

Trilogy Enhanced Income Fund

ADVISER INVESTMENT REPORT



Trilogy Enhanced Income Fund

ADVISER INVESTMENT REPORT | MAY 2026

NET DISTRIBUTION RATE^{1,2}

5.90% 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	0.50%	1.43%	2.71%	5.30%	5.80%	4.83%	4.36%
Benchmark	0.49%	1.42%	2.69%	5.30%	5.60%	4.52%	3.61%
Excess	0.01%	0.01%	0.02%	0.00%	0.20%	0.31%	0.75%

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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	\$77.08m
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

Mason Stevens
Australian Money Market
uXchange/Dash
HUB24

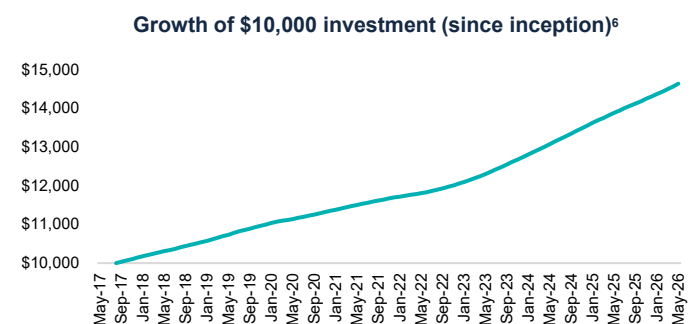
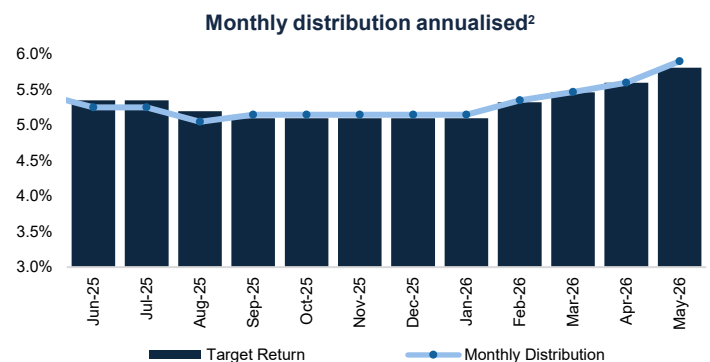
INVESTMENT FEATURES

- ✓ 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 MAY 2026)



RESEARCH RATINGS⁷



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FUND UPDATE

For the month ending 31 May 2026, the Fund delivered a return of 5.90% p.a., outperforming its benchmark by 9 basis points on an (annualised).

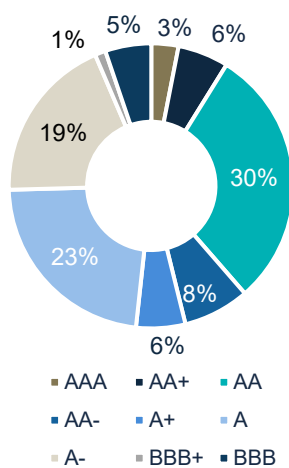
International developments remained a focus for markets through May, with engagement between the United States and Iran continuing without a durable resolution. Brent crude declined over the month, closing around US\$92.56 per barrel after trading near US\$120 at its peak earlier in the year, although prices remained above long-run averages.¹² The Bank Bill Swap Rate (BBSW) continued to move higher in line with cash rate expectations, with the one-month rate at 4.30% and the three-month rate at 4.44% towards the end of May.¹³ Because the floating rate notes held through the Fund's external mandates are predominantly linked to BBSW, coupons continued to reset at higher reference rates, which provided a tailwind for the Fund. Activity across the Australian securitisation market improved modestly over the month as volatility eased and investor confidence strengthened, with issuance higher than in April and several transactions completed. Investor demand remained solid, particularly for high-quality issuers offering attractive spreads relative to corporate debt. While some shorter-dated AAA tranches tightened slightly, spreads across lower-rated tranches were largely unchanged, reflecting the continued appeal of securitised credit in an environment of elevated cash rates and ongoing duration considerations.

Underlying collateral performance across residential mortgages, auto loans and consumer receivables remained resilient, supported by stable arrears. Portfolio positioning remains focused on A and BBB rated tranches with expected maturities below four years, providing attractive running yields, strong structural protection and limited interest rate sensitivity. While issuance is expected to remain healthy, demand continues to exceed supply across many transactions, which has been supportive of spreads. Conditions in the Australian bank subordinated debt market were broadly stable during May, following the recovery observed in April. Secondary market spreads were largely unchanged over the month, with five-year Tier 2 credit margins finishing around 126 basis points, while senior bank floating-rate note spreads ended the month near 69 basis points. The cash rate currently stands at 4.35%, as it was kept unchanged in a unanimous decision at its most recent 16 June meeting, as the effects of three increases earlier this year continue to feed through the economy. The RBA's May Statement on Monetary Policy indicated that inflation is likely to remain above the 2 to 3% target band for some time.¹⁴ Among the four major banks, ANZ and CBA do not currently expect further increases in the cash rate this year, while NAB anticipates a further 25 basis point increase and Westpac expects two additional increases over the months ahead.^{15,16}

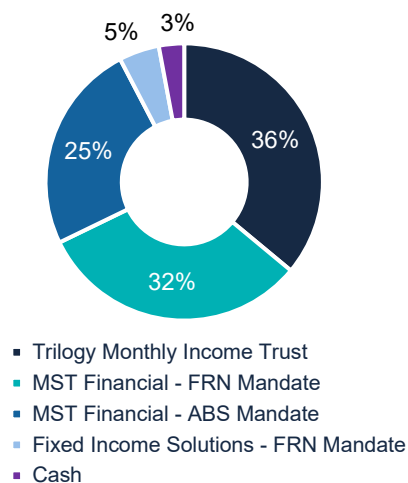
Primary issuance remained relatively subdued during the month, concentrated primarily in senior unsecured debt, with the limited new subordinated supply continuing to provide technical support to secondary market valuations. During the month, ANZ issued \$5.0 billion of three- and five-year senior floating-rate notes at 67 and 71 basis points respectively, NAB issued \$1.75 billion of five-year senior debt at 69 basis points, and Suncorp launched a \$200 million six-year subordinated floating-rate note (with a final maturity of 11 years) at 150 basis points.

FUND SNAPSHOT^{8 11}

Credit quality exposure (FRN/ABS 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%	0.41%	0.46%	0.46%	0.50%								

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 27 March 2026 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 May 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. The rating contained in this document is issued by SQM Research Pty Ltd ABN 93 122 592 036 AFSL 421913. SQM Research is an investment research firm that undertakes research on investment products exclusively for its wholesale clients, utilising a proprietary review and star rating system. The SQM Research star rating system is of a general nature and does not take into account the specific person. The rating may be subject to change at any time. Only licensed financial advisers may use the SQM Research star rating system in determining whether an investment is appropriate to a person's particular circumstances or needs of any specific person. You should read the product disclosure statement and consult a licensed financial adviser before making an investment decision in relation to this investment product. SQM Research receives a fee from the Fund Manager for the research and rating of the managed investment scheme. 8. As at 31 May 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. 12. <https://www.cnb.com/2026/05/29/oil-prices-iran-ceasefire-us-trump-strait-hormuz-energy-costs.html> 13. <https://yieldreport.com.au/weekly-bank-bills-25-may-29-may-2026/> 14. <https://www.rba.gov.au/media-releases/2026/mr-26-12.html> 15. <https://www.canstar.com.au/home-loans/interest-rate-forecast-australia> 16. <https://news.nab.com.au/tag/economic-market/next-rba-rate-move-is-down--timing-uncertain>