

Trilogy Enhanced Income Fund

INVESTMENT REPORT



Trilogy Enhanced Income Fund

INVESTMENT REPORT | SEPTEMBER 2025

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	0.42%	1.30%	2.66%	5.65%	5.64%	4.55%	4.28%
Benchmark	0.42%	1.31%	2.66%	5.54%	5.47%	4.03%	3.47%
Excess	0.00%	(0.01%)	0.00%	0.11%	0.17%	0.52%	0.81%

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INVESTMENT STRATEGY

The 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	\$79.73m
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

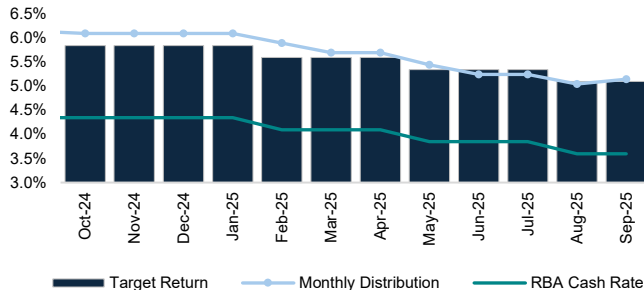
- ✓ Competitive monthly income with access to distribution reinvestment
- ✓ Diversified underlying portfolio
- ✓ Proactive risk management

ABOUT THE MANAGER

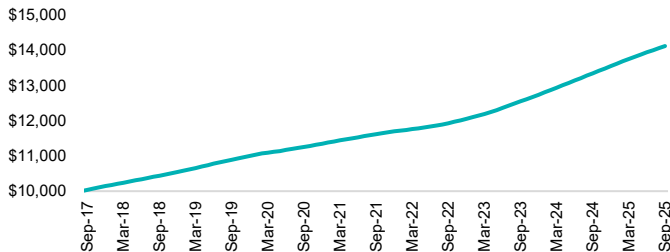
Trilogy Funds Management Ltd (Trilogy Funds), is the responsible entity for the Fund and an alternative asset manager specialising in the real estate sector. Established in 1998, Trilogy Funds has a track record of providing investors with income generating investment solutions and capital preservation 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 30 SEPTEMBER 2025)

Monthly distribution annualised²



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



RESEARCH RATINGS⁷



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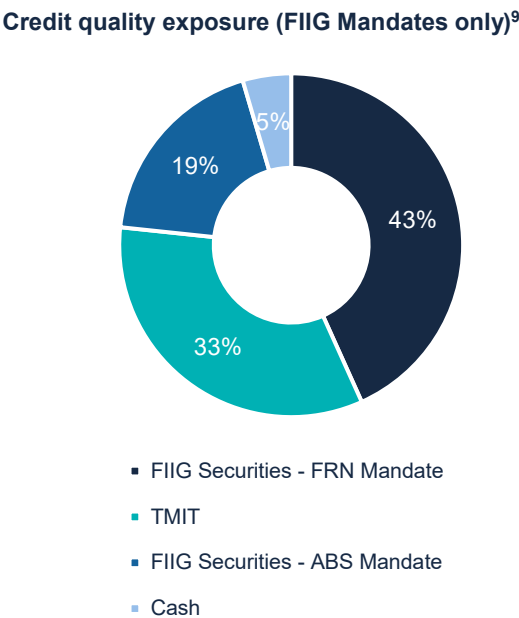
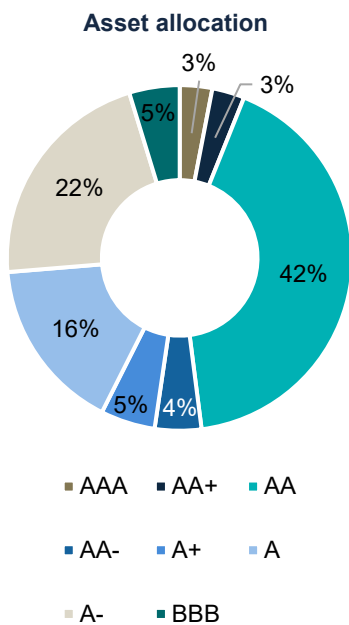
FUND UPDATE

The Trilogy Enhanced Income Fund (TEIF) delivered a return of 5.15% p.a. for the month ending 30 September 2025, maintaining its track record of providing investors with competitive monthly income. This is an increase from 5.05% in August and follows strong performance of the Fund's floating rate note (FRN) and asset-backed security (ABS) holdings. At its September meeting, the Reserve Bank of Australia (RBA) left the cash rate on hold at 3.6%, noting that inflation had risen more than expected due to persistent price pressures in market services, while the labour market remained tight.¹¹

The Australian ABS market extended its strong run into September 2025, lifting year-to-date issuance volumes to approximately \$51 billion, broadly in line with the same period last year. Non-bank issuers continued to dominate primary issuance, particularly in the auto and equipment securitisation sectors, as major banks maintained their retreat from vehicle lending. Investor demand for prime residential mortgage-backed securities (RMBS) remained resilient, supported by a lower interest-rate environment that continues to underpin borrower stability and reduce arrears risk. This accommodative backdrop has contributed to spread compression across most layers of the capital structure and has encouraged issuers to bring forward new transactions into October and November. Notable ABS deals issued in September included the \$2.5 billion PUMA (RMBS), \$1.75 billion (RMBS), \$1.25 billion Pepper (RMBS), \$1 billion (RMBS), \$925 million Allied Auto (ABS), \$750 million (RMBS), and the \$300 million Azora Auto (ABS). During the month, the Portfolio Management Team (PMT) participated in the Orion Trust RMBS (rated A), which was added to both the TEIF and Trilogy Monthly Income Trust (TMIT) portfolios. In addition, the Liberty RMBS (rated A) was added to the TMIT portfolio. As of 30 September, approximately 33% of the Fund's assets were held in TMIT, continuing to enhance the return for investors.

Subordinated debt issuance in Australia maintained a steady pace into September 2025, though activity moderated somewhat from last month as major banks paused new Tier 2 supply. Despite the quieter month from the major banks, investor demand (particularly from offshore accounts) remained robust, driving a spread compression of approximately 10bps across this sector. There were a few primary issuances during the month from non-major banks including Crédit Agricole who issued a well-received 10-year (with a 5-year optional call date) fixed and floating-rate Tier 2 deal with both tranches significantly oversubscribed. Insurance Australia Group priced a 12-year (7.7-year optional call date) floating-rate Tier 2 note, Judo Bank issued a 10-year (5-year optional call date) Tier 2 note and Defence Bank issued a 10-year (5-year optional call date) Tier 2 note highlighting investor interest in diversified issuer profiles. Exposure to Subordinated Debt in the Fund's floating rate note portfolio was 44.3%, with the remainder in senior debt and cash.

FUND SNAPSHOT⁸



HISTORICAL MONTHLY RETURNS (PREVIOUS FIVE YEARS)⁸

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	CY Total
2021	0.28%	0.27%	0.28%	0.25%	0.26%	0.25%	0.26%	0.26%	0.25%	0.23%	0.22%	0.23%	3.04%
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%				

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 30 September 2025. 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 30 September 2025. 9. Only includes investments associated with FIIG Investment Management Limited (FIIG) (FIIG Mandates) in the portfolio. 10. 0.35% p.a. of the gross asset value of the Fund. 11. <https://www.rba.gov.au/monetary-policy/>

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