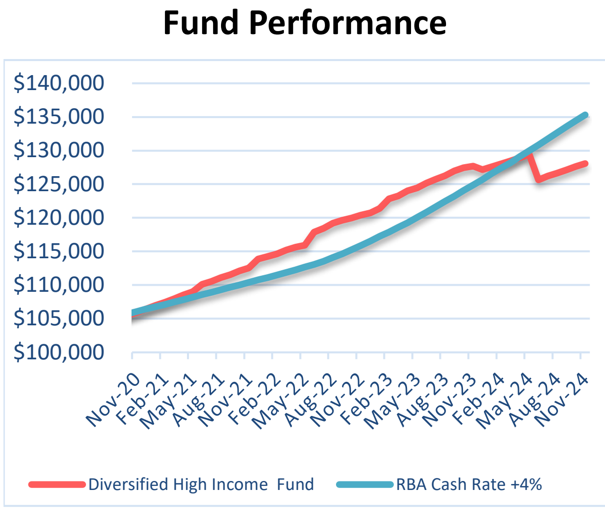
Inflation and Monetary Policy: The rate cuts delivered in 2024 by several central banks, notably the US Fed and ECB, have been supporting markets. However, the prospect of further rate cuts is now in question with the pause in the downtrend in inflation in and labour market conditions unexpectedly tight. Recently, the Fed Chairman cautioned against over-estimating the extent of further rate cuts. Complicating the outlook are the potential reflationary consequences of President-elect Donald Trump's proposals to raise import tariffs and cut income taxes. In Australia, the ABS monthly inflation data (October 2024) showed the RBA's preferred measure, the "Trimmed Mean" (which excludes irregular and temporary effects), continues in the mid-3% area (annual), above the RBA's target of 2-3%. Unemployment continues near long term lows. Hence, it is unsurprising that the RBA is retaining its "tightening bias". It remains to be seen whether the downtrend in inflation in Australia and many other countries will resume in 2025.

International Trade: The prospect of a 'trade war' between China and the US is a possibility in 2025 should the US impose higher tariffs on China. China's response is important. So far, China appears to be allowing the Chinese Yuan to devalue against the US Dollar – the weaker Yuan helps Chinese exports and their domestic economy. The trade situation is important to Australia given the very strong trade and investment ties with China. The prospect of the China/US trade issues expanding to a more global scale is a potential issue for markets in 2025. The trade issues may also lead to volatility and currency realignments in foreign exchange markets which can have a broader flow-on effect to other markets.

Geopolitical Conflicts: The Middle East and Russia/Ukraine conflicts continue with no end in sight and signs of escalation. Both conflicts will be influenced by the extent and form of 'engagement' by the Trump administration.

It is likely that the above uncertainties may begin to weigh more heavily on investor sentiment, potentially leading to higher market volatility. In managing the Fund's investment portfolio, we do not try to predict or anticipate market movements. Our efforts are focused on managing the portfolio within a disciplined risk-management framework, which allows for the possibility of unexpected geopolitical, economic, or market events. Given the various uncertainties, we will continue with our strategy of investing the Fund's portfolio in a diverse range of quality, income-producing assets, including mortgages, unlisted property, 'alternative' assets, and loan assets. This strategy has allowed the Fund to meet its key objectives of capital preservation over the medium-term and ongoing monthly distributions.

If you have any questions, please do not hesitate to arrange a call with your Investor Relations contact.



This graph shows how $100,000 invested at the Fund's inception has increased to $128,060 (net of fees). This compares with the Fund's benchmark return of the RBA cash rate + 4% p.a., where a $100,000 investment would have increased to $135,310 over the same period.

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