

6 September 2018

Annual Investment Managers Report to Investors
ICFM Credit Fund ARSN 619 134 422

Dear Investors,

We are pleased to attach our financial statements for the financial year ended 30 June 2018.

The principle objectives of the ICFM Credit Fund are to:

- Preserve investor capital;
- Provide bi-annual income distributions;
- Mitigate lending risk by providing portfolio diversity across borrowers, property types and locality;
- Secure all loans with Australian assets; and
- Achieve consistent Targeted Benchmark Returns of 15% per annum (after all fees and expenses).

We believe that we have achieved all of the above objectives as part of our investment mandate.

During the course of the last financial year, the ICFM Credit Fund has made five investments which are listed as follows:

Development Type	Location	Loan Amount	Ongoing or Repaid	Arrears
Early Learning Centre and Medium Density Residential Townhouses	Frankston	\$991,000	Repaid in Full	Nil
Service station, Medical Clinic and Large Format Retail	Cranbourne	\$1,320,000	Ongoing	Nil
Child care centre	Kurunjang	\$600,000	Ongoing	Nil
Child care centre	Lara	\$600,000	Ongoing	Nil
Land Subdivision, Childcare and Medical Clinic	Tarneit	\$1,695,000	Ongoing	Nil

We anticipate for the ICFM Credit Fund to continue to grow in the next financial year, and we, as the Investment Manager, will continue to seek attractive opportunities for investment. Our focus will be to further diversify our investments across a range of localities in Victoria as well as into different real estate asset classes.

Our overall market sentiment continues to be upbeat as demonstrated by the falling yield on commercial properties as well the positive inflationary and employment data. While the residential property market has softened in the last year due to banking credit restrictions (a real estate asset class the ICFM Credit Fund has limited lending exposure to), it has been partially buoyed by the activity from first home buyers as well as the expected Christmas rally. We anticipate for the RBA to keep interest rates on hold for the next year in order to support the Australian economy from stagnating. Furthermore, any interest rate rises by the RBA would contribute to the appreciation of the Australian dollar, which would cause for exports to decrease and lower the overall Australian GDP. All of these market conditions lead us to conclude that we are well positioned to continue to generate strong returns for our Unitholders while preserving investor capital.

We would like to thank you for your continued support in the ICFM Credit Fund. Please do not hesitate to contact our office if you have any questions.


Yours sincerely



Sasha Soloveychik
Director



Alex Zaikin
Director



Larisa Soloveychik
Director

Infinity Capital Funds Management Pty Limited

Signed in accordance with a Resolution of the Board of Directors