

Thursday 19th of January 2023

Dear Investor of Marshall Bridge:

We are writing to inform you we had defaults in the Marshall Bridge portfolio in Germany, which resulted in a negative performance for November NAV of 5,42% for the first time in our 7 year history.

The borrower was a repeat borrower, repaying 11 loans over the course of our 6 year relationship. The team grew increasing comfortable increasing his credit over the last 6 years of working together. The borrowers credit report from FirmenWissen reported no concerns to be had.

The borrower asked for an extension on the loans in 2021/2022 which was granted. He was given additional time to find alternative financing or other exit solutions, an approach we have followed since the start of the fund, and has given excellent results towards the recovery of late loans. In December our investment committee unanimously decided to call the 4 outstanding loans and the Valuation Committee decided to provision the amount which results with the NAV to be negative for November.

In addition, the investment committee decided to place in default 2 additional loans which we were planning to call as a result of being overdue, which have been included as defaulted in the NAV of November with the approval of the valuation committee. Altogether, this will cause the fund to fall by 5,42% in November.

The description of the 4 individual loans provisioned with the current LTV's are below:

- Development of retail asset €10mm loan with current LTV 75%
- Acquisition and development of Logistics Park €15mm loan with current LTV 73%
 - There is an offer to sell the property for €16mm (L.O.I.) Letter of Intent
- Refinance and develop business park €10mm loan LTV 49,9% (Junior Loan)
- Acquisition and Development of Residential building complex & Business park €26mm loan LTV 50,4%

Additionally we have decided to also to enforce and provision 2 additional loans, with Loan values and current LTV's of:

- Refinance and Development of residential asset €16mm loan with current LTV 30%
- Acquisition of retail asset €20mm loan with a LTV of 75%

We do not anticipate any additional write down of this magnitude with regards to the current status of the portfolio, and expect to have positive returns reaching an annual return for 2023 of 6%-8% net.

Any clarifications please write to: xavier@marshallbridge.com for a phone appointment.

Sincerely,



Xavier Deu