

15 March 2022

Dear Unitholder

Yarra Absolute Credit Fund ARSN: 628 168 061 – notification of change to fund name and reissue of Product Disclosure Statement

We are writing to advise that a decision has been made by the responsible entity, Yarra Funds Management Limited ('YFM'), to change the name of the Yarra Absolute Credit Fund (the 'Fund') in which you currently hold units. This change came into effect on 15 March 2022.

Why are we changing the name of the Fund?

The decision to change the name of the Fund to the Yarra Higher Income Fund follows a review of its positioning within the Australian market. To better reflect the Fund's investment strategy – which has not changed – YFM believes it is appropriate to change the name of the Fund to more clearly articulate its focus on providing unitholders with stable, monthly distributions.

Is there any change to the investment strategy or management costs of the Fund?

There is no change to the Fund's investment strategy or management costs, both of which are detailed in the Fund's PDS which is available at www.yarracm.com/PDSupdates.

Listed below is a summary of the key changes that have been made to the Fund.

	Effective 15 March 2022	Prior to 15 March 2022
Fund name	Yarra Higher Income Fund.	Yarra Absolute Credit Fund.
Investment objective	No change.	Over the medium-to-long term, the Fund seeks to earn higher returns than traditional fixed income by investing in a highly diversified floating rate portfolio of predominantly Australian domiciled credit securities.

	Effective 15 March 2022	Prior to 15 March 2022
Investment universe	No change.	<p>The Fund will invest in a diversified portfolio of credit. The assets which the Fund may invest in or be exposed to include:</p> <ul style="list-style-type: none"> ▶ Corporate bonds – investment grade ▶ Corporate bonds – high yield ▶ Syndicated Loans ▶ Mortgage and Asset Backed-Securities ▶ Private Debt ▶ Warehouse Facilities ▶ Covered Bonds ▶ Hybrid Securities ▶ Cash and cash equivalents <p>No more than 20% of the Fund's portfolio will be invested in Less Liquid Assets.</p>
Key Risks	No change.	Market risk, Investment risk, Credit risk.
Management Costs	No change.	0.65% p.a. of the net asset value of the Fund.
Buy/sell spread	No change.	+/- 0.10%.

When will these changes apply and what action do you need to take?

The changes outlined in this letter apply effective from 15 March 2022 when we issued a new Product Disclosure Statement ('PDS'), replacing the current PDS dated 6 December 2021. You do not need to take any action in relation to the change.

Further Information

If you have any questions, please contact your financial adviser directly or our Investor Services team on **1800 034 494** (Australia only) or **+61 3 9002 1980** or via email to **ist@yarracm.com**.

Yours sincerely



Andrew Pagoulatos
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Yarra Capital Management