

Trilogy Enhanced Income Fund

INVESTMENT REPORT



Trilogy Enhanced Income Fund

INVESTMENT REPORT | JANUARY 2026

NET DISTRIBUTION RATE^{1,2}

5.15% p.a.

Distributions are variable. Past performance is not a reliable indicator of future performance.

HISTORICAL PERFORMANCE^{2,3}

	1 MONTH	3 MONTH	6 MONTH	1 YEAR	3 YEAR p.a.	5 YEAR p.a.	INCEPTION p.a.
Return	0.44%	1.30%	2.59%	5.33%	5.75%	4.67%	4.31%
Benchmark	0.43%	1.29%	2.57%	5.29%	5.54%	4.26%	3.53%
Excess	0.01%	0.01%	0.02%	0.04%	0.21%	0.41%	0.78%

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INVESTMENT STRATEGY

The Trilogy Enhanced Income Fund (**Fund**) enhances income returns via an approximate 35% exposure to the pooled mortgage portfolio of the Trilogy Monthly Income Trust (**TMIT**). TMIT finances a diverse range of property developments in the residential, commercial, industrial, and retail property sectors. The remaining 65% asset allocation is a direct or indirect investment in a portfolio of cash, fixed interest investments and other financial assets.

APIR

APIR Code TGY9789AU

FUND INFORMATION

Funds under management	\$85.22m
Inception	May 2017
Unit price ⁴	\$1.00
Minimum initial investment	\$5,000
Distribution frequency	Monthly
Withdrawal notice period ⁵	30 days
Management fee ¹⁰	0.35%

PLATFORM AVAILABILITY

Netwealth HUB24
 Mason Stevens
 Australian Money Market
 uXchange/Dash

INVESTMENT FEATURES

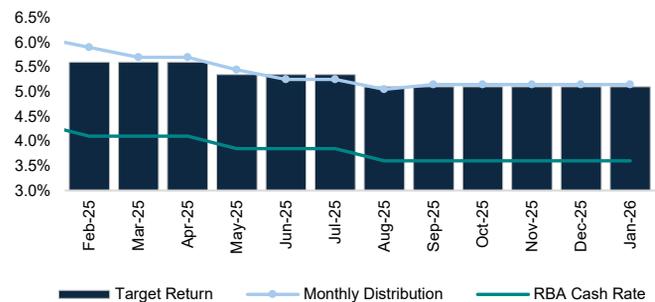
- ✓ Competitive monthly income with access to distribution reinvestment
- ✓ Diversified underlying portfolio
- ✓ Proactive risk management

ABOUT THE MANAGER

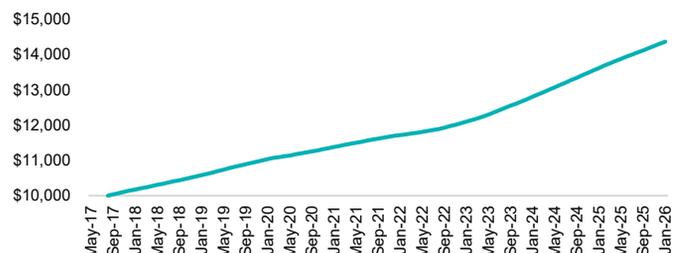
Trilogy Funds Management Limited (**Trilogy Funds**), is the responsible entity for the Fund and an alternative asset manager specialising in the real estate sector. Established in 1998, Trilogy Funds has a track record of providing investors with income generating investment solutions and capital preservation throughout market cycles. Trilogy Financing Pty Ltd, a Corporate Authorised Representative of Trilogy Funds, is investment manager of the fund and oversees asset allocation and liquidity management.

PERFORMANCE (AS AT 31 JANUARY 2026)

Monthly distribution annualised²



Growth of \$10,000 investment (since inception)⁶



RESEARCH RATINGS⁷



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FUND UPDATE

The Fund delivered a return of 5.15% p.a. for the month ending 31 January 2026, continuing its track record of providing competitive monthly income and returns above its benchmark of the Official Cash Rate (OCR) + 1.50%.

Activity in the Australian securitisation market began the year on a measured but constructive note. This followed a very strong 2025, which saw approximately \$76 billion of public residential mortgage back securities (RMBS) and asset-backed securities (ABS) issuance across 95 deals, including a record \$23.1 billion in non-mortgage ABS. As is typical for January, issuance levels were subdued following the holiday period; however, momentum improved later in the month as arrangers prepared for a busy pipeline of forthcoming transactions. Westpac issued a \$2.0 billion dual-tranche RMBS transaction (AAA and not rated), while non-bank issuers are expected to remain active across both prime and non-conforming RMBS and ABS sectors throughout 2026. Offshore participation is likely to stay supportive, subject to broader global fixed-income conditions, with domestic demand providing a consistent base.

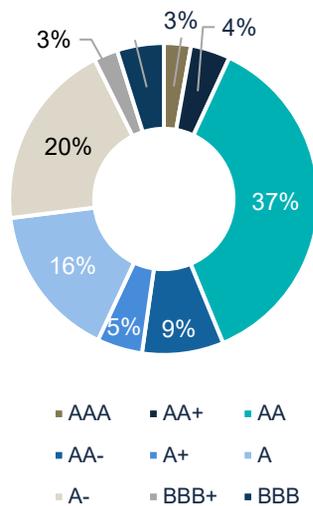
Primary activity in the Tier 2 subordinated debt market remained limited in January. Early in the month, CBA launched a \$5 billion multi-tranche senior issue (3-year FRN +60 bps, 5-year FRN +74 bps, and 5-year fixed at 5.03% p.a.). Secondary trading dominated the month, with Tier 2 spreads tightening by approximately 12 bps, reflecting solid investor demand. Issuance in both senior and subordinated bank markets is expected to remain opportunistic, supported by continued investor preference for floating-rate securities. Exposure to subordinated debt in the Fund and Trilogy Monthly Income Trust (TMIT) floating rate note (FRN) mandates is 49.8% and 49.5% respectively, with the remainder allocated to senior debt and cash. As at 31 December, approximately 36.0% of Fund's assets were invested in TMIT, continuing to enhance the return for unitholders.

At its meeting on 3 February, the Reserve Bank of Australia increased the Official Cash Rate (OCR) by 25 bps to 3.85%, following upward revisions to its inflation forecasts. Headline inflation is now expected to exceed 4.2% by mid-2026, while trimmed-mean inflation is forecast to peak at 3.7%, driven by stronger-than-expected household consumption and private sector investment. Among the major banks, ANZ, CBA and NAB expect the OCR to remain on hold for most of 2026, although NAB continues to forecast a further 25-basis-point increase in May.

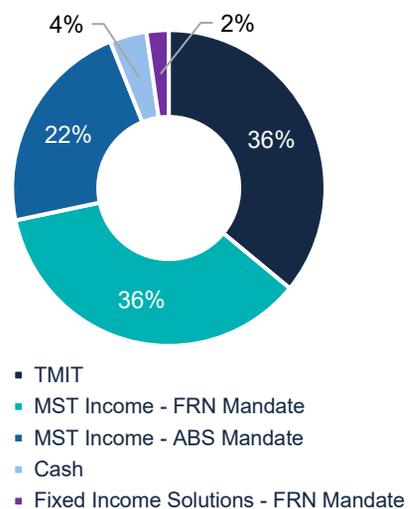
The Fund's exposure to bank capital notes and asset-backed securities remains predominantly linked to the 3-month bank bill swap rate (BBSW). BBSW has continued to adjust in line with OCR movements and prevailing market expectations, lifting running yields as coupon margins reset higher. This provides a supportive backdrop for portfolio income over the coming months.

FUND SNAPSHOT¹¹

Credit quality exposure (Mandates only)⁹



Asset allocation



HISTORICAL MONTHLY RETURNS (PREVIOUS FIVE YEARS)⁸

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	CY Total
2022	0.19%	0.16%	0.18%	0.18%	0.20%	0.23%	0.25%	0.27%	0.29%	0.33%	0.33%	0.36%	2.99%
2023	0.38%	0.36%	0.42%	0.43%	0.47%	0.47%	0.51%	0.51%	0.50%	0.51%	0.50%	0.51%	5.58%
2024	0.51%	0.50%	0.53%	0.52%	0.54%	0.52%	0.54%	0.52%	0.51%	0.52%	0.50%	0.52%	6.21%
2025	0.52%	0.45%	0.48%	0.47%	0.46%	0.43%	0.45%	0.43%	0.42%	0.44%	0.42%	0.44%	5.41%
2026	0.44%												

Distributions are variable. Past performance is not a reliable indicator of future performance. Return calculations per the number of days in the respective month.

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Investments in the Trilogy Enhanced Income Fund ARSN 614 682 469 can only be made on the application form accompanying the Product Disclosure Statement (PDS) dated 10 April 2024 issued by Trilogy Funds Management Limited (Trilogy Funds) ABN 59 080 383 679 AFSL 261425 and available from www.trilogyfunds.com.au. Please also consider the Target Market Determination (TMD) dated 10 April 2024 which is available at <https://trilogyfunds.com.au/>.

This product carries capital, distribution and other risks. You should consider Section 6 of the PDS before investing. Information included in this communication about investment yield and returns should be considered only as part of a balanced review of all the features, benefits and risks associated with the product. Please read the PDS and the TMD in full. All investments, including those with Trilogy Funds, involve risk which can lead to no or lower than expected returns, or a loss of part or all of your capital. Investments in Trilogy Funds' products are not bank deposits and are not government guaranteed.

Product Disclosure Statement (PDS) is available on the Fund webpage [here](#).

The Target Market Determination (TMD) for Units in the Fund is available free of charge on the Fund webpage [here](#).

1. Equivalent net distribution rate annualised paid to investors for the month ended 31 January 2026. **2.** All distribution rates quoted are variable, net of fees, costs and taxes and assume no distribution reinvestment. Past performance is not a reliable indicator of future performance. **3.** 3-year, 5-year and inception data are reported on a per annum basis. The target benchmark is the Official Cash Rate target plus 1.50% p.a. assuming reinvestment of distributions but before fees and expenses and taxes, over a rolling 12 months period. **4.** The unit price is fixed, however, capital losses can occur in circumstances where the Fund incurs a capital loss. **5.** See PDS & TMD for details. **6.** Assumes distributions are reinvested and does not take into account any tax friction throughout the period. Past performance is not a reliable indicator of future performance. **7.** The information contained in the Foresight Analytics report and encapsulated in the investment rating is of a general nature only. The report and rating reflect the opinion of Foresight Analytics and Ratings Pty Limited (AFSL 494552). It does not take into account an individual's objectives, financial situation or needs. Professional advice should be sought before making an investment decision. A fee has been paid by the Fund Manager for the production of the report and investment rating. **8.** As at 31 January 2026. **9.** Only includes investments associated with MST Financial Services Pty Ltd (MST) (MST Mandates) and Fixed Income Solutions Pty Ltd (FIS Mandates). **10.** 0.35% p.a. of the gross asset value of the Fund. **11.** Graph figures may not sum to 100% due to rounding.