SQM RESEARCH

La Trobe US Private Credit Fund – Class A Wholesale

This report has been prepared for financial advisers and wholesale clients only

Superior

March 2025, updated October 2025

INTRODUCTION

Key Principles

SQM Research considers (but is not restricted to) the following key review elements within its assessment:

1. Business profile - product strategies and future direction
2. Marketing strategies and capabilities, market access
3. Executive Management / Oversight of the investment management firm
4. Corporate Governance / fund compliance / risk management
5. Investment team and investment process
6. Fund performance, investment style, market conditions, investment market outlook
7. Recent material portfolio changes
8. Investment liquidity
9. Investment risks
10. Fund/Trust fees and expenses

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Report Date: 5 March 2025, updated 2 October 2025

Star Rating**	Description	Definition	
4½ stars and above	*Outstanding*	***Highly suitable for inclusion on APLs*** *SQM Research believes the Fund has substantial potential to outperform over the medium-to-long term. Past returns have typically been very strong. Product disclosure statement (PDS) compliance processes are high-calibre. There are no corporate governance concerns. Management is extremely experienced, highly skilled and has access to significant resources.*	*Highest Investment Grade*
4¼ stars	*Superior*	***Suitable for inclusion on most APLs*** *SQM Research considers the Fund has considerable potential to outperform over the medium-to-long term. Past returns have tended to be strong. PDS compliance processes are high-quality. There are no material corporate governance concerns. Management is of a very high calibre.*	*High Investment Grade*
4 stars	*Superior*	***Suitable for inclusion on most APLs*** *In SQM Research's view, the Fund has an appreciable potential to outperform over the medium-to-long term. Historical performance has tended to be meaningful. PDS compliance processes are strong. There are very little to no material governance concerns. Management is of a high calibre.*	*High Investment Grade*
*3¾ stars**	*Favourable*	***Consider for APL inclusion*** *SQM Research concludes the Fund has a moderate potential to outperform over the medium-to-long term. Past performance has tended to be reasonable. Management is experienced and displays investment-grade quality, however they may not be yet fully tested. As a result the manager/product may have higher risks attached compared to peers.*	*Investment Grade*
*3½ stars**	*Acceptable*	***Consider for APL inclusion*** *In SQM Research's view, the potential for future outperformance in the medium-to-long term is uncertain. Historical performance has tended to be modest or patchy. Management is generally experienced and displays investment-grade quality, however they may not be yet fully tested. As a result the manager/product may have higher risks attached compared to peers. SQM Research has identified material weaknesses which need addressing in order to improve confidence in the Manager. There might be some corporate governance concerns.*	*Low Investment Grade*
3¼ stars	*Caution Required*	***Not suitable for most APLs*** *In SQM Research's opinion, the potential for future outperformance in the medium-to-long term is very uncertain. Historical returns have tended to be disappointing or materially below expectations. PDS compliance processes are potentially substandard. There might be material corporate governance concerns. Management quality is not of investment-grade standard.*	
3 stars	*Strong Caution Required*	***Not suitable for APL inclusion*** *In SQM Research's opinion, the potential for future outperformance in the medium-to-long term is unlikely. Historical performance has tended to be unacceptable. There could be material corporate governance concerns. SQM Research has a number of concerns regarding management.*	
Below 3 stars	*Avoid or Redeem*	***Not suitable for APL inclusion*** *SQM Research has multiple material concerns surrounding the Fund.*	

Event-driven Rating	Definition
Withdrawn	*The rating is withdrawn and no longer applicable. Significant issues have arisen since the last report was issued, and investors should avoid or redeem units in the fund.*
Discontinued - Withdrawn	*The manager, after agreeing to be reviewed, has pulled out of the process and/or has not responded.*
Hold	*Rating is suspended until SQM Research receives further information. A rating is typically put on hold for a period of two days to four weeks. Dealer groups should not be making further investments into this fund until SQM has completed its additional investigations.*

* *It is strongly recommended advisers conduct additional due diligence over and above base requirements when considering such rated funds.*

** *The definitions in the table above are not all encompassing and not all individual items mentioned will necessarily be relevant to the rated Fund. Users should read the current rating report for a comprehensive assessment.*

SQM Research Rating Advisory

Thursday, 2 October 2025

The rating for the La Trobe US Private Credit Fund (the "Fund") has been reinstated to 4.00 stars from 'Hold' by SQM Research following an update from ASIC revoking its temporary stop order relating to the Fund.

Key points:

SQM Research has today revised the rating of the La Trobe US Private Credit Fund (the "Fund"), as detailed in the table below.

Fund Name	APIR Code	Previous Rating	New Rating
La Trobe US Private Credit Fund - Class A	LTC8436AU	Hold	4.00
La Trobe US Private Credit Fund - Class B	LTC1706AU	Hold	4.00

This rating action follows a decision by the Australian Securities and Investments Commission ("ASIC") to revoke interim stop orders preventing La Trobe Financial Asset Management Limited ("La Trobe") from issuing or distributing the PDS for the Fund.

The interim stop orders had been made by ASIC on 18 September 2025 because of ASIC's concerns that the Fund's target market determination ("TMD") was inappropriate under the Design and Distribution Obligations framework.

Specifically, ASIC raised concerns that the TMD:

- suggests an inappropriate level of portfolio allocation given the risks of the Fund, and
- does not adequately specify an investment timeframe for retail clients.

La Trobe worked closely with ASIC to address these concerns, including by making changes to the Fund's TMD, which has resulted in the interim stop orders being revoked.

As a result of the developments described above, SQM Research has reinstated the rating of the Fund to **4.00** with immediate effect.

Any future material changes to the rating status will be advised to subscriber clients of

Important Note

SQM Research emphasises that a rating report does not take into account the objectives, financial situation or needs of individual investors. Since the impact of this change will vary depending on each investor's personal circumstances, SQM Research strongly counsels investors to speak to their financial adviser or accountant to obtain independent, personalised advice.

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SQM Research Rating Advisory

Friday, 19 September 2025

The rating for the La Trobe US Private Credit Fund has been revised from 4.00 stars to ‘Hold’ by SQM Research following the announcement by ASIC of a temporary stop order relating to the Fund.

Key points:

SQM Research has today revised the rating of the La Trobe US Private Credit Fund (the “Fund”), as detailed in the table below.

Fund Name	APIR Code	Previous Rating	New Rating
La Trobe US Private Credit Fund - Class A	LTC8436AU	4.00	Hold
La Trobe US Private Credit Fund - Class B	LTC1706AU	4.00	Hold

This rating action follows an announcement on 18 September 2025 by the Australian Securities and Investments Commission (“ASIC”) that it has issued a temporary interim stop order preventing La Trobe Financial Asset Management Limited from issuing or distributing the PDS for the Fund. The orders were made due to ASIC’s concerns that the Fund’s target market determination (“TMD”) was inappropriate under the Design and Distribution Obligations framework.

Specifically, ASIC raised concerns that the TMD:

- suggests an inappropriate level of portfolio allocation given the risks of the Fund, and
- does not adequately specify an investment timeframe for retail clients.

As a result of the developments described above, SQM Research has changed the rating of the Funds to **Hold** with immediate effect. The standard guidance used to describe this rating is shown below.

Hold *- Rating is suspended until SQM Research receives further information. A rating is typically put on hold for a period of two days to four weeks. However, this period may be longer at the discretion of SQM Research.*

The Hold rating is an initial temporary rating that will remain in place while SQM Research undertakes an assessment of any new information.

Any future material changes to the rating status will be advised to subscriber clients of SQM Research.

Important Note

SQM Research emphasises that a rating report does not take into account the objectives, financial situation or needs of individual investors. Since the impact of this change will vary depending on each investor's personal circumstances, SQM Research strongly counsels investors to speak to their financial adviser or accountant to obtain independent, personalised advice.

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SQM Rating ★★★★☆

Superior. Suitable for inclusion on most APLs.

Fund Description	
Fund Name	La Trobe US Private Credit Fund Class A - Wholesale
APIR code	LTC8436AU
Asset Class	US Private Credit
Management and Service Providers	
Investment Manager	La Trobe Financial Services Pty Limited
Underlying Fund Manager	LGAM Private Credit LLC, advised by MS Capital Partners, an indirect, wholly-owned subsidiary of Morgan Stanley
Trustee	La Trobe Financial Asset Management Limited
Fund Information	
Fund Inception Date	1 December 2023
Fund Size	$207.6 million as at 31 December 2024
Return Objective (per IM)	Distribution yield of 9.00% p.a., net of fees and costs, excluding adjustments for FX
Internal Return Objective	As above
Risk Level (per IM)	Low to medium
Internal Risk Objective	As above
Benchmark	(US Fed) Secured Overnight Financing Rate (SOFR) plus 3.50%
Number of stocks/positions	N/A
Fund Leverage	Master Fund uses no leverage at the date of IM. Underlying Fund targets 1:1 leverage (see text)
Portfolio Turnover	N/A
Top 10 Holdings Weight	39.6%
Investor Information	
Management Fee	0.75% (including GST)
TCR (Total Cost Ratio)	0.75% (including GST)
Buy Spread	Nil
Sell Spread	Nil
Performance Fee Rate	Nil
Minimum Application	$10,000
Redemption Policy	Quarterly, up to 5% of the Class of Units on issue
Distribution Frequency	Monthly
Investment Horizon	Medium Term
Currency Hedging Policy	Capital hedged. The Trustee intends to hedge back to AUD on a best endeavours basis (see text)

Fund Summary

Description

The **"La Trobe US Private Credit Fund – Class A Wholesale"** invests in a portfolio of senior secured loans to US middle market companies owned by private equity sponsors. The Fund is designed to provide regular income with low levels of volatility, with a target yield of 9.00% p.a. net of all fees, before adjusting for FX fluctuations. The Fund has a medium-term investment horizon of 3 to 5 years, and is AUD denominated with capital exposures hedged on a "best endeavours" basis.

The Fund targets directly originated loans to US middle market companies, a very large sector of the US economy representing approximately 40% of US GDP. The investment objective is to achieve attractive risk-adjusted returns and, to a lesser extent, capital appreciation, by lending primarily to companies with approximately US$15 million to $200 million in annual EBITDA. The targeted space represents a strongly growing market and will likely require additional private debt financing, as bank participation has decreased in recent years. In addition, many private equity sponsors who historically sought to finance their transactions in the public markets have turned to private credit providers for finance.

The Trustee intends to gain the investment exposure described in the investment objective above by investing the majority of the assets of the Trust indirectly in the **Underlying Fund** via the **Intermediate Fund** (see diagram on page 12), with the balance of the assets of the Trust invested in cash and cash-like instruments.

The Fund is structured as an open-ended, unlisted, **unregistered wholesale** managed investment scheme.

Fund Rating

The Fund has achieved the following rating:

Star Rating	Description	Definition	Investment Grading
4.00 stars	Superior	Suitable for inclusion on most APLs	High Investment Grade

SQM Research's Review & Key Observations

Investment Manager

La Trobe Financial Pty Limited is the La Trobe Financial Group's holding and investment company. The operations of the La Trobe Financial Group are segregated into two segments: Asset Management and Institutional Capital Partners. The Asset Management segment represents the retail operations of the Group's managed investment schemes, which include the USPCF. The Institutional Capital Partners segment represents the wholesale and institutional capital markets operations. La Trobe Financial Services has been appointed by LFAM as the investment manager. The La Trobe Financial Group has $20 billion in AUM.

The La Trobe Financial Group's major shareholder is an entity associated with Brookfield Asset Management Inc., which is one of the world's largest alternative investment management companies with US$925 billion in assets under management.

Underlying Fund Manager

The Underlying Fund is managed by MS Capital Partners Adviser Inc., which is registered with the US SEC under the Investment Advisers Act of 1940 (US). The Investment Adviser is an indirect, wholly-owned subsidiary of Morgan Stanley, a leading global asset manager. The Investment Adviser provides portfolio management services to the Underlying Fund pursuant to an investment advisory agreement, including investigating, analysing, structuring and negotiating potential investments, monitoring the performance of portfolio companies and determining when to dispose of the Underlying Fund's investments.

Trustee

The Board of Directors of the Trustee (La Trobe Financial Asset Management Limited AFSL 222 213) consists of 4 directors, none of whom are independent. SQM Research prefers the inclusion of independent members on the Board of Directors – it is a meaningful way to enhance governance and oversight. Board members have an average of 23.0 years of industry experience.

The Trustee's Compliance Committee is composed of 3 members, 2 of whom are independent. The Chair is independent. SQM Research views independence in an oversight body such as the Compliance Committee as a strong and favourable factor in Fund governance. Compliance Committee members have an average of 36.0 years of industry experience.

SQM Research notes that the Fund complies with ASIC guidelines around establishment of a majority independent (external) Compliance Committee in the case of an internal Trustee.

Investment Team

The MSPC Investment Committee is led by 10 Managing Directors who have significant experience originating, executing and managing direct middle market loans. They are supported by 14 skilled Executive Directors/ Vice Presidents who are responsible for originating and executing transactions. Executive Directors and Vice President are further supported by 11 junior resources who help underwrite and manage transactions.

The Manager believes that being a part of a global financial services firm represents a significant advantage in that Morgan Stanley has a substantial network of business relationships with individuals, companies, institutions and governments in the United States and around the world, which the Manager believes will be a potential source of investment opportunities for the Fund, provides additional robustness to the credit assessment process and differentiates the Manager relative to other private credit managers.

Given the scale of the MSPC business and the wide range of resources available to the investment team, SQM Research considers key person risk to be low.

1. Investment Philosophy and Process

Investable Universe

The Manager believes U.S. middle market companies represent a large and growing opportunity set and will likely require additional amounts of private debt financing for various purposes, as Bank participation in U.S. middle market secured loans has decreased over the last decade. Certain private equity sponsors who historically sought to finance their transactions in the public, syndicated markets have turned to private credit providers, including MSPC, to finance their transactions.

The Manager generally focuses on lending to companies with $20 million to $200 million in EBITDA; however, not all of the Fund's investments fall within this range. The Manager believes that these businesses have enough size and scale to be meaningful in their industries while remaining within the favoured direct lending universe as opposed to the broadly syndicated loan market, where investors can still earn the illiquidity premium and get better structures, terms and covenant protection.

Philosophy / Process / Style / Preferences

The primary investment strategy is to make privately negotiated senior secured credit investments in U.S. middle-market companies that have leading market positions, enjoy high barriers to entry, generate strong and stable free cash flow and are led by a proven management team with strong financial backing. The Fund takes account of top-down macroeconomic factors as it aims to avoid cyclical industries and focuses on delivering performance through all economic cycles. However, the primary driver of the strategy is fundamental, bottom-up credit analysis and structuring.

The Manager prioritises creating a defensive portfolio of loans, focusing on generally avoiding issuer or industry concentration in order to mitigate risk and achieve the investment objective. In addition, the investment strategy is predicated on seeking to lend to companies in non-cyclical industry sectors. The investment approach is focused on long-term credit performance, risk mitigation and preservation of capital.

Liquidity

The Manager expects that due to the nature of the **Underlying Fund** investments (US mid-market companies), liquidity will **generally** be moderate, except in extreme circumstances. Liquidity in the **Australian Fund** is quarterly. Mechanisms are in place to ensure a reasonable level of liquidity. However, there may be potential delays in processing redemption requests, as the ability of the Trustee to process requests is expected to largely depend on the ability of the **Underlying Fund** to undertake repurchases of the Underlying Fund interests. In this respect, a quarterly limit of 5% of the outstanding interests in the underlying Fund is expected to apply to any repurchase requests made by the Trustee to the Underlying Fund.

Leverage

The **Fund** does <u>not</u> intend to use leverage as part of its investment approach or investment strategy but reserves the right to do so in the future. As of the date of the IM, the Fund is not using leverage in any way.

The **Underlying Fund** will utilise leverage as part of its investment strategy and will aim to maintain target debt-to-equity leverage of 1.0x (with a cap of 2.0x). This means that every $1.00 of equity invested in the Underlying Fund will hold $1.00 of debt.

Derivatives **may** be used for hedging and risk mitigation purposes only. Short selling is not permitted.

2. Performance & Risk

The investment objective stated in the IM is: "The investment objective of the Class A Units in the Trust is to achieve attractive risk-adjusted returns by investing primarily in directly originated senior secured term loans issued to U.S. middle market companies backed by financial sponsors. The Trustee intends to achieve the investment objective by investing the majority of the assets of the Trust indirectly in the Underlying Fund."

The return expectation is a distribution yield of 9% per annum (net). The Fund's benchmark, as stated in the IM, is the Secured Overnight Financing Rate (SOFR) plus 3.5%.

Material Risks

Material risks which are associated with the Fund include:

General risks of investing - Generally, higher risk or higher volatility occurs where there are higher expected returns. As with most investing, there is no guarantee that Unitholders will earn a positive return from investing in Class A Units. Unitholders may receive back less money than they invested, and they should not expect to receive regular distributions of income from their investment in Class A Units.

Investment risk - As the investment objective of the Class A Units in the Trust will be implemented by investing indirectly in the Underlying Fund via the Intermediate Fund, Class A Units are subject to the risks of the Underlying Fund's investments.

Valuation risk - The assets of the Trust are necessarily subject to changes in value, which changes may be more volatile than those of other asset classes. There is no guarantee that the Trustee can realise its investments in the Underlying Fund at the valuations provided by the Underlying Fund.

Interest rate risk - Changes in interest rates may directly or indirectly affect investment values or returns.

Credit Risk - The investment objective of the Trust is to gain investment exposure to term loans issued by U.S. middle market companies. The debt instruments in which the Underlying Fund invests are not rated by any rating agency. Therefore, investments in the Underlying Fund may result in an above-average amount of risk and volatility or loss of principal.

Liquidity risk - There is not expected to be an active secondary market for Units. There may be potential delays in processing redemption requests, as the ability of the Trustee to process requests is expected to largely depend on the ability of the Underlying Fund to undertake repurchases of the Underlying Fund interests.

Currency risk - The Class A Units will be denominated, and the value of the assets of the Trust attributable to the Class A Units will be reported and quoted in Australian dollars. The units in the Underlying Fund will be denominated in US Dollars. Currency movements relative to the Australian dollar can cause changes in the value of an Investor's investments. La Trobe Financial have instituted a hedging program to help mitigate the impact on foreign currency movements on Investor capital

Derivative risk - Derivatives may be used by the Trustee to manage risk. Fluctuations in the price of a derivative may reflect movements in the underlying assets, reference rate or index to which the derivatives relate.

Counterparty risk - A counterparty (such as a party to a derivative contract) may fail to perform contractual obligations, either in whole or in part.

Regulatory and political instability risk - The Trust and its performance may be adversely affected by future changes in applicable laws and regulations in Australia or by political instability.

Taxation risk - Australian taxation laws are subject to change, and all prospective Investors are advised to seek their own professional advice on the taxation implications of investing in the Trust with respect to their individual circumstances.

Trust management risk - There is a risk that the Trustee's management of the Trust will not produce the desired results for Unitholders. Additionally, the Trust (including the Class A Units) could be adversely affected by material changes to the resources and skills of staff, including those staff managing the Trust. Similar risks apply to the Underlying Fund.

Investment Manager Risk - Risk associated with the investment manager's ability to anticipate market movements and manage risks effectively.

Leverage Risk - The Fund's use of leverage results in a magnification of both gains and losses where losses can, therefore, be substantially higher than that of the assets in which the Fund invests. This increases investment risk.

Risk Objective

The Manager has stated to SQM that the risk level of the Fund is **"low to medium".**

In essence, SQM concurs with this risk description, but some features of the Fund, such as the use of leverage, may increase risk at times.

Fund Performance to 31 December 2024 (% p.a.)							
Total Return	**1-Month**	**3-Month**	**6-Month**	**1-Year**	**3-Year**	**5-Year**	**Inception**
Fund	0.97	2.68	4.64	9.89	.	.	9.39
Reference Index	0.70	2.18	4.55	9.54	.	.	9.56
Peer Average	1.14	3.32	5.48	10.91	.	.	11.09
Alpha	**0.27**	**0.51**	**0.08**	**0.35**	**.**	**.**	**-0.17**

With distributions reinvested. Returns beyond one year are annualised. Return History starts Dec-2023.

Reference Index: Secured Overnight Financing Rate + 3.5%

Note: The Secured Overnight Financing Rate (SOFR) is a benchmark interest rate that measures the cost of borrowing money overnight in the US, collateralized by Treasury securities. The Federal Reserve Bank of New York publishes the SOFR.

Length of Track Record

The La Trobe US Private Credit Fund (Wholesale) has a relatively short history of 1.08 years (or 13 months). Observations and analysis of returns will have little statistical meaning. SQM Research notes that returns, volatility, and other risk measures can be "noisy" and less reliable when quantified using a small sample size of observations.

Strengths

- The La Trobe business has the scale, experience, track record and resources to manage the Fund with high capability. SQM Research rates management risk as low.
- The underlying Fund Manager, an arm of Morgan Stanley, is of very high capability. with a significant presence in US private credit markets. The underlying Fund is managed via a strong, fundamentally based process by a very experienced and very well-resourced team. The portfolio is conservatively managed in terms of financial metrics. (Portfolio weighted average LVR of 40%)
- The Manager of the Underlying Fund has a huge potential deal flow sourced from across the entire Morgan Stanley network, over a wide range of industries and issuers; hence, it may be very selective with potential investments.
- Investors will be exposed to a very different underlying portfolio as compared to many Australian private credit funds, which often have broad exposure to financials, mortgages, property and construction/development. The portfolio has no exposure to these areas, which Morgan Stanley treats as a separate asset class. Fundamentally, the underlying portfolio may be of lower risk than many 'Australia-only' Funds.
- The portfolio also avoids direct exposure to highly cyclical areas such as retail, restaurants, and energy. ESG considerations also filter out alcohol and tobacco companies.
- Management fees are very competitive with the peer group.

Weaknesses

- The Fund has a short track record, such that meaningful quantitative analysis cannot be conducted. While SQM Research believes the Manager to be of high capability, it cannot make an objective comment over performance and risk metrics. (see Other Considerations)
- Due to the nature and structure of the Fund, the Manager cannot guarantee the payment of monthly distributions, the return of capital or liquidity. In times of stress or significant market downturns, investors will be exposed to movements in the underlying portfolio asset valuations. The use of leverage will magnify this.

- Given the potential use of leverage, the Fund would be considered somewhat higher risk than a 'plain vanilla' lender (those that do not use leverage or derivatives)

Other Considerations

- While this is a relatively new Fund, with a short track record, SQM Research notes the Manager of the 'Underlying portfolio', MSPC, has long experience in the US middle-market sector, writing over USD $19 billion with focus on a first lien, floating rate, senior secured loans. In addition, MSPC has relationships with over 400 global sponsors. The Manager currently runs the US based Morgan Stanley Direct Lending Fund, and North Haven Private Income Fund, both of which are managed in a similar fashion and have delivered consistent income and high capital preservation. As such, SQM believes the Fund Manager has very high capability to manage 'Underlying portfolio' according to the IM guidelines.

- The underlying USD-denominated Fund will be hedged back to AUD on a "best endeavours" basis. In essence, this means the Trustee will hedge the portfolio back to AUD as far as practicable, noting small short-term changes in the exchange rate, the Fund NAV, Fund flows, and distributions, make 100% hedging extremely difficult to execute in practice.

- Quarterly liquidity will not suit some investors, noting this is not unusual for this asset class.

- It is recommended that all prospective investors read the IM section regarding taxation.

- This review has been conducted in tandem with the **La Trobe US Private Credit Fund – Class B Retail.** This version of the Fund runs under the same investment process with slightly different objectives and fee structure.

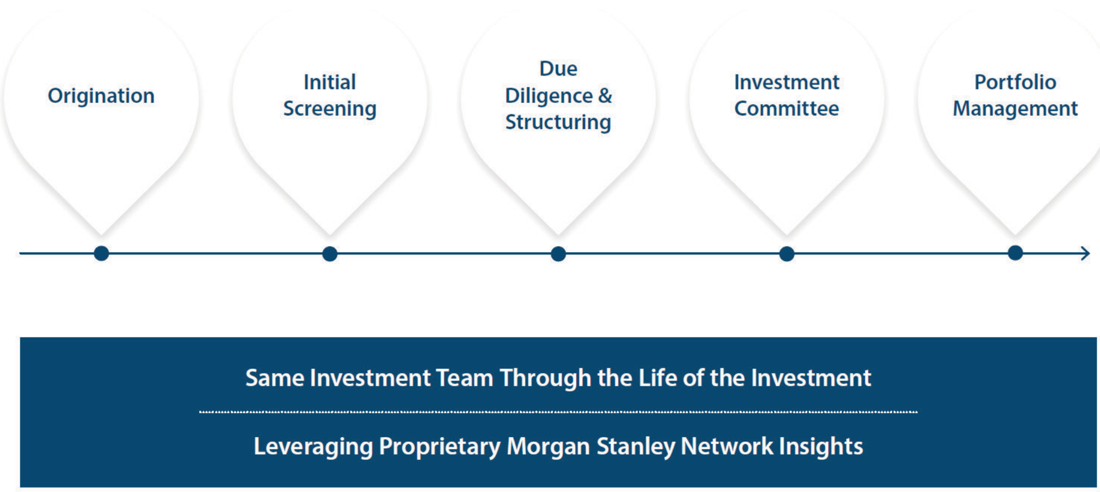
Underlying Fund Metrics

- **Average Maturity** = 3-5 Years Loans 96%, Cash 4.0%
- **Investment grade exposure** = Unrated 100%
- **Asset Allocation** = Middle Market Loans 94.7%, Middle Market Equity 0.1%, Syndicated Loans 3.9%, Cash 1.3%
- **Exposure** = USA 100%
- **Interest** = Floating c.100%
- **Weighted Average LVR** = 40%
- **Weighted Average Yield** = 13.8%
- **Fund Leverage** = 0.88 x

Key Changes Since the Last Review

- This report is an inaugural review.

Investment Process Diagram



Process Description

Investment Process

The Manager is responsible for the entire loan underwriting process, including origination, underwriting, structuring and monitoring of investments.

The investment process has five broad stages:

- Origination
- Preliminary Screen
- Due Diligence & Structuring
- Investment Committee Approval & Closing
- Portfolio Management

Origination

The MSPC origination platform is complemented by opportunities sourced by other Morgan Stanley ("the Firm") divisions and businesses. The Firm has deep relationships with many middle-market private equity firms and middle-market companies that provide significant investment opportunities. MSPC is the only private credit investment management platform across the Firm. The Manager seeks to capitalise on a significant number of lending opportunities with middle-market companies with which the Firm has had longstanding relationships.

The Manager believes the large volume of untapped potential lending opportunities sourced by the Firm and the scale of the MSPC origination platform allows increased investment selectivity and potentially enhances risk-adjusted returns.

Screening / Idea Generation

An initial review of each investment opportunity is conducted by the investment team to determine whether it is consistent with the investment objectives and credit standards. If the opportunity fits the investment objective, the opportunity is further evaluated by the investment team.

The investment team utilises the extensive industry expertise of the residents of MSIM and Morgan Stanley Institutional Securities Group ("ISG") to assist in this preliminary evaluation. Access to these resources allows the investment team to assess each opportunity quickly and effectively and enables it to focus only on compelling opportunities.

If the members of the investment team conducting the initial review conclude that the investment opportunity meets the objectives, the investment team prepares a screening memo, which is discussed with a subset of the investment committee at a preliminary screening meeting. During this, the investment team presents an overview of the business, proposed capital structure, proposed terms, key investment highlights and risks, and preliminary financial analysis. Opportunities that are approved at the preliminary screening meeting advance to the phase of the underwriting process.

Investment Due Diligence

All investment opportunities that pass the preliminary screen are subject to a comprehensive due diligence process. The Manager uses internal and external resources in the due diligence process, including leveraging the firm's extensive industry expertise. Diligence typically involves meeting with company management and the financial sponsor to achieve a comprehensive understanding of the portfolio company's competitive positioning, competitive advantage, company strategy, risks, and mitigants associated with the proposed investment.

Additionally, the investment team conducts supplemental diligence, including:

- Financial analysis;
- Capital structure review;
- Covenant analysis;
- Review of third-party due diligence reports;
- Industry research;
- Customer calls;
- Industry expert calls;
- Management background checks;
- Consideration of environmental, social and governance ("ESG") issues; and
- Negotiation of legal documentation.

The investment team reviews ESG considerations as part of its due diligence process and evaluates each potential borrower, utilising a proprietary ESG template to determine an ESG score for each potential borrower. Borrowers who score beneath an internally set threshold require additional discussion and consideration by the investment committee. The identification of a material ESG risk will not necessarily be determinative in the Manager's decision to lend to a potential borrower.

Portfolio Construction and Management

The portfolio construction philosophy is focused on building a portfolio that is highly diversified and defensive. The investment approach is focused on a portfolio construction that is anchored in floating rate senior secured loans and avoiding issuer and industry concentration in order to mitigate risk and achieve investment objectives.

No single issuer represents more than 5% of the portfolio (measured as a percentage of the Fund's AUM) over the long term. The Fund is focused on lending to businesses that generate strong, stable free cash flow in good economies and bad and seek to avoid what the Manager believes to be cyclical industry sectors, typically avoiding direct exposure to investments in certain businesses such as retail, restaurants, energy, alcohol, tobacco, and pornography or any other industries which the Manager believes contain a component of business cyclicality.

Each portfolio account is monitored by a multi-layered deal team, supported by technology and systems, and guided by processes and procedures in order to ensure a diligent and efficient process. As it relates to the portfolio review process, once financials are received, the investment team reviews and completes a portfolio review for each credit, which is a proprietary credit monitoring report that includes financial results, comparison to budget and prior year, detail on capitalisation, covenant compliance, balance sheet and free cash flow metrics, key statistics and ratios, and commentary on business updates and financial performance.

The investment team conducts in-depth quarterly portfolio review meetings. The Manager has developed a proprietary classification system to group investments into four categories. The investments are evaluated regularly and assigned a category based on certain credit and performance metrics. There is a watchlist based on quarterly performance and trends, and regular meetings are held to review downgraded credit if applicable. Following portfolio reviews, the Manager prepares internal valuations with additional independent reviews from third-party valuation firms, providing significant oversight throughout the process.

Sector Allocation

Interest Type	Weight
Fixed	0.00%
Floating	100.00%

Asset Allocation	Weight
Middle Market Loans	94.7%
Middle Market Equity	0.1%
Broadly Syndicated Loans	3.9%
Cash	1.3%
Industry Allocation	**Weight**
Software	17.3%
Professional Services	10.7%
Commercial Services & Supplies	8.7%
Insurance Services	8.7%
Health Care Providers & Services	7.9%
IT Services	6.8%
Diversified Consumer Services	5.3%
Multi-Utilities	3.6%
Distributors	3.3%
Real Estate Management & Development	2.8%
Other	24.9%

Top 5 Borrowers

Top 5 Borrowers by Ranked Weight (% of Fund)	
Name	**Weight**
DCA Investment Holdings, LLC	2.50%
Bullhorn, Inc	2.50%
MRI Software, LLC	2.50%
GS Acquisition Co, Inc.	2.40%
Diligent Corporation	2.40%
Everbridge Holdings, LLC	2.40%

* As reported to SQM on the return of the RFI – holdings will change over time.

Sell Discipline

The Manager states this is not specifically applicable to the Fund, as loans are generally held to maturity, with the average tenor of loans ranging from 5 to 7 years, and the average holding period ranging from 3 to 4 years. Based on historical experience, once they hold a mature portfolio, they expect the average investment turnover rate to be approximately 25% per year.

Risk Management

The Manager utilises a three-tier approach to risk management. First, at the Fund level, the Investment Team employs a highly selective deal screening process with structured diligence and credit underwriting process coupled with continuous portfolio monitoring and risk ratings for each investment. Second, at the firm level, senior-level management has an active role in each of the investment committees and the valuation committee. Thirdly, the Fund utilises third parties for fund administration, auditing the Fund's financial statements and acting as an investment custodian.

One of the Investment Committee members, Toby Norris, is the Head of Risk Management for the MSPC business. Mr. Norris ensures that each investment fits within the firm's overall risk policy. In addition, each investment needs to go through Morgan Stanley's Global Financial Crimes group, which conducts background checks on all relevant members of management and entities being lent to ensure compliance with Morgan Stanley's documented KYC and AML policies. From a portfolio construction standpoint (diversification by the borrower, industry sectors, sponsors, etc.), the risk is managed by the Investment Committee and ultimately by the Portfolio Managers.

The majority of the Fund's loans are expected to have financial covenants (typically a leverage covenant), which are agreed upon with the borrower at the consummation of a loan. Any breach of these financial covenants would be considered a default under the credit agreement and would allow the exercise of secured creditor rights, if necessary. The Manager monitors a variety of ratios and metrics, including but not limited to senior and total leverage, debt service coverage, interest coverage, capital expenditures, liquidity, Days Sales Outstanding, Days Payables Outstanding, as well as any credit-specific metrics that might be unique to that portfolio company.

Key Counterparties

La Trobe Financial Pty Limited
Listed Holding Co. / Parent Entity

La Trobe Financial Services Pty Limited
Investment Manager

LGAM Private Credit Fund LLC
Underlying Fund Manager

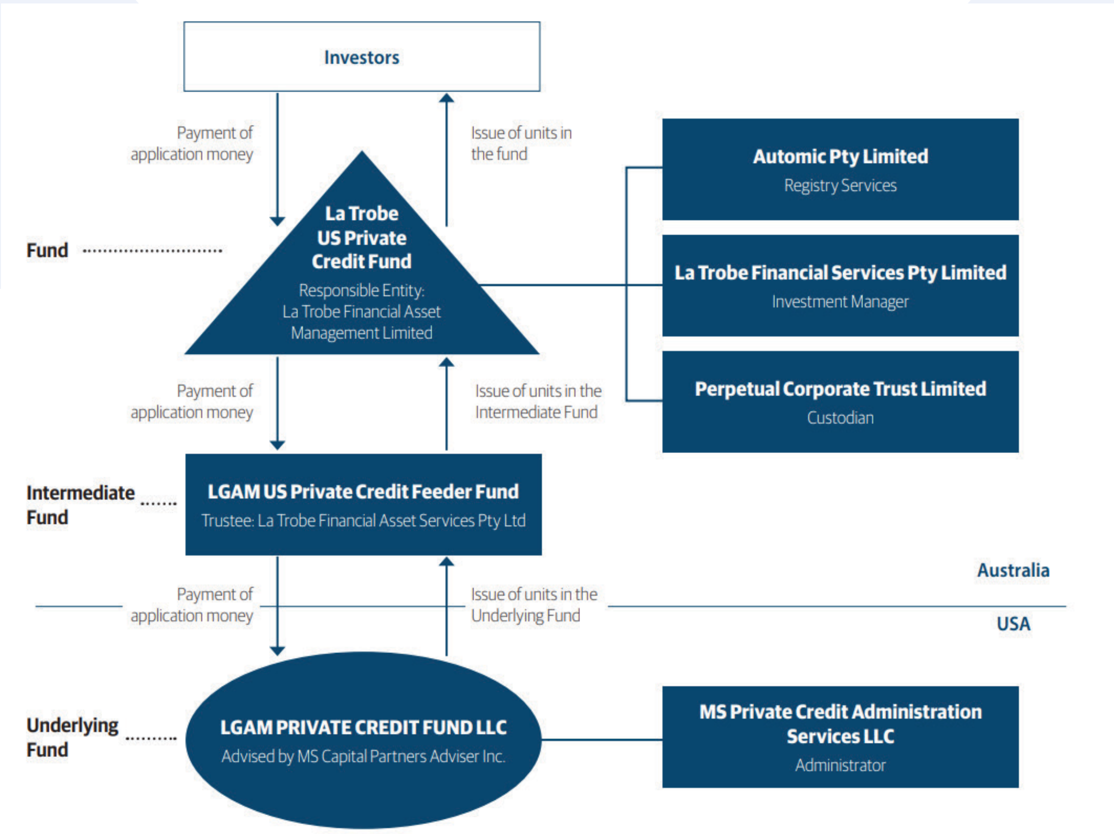
Perpetual Corporate Trust Limited
Custodian

La Trobe US Private Credit Fund Class A - Wholesale
Fund Under Review

La Trobe Financial Asset Management Limited
Trustee

Distributions Investments

Investors



Governance

Management Risk

Funds management businesses rely on the operational capabilities of key counterparties. A critical element is the ability of the Trustee to monitor operational performance and to meet the regulatory and statutory responsibilities required. For any investment fund, there is a risk that a weak financial position or management performance deterioration of key counterparties could temporarily or permanently compromise their performance and competency. This can adversely affect financial or regulatory outcomes for the Fund or associated entities.

Based on the materials reviewed, SQM Research believes that the Manager and associated key counterparties are well-qualified to carry out their assigned responsibilities. Management risk is rated as low.

Management & People

Investment Team and Key Staff (CIO & investment executives, portfolio managers, analysts, quant researchers)				
Name	**Responsibility / Position**	**Location**	**Years at Firm**	**Years in Industry**
Chris Paton	SVP - Chief Investment Officer	Melbourne	8.0	16.0
Martin Barry	SVP - Chief Financial Officer	Sydney	10.0	28.0
David Tagg	Director – Head of Investments	Sydney	1.0	31
David Miller	Head of Global Private Credit & Equity, Morgan Stanley	New York	8.0	24.0
Jeffrey S. Levin	Co-Head of NA Private Credit & PM & Head of Direct Lending	New York	15.0	22.0
Ashwin Krishnan	Co-Head of NA Private Credit & PM of Credit Partners	New York	21.0	21.0
Henry Hank D'Alessandro	Vice Chairman of NA Private Credit	New York	27.0	30.0
Jeffrey Day	Head of Direct Lending Capital Markets & Business Development	New York	5.0	24.0
David Kulakofsky	Head of Direct Lending Underwriting	New York	4.0	23.0
Kunal Soni	Head of Direct Lending Western Region and Technology	New York	4.0	17.0
Sean Sullivan	Head of Direct Lending Origination	New York	4.0	22.0
Toby Norris	COQ and Head of Risk Management for Private Investing	New York	13.0	27.0
Peter Ma	Managing Director	New York	3.0	14.0

Staffing Changes

La Trobe US Private Credit Fund Class A - Wholesale		**Staff Turnover (Last 3 Years)**
Departures		
Date	**Name**	**Responsibility**
20-May-22	Troy Stratton	Deputy Chief Investment Officer
05-Jul-24	Sandy Singh	Head of Portfolio Management
01-Jul-21	Jason Neider	Executive Director
01-Oct-21	Thomas Bergen	Managing Director
01-Jan-22	Hart Orenstein	Executive Director
01-Jan-22	Nick Romig	Executive Director
01-Feb-22	Steven Santoro	Vice President
01-May-23	William Gassman	Executive Director

Additions / Hires		
Date	**Name**	**New Responsibility**
28-Aug-23	Amy Hallihan	Head of Fund Operations
26-Feb-24	David Tagg	Head of Investments
01-Apr-21	Peter Ma	Managing Director
01-Sep-21	Nikhil Vaidya	Vice President
01-Feb-22	Charles Guyton	Vice President
01-Apr-22	Christopher Brown	Vice President
01-Apr-22	Lauren Krepelka	Executive Director
01-Jun-22	Peter Chung	Vice President
01-Jan-23	David Pessah	Managing Director, CFO

SQM Research observes that the levels of investment experience and company tenure are strong across the investment team. The size and nature of staff turnover are not an issue of concern, in SQM's view, given the size of the Morgan Stanley organisation.

Fees and Costs	Fund	Peer Avg**
Management Fee (% p.a.)	0.75%	1.08%
Expense Recovery / Other Costs (% p.a.)	0.00%	N/A
Performance Fee (%)	0.00%	4.36%
Total Cost Ratio TCR (% p.a.)***	0.75%	1.17%
Buy Spread (%)*	0.00%	0.05%
Sell Spread (%)*	0.00%	0.05%

* This spread is the difference between the Fund's application price and withdrawal price and reflects transaction costs relating to the underlying assets.

** Peer average is based on data provided by SQM's data provider. SQM is not responsible for any errors or omissions.

*** The peer average TCR does not include an estimate of potential performance fees, noting most of the peer group do not charge these.

Management Fee

The management fee includes GST and is net of any applicable Reduced Input Tax Credits (RITC). The Management Fee includes the Trustee fees as well as the investment manager fees.

Performance Fee

The Fund does not charge a performance fee

SQM Research observes that:

- ***The Fund management fee is 33 basis points lower than the peer group average.***
- ***The Total Cost Ratio (TCR) is 42 basis points lower than the peer group average.***

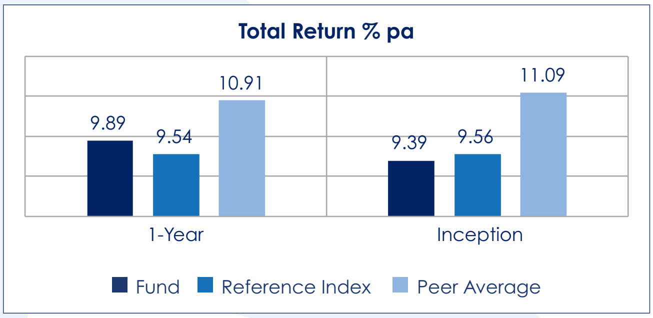
Risk/Return Data to 31 December 2024							
Total Return	**1-Month**	**3-Month**	**6-Month**	**1-Year**	**3-Year**	**5-Year**	**Inception**
Fund	0.97	2.68	4.64	9.89	.	.	9.39
Reference Index	0.70	2.18	4.55	9.54	.	.	9.56
Peer Average	1.14	3.32	5.48	10.91	.	.	11.09
Alpha	**0.27**	**0.51**	**0.08**	**0.35**	**.**	**.**	**-0.17**
Metrics				**1-Year**	**3-Year**	**5-Year**	**Inception**
Tracking Error (% p.a.) - Fund				0.63	.	.	0.78
Tracking Error (% p.a.) - Peer Average				1.60	.	.	1.81
Information Ratio - Fund				0.55	.	.	-0.22
Information Ratio - Peer Average				3.05	.	.	3.04
Volatility - Fund (% p.a.)				0.60	.	.	0.74
Volatility - Peer Average (% p.a.)				1.59	.	.	1.81
Volatility - Reference Index (% p.a.)				0.10	.	.	0.10
Beta based on the stated Reference Index				-1.76	.	.	-2.58

Distributions reinvested. Returns beyond one year are annualised. Return History starts Dec-2023.
Reference Index: Secured Overnight Financing Rate + 3.5%

Quantitative Insight[1]

Note: Unless otherwise stated, all return and risk data reported in this section are **after-fees** and for **periods ending December 2024.**

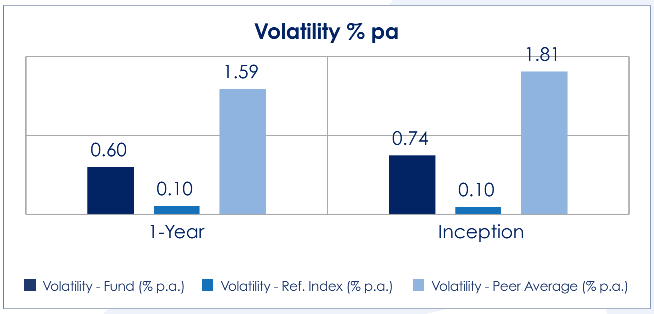
Excess Returns (Alpha)



The Fund has displayed mixed performance when compared with the benchmark and is modestly worse than peers.

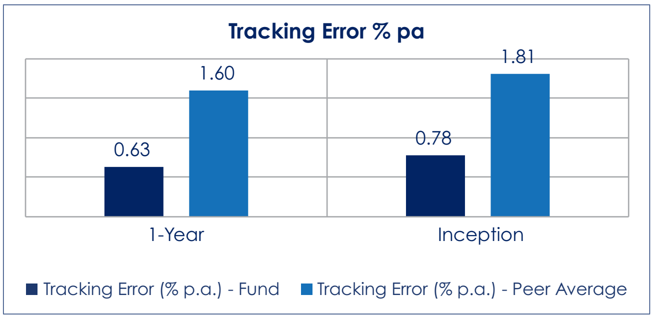
SQM Research does not draw significant conclusions from the performance data, given the short (13 months) history of the Fund.

Risk



The Fund's **volatility** (annualised standard deviation of monthly returns) has tended to be lower than that of its peers, noting minimal volatility in the reference index and the short history of the Fund.

[1] Note: Sharpe and Information Ratios are not reliable comparison tools in periods where both the Fund and its peers/benchmark record a negative result



The Fund's **tracking error** (annualised standard deviation of monthly **excess** returns) has tended to be lower than that of its peers, noting the short history.

SQM has measured and reported tracking errors in the table above. Since the Fund's benchmark has almost no volatility, the tracking error readings add no new information to observations gained from studying volatility. The tracking error of the Fund is virtually identical to its volatility (standard deviation).

The **risk outcomes,** as described above regarding volatility and tracking error, are in line with the IM statements about risk and SQM's expectations for this Fund, noting the short history of the Fund.

Correlation of Fund to Asset Classes

Market	Inception	Market Indexes
Aust Bonds	-42.5%	Bloomberg AusBond Composite 0+Y TR
Aust Equity	-45.8%	S&P/ASX 300 TR
Global Bonds	-59.9%	Bloomberg Global Aggregate Hdg AUD
Global Equity	+46.5%	MSCI World Ex Australia NR AUD

Correlation Key

Low	High	Description
0%	20%	low, weak
20%	40%	modest, moderate
40%	70%	significant, material
70%	90%	strong, high
90%	100%	substantial

Tail Risk

*(The analysis in the table below looks at the **tail risk performance relationship of the Fund to the ASX300**, a practice that SQM has set as common across asset classes in Fund reviews. This approach recognises that for the large bulk of financial planner clients, their key traditional asset class **risk** regarding **size** and **volatility** is to Australian equities. Exploring that relationship is useful regardless of the asset class of the Fund itself, as it is helpful to understand how a Fund has acted in times of Australian equity market stress in terms of softening or exaggerating the negative performance experienced at such times.)*

The table below details the **largest negative monthly returns** for the ASX 300 **since the inception of the Fund**, compared to the Fund's performance over the same months.

Extreme Market Returns vs Fund Return Same Month

Index: S&P/ASX 300 TR **From Dec-23 to Dec-24**

Rank	Date	Market	Fund	Difference
1	Dec-24	-3.08%	+0.97%	+4.05%
2	Apr-24	-2.92%	+0.67%	+3.60%
3	Oct-24	-1.30%	+0.92%	+2.21%
Totals		**-7.29%**	**+2.56%**	**+9.86%**

			No. of Months
Correlation	+27.5%	Positive Return	3
Capture	-35.1%	Outperform	3

Tail Risk Observations:

The data in the table above indicate that the Fund displays good **defensive characteristics** in the face of extreme Australian equity tail risk – noting the small sample size of returns.

Annual Returns

Year	Fund	Reference Index	Peer Avg	vs. Bench	vs. Peers
Dec-24	+9.89	+9.54	+10.90	**+0.35**	**-1.02**

2024 data = 12 months ending Dec-24

Return and Risk

No charts – Insufficient data

Drawdown

A drawdown tracks the path of the Fund's accumulated NAV (with dividends reinvested). It is measured over the period of a peak-to-trough decline and the subsequent recovery back to that previous peak level. The total return over that entire period is, of course, zero. The metric of interest, the drawdown itself, is quoted as the percentage change between the peak and the trough over that period. Funds typically have multiple drawdowns of varying size and length over their lifetime. The table above shows how many drawdowns have occurred and their average peak-to-trough size.

Alpha

SQM defines **Alpha** as the excess return compared to the Benchmark and is calculated as

Alpha = Fund Return – Benchmark Return

A General Note on Distributions for Managed Funds

The Responsible Entity/Trustee of a Managed Fund will provide for a regular schedule of distributions, such as monthly/quarterly/semi-annual or annual. This is subject to the Fund having a sufficient distributable income. The official total distributable income available to pay to investors is determined for the period of that Fund's financial year. By distributing the net taxable income of the Fund to investors each year, a Fund itself should not be liable for tax on its net earnings.

If a Fund makes distributions more frequently than once over the financial year, those distributions will be based on estimates of the distributable income for that distribution period. The final total amount of distributable income available for passing on to investors can only be calculated after the close of the financial year, based on the Fund's taxable income for that year.

Suppose the total distributions a Fund pays out exceed total taxable income for that particular financial year. In that case, the excess amount may be treated as a return of capital rather than income. This will possibly have tax implications for the investor.

Due to the considerations outlined above, there may be periods in which no distributions are made, or a Fund may make additional distributions.

A Fund's ability to distribute income is determined by the performance of the Fund and general market conditions. Accordingly, there is no guarantee that a Fund will make a distribution in any distribution period.

Total Cost Ratio (TCR)

Managed Investment Schemes: The TCR for Managed Investment Schemes, Exchange Traded Products, and Investment Bond funds is an addition of the Investment Management Fees and Costs (including admin fees), Performance Fee Costs, and the impact of dollar-based fees.

Superannuation funds: The TCR for Superannuation and Pension funds is an addition of the Investment Management Fees and Costs (including admin fees), Performance Fee Costs, Administration Fees and Costs, the impact of dollar-based fees and a deduction of Super OTC Derivative Costs.

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