

Trilogy Essential Retail Fund

Product Disclosure Statement

22 JULY 2025

ARSN 687 648 068

Responsible Entity: Trilogy Funds Management Limited

ACN 080 383 679

AFSL 261425





Important Information

The issuer of units in the Trilogy Essential Retail Fund ARSN 687 648 068 (**Fund**) is Trilogy Funds Management Limited ACN 080 383 679 (**Trilogy Funds, we, us**). Trilogy Funds holds an AFS Licence (No. 261425).

This Document

This Product Disclosure Statement (**PDS**) is dated 22 July 2025.

This PDS supersedes all preliminary information and other previous communications in connection with the Fund or the Fund's assets. All such preliminary information and previous communications should be disregarded. Any information or representation not contained in this PDS may not be relied on as having been authorised by Trilogy Funds in connection with the Fund.

The images used in this PDS are illustrative only and the properties depicted in those images do not necessarily form part of the assets of the Fund.

No Investment Advice or Recommendation

Trilogy Funds is not authorised to give any personal financial product advice. This PDS contains important information, however, the information is general in nature and does not take into account your investment objectives, financial situation or particular needs. You should take these and your personal circumstances into account when considering whether the information contained in this PDS is appropriate for you.

Before you invest, you should read this PDS carefully and in its entirety, and, if you consider it necessary or appropriate, obtain independent financial and taxation advice about whether an investment in the Fund is suitable for you.

Target Market Determination

The Target Market Determination (**TMD**) for the Fund can be found at www.trilogyfunds.com.au, by emailing investorrelations@trilogyfunds.com.au, or by phoning us on 1800 230 099.

No Performance Guarantee

Historical, targeted or forecast returns are not a reliable guide to future returns. You should not base your decision to invest in the Fund on past returns or any targeted or forecast returns.

Neither Trilogy Funds nor any of its directors, related parties or associates, guarantee the performance or success of the offer, the repayment of capital, or any particular rate of capital or income return. You should consider this when assessing the suitability of the investment and particular aspects of risk.

Our Website

Where this PDS indicates certain information is available on our website, we recommend you view that information before making a decision whether to invest. In addition, information contained in this PDS may change from time to time. If the change will not be materially adverse to Investors, the updated information will be available from our website and upon request, we will provide you with a paper copy of any updated information free of charge.

Where the change will be materially adverse, then Trilogy Funds will issue a supplementary or replacement PDS.

This PDS (and any supplementary PDS and replacement PDS) is available in electronic format and can be accessed via our website www.trilogyfunds.com.au. If you receive it electronically, please ensure that you have received the entire PDS and applicable Application Forms. If you are unsure whether the electronic document you have received is complete, please contact us by emailing investorrelations@trilogyfunds.com.au, or by calling on 1800 230 099 or +61 7 3039 2828. A printed copy is available free of charge.

Jurisdiction

The offer under this PDS is only available to Investors receiving it (electronically or otherwise) in Australia. Units in the Fund may not be offered or issued in any other jurisdiction, except to persons to whom such offer, sale or distribution is permitted under applicable laws and are not intended to be offered or issued to US Persons as defined under Regulation S of the US federal securities laws. This PDS does not constitute an offer or invitation in any jurisdiction outside of Australia.

Risks

There are risks associated with investing in the Fund. See Section 8 for more information.

Glossary and Currency

Throughout this PDS, certain defined terms are used. Terms are defined in Section 12 of this PDS (if necessary). Currency amounts are stated in Australian dollars.

Obtaining further information before making a decision

The information in the PDS and the TMD may change from time to time. Visit our website www.trilogyfunds.com.au regularly for further information about the Fund, including disclosure against ASIC benchmarks and disclosure principles, continuous disclosure, and Fund updates and the latest TMD.



Dear Investor

We are pleased to invite you to invest in the Trilogy Essential Retail Fund (**Fund**).

This is an opportunity to invest in the Fund that will acquire a Coles-anchored neighbourhood shopping centre in a high-growth catchment area located in Western Australia. This asset represents the inaugural acquisition in a newly launched Fund designed to build a diversified portfolio of resilient, income-generating property assets. Our vision is to create a robust and diversified portfolio of convenience retail and co-located property assets.

Strategically positioned in a high-growth catchment area, the property benefits from strong tenant covenants, high foot traffic and long-term lease security. This centre is anchored by Coles and complemented by a mix of essential service retailers, which is expected to deliver consistent consumer demand and stable rental income. This inaugural asset forms the foundation what is anticipated to become a broader portfolio that is intended to include complementary asset classes such as childcare centres, medical and allied health tenancies and self-storage facilities.

The launch of this strategy is designed to capitalise on structural changes in the retail landscape, where evolving consumer preferences are driving demand for local, accessible, and service-oriented retail experiences. These asset classes have demonstrated strong performance through economic cycles and align with evolving consumer and demographic trends. We believe this offering presents a compelling opportunity for investors seeking stable income, capital preservation, and long-term growth.

The Fund aims to build a diverse portfolio of commercial retail assets that deliver competitive income and the opportunity for long-term capital growth. Trilogy Funds intends to build a diversified portfolio through future capital raises.

Please read this PDS and the information provided on the website in full and seek professional financial advice regarding your personal circumstances.

Should you have any questions, please contact our Investor Relations Team on 1800 230 099 or email investorrelations@trilogyfunds.com.au.

Yours faithfully

Henry Elgood
Co-Managing Director
Trilogy Funds Management Limited

Justin Smart
Co-Managing Director
Trilogy Funds Management Limited





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Section 1.

Key features of the Fund

The information in the table below provides a snapshot of the Fund as at the date of this PDS. Please read the whole PDS and the RG 46 Report and seek any advice you need before deciding to invest.

FEATURE	TRILOGY ESSENTIAL RETAIL FUND	SECTION(S)
ARSN	687 648 068	
APIR Code	TGY9366AU	
Inception	August 2025	
Responsible Entity	Trilogy Funds Management Limited	3.2
Investment Manager	Trilogy Funds Asset Management Pty Ltd (a related company of Trilogy Funds)	3.1
Custodian	The Trust Company Limited, an independent specialist custodian, provides custody of the Fund's assets.	10.13
Trust type	Unlisted unit trust registered with ASIC as a managed investment scheme.	4.1
Duration of the Fund	Open ended, meaning that it has no fixed duration or end date.	—
Investment objective	To provide regular monthly income and the opportunity for capital growth over the long term.	5
Investment strategy	<p>To build a portfolio of real estate assets located in regional and metropolitan areas in Australia, by primarily seeking to acquire convenience retail properties, such as neighbourhood shopping centres and large format retail (LFR) centres that have the potential to provide long-term cashflows to investors and/or could offer the opportunity to add value through capital appreciation or asset enhancement.</p> <p>Secondarily, the Fund will also seek to acquire assets occupied by tenants who typically co-locate with convenience retail properties and support retail trade. Such assets may include childcare centres, self-storage assets and medical assets.</p>	5
Offer	The Offer is for Investors to subscribe for Units in the Fund up to the Subscription Amount. It is the intention of Trilogy Funds to raise further equity (i.e., by issuing more Units under future offers) and debt in order to fund further acquisitions and/or to value-add to improve the Properties.	4.2
Purpose of the Offer	The proceeds of the Offer will be combined with debt to acquire the Initial Property.	4.5
Subscription Amount	\$13,650,000	4.2
Minimum investment	\$20,000 Trilogy Funds may accept investments that are less than this amount in its discretion.	4.7



FEATURE	TRILOGY ESSENTIAL RETAIL FUND	SECTION(S)
Issue price	<p>Units will be issued under this PDS at \$1.00 per Unit.</p> <p>Following the close of the Offer, Units will be issued at the prevailing Unit Price plus any applicable buy spread on the date the Units are issued. The Unit Price is the prevailing Net Asset Value of the Fund plus the unamortised value of the acquisition costs divided by the number of Units on issue. This Unit Price will be published at www.trilogyfunds.com.au/trilogy-essential-retail-fund/.</p> <p>Trilogy Funds has a Unit Pricing Policy in place in relation to the Fund. Investors may obtain a copy of this policy, free of charge, by contacting Trilogy Funds.</p>	4.3
Forecast distribution rate	<p>Based on the Initial Property, the forecast distribution rate is 7.00% p.a. on equity invested (net of fees, assuming the Subscription Amount is raised).</p> <p>Forecast distribution rate only applies for the period from the Settlement Date to 30 June 2027.</p> <p>Forecast distribution is indicative only. It is subject to a number of assumptions set out in Section 9.4 of the PDS. If those assumptions prove to be incorrect, then it can impact on distributions. Please review the assumptions as circumstances may change.</p>	9
Distributions	<p>Distributions will accrue on and from the Settlement Date and will be paid monthly in arrears at a variable rate, normally on or around the eighth Business Day following the end of each month.</p>	4.8
Withdrawals	<p>Generally, Trilogy Funds expects the Fund to be Liquid. While the Fund is Liquid, Investors have the opportunity to redeem Units through the Primary Liquidity Event and the Limited Liquidity Event when these are offered. If the Fund is not Liquid, then Investors will only be able to redeem Units in accordance with a withdrawal offer made by Trilogy Funds.</p> <p>Primary Liquidity Event</p> <p>Trilogy Funds intends, subject to its obligations at law, which includes an obligation to act in the best interests of Investors, to use its best endeavours to offer a Primary Liquidity Event approximately every four years from the Settlement Date. The Primary Liquidity Event is the primary opportunity for Investors to redeem some or all of their Units. The amount made available for withdrawal during a Primary Liquidity Event is at the discretion of Trilogy Funds, but as at the date of this PDS, the intention is that it will not exceed 20% of the Net Asset Value of the Fund at the relevant time.</p> <p>The first Primary Liquidity Event is expected to occur in September 2029.</p> <p>Limited Liquidity Event</p> <p>Trilogy Funds intends, subject to its obligations at law, which includes an obligation to act in the best interests of investors, to use its best endeavours to offer a Limited Liquidity Event on an annual basis (commencing from the third anniversary of the Settlement Date). The Limited Liquidity Event acts as a secondary and limited mechanism for Investors to redeem Units alongside the Primary Liquidity Event. Trilogy Funds will not make a Limited Liquidity Event available in the same year that a Primary Liquidity Event is scheduled to occur.</p> <p>The amount made available for withdrawal during a Limited Liquidity Event is at the discretion of Trilogy Funds, but as at the date of this PDS, the intention is that it will not exceed 3% of the Net Asset Value of the Fund at the relevant time.</p> <p>The first Limited Liquidity Event is expected to occur in September 2028.</p>	4.10



FEATURE	TRILOGY ESSENTIAL RETAIL FUND	SECTION(S)
Target Loan-to-Valuation Ratio (LVR)	Target LVR of 50% to 60%. However, the Fund may borrow over 60% LVR from time to time in order to make further acquisitions or fund expansion opportunities.	4.13, 9.4
Cooling off	A cooling off period applies to an investment by a retail client (as defined in the Corporations Act) in the Fund while the Fund is liquid. The right to return the Units can only be exercised during the period of 14 days starting on the earlier of: a. the time when the Trilogy Funds confirms acquisition by the Investor of Units; or b. the end of the fifth business day after the day on which the Units were issued to the Investor.	10.4
Transfers	Investors may transfer their Units to a third party at any time, subject to the transfer provisions in the Constitution and the consent of Trilogy Funds.	4.9
Investors	The Fund is open to both retail and wholesale investors. Wholesale investors should consider Section 10.6.	2.2, 10.6
Initial Property	Shopping centre (known as Brighton Village) located at 6 Kingsbridge Boulevard, Butler, Western Australia 6036. Brighton Village is a neighborhood shopping centre located approximately 40 km north-west of the Perth CBD.	6.1
Finance Facility	Trilogy Funds has received an indicative offer for a Finance Facility from a major Australian bank on terms acceptable to Trilogy Funds to enable borrowings up to 55% of the value of the Initial Property for a 3-year term.	4.13
Purchase price of the Initial Property	\$25,300,000.00 (exclusive of GST).	6.1
Settlement Date of Initial Property	Anticipated to be 1 September 2025, subject to the Subscription Amount being reached. The date may change at the discretion of Trilogy Funds.	9.4, 11
Valuation of the Initial Property	The market valuation of the Initial Property assessed by an independent valuer totals \$25,300,000 (exclusive of GST). It is intended that the asset will be purchased as a going concern. A summary copy of the valuer's report is included in this PDS and a copy is available on request from Trilogy Funds at no charge.	6.1, 9.4, 11
Expansion opportunities	It is also part of the Fund's investment strategy to seek Property assets with the potential to add value such as expansion of lettable area, refurbishment and improvement works. This may either be led by Trilogy Funds or the respective tenant(s).	5.1, 5.2
Other investments	At the date of this PDS, it is anticipated that the Fund will only hold the Initial Property and a minimal cash holding in the short term. However, in the future the Fund may accrue excess cash which may be invested in other income earning investments pending future Property acquisitions. These investments are expected to represent less than 15% of the Fund's total assets. These investments may include other income earning investments such as other unlisted managed funds (registered or unregistered), index funds, income securities, listed securities (such as REITs) and fixed or floating rate debt securities that may be held directly or indirectly. These investments may include other products issued by Trilogy Funds. While it is not anticipated the Fund will hold 'non-property related' investments which represent more than 15% of its GAV, it is important to note that at any time the Fund's investment in any class of investment is approximate only and that there is no obligation on Trilogy Funds to rebalance the portfolio of assets at or within a particular time. Please refer to the website www.trilogyfunds.com.au for further details about the Fund's current asset portfolio.	4.18, 5.1



FEATURE	TRILOGY ESSENTIAL RETAIL FUND	SECTION(S)
Fees and Costs	<p>Fees and other management costs apply to an investment in the Fund and you should read Section 7 for full details.</p> <p>Trilogy Funds is entitled to be paid ongoing management fees as well as certain one-off transactional and performance fees and may also be reimbursed for expenses it incurs in operating the Fund.</p>	7
Risks	<p>An investment in the Fund is subject to general investment risks, specific risks of investing in a managed fund such as the Fund, as well as all the risks of investing in other assets that the Fund invests in from time to time.</p>	8
Complaints	<p>Trilogy Funds has an internal complaints handling procedure and is also a member of an external dispute resolution body.</p>	10.5
Reporting and investor communications	<p>Investors will receive the following information regarding their investment in the Fund:</p> <ul style="list-style-type: none">• Unit issuance notification;• Distribution statement;• Annual tax statement (AMIT member annual (AMMA) statement);• Annual periodic (transaction) statement; and• Annual financial report (if requested).	10.2
RG 46 Reports	<p>ASIC has developed six Benchmarks and eight Disclosure Principles designed to provide investors with key information about investing in property funds – Regulatory Guide 46: Unlisted property schemes: Improving disclosures for retail investors (RG46). They cover gearing, interest cover, interest capitalisation, borrowing, diversification, valuation, related party transactions, distributions, withdrawals and net tangible assets.</p>	2.2, 2.3, 2.4
Access to current information	<p>Investors can obtain up to date information in relation to the Fund's performance, RG 46 Reports and continuous disclosure material at www.trilogyfunds.com.au. This includes any updates of this PDS and the latest TMD.</p>	2.3
How to contact us	<p>Trilogy Funds Management Limited ACN 080 383 679, AFSL 261425</p> <p>Level 26, 10 Eagle Street, Brisbane QLD 4000</p> <p>Phone: 1800 230 099</p> <p>Website: www.trilogyfunds.com.au</p> <p>Email: investorrelations@trilogyfunds.com.au</p>	—

IMPORTANT DATES

Offer Open date	22 July 2025
Settlement Date	20 September 2025
Offer closing date	5 September 2025

* Indicative only - Trilogy Funds may close the offer early or extend the closing date at its discretion. Any extension will be notified on Trilogy Funds' website.

** Anticipated date only, subject to change.



WE PICK FROM

Aussie Farms First



A vertical promotional sign for Aussie Farms First. It features a photograph of a man in a blue plaid shirt and a cap, smiling and holding a basket of fresh strawberries. The text 'WE PICK FROM' is at the top, and 'Aussie Farms First' is in large, bold letters below it.



Section 2.

About the Fund and ASIC RG 46

2.1 About the Fund

The Fund aims to provide investors with regular income, the opportunity for capital growth over the long term, and liquidity events available at periodic intervals. To achieve this, the Fund will seek to build a portfolio of real estate assets located in regional and metropolitan areas in Australia. The primary focus will be on acquiring convenience retail properties such as neighbourhood shopping centres and large format retail (LFR) centres; that have the potential to provide long-term cashflows to investors and the opportunity to add value through capital appreciation or asset enhancement. Secondly, the Fund will also seek to acquire assets occupied by users that typically co-locate with convenience retail properties and support retail trade. Such assets may include childcare centres, self-storage assets and medical assets.

While broader retail property returns are often linked to consumer spending, tourism, and economic growth, the Fund targets a more resilient segment of the market. By focusing on convenience and LFR, along with co-located essential services, the portfolio is positioned to benefit from stable, needs-based demand that persists across economic cycles. Investors are drawn to this asset type due to its defensive nature, underpinned by essential service tenants and income streams that are less sensitive to shifts in discretionary spending and consumer sentiment.

As with any investment there are risks associated with investing in the Fund. Investors should be aware of and carefully consider the risks as referred to in Section 8.

Further details about how your investment operates is set out in section 4.0.

2.2 About the RG 46 benchmarks and disclosure report

ASIC has developed six Benchmarks and eight Disclosure Principles for unlisted property schemes, such as the Fund, in Regulatory Guide 46 – Unlisted property schemes: Improving disclosure for retail investors. These are aimed at helping investors understand the risks of investing in property schemes and whether such investments are suitable for them.

For the purpose of this PDS, Trilogy Funds has prepared information relating to each benchmark, including the extent to which the Fund meets each benchmark (and if not, why not), and made disclosures against the disclosure principles in a separate document, referred to in this PDS as the RG 46 Report. The information and statements in that document are taken to be included in this PDS and the RG 46 Report is available on our website at www.trilogyfunds.com.au.

A paper copy of the RG 46 Report may be obtained from Trilogy Funds on request, at no charge. Investors are encouraged to read the RG 46 Report (and any updates, as referred to below) before making a decision as to making, retaining or withdrawing (subject to Limited and Primary Liquidity Events noted earlier) an investment in the Fund.

The material below outlines briefly the information as to the benchmarks and disclosure principles contained in the RG 46 Report which forms part of this PDS.





2.3 ASIC Benchmarks

Disclosure against the ASIC RG 46 benchmarks is current as at the date of this PDS, unless otherwise stated, and may change during the currency of this PDS. Trilogy Funds aims to update disclosures on these benchmarks at least twice annually and if there is a significant adverse change. Updated disclosures on the benchmarks will be available on Trilogy Funds' website at www.trilogyfunds.com.au.

RG46	EXPLANATION	TRILOGY FUNDS' RESPONSE
Benchmark 1 - Gearing	<p>Unlisted property schemes tend to use credit facilities to partly finance the purchase of properties. It is important for responsible entities to have policies in place that address the risks associated with these arrangements and to comply with these policies. It is also important for investors in these schemes to understand these policies.</p> <p>Benchmark 1 addresses whether Trilogy Funds maintains and complies with a written policy that governs the level of gearing at an individual credit facility level.</p>	Trilogy Funds meets the benchmark.
Benchmark 2 - Interest Cover	<p>Another key aspect relating to credit facilities used by unlisted property schemes to finance the purchase of property is interest cover. It is important for responsible entities to have policies in place that address the risks associated with these arrangements and to comply with these policies. It is also important for investors in these schemes to understand these policies</p> <p>Benchmark 2 addresses whether Trilogy Funds maintains and complies with a written policy that governs the level of interest cover at an individual credit facility level.</p>	Trilogy Funds meets the benchmark.
Benchmark 3 - Interest Capitalisation	<p>When a scheme capitalises interest expense, it is important for investors to understand how the scheme will meet its interest obligations when deciding whether to invest in the scheme.</p> <p>Benchmark 3 addresses whether the interest expense of the Fund is capitalised.</p>	<p>Trilogy Funds meets the benchmark.</p> <p>The interest expense of the Fund is not capitalised.</p>
Benchmark 4 - Valuation Policy	<p>The value of real property assets are subject to a number of property-specific factors including but not limited to the economic environment and market sentiment generally. A significant fall in valuation will mean an increase in gearing ratio and may trigger a breach of loan covenants.</p> <p>Investors should be able to understand and compare how responsible entities value their schemes' real property assets. This will help investors assess the reliability of the valuations.</p> <p>Benchmark 4 addresses whether Trilogy Funds maintains and complies with a written valuation policy that meets the requirements set out in the benchmark.</p>	Trilogy Funds meets the benchmark.
Benchmark 5 - Related Party Transactions	<p>Responsible entities of unlisted property schemes that enter into transactions with related parties should disclose information about these related party arrangements that are relevant to a decision to invest in the scheme.</p> <p>It is also important for investors to identify whether responsible entities have adequate arrangements in place to identify, monitor and manage related party transactions.</p> <p>Benchmark 5 addresses whether Trilogy Funds maintains and complies with a written policy on related party transactions, including the assessment and approval processes for such transactions and arrangements to manage conflicts of interest.</p>	Trilogy Funds meets the benchmark.



RG46	EXPLANATION	TRILOGY FUNDS' RESPONSE
Benchmark 6 - Distribution Practices	<p>Distributions to investors that include capital, borrowings or support facilities may not always be commercially sustainable. In the past, some responsible entities have used these sources to support distributions in the short term. Investors may not realise the risks associated with the use of these sources of funding to maintain distributions.</p> <p>Benchmark 6 addresses whether the Fund will only pay distributions from its cash from operations (excluding borrowings) available for distribution.</p>	<p>Trilogy Funds does not meet the benchmark.</p> <p>The Fund will generally only pay distributions from its cash from operations (excluding borrowings) available for distribution. However, Trilogy Funds will determine the distributions based on the income attributable to Investors, and occasionally this may also include distributions from sources such as cash from outstanding tenant incentives, from amounts held to support rental guarantees offered by the vendor of a Property acquired by the Fund, realised gains on sale or unrealised revaluation gains. When distributions are funded other than from operations over a sustained period, there is a risk that this may reduce investor equity. Trilogy Funds considers its distribution practices will be sustainable over the next 12 months following payment as the amounts paid from sources other than cash from operations will not be material and Trilogy Funds does not consider there are any material risks to Investors associated with the inclusion of these amounts in distributions.</p>



2.4 ASIC Disclosure Principles

Disclosure against the ASIC RG 46 disclosure principles is as at the date of this PDS, unless otherwise stated, and may change during the currency of this PDS. Trilogy Funds aims to update disclosures on these benchmarks at least twice annually and also if there is a significant adverse change. Updated disclosures on the benchmarks will be available on Trilogy Funds' website at www.trilogyfunds.com.au

RG46	TRILOGY FUNDS' DISCLOSURE
Disclosure Principle 1 – Gearing Ratio	The gearing ratio calculated in accordance with the ASIC Disclosure Principle (RG 46.62) is anticipated to be 0.55 as at the Settlement Date.
Disclosure Principle 2 – Interest Cover Ratio	The interest cover ratio calculated in accordance with the ASIC Disclosure Principle (RG 46.71) is anticipated to be 2.45 times as at the Settlement Date. This is calculated on the basis of the definition of EBITDA (earnings before interest, tax, depreciation and amortisation) in RG46.
Disclosure Principle 3 – Scheme Borrowing	Trilogy Funds has received an indicative offer for a Finance Facility from a major Australian bank on terms acceptable to Trilogy Funds. The Finance Facility limit is anticipated to be \$13,915,000 and is intended to be fully drawn on the Settlement Date. The weighted average interest rate for the Finance Facility is anticipated to be 4.70% p.a. as at the Settlement Date. Trilogy Funds intends to hedge approximately 100% of the interest cost for a period of 3 years meaning the interest rate will be fixed for this period.
Disclosure Principle 4 – Portfolio Diversification	The Fund's portfolio will initially be comprised of a single property asset, as well as a minimal cash holding. The Weighted Average Lease Expiry (WALE) is 7.19 years, and the occupancy rate is 100%, as at the Settlement Date.
Disclosure Principle 5 – Related Party Transactions	Related party transactions and conflicts of interest are addressed by Trilogy Funds in accordance with its Conflicts of Interest Policy and Related Party Transactions Policy.
Disclosure Principle 6 – Distribution Practices	Trilogy Funds anticipates that distributions will be made from the earnings of the Fund which include rental income, and occasionally this may also include distributions from sources such as cash from outstanding tenant incentives, from amounts held to support property vendor rental guarantees, realised gains on sale or unrealised revaluation gains. Trilogy Funds will determine the appropriate distribution level based on assessment of operational cash flows, allowances for vacancies, capital expenditure, and the like.
Disclosure Principle 7 – Withdrawal Arrangements	<p>While the Fund is Liquid, Trilogy Funds intends, subject to its obligations at law (which includes an obligation to act in the best interests of Investors), to use its best endeavours to offer a Primary Liquidity Event approximately every four years from the Settlement Date and a Limited Liquidity Event on an annual basis (commencing from the third anniversary of the Settlement Date).</p> <p>Trilogy Funds will seek to satisfy withdrawal requests received in response to a Liquidity Event within 6 months from the close of the offer. However, Trilogy Funds is allowed:</p> <p>in the case of Limited Liquidity Events, up to 365 days after the close of the offer to accept the withdrawal request and then a further 21 days to satisfy the withdrawal request; and</p> <p>in the case of Primary Liquidity Events, up to 365 days after the close of the offer to satisfy the withdrawal request.</p> <p>The amount made available for withdrawal, and the ability of Trilogy Funds to provide liquidity to meet Investors' withdrawal requests during a Liquidity Event is dependent on various factors which may be outside of Trilogy Funds' control, including future property market conditions and economic conditions. Liquidity Events may be cancelled, deferred or suspended by Trilogy Funds in exceptional circumstances such as where it is impracticable to offer liquidity or it would not be in the best interests of Investors for liquidity to be offered at the relevant time.</p> <p>In order to meet redemption requests received in response to a Liquidity Event, the Fund may be required to sell one or more Properties.</p> <p>Whilst it is intended that the Fund will be Liquid, it is possible that it may become illiquid. While the Fund is not Liquid, then Investors can only redeem Units in response to a withdrawal offer made by Trilogy Funds.</p>
Disclosure Principle 8 – Net tangible assets	The Net Tangible Assets (NTA) of the Fund is anticipated to be \$0.8544 per Unit as at the Settlement Date.





Section 3.

About Trilogy Funds

3.1 Investment Manager

Trilogy Funds Asset Management Pty Ltd (TFAM), a related party of Trilogy Funds, is the Investment Manager for the Fund. Its role is to identify property investment opportunities and oversee the day-to-day management of the portfolio. This role includes tenant management, maintenance, capital expenditure, development/expansion opportunity assessment and implementation, and leasing.

TFAM's fees for these services are paid by Trilogy Funds from the Fund assets. In addition, TFAM may be retained to carry out further functions in respect of the Properties, such as lease negotiations, project management, and sales and marketing services, for which it will be remunerated from the Fund assets, in accordance with the fee structure set out in this PDS.

3.2 What is the role of Trilogy Funds?

The role of Trilogy Funds in acting as the responsible entity of the Fund is to ensure that Fund assets are managed and dealt with in accordance with the Fund's Constitution, the Corporations Act and this PDS.

3.3 Other governance and committees

Trilogy Funds has established a Property Investment Committee which considers all property acquisitions and monitors the property portfolio on an ongoing basis. The Property Investment Committee is a sub-committee of the Trilogy Funds board.

Trilogy Funds has also established a Treasury Committee to monitor the Fund's liquidity, including the inflows, outflows and other investments made to supplement the portfolio's returns.

3.4 About Trilogy Funds

In the areas of mortgage lending, property development and property investment, experience is a key requirement for success.

For over 25 years, Trilogy Funds has specialised in property investment, with a strong track record in direct property trusts and private real estate credit. Our experience is grounded in the disciplines of accounting, law, mortgage management, financial services, property lending and the strategic management of property assets. In a practical sense it covers all elements of the property development and investment process, from sourcing and negotiating assets, ongoing management of property, property development and construction projects, lending against property, transaction management at all levels, and capital structuring and liquidity management.

Experience in these areas and the networks of contacts developed over many years provides access to specialised information and knowledge. Trilogy Funds is dedicated to the property sector and is a specialist direct property and private credit fund manager. Each of Trilogy Funds' key directors and executives in the property and mortgage teams have extensive experience in their respective fields.



3.5 Trilogy Funds Board of Directors

Robert Willcocks
BA, LLB, LLM

**Independent Non-executive
Chairman**

Robert was appointed as the independent Non-Executive Chairman for Trilogy Funds in 2009. He is a corporate adviser with more than 30 years' experience as a professional listed public company director and chairman. A former senior partner of the law firm Mallesons Stephen Jaques (now King & Wood Mallesons), Robert holds a Bachelor of Arts and Bachelor of Laws degrees from the Australian National University and a Master of Laws degree from the University of Sydney.

As an independent non-executive chairman of Trilogy Funds, Robert draws on his extensive experience as a corporate lawyer and combined experience as a public company director and chairman, where he was mostly involved as an independent director with non-executive roles.

Rohan Butcher
BSc Quantity Surveying
Lic Real Estate, Reg Builder
Non-Executive Director

Rohan is a Non-Executive Director of Trilogy Funds and a member of the Lending Committee. With more than 30 years' experience in construction and property development, Rohan brings to Trilogy Funds his experience working in quantity surveying, estimating, project administration, development management, planning and project management. At Trilogy Funds, Rohan's key area of focus is the management of risk in the delivery of projects.

Rohan has been involved in several major projects within the residential, retail and commercial property sectors while undertaking a variety of senior appointments with major public and private companies. He is also a member of the Urban Development Institute of Australia.



Patrice Sherrie
BBus(Acc) FCA GAICD

**Independent Non-Executive
Director**

Patrice is an experienced company director and has over 35 years' experience in chartered accounting and commerce. Patrice has significant senior experience in listed and unlisted organisations across multiple industries including property, infrastructure, finance and government organisations. Patrice's current and previous appointments include QBANK, City of Brisbane Investment Corporation, Sunwater and Acumentis.

Joining the Trilogy Funds Board of Directors in February 2024, Patrice brings a wealth of expertise along with strong networks in property, finance and government. Patrice holds a Bachelor of Business – Accounting, is a Graduate Member of the Australian Institute of Company Directors and is a Fellow of the Institute of Chartered Accountants in Australia.



Justin Smart
BA Com, CPA
Co-Managing Director

Justin is Co-Managing Director of Trilogy Funds Management Limited and its parent company, Trilogy Funds Group Pty Ltd. He joined Trilogy in 2007 as Chief Financial Officer and was appointed Chief Operating Officer in 2011, before moving into his current role as Co-Managing Director.

A Certified Practising Accountant, Justin has more than 30 years of experience in accounting and finance, including over 25 years in the financial services sector. He brings deep expertise in financial management, audit, technology, and strategic planning, and plays a key role in overseeing Trilogy Funds' responsibilities under its Australian Financial Services License, including the operation of its managed investment schemes.

Justin's strong command of statutory reporting requirements and governance frameworks has been central to the Group's ongoing growth and operational performance. His leadership in implementing business-critical systems and process improvements continues to drive efficiency and support the long-term strategic direction of Trilogy Funds.





Henry Elgood
MAICD

Co-Managing Director

Henry is Co-Managing Director of Trilogy Funds Management Limited and its parent company, Trilogy Funds Group Pty Ltd.



Since joining the business, Henry has played a key role in shaping Trilogy Funds' strategic direction and governance framework, with a particular focus on regulatory oversight, risk management, and capital structuring.

Henry is responsible for overseeing the Group's Australian Financial Services License obligations and engagement with internal and external stakeholders. He works closely with internal teams to ensure that appropriate controls and governance measures are embedded across the business.

His work spans the origination and negotiation of a range of institutional-grade transactions and partnerships, both in Australia and internationally.

A core requirement of Henry's role is to bridge risk, governance, and growth strategy to support Trilogy Funds' long-term success in managing retail investment products and fixed income assets.





Section 4.

Your investment in the Fund

This section provides information on the Fund and should be read in conjunction with the information contained elsewhere in this PDS. Please read the whole PDS, and the RG 46 Report and seek any advice you need before deciding to invest.

4.1 Structure of the Fund

The Fund is a managed investment scheme registered under the provisions of the Corporations Act, operated by Trilogy Funds. The rights and obligations of Investors are set out in the Constitution (see Section 10.11 for further details).

4.2 Summary of the Offer

The Offer of Units in the Fund is made by Trilogy Funds, the issuer and seller of the Units. Trilogy Funds is seeking to raise \$13,650,000 in equity through this Offer. The Subscription Amount will be applied, combined with debt funding, to purchase the Initial Property.

After the Subscription Amount is raised, the Offer will close. Once the Offer is closed, Trilogy Funds intends to raise further equity and debt for the Fund from time to time, for example, to fund further acquisitions and/or to value-add to the portfolio, pursuant to the investment strategy of the Fund.

4.3 Unit issue price

Units will be issued under this PDS at \$1.00 per Unit. Following the initial issuance of the Units, the Unit Price will be calculated based on the Net Asset Value of the Fund, in accordance with Trilogy Funds' Unit Pricing Policy.

Following the close of the Offer, Units will be issued at the prevailing Unit Price plus any applicable buy-sell spread on the date the Units are issued.

4.4. Conditional issuance of Units

The Units will be issued subject to the raising of the Subscription Amount. If Trilogy Funds determines to withdraw or otherwise not to proceed with the Offer for any reason, including that the Subscription Amount is not achieved by 5 September 2025 (or such other date as Trilogy Funds determines at its discretion):

- c. any Units already issued will be redeemed by Trilogy Funds; and
- d. each Investor will receive a total redemption amount equal to the number of Units they hold multiplied by the issue price of \$1.00.

The Fund will retain, and will be entitled to the benefit of, any interest earned on Units which are redeemed in accordance with this section.

Subject to the preceding paragraphs of this section 4.4, Units in the Fund will be issued upon the acceptance of applications, which includes a correctly completed Application Form, receipt of Application Money in cleared funds any other documentation required by Trilogy Funds for identification purposes. Trilogy Funds reserves the right to reject any application and/or to allocate a lesser number of Units than applied for by the Investor. If this occurs, then any Application Money not accepted will be returned to the Investor without interest. As an Investor, you have a beneficial interest in the assets of the Fund and your returns are dependent on the performance of the Fund. The number of Units issued to each Investor determines their proportional entitlement to participate in distributions from the Fund. Trilogy Funds will retain, and will be entitled to the benefit of, any interest earned on Application Money before it is paid into the Fund.

4.5 Proceeds of the Offer

The equity raised from the Offer will be combined with debt, to facilitate the acquisition of the Initial Property.

4.6 Sale Units

In order to facilitate the provision of equity funding for the Fund, Trilogy Funds, or a related entity to Trilogy Funds, may on one or more occasions prior to the Fund being fully subscribed, subscribe for and issue Units to itself in its personal capacity. The Units so issued (**Sale Units**) will be held by Trilogy Funds or a related entity to Trilogy Funds in its personal capacity, and therefore that unit holder will be personally subject to the risks and entitled to the benefits of beneficial ownership of the Sale Units. Trilogy Funds may, at its discretion, treat any one or more applications to acquire Units under this PDS as an application for Trilogy Funds or a related entity to Trilogy Funds to sell Sale Units held by Trilogy Funds or a related entity to Trilogy Funds to that applicant. If Trilogy Funds or a related entity to Trilogy Funds elects to sell Sale Units to an applicant, that applicant will not be subject to any additional costs. It is Trilogy Funds' intention to sell all Sale Units issued to it or its related entity during the currency of this PDS, but it may elect not to do so.

4.7 Minimum investment

The minimum investment is \$20,000, and thereafter in multiples of \$5,000. However, Trilogy Funds has the discretion to accept applications for lesser amounts either generally or on a case-by-case basis.



4.8 Distributions

(Refer also to RG 46 Report – Benchmark 6 and Disclosure Principle 6 – Distribution practices)

Timing and method of payment

It is intended that the Fund will pay distributions on a monthly basis in arrears. Distributions will begin to accrue on and from the Settlement Date. Distributions will be paid by electronic funds transfer to Investors' nominated accounts approximately eight Business Days following the end of the month. When new Units are issued, they will be entitled to receive any distributions declared after the date they are issued. With respect to a withdrawal, Units being withdrawn will be entitled to receive a share of any distributions declared up until the date they are redeemed based on the number of days in the distribution period they were on issue as a proportion of the total number of days in the relevant distribution period.

Source of distributions

The distribution per Unit will be determined by dividing the total amount available for distribution (as determined by Trilogy Funds) for any given period by the total number of Units on issue at that time. Trilogy Funds anticipates that distributions will be made from the earnings of the Fund which include rental income, and occasionally this may also include distributions from sources such as cash from outstanding tenant incentives, from amounts held to support property vendor rental guarantees, realised gains on sale or unrealised revaluation gains. Trilogy Funds will determine the appropriate distribution level based on its assessment of operational cash flows, allowances for vacancies, capital expenditure, and the like. Trilogy Funds has the ability to support distributions by waiving and/or deferring some or all of its management fees from time to time to increase the amount available to distribute to Investors than may otherwise be available from the Fund. Investors should note Trilogy Funds anticipates distributions will be funded from income from operations but distributions from alternative sources referred to above is available at the discretion of Trilogy Funds and to the extent it occurs, a portion of the distributions will have been paid from capital of the Fund. To the extent this does occur, Trilogy Funds anticipates it will occur infrequently given it is not sustainable in the long term to fund distributions from the Fund's capital.

Tax-effective distributions

Trilogy Funds anticipates a portion of the distributions to be tax-deferred. The tax liability on a tax-deferred distribution is generally deferred until units in the Fund are disposed and may allow investors to avail themselves of a 50% discount on capital gains tax. Further information is provided in Section 9.6.

	30 JUNE 26 (Note 1)	30 JUNE 27
Distribution (Note 2)	7.00%	7.00%
Estimated non-assessable ("tax deferred") distribution percentage (Note 3)	35.66%	31.92%
Estimated gross tax effective income return (Note 4)	9.28%	8.98%

Note 1: For the period 1 September 2025 to 30 June 2026.

Note 2: Annualised returns, based on the issue price of \$1.00 per unit. Refer to Section 9 of this PDS for further information, including the assumptions on which the forecasts are based and note that circumstances set out in the assumptions may change and therefore actual returns may differ to the forecasts.

Note 3: Formerly "tax deferred". Please note that non-assessable distributions will reduce an Investor's cost base for capital gains tax purposes. Further information can be found in Section 9 of this PDS.

Note 4: Gross tax effective income return is the return an individual Investor receives, assuming the highest marginal rate, including the Medicare levy, when applied to the entire distribution. This estimate is indicative only and does not include the effect of capital gains tax.

4.9 Transfers

Investors are able to transfer their Units to a third party at any time, subject to the transfer provisions in the Constitution. For a transfer to occur, an Investor must identify a willing purchaser of their Units and Trilogy Funds must consent to the transfer. Please contact Investor Relations to assist with the relevant documentation or go to www.trilogyfunds.com.au.

4.10 Withdrawals

(Refer also to RG 46 Report – Disclosure Principle 7 – Withdrawal arrangements)

Trilogy Funds expects that the Fund will be Liquid. While the Fund is Liquid, Investors are expected to have the opportunity to redeem Units through the Primary Liquidity Event and the Limited Liquidity Event.

However, it is possible that the Fund may not be Liquid at times. If the Fund is not Liquid, then Investors will only be able to redeem Units in accordance with a withdrawal offer made by Trilogy Funds in accordance with the Corporations Act.

Primary Liquidity Events

Trilogy Funds intends, subject to its obligations at law (which includes an obligation to act in the best interests of Investors), to use its best endeavours to offer a Primary Liquidity Event approximately every four years



from the Settlement Date. The Primary Liquidity Event is the principal opportunity for Investors to redeem some or all of their Units.

The amount made available for withdrawal during a Primary Liquidity Event is at the discretion of Trilogy Funds, but as at the date of this PDS, the intention is that it will not exceed 20% of the Net Asset Value of the Fund at the relevant time. If the aggregate value of withdrawal requests received during the Primary Liquidity Event exceeds the amount made available, withdrawals will be scaled back on a pro-rata basis. The pro-rating of any withdrawal will result in any unmet portion of a withdrawal request being cancelled.

The first Primary Liquidity Event is expected to occur in **September 2029**.

Limited Liquidity Events

Trilogy Funds intends, subject to its obligations at law (which include an obligation to act in the best interests of Investors), to use its best endeavours to offer a Limited Liquidity Event on an annual basis (commencing from the third anniversary of the Settlement Date). The Limited Liquidity Event acts as a secondary and limited mechanism for Investors to redeem Units alongside the Primary Liquidity Event. Trilogy Funds will not make a Limited Liquidity Event available in the same year that a Primary Liquidity Event is scheduled to occur.

The amount made available for withdrawal during a Limited Liquidity Event is at the discretion of Trilogy Funds, but as at the date of this PDS, the intention is that it will not exceed 3% of the Net Asset Value of the Fund at the relevant time. If the aggregate value of withdrawal requests received during the Limited Liquidity Event exceeds the amount made available, withdrawals will be scaled back on a pro-rata basis. The pro-rating of any withdrawal will result in any unmet portion of a withdrawal request being cancelled.

The first Limited Liquidity Event is expected to occur in **September 2028**.

General information

a. Notification

Prior to a Liquidity Event, Trilogy Funds will communicate with Investors, providing an outline of the terms of the Liquidity Event proposed, such as:

- the amounts available;
- the estimated withdrawal price per Unit, including any buy/sell spread applied noting the amount paid to investor will be determined based on the prevailing Unit Price on the day their request is processed;
- the assets which will be used to satisfy withdrawals; and
- the process Investors need to follow to submit a withdrawal request.

Investors will also be provided with a withdrawal form prior to each Liquidity Event.

b. Payment

Trilogy Funds will seek to satisfy withdrawal requests received in response to a Liquidity Event within 6 months from the close of the event. However:

- in respect of Limited Liquidity Events, Trilogy Funds is allowed up to 365 days after close of the offer to accept the withdrawal request and then a further 21 days to satisfy the withdrawal request; and
- in respect of Primary Liquidity Events, Trilogy Funds is allowed up to 365 days after the close of the offer to satisfy the withdrawal request.

This may mean that withdrawal requests are satisfied in one or more instalments. In each case the amount received by Investors will be determined using the exit Unit Price prevailing on the day their redemption is processed.

c. Source of funds

To source funds required for a Liquidity Event, Trilogy Funds may:

- sell one or more Properties;
- funds available from new equity raised for the Fund;
- make further borrowings on behalf of the Fund; or
- undertake a combination of these measures.

d. Risks and limitations

The amount made available for withdrawal, and the ability of Trilogy Funds to provide liquidity to meet Investors' withdrawal requests during a Liquidity Event is dependent on various factors which may be outside of Trilogy Funds' control, including future property market conditions and economic conditions. Liquidity Events may be cancelled, deferred or suspended by Trilogy Funds in exceptional circumstances such as where it is impracticable to offer liquidity or it would not be in the best interests of remaining Investors for liquidity to be offered at the applicable time.

4.11 Investment term

There is no minimum term during which Investors must retain their Units in the Fund, nor any maximum term. The Offer is likely to be consistent with the financial situation and needs of a consumer with a minimum investment timeframe of at least five years and who needs limited access to capital.

4.12 Adding to your investment

Current Investors wishing to add to their investment may do so at any time while the Offer is open. Please use your investor ID in any electronic transfers. The minimum additional investment amount is \$5,000.

Before making or deciding to make an additional investment in the Fund, you should check www.trilogyfunds.com.au for any new or supplementary product disclosure statements, for any updates to this PDS, and for continuous disclosure notices and other updates about the Fund (including current performance information and the RG 46 Report).



4.13 Debt

(Refer also to RG 46 Report – Disclosure Principle 3 – Scheme borrowing and RG 46 Report – Benchmark 1 Gearing policy and Disclosure Principle 1 – Gearing ratio)

Trilogy Funds has received an indicative offer for a Finance Facility from a major Australian bank on terms acceptable to Trilogy Funds to fund, in part, the acquisition of the Initial Property. The Finance Facility proposed will enable borrowings up to 55% of the value of the Initial Property for a 3 year term. Trilogy Funds intends to hedge approximately 100% of the interest cost of the Finance Facility initially. The Finance Facility will be secured by a mortgage over the Initial Property in addition to security held under a general security agreement over the Fund's assets.

As at the Settlement Date and upon raising the Subscription Amount, the Finance Facility will represent an initial LVR for the Fund of 55%. To acquire further Properties or fund expansion opportunities, Trilogy Funds anticipates that the Fund will seek additional finance which may be on different terms. In the long term, it is intended that the Fund's gearing ratio or LVR will be within a target range of 50% to 60%. However, there may be occasions when the level of gearing may move out of the target range. This will typically occur at times prior to the acquisition or after the sale of property assets. When this occurs, Trilogy will work to bring the LVR back into range. Further information about gearing and the forecast gearing ratio and interest cover ratio is set out in Sections 4.14 and 4.16.

Other financiers may fund the acquisition of future Properties. Each financier will set an LVR covenant which it will apply to its finance facility. This covenant is the maximum percentage level of gearing the Fund can hold relative to asset values secured by the financing facility. The Fund's LVR may differ from the LVR as measured by the relevant financier under its finance facility because when calculating the Fund's LVR Trilogy Funds will include in the total assets of the Fund any surplus assets (eg cash or non-property investments).

4.14 Gearing ratio

Gearing is the level of debt finance that is used to purchase properties or manage the capital expenditure within a fund. Gearing increases the exposure of Investors to movements in the value of the underlying properties in which a fund invests. It can magnify capital gains, however, it can also magnify capital losses. Therefore, the gearing ratio gives an indication of the potential risks a fund faces in terms of its level of debt. If the ratio is less than 0.50, then the majority of a fund's assets are financed using investors' equity. If the ratio is greater than 0.50, the majority of a fund's assets are financed using debt.

The liabilities and assets used to calculate the gearing ratio are based on the Fund's financial forecasts outlined in Section 9. Thereafter, the calculation will

be made based on the figures in the Fund's financial statements from time to time. The gearing ratio is calculated using the following formula:

$$\text{Gearing ratio} = \frac{\text{total interest-bearing liabilities}}{\text{total assets}}$$

The Fund's gearing ratio is forecast to be 55% as at the Settlement Date.

4.15 Interest capitalisation

Interest is not proposed to be capitalised for the Fund.

4.16 Interest cover

(Refer also to RG 46 Report – Benchmark 2 Interest cover policy and Disclosure Principle 2 – Interest cover ratio)

An interest cover ratio is a measure of a fund's ability to meet its interest expenses from the earnings of the fund and is a key indicator of a fund's financial health. The interest cover ratio for RG 46 purposes is calculated using the following formula:

$$\text{Interest cover ratio} = \frac{\text{EBITDA} - \text{unrealised gains} + \text{unrealised losses}}{\text{interest expense}}$$

The table below presents a forecast of the Fund's Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA), along with its projected interest expense over the forecast period.

	30 JUNE 26	30 JUNE 27
	(Note 1)	
EBITDA (forecast)	1,334,960	1,601,394
Interest cover (forecast)	2.45	2.45

Note 1: For period 1 September 2025 to 30 June 2026.

If the amount of earnings available over a relevant period to meet interest payments falls below the covenant specified in the relevant finance facility, the lender may treat this as a breach of an obligation under the finance facility and possibly an event of default. If this breach is not rectified the lender may require the outstanding amount under the finance facility to be repaid, which in turn may require the sale of one or more of a fund's properties if the finance facility cannot be refinanced with an alternative lender on satisfactory terms.

Interest cover gives a measurement of the number of times a fund could make its interest payments with its EBITDA. A high interest cover ratio means that a fund is more easily able to meet its interest obligations from profits. Conversely, a low value for the interest cover ratio means that a fund is potentially in danger of not being able to meet its interest payments from its earnings.



Using the formula prescribed by RG46, the Fund's interest cover ratio is anticipated to be 2.45 times as at the Settlement Date.

4.17 Net Tangible Assets

(Refer also to RG 46 Report – Disclosure Principle 8 – Net Tangible Assets)

Net Tangible Assets (**NTA**) represents the value per Unit of a fund's assets after deducting its liabilities (and other adjustments) calculated at a point in time. The NTA of the Fund can be calculated on a per Unit basis. This amount can be used as an estimated (not guaranteed) measure of what an Investor could expect to receive per Unit if the assets of the Fund were sold at that particular point in time but excluding any allowance for the costs of selling the assets, performance and disposal fees, and costs associated with winding up the Fund. Therefore, to the extent that the NTA at any time is less than the price paid for a Unit, it is also a reflection of the risk of a possible capital loss as at the relevant point of time.

NTA is calculated in accordance with the following formula:

$$\text{NTA} = \frac{\text{Net assets} - \text{intangible assets} \pm \text{any other adjustments}}{\text{Number of Units in the scheme on issue}}$$

The NTA for the Fund is anticipated to be \$0.8544 per Unit as at the Settlement Date.

4.18 Other assets of the Fund

At the date of this PDS, it is anticipated that the Fund will only hold the Initial Property and a minimal cash holding. However, in the future, the Fund may accrue excess cash which may be invested in other income earning investments pending future Property acquisitions. These investments are expected to represent less than 15% of the Fund's total assets. It is the investment strategy of the Fund to invest excess cash in other income earning investments. These investments may include other income earning investments such as other unlisted managed funds (registered or unregistered), index funds, income securities, listed securities (such as REITs) and fixed or floating rate debt securities that may be held directly or indirectly. These investments may include other products issued by Trilogy Funds. Please refer to the website www.trilogyfunds.com.au for further details about the Fund's current asset portfolio.

While it is not anticipated the Fund will hold 'non-property related' investments which represent more than 15% of its GAV, it is important to note that at any time the Fund's investment in any class of investment is approximate only and that there is no obligation on Trilogy Funds to rebalance the portfolio of assets at or within a particular time.

4.19 How to invest

There are three steps to make an investment in the Fund. You should read the guidance on the Application Form for information on how to fill it out.

Step 1 – Read this document and consider the offer

You should read this PDS in full before deciding whether to invest in the Fund. Pay particular attention to the risks set out in Section 8 and other information concerning Units, the Fund and its assets. The risks need to be considered in light of your particular investment objectives, financial situation and needs. You should seek your own financial advice from a licensed adviser before investing.

Step 2 – Complete and Lodge Application Form

To make an investment, complete and lodge the Application Form with Trilogy Funds. Please take care to ensure that you complete all sections of the Application Form correctly and return it together with documentation required.

Step 3 – Transfer your Application Money

Once your application has been reviewed and accepted by Trilogy Funds, you will receive written confirmation of acceptance. This confirmation will include the payment details required to transfer your Application Money. Please ensure that payment is made using the provided instructions and within the timeframe specified in the confirmation notice. Trilogy Funds reserves the right to reject applications that are incomplete, inaccurate, or not accompanied by the corresponding Application Money within the designated period.





Section 5.

Investment strategy

The Fund aims to provide Investors with regular income and the opportunity for capital growth.

To achieve these goals Trilogy Funds seeks to build a portfolio of real estate assets located in regional and metropolitan areas in Australia. The primary focus will be on convenience retail properties, such as neighbourhood shopping centres and large format retail (LFR) centres that have the potential to provide long-term cashflows to investors and the opportunity to add value through capital appreciation or asset enhancement.

Secondarily, the Fund will also seek to acquire assets occupied by tenants who typically co-locate with

convenience retail properties and support retail trade. Such assets may include childcare centres, self-storage assets and medical assets.

5.1 Investment Criteria

Trilogy Funds may vary these investment criteria from time to time, having regard to what it considers to be in the best interests of Investors. Trilogy Funds may give effect to these investment criteria by taking an interest in other investment vehicles (such as other funds) that may invest in similar assets. Changes to these investment criteria will be communicated to Investors via Trilogy Funds' website or in writing.

Investment objectives	The primary objective is to provide regular income, with opportunity for capital growth.
Property type	Convenience retail properties, such as neighbourhood shopping centres and large format retail (LFR) centres as well as assets occupied by tenants that co-locate with these centres and support retail trade. These supporting assets may include childcare centres, self-storage assets and medical assets. The portfolio may also include properties with potential to value add and/or repurpose to enhance convenience retail and support retail trade.
Location	Key regional and metropolitan areas in Australia.
Leases	Leases expected to provide a consistent income stream, with opportunity for capital growth of the asset.
Target tenants	Anchor tenants such as large supermarket chains supported by other retail or retail supporting tenants with covenants that Trilogy Funds assesses to be strong, based on size and reputation of the organisation, financial position, and perceived likelihood of lease renewal.
Expansion opportunities	Expansion opportunities will be sought where Trilogy Funds considers there is potential to create value for Investors. To minimise risks associated with property construction and development, 'tenant-led' expansion will be prioritised where possible – see further detail below.
Management	An active management style encompassing renegotiation of the current lease terms and facilitating potential tenant-led, value-add opportunities.
ESG	As part of the due diligence process, the ESG considerations of an acquisition opportunity are reviewed. These may include property attributes such as solar panels, recycling, vehicle charging facilities and tenant operations. Note: while ESG is a criteria which Trilogy Funds will consider in assessing investment opportunities, the Fund does not target Properties with particular ESG attributes.
Other investments	Trilogy Funds aims to maintain a liquidity buffer as a risk mitigant, and to allow for competitive timing around responding to acquisition opportunities. The initial working capital is estimated to be approximately \$200,000 to fund leasing incentives, potential value-add opportunities and working capital requirements of the Fund. At times, investment in other investments (such as other funds) may be made in order to limit excess cash that may cause a drag on Investor returns (see section 4.18).



5.2 Investment process

The Fund's acquisition process is designed to identify acquisition opportunities that align with the investment strategy and criteria, test potential acquisitions against those criteria, and identify acquisitions which are considered to be in the best interests of Investors.

Analysts actively search for suitable assets using a range of platforms, databases, and proprietary sources, supported by a network of relationships built over more than 25 years in the industry. From time to time, acquisition opportunities may be presented to Trilogy Funds on an unsolicited basis, prior to being marketed more broadly, due to our reputation and established connections.

The Property Investment Committee, a sub-committee of the Trilogy Funds board, comprises both executive directors and external members. It typically meets fortnightly to review fund management matters and assess potential acquisitions. Throughout the acquisition process, the Property Investment Committee is kept informed via regular reports from Trilogy Funds' Property Team and other key stakeholders.

A detailed due diligence process is undertaken for each acquisition. Completion of due diligence is verified and approved the Property Investment Committee; and final approval of the transaction must be granted by the Committee and ratified by the Trilogy Funds board before any binding commitments are made.

During this process, analysts, and the Property Investment Committee, will assess acquisitions against the Investment Criteria outlined in Section 5.1, in addition to considering the following items:

Property type

Property attributes that are considered may include:

- age and quality of the structures;
- site coverage;
- any specialised property plant and/or equipment that may assist with tenant retention; and
- any aspects of the property that may assist or hinder in re-letting the property should it become vacant in the future.

Should the acquisition opportunity proceed into due diligence, an external consultant is generally engaged to complete a technical due diligence report.

Location

Location attributes that are considered may include:

- access to transport routes;
- forecast population or economic growth; and
- current or future availability of land usable for retail purposes which could present a threat of competing stock.

Geographic diversification may also be sought in order to mitigate risks relating to local economies, events and markets.

Leases

Lease attributes that are considered may include:

- rental adjustment structure;
- comparison of passing rents to market rents;
- lease option structure including market rent reviews;
- composition of tenancies and lease structures;
- security with a preference for bank guarantees; and
- make-good obligations.

Tenants

The strength of tenant covenant is assessed and in the process, the tenant attributes considered include:

- (tenant) organisation size - number of employees, market share; and
- (tenant) organisation financial position – revenue, profit, growth and revenue concentration.

Where considered appropriate, independent financial checks may be undertaken on tenants.

Expansion opportunities

These opportunities may include active construction and development of either new or existing assets within the Fund.

Examples of expansion opportunities may include:

• Tenant-led expansion

Through active management and strong customer relationships, Trilogy Funds may undertake tenant-led expansion that has the potential to add value to Investors. This may be completed on existing sites where space permits or Trilogy Funds may enter into a development agreement to develop a new facility for an existing tenant under an agreement-for-lease structure.

• Development of existing Fund assets

Trilogy Funds may acquire sites with future development potential that have the potential to add value to Investors. Generally, such acquisitions will consist of land-rich sites with medium-term holding income, which may be suitable to develop at the end of the lease term. These developments may have a development partner, and may be completed on a speculative or pre-committed basis, as outlined below.

• Acquisition of development sites

Acquisition of development sites without holding income is not the primary strategy of the Fund but have the potential to deliver positive returns outcomes to Investors. In the event that development sites are considered for acquisition, this will generally be undertaken with a development partner under a fund-through structure. Typically, Trilogy Funds would seek to structure the development partnership such that



the development partner takes on the construction risks and risks of cost overruns. As a result, Investors may benefit from newly constructed retail assets with long-term leases, whilst minimising exposure to development risk.

Trilogy Funds will generally seek to obtain a pre-commitment from tenants prior to commencing construction of a new retail facility. However, where deemed appropriate by Trilogy Funds, the Fund may initiate development of a retail facility without a pre-committed tenant (speculative development).

In these circumstances, Trilogy Funds may undertake a leasing campaign throughout the life of the construction with the aim of securing a tenant by the time of practical completion. When considering a development opportunity with no tenant pre-commitment, Trilogy Funds will seek to ensure the estimated development cost of such projects does not exceed 10% of the Fund's GAV at the time when construction commences.

Trilogy Funds has extensive experience in property acquisition, development, construction and management, and a range of experienced third-party suppliers and property development partners. This combined expertise is leveraged during any expansion opportunities.

Other income earning investments

At the date of this PDS, it is anticipated that the Fund will only hold the Initial Property and a minimal cash holding. However, in the future, the Fund may accrue excess cash which may be invested in other income earning investments pending future Property acquisitions. These investments are expected to represent less than 15% of the Fund's total assets. It is the investment strategy of the Fund to invest excess cash in other income earning investments. These investments may include other income earning investments such as other unlisted managed funds (registered or unregistered), index funds, income securities, listed securities (such as REITs) and fixed or floating rate debt securities that may be held directly or indirectly. These investments may include other products issued by Trilogy Funds. Please refer to the website www.trilogyfunds.com.au for further details about the Fund's current asset portfolio. There are a number of benefits of having additional capital held within the Fund ready to be deployed. These include cashflow risk mitigation, limiting the cost to existing investors of raising additional equity in the future, and holding a potential competitive advantage when bidding for a potential new property for the Fund with capital available for deployment.

While it is not anticipated the Fund will hold 'non-property related' investments which represent more than 15% of its GAV, there may be occasions when this level is exceeded. It is important to note that at any time the Fund's investment in any class of investment is approximate only and that there is no obligation on Trilogy Funds to rebalance the portfolio of assets at or within a particular time. Investors should be aware of the risks to the Fund associated with these investments, as referred to in Section 8. Should a new opportunity present itself in the form of one or more

new Properties, it is intended this excess equity may be combined with debt to purchase these additional assets.

5.3 Property types – further detail

To capitalise on evolving consumer trends, the Fund will seek to invest in convenience retail assets, large format retail assets and essential services that typically co-locate with those assets and support retail trade.

Convenience retail

Convenience retail assets are typically located in established neighbourhoods and growing community hubs, offering accessible, needs-based shopping. Their core characteristics—such as essential service tenancy and integration into daily consumer routines—support consistent foot traffic and income generation. These fundamentals, combined with favourable financial structures, alignment with consumer trends, favourable supply and demand dynamics, operational efficiency, and resilience to economic cycles, make convenience retail a compelling investment class. Anchored by long-term leases to tenants such as supermarkets, pharmacies, and convenience stores, these centres offer predictable income streams, low management intensity, and strong long-term growth potential.

Core characteristics

Convenience retail centres are anchored by tenants providing essential, recession-resistant goods and services—such as supermarkets, pharmacies, and convenience stores—which are expected to ensure consistent visitation and performance across economic cycles. These necessity-driven offerings are typically complimented by services like medical clinics, childcare, cafés, and discount retailers, increasing local engagement and tenant diversification. Located within local catchments, centres are designed for accessibility, featuring ample on-site parking and strong public transport links. Their smaller footprint relative to large-format malls reduces operational complexity, while the essential nature of their offering enhances long-term tenant retention and overall centre stability.

Financial stability

Leases to anchor tenants are typically long-term (10–20 years) and secured by national or multinational tenants, supporting reliable income streams, with specialty leases generally shorter in nature averaging 5 years. Leases are typically structured as 'net leases' where tenants are responsible for outgoings—such as property taxes, insurance, utilities, and maintenance—significantly reducing landlord costs and risks. Annual rental escalations, often tied to CPI or fixed at 3–5%, offer predictable income growth and a hedge against inflation. Furthermore, the strong credit profiles of anchor tenants minimise default risk, while income diversification from smaller specialty tenants enhances overall financial resilience. Collectively, these characteristics are expected to support regular income distributions for investors.



Consumer trends

Convenience retail centres meet universal and enduring demand for essential goods and services, with relevance across all demographic segments. Consumers increasingly prioritise proximity, speed, and accessibility, favouring local centres for quick purchases over larger, less convenient shopping destinations. This trend has been amplified by shifts in work-from-home patterns and urban densification, which drive demand for neighbourhood retail hubs. Convenience centres cater to time-poor consumers by offering a curated mix of needs-based services, such as grocery stores, pharmacies, takeaway food, and personal care outlets, which is expected to deliver consistent visitation regardless of economic conditions. Importantly, these centres have generally shown resilience to e-commerce disruption, as many of their offerings are not easily replaced by online alternatives.

Market demand & supply

Convenience retail benefits from strong underlying demand and limited new supply. Growing urban populations and increasing residential density in metropolitan and suburban areas are driving demand for well-located convenience retail centres. These centres benefit from captive local catchments, as consumers prioritise proximity for daily needs. Simultaneously, council planning regulations and zoning restrictions limit the development of new retail sites, creating a supply-constrained market that protects existing assets from competition. Major retail operators, such as supermarket chains, strategically avoid oversaturating trade areas to maintain store performance. Additionally, the high cost and complexity of developing new convenience retail sites create significant barriers to entry, generally acting to preserve the value of existing assets.

Operational advantages

Convenience retail centres are cost-efficient and operationally simple. Their smaller scale generally means lower capital expenditure for maintenance and upgrades, while their focused tenant mix makes them easier to manage and maintain when compared to larger shopping centres, while still allowing sufficient diversification to maximise foot traffic and support complementary trade. High tenant performance, driven by strong consumer demand for essential services, supports consistent occupancy rates and minimises vacancy risks.

Defensive asset class

Convenience retail is uniquely positioned as a defensive asset class. It's generally low correlation with broader economic cycles and its reliance on essential consumer demand provide lower volatility in income through market downturns, interest rate shifts, and inflationary periods compared to non-discretionary retail property assets. Strong tenant covenants lock in cash flows, while tenant diversification limits exposure to individual defaults.

Large format retail

Large Format Retail (LFR) centres are typically positioned along major transport corridors or within established retail precincts, offering expansive, easily accessible spaces tailored to destination shopping. The majority of tenants are typically national brands offering a destination retail shopping experience, competitive pricing and benefit from recurring demand as their primary purchases (bulky goods) often require replacement or upgrading. This supports robust income generation and long-term asset performance. These fundamentals, combined with sustained demand from both retailers and consumers, low development supply, and sector resilience in a shifting retail environment, make LFR centres a compelling investment class. Typically anchored by well-known brands in categories such as furniture, home improvement, appliances, and sporting goods, LFR centres provide dependable income streams and solid growth potential.

Core characteristics

LFR assets are designed to accommodate tenants with large footprint requirements, often ranging from 500m² to over 5,000m², and typically include large, national retailers. These tenants specialise in higher-value, less frequently purchased items, meaning customers visit with a clear purchase intent. LFR centres often cluster complementary uses, such as furniture, electrical, recreational goods, or automotive retailers, which create synergies and increase dwell time. LFR centres are typically designed for ease of access, with high exposure to passing traffic, abundant parking, and direct-to-store entry points. Unlike large-scale shopping malls, LFRs are typically open-air formats, which reduce operational costs and appeal to tenants due to flexible fit-outs and straightforward access for customers and deliveries.

Financial stability

The leasing structure in LFR assets enhances income security and predictability. Tenants are typically secured 5-15 year leases with national covenants and strong brand recognition. Net lease structures are common, shifting responsibility for statutory and operating outgoings such as rates, insurance, maintenance, and utilities to tenants, minimising landlord exposure. Rental increases are typically fixed at 3 – 4% annually or linked to CPI, providing steady income growth. Given the scale of tenants and their capital investment in fit-outs, tenant retention tends to be high, while larger tenancy areas reduce management complexity and leasing churn. These features support stable, long-duration cash flows.

Consumer trends

Consumers increasingly value physical store experiences for tactile, consultative purchases in categories like furniture, electronics, and DIY, where in-store interaction remains a key part of the buying journey. Once the decision has been made to move beyond the screen and visit a retail destination in



person, consumers increasingly demand an expansive product range and knowledgeable in-store service, features that large format retail is well-positioned to deliver. Moreover, many LFR tenants have embraced omnichannel retail models, using large-format stores as fulfilment points for click-and-collect and last-mile delivery. This blend of physical and digital capability enhances tenant performance and foot traffic. With sustained consumer focus on home-based living, outdoor activity, and domestic investment, LFR categories continue to enjoy robust demand.

Market demand & supply

LFR centres have benefited from strong retailer demand and limited new supply, particularly in infill metro locations where land constraints and planning restrictions restrict further development. Zoning and design requirements for LFR use are often stringent, creating a barrier to entry that protects incumbent centres. Retailers value LFR locations for their high visibility, lower occupancy costs per square metre (relative to traditional shopping centres), and flexibility in store layout and operations. Given the capital-intensive nature of LFR developments, new supply typically enters the market slowly, reinforcing the long-term value of existing, well-located centres.

Operational advantages

LFR centres are relatively efficient to manage, particularly compared to large and/or enclosed shopping centres. Their open-air configurations, fewer common areas, and large tenancies result in lower maintenance and operational costs compared to enclosed shopping centres. The lower turnover of large-format tenants means less frequent leasing activity and more stable occupancy. The simple building forms, ample parking, and standardised layouts also allow cost-effective upgrades and tenant transitions when required. Additionally, tenants contribute significantly to property presentation reducing capital outlay for landlords. This operational simplicity appeals to investors seeking long-term stability with lower management intensity compared to large and/or enclosed shopping centres.

Defensive asset class

LFR offers defensive investment qualities, driven by its durable tenant base, long lease structures, and relevance to essential and high-value household categories. Its low reliance on discretionary fashion or fast-changing consumer trends makes it less vulnerable to economic cycles than some other retail formats. Furthermore, the integration of LFR into omnichannel strategies (e.g. click-and-collect, showrooming) has strengthened its role in the evolving retail mix. The combination of strong tenant covenants, supply constraints, and enduring demand for home and lifestyle categories positions LFR as a reliable, income-generating asset class for investors seeking stable income returns.

Complementary co-located services

In addition to core retail anchors, assets such as service stations, medical centres, allied health services, gyms, and childcare centres are frequently co-located within or adjacent to convenience and LFR centres. These services benefit from similar locational fundamentals, such as main road exposure, ample parking, and proximity to residential catchments, and often drive steady, repeat visitation that supports overall centre traffic and trade. Their inclusion enhances the utility of a centre, encouraging longer dwell times and more cross-visitation between tenants.

From an investment perspective, these assets offer characteristics that Trilogy Funds considers attractive for the portfolio: essential service delivery and lower volatility when compared to other property asset classes. Medical and allied health services (e.g. GPs, dental, physiotherapy) are underpinned by non-discretionary demand and demographic tailwinds, particularly in ageing populations. Childcare facilities are supported by strong federal funding and rising workforce participation among parents. Similarly, gyms and fitness centres align with growing health and wellness trends, while fuel stations benefit from established operating models and long-term leases with national operators.

Like convenience and LFR, these assets benefit from Australia's growing population – an advantage further amplified when located in high-growth corridors and rapidly expanding regions.

Together, these complementary services increase the resilience, diversification, and overall performance of mixed-use centres. Their integration alongside retail uses creates a holistic, needs-based community destination, supporting both income stability and long-term asset value.





Section 6.

Property acquisition overview

6.1 Summary of acquisition opportunity

It is intended the Fund will hold multiple assets but will initially comprise a single property.

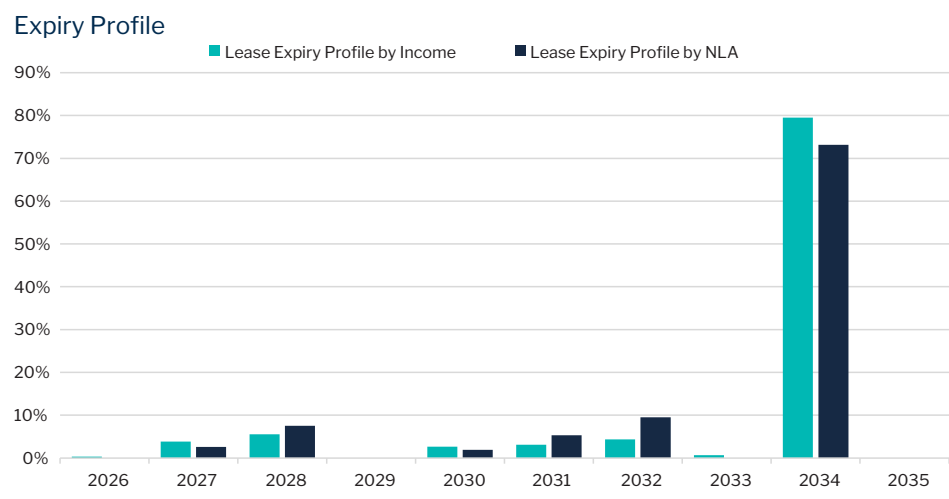
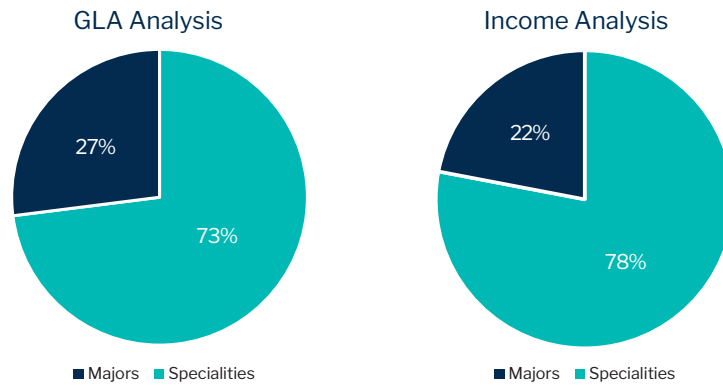
Through our investment process, we have identified a compelling Initial Property which meets the investment criteria of the Fund. A summary of the Initial Property is below.

Address	6 Kingsbridge Boulevard, Butler, WA 6036
Purchase price	\$25,300,000 (exclusive of GST)
Property description	Brighton Village is a fully let, single level neighbourhood shopping centre, anchored by a 2,802sqm Coles supermarket. Brighton Village also comprises six specialty tenants including a gym, a newsagency, three food and beverage tenants and a local real estate agent. Brighton Village is serviced by an on-grade car park providing 201 car spaces, which include two dedicated bays for Coles click and collect.
Title details	Lot 278 on Deposited Plan 46283 Volume 2613 Folio 296
Net Lettable Area (NLA)	3,831 sqm
Occupancy (by GLA)	100%
Site area	12,190 sqm
Location	<p>Brighton Village is located at the intersection of Marmion Avenue and Kingsbridge Boulevard in the suburb of Butler, within the City of Wanneroo. Located approximately 41km north of the Perth CBD and 17kms from the Joondalup CBD. The centre benefits from a high-profile location with excellent accessibility via major north-south throughfares. This connectivity ensures seamless access for the local and surrounding population in one of Perth's high growth corridors.</p> <p>Brighton has been marked as a growing residential catchment with an estimated 20,000 new houses planned for the Main Trade Area (MTA) over the next 20+ years.</p> <p>In FY2025 there were 1,529 residential developments approved to be built in the City of Wanneroo LGA to accommodate the rapidly growing population.</p> <p>The 1,200 dwelling Jindowie Estate is expected to be completed this year, while the Alkimos Estate, set to accommodate 600 homes, is mid-development.</p> <p>Major future developments include the Jindee Estate, expected to accommodate 1,800 homes across a 100 HA site, and Allara Estate, projected to include 2,500 dwellings upon completion. Significant infrastructure investment has bolstered Butler's growth and appeal. The Mitchell Freeway has seen substantial upgrades, including \$214 million project for additional southbound land completed in May 2024 and a \$209.6 million investment in smart freeway technology finalised in December 2024. The city of Wanneroo invested \$293 million in 2023/24 to enhance local communities, with Butler benefiting from a \$22 million sporting and recreational complex in Halesworth Park.</p>
Major tenant	Coles
WALE by income	7.48 years (as at 1 May 2025)
Current net annual passing income	\$1,775,130 (as at 1 May 2025)
Rental reviews	Please refer to Tenancy Schedule below.



Outgoings	The tenants are responsible for the majority of outgoings as set out under the leases.
Security	Bank guarantees held by landlord for all specialty tenants.
Insurance	Public Liability and Industrial Special Risk
Major Tenant Coles	The Coles Group, an ASX-30 listed company and Australia's second-largest food and grocery retailer, was formed in late 2018 following Wesfarmers' demerger of its supermarket, liquor, and financial services businesses. Since its listing, Coles has achieved strong sales and profit growth, reporting \$39.0 billion in supermarket sales revenue for FY24, a 6.2% increase from the previous year. With 856 supermarkets nationwide, the group serves an average of 18 million customer transactions per week, demonstrating robust market reach.

Property Metrics	<p>Financial Summary (anticipated as at 1 September 2025)</p> <ul style="list-style-type: none"> • Total Gross Income: \$2,464,931 • Total Outgoings: \$638,559 • Estimated Net Income (Fully Leased): \$1,826,372 <p>Tenant Composition (100% leased by Area)</p> <ul style="list-style-type: none"> • Majors: <ul style="list-style-type: none"> • Represent 78% of income generated from the centre • 73% of GLA underpinned by Coles • Specialties: <ul style="list-style-type: none"> • Represent 22% of income • Fixed annual rent reviews for all specialty tenants
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Tenancy Schedule

TENANCY TYPE	SHOP NO.	TRADING NAME	LETTABLE AREA (sqm)	COMM. DATE	EXPIRY DATE	LEASE TERM (yrs)	REVIEW TYPE
Majors	Coles	Coles	2,802	1-Nov-13	31-Oct-33	20.00	% Rent + Base Avg3Y (Note 1)
Specialties	Shop 11A-14	XO Fit	364	30-May-22	29-May-32	10.00	4.00% p.a.
Specialties	Shop 11	Brighton Village Newsagency	74	15-Oct-24	14-Oct-29	5.00	4.00% p.a.
Specialties	Shop 15	De De Kebab & Pizza House	100	11-Jul-24	10-Jul-27	3.00	4.00% p.a.
Specialties	Shop 16	Chippys Fish Café	99	27-Aug-16	26-Aug-26	10.00	4.00% p.a.
Specialties	Shop 17	On Fire Pizzeria	189	1-Nov-21	31-Oct-27	6.00	3.50% p.a.
Specialties	Shop 18-19	Professionals Northern Coast Real Estate	203	2-Feb-24	1-Feb-31	7.00	4.00% p.a.

Note 1. Rent reviews take place every five years and is determined as the average of the base rent paid over the three preceding years, plus a turnover-based component payable when Coles achieves sales exceeding the predetermined thresholds set out in the lease.



Section 7.

Fees and other costs

7.1 Consumer advisory warning

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services, justify higher fees and costs.

You may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** Moneysmart website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

The above warning is prescribed for inclusion in product disclosure statements and aims to alert Investors to the importance of value for money; and the compounding value of fees and other costs as well as their impact over time on ultimate benefits. The example given is not intended to represent an investment in this Fund. For a description of the fees and other costs charged by this Fund, please read this section in full.



7.2 Fees and other costs

This section shows fees and other costs that you may be charged. These fees and costs (inclusive of GST less any applicable RITCs) may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole. Information about taxes is set out in Section 9.6 Taxation.

You should read all of the information about fees and costs because it is important to understand their impact on your investment.

Fees and costs summary

TRILOGY ESSENTIAL RETAIL FUND		
TYPE OF FEE OR COST (NOTE 1)	AMOUNT	HOW AND WHEN PAID
ONGOING ANNUAL FEES AND COSTS		
Management fees and costs The fees and costs for managing your investment (Note 2)	Management fee of 0.50% p.a. of the Fund's gross asset value (GAV) (Note 3) Other costs and expenses estimated at 0.33% p.a. of the Fund's GAV for the first financial year	Management fees are payable to Trilogy Funds monthly in arrears from the assets of the Fund. Other costs and expenses are payable to Trilogy as and when incurred from the assets of the Fund.
Performance fees Amounts deducted from your investment in relation to the performance of the product	Estimated to be 0% of GAV for the first financial year (Note 4)	Payable to Trilogy from the assets of the Fund at the earliest possible time after the occurrence of a performance fee calculation date (as set out in the Constitution). A fee equal to 15.00% of the portion of the outperformance of the Fund over an Internal Rate of Return (IRR) of 9.00% p.a.
Transaction costs The costs incurred by the scheme when buying or selling assets	Estimated to be 7.20% p.a. of GAV for the first financial year (Note 5)	Transaction costs (which include the asset origination fee and the disposal fee) are incurred by the Scheme when buying or selling assets and are deducted directly from the assets of the Fund as and when they are incurred. Transaction cost are disclosed net of amounts recovered by any buy/sell spread.



MEMBER ACTIVITY RELATED FEES AND COSTS (FEES FOR SERVICES OR WHEN YOUR MONEY MOVES IN OR OUT OF THE PRODUCT)

Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Buy-sell spread An amount deducted from your investment representing costs incurred in transactions by the scheme	As at the date of this PDS, the buy spread and sell spread are nil	The buy spread and sell spread are paid into the Fund when an Investor buys or sells Units and are reflected in the entry or exit Unit Price respectively. (Note 6)
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Switching fee The fee for changing investment options	Nil	Not applicable

Note 1: All figures have been rounded to the nearest two decimal places where appropriate.

Note 2: Management fees and costs include Trilogy Funds' management fee and other costs and expenses referred to in the "Additional explanation of fees and costs". The management fee component of the Management fees and costs is described in "Additional explanation of fees and costs" and may be waived or deferred in part or in full.

Note 3: Wholesale investors may negotiate lower fees by way of a rebate from Trilogy Funds. For further information, refer to "Additional explanation of fees and costs".

Note 4: For further information as to the basis of the calculation of the performance fee, refer to "Additional explanation of fees and costs".

Note 5: Based on Trilogy Fund's reasonable estimate of the transaction costs for the first financial year only, which includes stamp duty, the asset origination fee, and other due diligence and property acquisition costs. The components of the "Transaction costs" are discussed in more detail in "Additional explanation of fees and costs". "Transaction costs" expenses will vary from time to time in both their frequency and amount.

Note 6: The prevailing buy spread and sell spread will be published on the Fund website and in the disclosure documentation during a Liquidity Event. It remains at the discretion of Trilogy Funds whether to apply a sell spread at any future Liquidity Event. If a sell spread is applied, Trilogy Funds also retains the discretion to determine the amount applied. Investors should note that the buy spread and sell spread in other years may differ.



7.3 Example of annual fees and costs for the Fund

This table gives an example of how the fees and costs of the Fund can affect an investment over a one year period. Investors should use this table to compare an investment in the Fund with other managed investment products.

EXAMPLE: TRILOGY ESSENTIAL RETAIL FUND		BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR (NOTE 1)
Contribution fees	0.00% p.a. of NAV	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management fees and costs	Estimated at 0.83% p.a. of NAV for the first financial year (Note 2)	And , for every \$50,000 you have in the Fund you will be charged or have deducted from your investment \$415 each year.
PLUS Performance fees	Estimated at 0%p.a. of NAV for the first financial year. (Note 2)	And, you will be charged or have deducted from your investment \$0 in performance fees each year.
PLUS Transaction costs	Estimated at 7.20% p.a. of NAV for the first financial year (Note 2)	And , you will be charged or have deducted from your investment \$3,600 in transaction costs in period 1.
EQUALS Costs of the Fund (Note 1)		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of approximately \$4,015. What it costs you will depend on the investment option you choose and the fees you negotiate

Note 1: The fees you pay depend on your investor type and, for certain investors, any rebates that might apply. Additional fees may apply, for example, Investors may choose to pay their advisers an adviser service fee in some circumstances. This example is based on an investment of \$50,000 and assumes a further contribution of \$5,000 is put in during the year. These figures have been rounded to two decimal places where appropriate.

Note 2: These amounts have been calculated based on the estimated management fees and costs, performance fees, and transaction costs to the Fund's estimated total average net assets for the first financial year. The fees and costs of the Fund will change over time as the costs of managing the Fund and the Fund's investments change and based on the performance of the Fund. For example, in future years, Trilogy Funds may reduce or waive management fees at its discretion and therefore this amount may vary. A negotiated fee may also apply. See Differential Fees in Section 7.5(a). Also, in future years when an asset origination fee and stamp duty are not payable, the transaction costs will therefore be lower, but may be higher in years the disposal fee is payable when properties are sold. Changes to the fees and costs of the Fund may take the form of a notice on the Fund's Website. Further information is included under the heading 'Additional explanation of fees and costs'.

7.4 Additional explanation of fees and costs

The following additional information applies to the fees (including GST less applicable RITC) and other costs relating to an investment in the Fund.

7.4.1 Management Fees and Costs

Management fees and costs of the Fund comprise:

- Management fees – 0.50% of GAV (i.e., \$250 for every \$50,000); and
- Other costs and expenses – 0.33% of GAV (i.e., \$165 for every \$50,000).

a. Management Fee

Trilogy Funds is entitled to an ongoing management fee for the work that Trilogy Funds carries out in the proper performance of its duties as the Responsible Entity of the Fund. For the life of this PDS, Trilogy Funds is entitled to a base management fee of 0.45% plus GST less applicable RITC per annum of the Fund's GAV, accrued daily and paid monthly in arrears from the assets of the Fund.

b. Indirect Costs

In addition, the Fund has certain indirect costs which it is required to disclose to you. Under the Corporations Act, 'indirect costs' are defined to include amounts that reduce the amount or value of income attributable to an investor's investment.



The indirect costs included in the management fees and costs have been estimated for the 30 June 2026 financial year and represent the costs and expenses incurred in interposed vehicles. Indirect costs can differ in subsequent years depending on the Fund's portfolio composition. Indirect costs are not an additional cost to the Fund but are included because they represent the amount by which the returns to the Fund are reduced.

c. Termination Fee and fee allocation

If a meeting is called by Investors to consider the removal or proposed removal of Trilogy Funds as the responsible entity, then, in accordance with the Constitution, it may be entitled to a maximum fee of 5% of GAV calculated as at the date Trilogy Funds ceases to be the responsible entity and payable on the day any resolution to remove Trilogy Funds as the responsible entity is passed. In addition, if Trilogy Funds is not the responsible entity of the Fund at the time of the sale of a Property, then it is entitled to its share of any performance fee that would otherwise be payable to it for the period during which Trilogy Funds acted as the responsible entity of the Fund.

d. Other costs and expenses

These are out of pocket expenses and other costs that Trilogy is entitled to recover from the Fund, including but not limited to, expenses incurred in acquiring, valuing, holding or disposing of investments, issuing Units, convening and holding Investors meetings, custodian fees, amending the Constitution of the Fund and establishing and maintaining registers and accounting records.

This also includes expenses incurred by Trilogy in respect of related party service providers, external service providers and advisers, including compliance costs and audit, account and legal fees. Trilogy is entitled to be reimbursed from the assets of the Fund as and when Trilogy incurs the relevant expenses. An estimate of Trilogy's recoverable expenses for the period from Settlement Date to 30 June 2026 is 0.30% p.a. plus GST less applicable RITC of the Fund's gross assets.

e. Abnormal expenses

The Constitution also provides for the reimbursement or payment of other recoverable expenses that are not incurred on a day-to-day basis, such as the cost of amending the Constitution, the cost of producing the PDS, the cost of Investors' meetings, the cost of litigation, and the like. These abnormal expenses are met from the assets of the Fund and not from Trilogy Funds' own funds. The amount of these costs and expenses varies over time and Trilogy Funds is unable to ascertain precisely the amount of the Fund's abnormal expenses in advance.

7.4.2 Performance Fees

This fee is payable to Trilogy Funds in certain circumstances including disposal of a Property, revaluation of a Property, and on every fourth anniversary of the date on which the first Property was settled, provided certain benchmarks are met, as

an incentive for Trilogy Funds to maximise returns on behalf of Investors in the Fund. If payable, this fee is in addition to the Disposal Fee described below. Trilogy Funds will be entitled to a performance fee of 15.00% of the portion of the outperformance of the Fund over an IRR of 9.00% p.a..

The performance fee will be payable based on the Unit Price at the performance fee calculation date and will be calculated based on the assumption that an amount equal to the NAV was paid to Investors. The IRR calculation period will be from the end of the previous calculation period. No performance fee is expected to accrue for the Fund's first financial year. This amount will change over time depending on the performance of the Fund.

The performance fee will also be calculated, payable and reset in certain circumstances including if:

- Trilogy Funds is removed as Responsible Entity of the Fund;
- the Fund is admitted to the ASX or the Units of the Fund are quoted on the ASX;
- the Fund is stapled to or merged with another entity;
- a scheme or other arrangement affects the Fund whereby Investors holding greater than 60.00% of the Units on issue dispose of those Units; or
- the performance fee provisions in the Constitution are amended without the consent of Trilogy Funds.

Example of calculation of Performance Fee

This example is provided for information purposes only to illustrate the calculation of the performance fee over a four-year calculation period. Actual results may vary significantly from those in this example.

For example, if the Fund:

- raised \$13.65 million at \$1.00 per Unit at the beginning of the calculation period;
- paid a distribution of 7.00 cents p.a. per Unit for the Performance Fee period (representing total distributions to Investors of \$945,000 p.a.); and
- returned \$1.20 per Unit at the end of the Performance Fee period (representing \$16.38 million),

then the Fund equity IRR based on this series of cash flows is calculated to be 12.00% p.a. The outperformance amount above the hurdle IRR of 9.00% p.a. would be \$1.638 million, being the amount that, if included in the Fund IRR cash flows as an outflow at the wind-up of the Fund, reduces the Fund IRR to 9.00% p.a.

Therefore, the Performance Fee payable to Trilogy Funds would be \$245,700 (being 15% of \$1.638 million, or \$0.0180 per Unit).

Applying this example to an Investor with an initial \$50,000 investment, they would have received aggregate distributions of \$14,000 for the four years and a capital return of \$9,100 after deducting \$900 for their share of the Performance Fee.



7.4.3 Transaction Costs

Transaction costs are costs incurred by the Fund in relation to the acquisition and sale of a Property. They include brokerage, stamp duty, legal and tax advice and other due diligence costs, agent's commissions and property settlement costs incurred when Properties are bought and sold. As such, transaction costs can vary from year to year depending on factors including the activity of the Fund. Transaction costs disclosed in the Fees and Costs Summary are net of any buy-sell spread recovered. Transaction costs are factored into the asset value of the Fund's assets and reflected in the Unit Price, and they are an additional cost to the Investor where it has not already been recovered by the buy spread or sell spread.

For the first financial year of the Fund, it is estimated the Fund's total gross transaction costs will be 7.20% p.a. of GAV. This is the same as the estimated net transaction costs disclosed in the Fees and Costs Summary because at the date of this PDS there is no buy/sell spread.

Transaction costs also include the Asset Origination Fee and Disposal Fee, set out below.

a. Asset Origination Fee

This fee is payable to Trilogy Funds for its efforts involved in locating a Property, negotiating its purchase and undertaking the due diligence in respect of the Property and is calculated as 2.00% (plus GST less applicable RITC) of the Property's purchase price. This fee is payable upon completion of the purchase of the Property from the assets of the Fund.

b. Disposal Fee

This fee is payable to Trilogy Funds as an incentive to maximise the sale proceeds of the Property and where the Disposal Price (**Note 1**) exceeds the Acquisition Cost (**Note 2**) is equal to up to 1.00% (plus GST less applicable RITC) of the Disposal Price. This fee is payable to Trilogy Funds at the time of the receipt of the proceeds of the sale of a Property. This fee will be applied, deferred or waived, at the discretion of Trilogy Funds from time to time.

Note 1: Disposal Price means the net proceeds of the sale of the Property asset (being the gross proceeds of sale less the costs and disbursements incurred in the sale, including agent's commission, legal fees, advertising and auction expenses).

Note 2: Acquisition Cost means the total cost of the Property asset to the Fund, including purchase price, commission, stamp duties, valuation fees, and borrowing and financial accommodation costs in relation to the acquisition, and other costs and disbursements and expenses incurred or to be paid by Trilogy Funds in connection with the acquisition of that asset for the Fund.

c. Buy – Sell Spread

A buy-sell spread is an additional cost to your investment that recovers transaction costs incurred by the Fund in relation to the sale and purchase of assets in the Fund.

The buy-sell spread represents an apportionment of the actual or estimated transaction costs incurred by the Fund in relation to the issuing or redeeming of units in the Fund. As the buy-sell spread recovers the transactions costs incurred by the Fund, it is retained by the Fund and Trilogy Funds has no entitlement.

At the date of this PDS, there is no buy spread. Trilogy Funds may apply a sell spread to the Unit Price if it considers it is in the best interests of Investors to do so at the time there is a Limited Liquidity Event or a Primary Liquidity Event. The buy spread and sell spread will be disclosed to Investors in the relevant disclosure documentation during a Limited Liquidity Event and a Primary Liquidity Event.

7.4.4 Property operating costs

a. Property Management Fee

Trilogy Funds is entitled to a property management fee (excluding GST), should the management be undertaken by Trilogy Funds itself and not a person engaged by Trilogy Funds as the property manager, equal to the greater of 8.00% of the gross annual rental income received from the tenants of the Properties and 4.00% of the gross current annual market rent of that Property if it were fully leased. This fee is payable monthly in arrears during the term the Property is tenanted.

b. Project Management Fee

If any refurbishment, redevelopment or improvement works are carried out on a Property, Trilogy Funds is entitled to a project management fee (excluding GST) for the work involved in identifying the works, and for supervising and managing the project management process. The fee is payable from the assets of the Fund at the time each progress payment, including consultant progress claims, for the refurbishment, building and construction works is made and can be up to 10.00% of the value of each progress payment for the refurbishment, building and construction work.

c. Leasing Fee

Trilogy Funds is entitled to be paid a leasing fee (excluding GST) for its work in arranging for a Property to be leased. This fee is payable to Trilogy Funds within 3 Business Days after the entering into of the lease or licence for the relevant tenancy and can be up to 15.00% of the first year's rental income payable by the tenant or occupier of a Property.



7.4.5 Other fees you may be charged

a. Adviser fees

Under the Corporations Act, certain commissions and other similar payments are prohibited in the Australian financial services industry. In particular, payments that could influence financial product advice to Retail clients may be prohibited. Certain payments remain permitted, including payments to or from financial services licensees and representatives under ongoing arrangements that were in place before the Future of Financial Advice reforms were made, commission payments that are fully rebated to clients, or payments made by a client to their financial adviser (or dealer group) for advice or the sale of a financial product.

Trilogy Funds will not make payments to a financial adviser or dealer group where it is prohibited from doing so.

If your financial adviser charges you a fee in connection with the advice they may provide to you about an investment in the Fund, your financial adviser must tell you about this fee, including the amount as well as how and when it is payable in accordance with your financial adviser's fee disclosure obligations under the Corporations Act. In certain circumstances, Trilogy Funds may arrange to pay amounts from your Application Money to your financial adviser as an adviser fee if you direct us to do so.

b. Investment Referrer fees

You can instruct Trilogy Funds to pay an Investment Referrer an upfront fee in certain circumstances.

The upfront fee payable to your Investment Referrer can be paid upon your investment from your Application Money. When we make these payments, we may provide information about your investments in the Fund to your Investment Referrer.

Please contact Trilogy Funds to instruct us to direct any fee to the Investment Referrer.

7.5 Additional information

a. Differential fees

Trilogy Funds may negotiate special fee arrangements with certain Investors who meet any of the following criteria:

- wholesale clients pursuant to the definition of that term in the Corporations Act;
- members of the Fund who are current full-time or part-time employees, or prescribed family members of current employees, of Trilogy Funds or its related entities and who otherwise meet the eligibility requirements advised by Trilogy Funds from time to time; and/or
- any other criteria provided by ASIC Corporations (Registered Schemes and CCIVs—Differential Fees) Instrument 2017/40, as amended from time to time.

Where an Investor meets one of the above criteria, Trilogy Funds may reduce, rebate or waive certain fees to those Investors. Such special fee arrangements will not adversely impact upon the fees that are paid by other Investors as set out in this section. For further information as to whether to you meet any of the criteria above, please contact Trilogy Funds.

b. Change of fees and other costs

Fees can change for a variety of reasons, including changes in costs and changes in the economic, regulatory and competitive environment. The maximum fees which may be charged to the Fund are set out in the Constitution and where different to the fees disclosed in this section are set out below at (c) 'Variation and waiver of fees'. You will be given at least 30 days' written notice if, within the limits imposed by the Constitution, the fees are to increase. Trilogy Funds reserves the right to waive, reduce or defer any of the fees and expenses described in this PDS without notice.

c. Variation and waiver of fees

Trilogy Funds may waive or defer payment of its fees and costs in whole or in part. If it waives any fees and costs payable from the Fund, the amount available for distribution to Investors will increase. Except as referred to below, Trilogy Funds may cease its waiver or deferral of fees to which it is entitled at any time.

As at the date of this PDS, Trilogy Funds has waived the following fees (stated below exclusive of GST):

- a transfer fee of an amount not exceeding 5.00% of the value of the Units transferred;
- an application fee of an amount not exceeding 2.00% of the application amount in respect of any application;
- a withdrawal fee payable to the Fund of an amount not exceeding 5.00% of the withdrawal price of the Unit unless Trilogy Funds determines;
- a switching fee payable to the Fund by the Unit holder of an amount not exceeding 5.00% of the withdrawal price of the Unit unless Trilogy Funds determines otherwise;
- a finance origination fee of up to 1.00% of the amount of any borrowing;
- an annual management fee of up to 1.50% of the GAV of the Fund as set out above; and
- an asset origination fee of up to 2.50% of the purchase price of a Property (Trilogy Funds will only charge 2.00% of the purchase price of a Property).

d. Taxation

Taxation information is in Section 9.6. Unless expressly stated otherwise, the fees set out in this Section 7.2 are shown exclusive of GST.

If Trilogy Funds becomes liable to pay GST on fees not described in this PDS as GST inclusive, they are entitled to be reimbursed out of the assets of the Fund for the amount of GST.





Section 8.

Investment risks

As with all investments, an investment in the Trilogy Essential Retail Fund is subject to risks which can lead to no or lower than expected returns, or loss of part or all of your capital. This section identifies some of the key risks associated with an investment in the Fund.

The key risks, in Trilogy Funds' view, include:

- general investment risks;
- property investment risks;
- underlying Fund investment risks; and
- specific Fund risks.

The above risks are detailed further below. These comments are intended as a guide only and are not exhaustive. Investors should read this PDS in full and the RG 46 Report before investing in the Fund to understand more fully the risks of investing in the Fund. Trilogy Funds recommends you seek professional advice from a professional adviser prior to investing in the Fund to ensure you understand the risks.

8.1 General investment risks

The risks below are general in nature and relevant to most investments.

Legal and regulatory risk

Changes to the regulatory environment relating to financial services, taxation and other regimes affecting the Fund's operations may affect the portfolio and the Fund's performance.

Economic and market conditions

Changes in the economy and market conditions may affect asset returns and values which, in turn, may result in a decrease in the portfolio's value or the Fund's returns. These changes may include movements in interest rates, exchange rates, securities markets, inflation, consumer spending, employment and the performance of the economy. Retail and retail supporting property tenants can be susceptible to such economic and market risks and therefore the Fund may also be more sensitive to these economic conditions.

There can be no guarantee that investor confidence in property, cash-style or mortgage investments will not change in a manner adverse to investors in the Fund. The general economic, health, social and political climates in which the Fund operates or other like events are outside the control of Trilogy Funds.

Counterparties

The Fund may enter into legal agreements regarding aspects of the Fund's operations. For example, a counterparty may be responsible for property

management, property development or tenancy arrangements, but may fail to perform adequately.

Litigation

The Fund may be involved in disputes or possible litigation. It is possible that a material dispute could affect the value of the assets or expected income of the Fund.

Taxation

Changes to taxation laws or policies that Trilogy Funds or the Fund is, or later becomes, subject to may impact Investors' returns from the Fund. Trilogy Funds recommends that you seek professional advice prior to investing in the Fund to ensure you understand the risks.

Market risk

Market conditions are influenced by a variety of factors including economic, technological, social, political, taxation, legal or regulatory factors, as well as general changes in market sentiment. These may have a negative impact on the returns obtained from other investments.

Investment environment risks

Changes to the regulatory environment relating to financial services, taxation and other regimes may adversely affect investors, including the Fund. Government policies can affect the market in a number of ways that could be detrimental or beneficial to investors. Similarly, changes in the health or social environment can impact the Fund and cause short term or long term market disruption to investments made by the Fund that would be detrimental to investors.

8.2 Property investment risks

Settlement risk

While Trilogy Funds will not proceed with the acquisition of the Initial Property unless sufficient capital is raised under this offer, the acquisition of additional Properties in the future is subject to further capital being raised. There is a risk future Property will not be purchased if the Fund is not able to raise further capital for some reason. Hence, the Fund may not benefit from increased diversification by tenant-type or industry.

Property market risk

The nature of this investment is similar to a direct investment in other classes of property, including retail property. Accordingly, risks commonly associated with investing directly in retail and retail supporting property apply equally to an investment in the Fund and Investors should be aware these risks are different



to those of investing in other types of property such as residential property. For example, property market factors that may affect the returns generated from a retail and retail supporting property include:

- lack of demand for the type of property including the area in which it is located, which may affect the ability to sell a property, but also may limit the ability to lease a property quickly;
- competition from new developments and refurbishments to other properties that potentially reduce the demand for the property and thus its value;
- tenant vacancy arising on the expiry of a lease or where a tenant fails to perform its obligations under the lease; and
- matters impacting the relevant industry, such as economic, environmental, health and safety, and industrial disputes.

Valuation risk

The value of real property assets can be volatile and there is a risk that values from time to time may fluctuate. Should a lender under a finance facility require an updated valuation during the term of the loan, a lower valuation may be ascribed to the value of one or more of the Properties. A significant fall in valuation will mean an increase in gearing ratio and may trigger a breach of loan covenants and will impact the net asset backing of Units and the Unit Price. Trilogy Funds mitigates this risk by seeking independent valuations of Properties in accordance with its valuation policy and disclosing to Investors if it believes there is a material adverse change in the values relied upon.

Leasing risk

While leases impose legally enforceable obligations on tenants, it is possible for tenants to default on their obligations and for associated costs to be incurred in enforcement proceedings and, if necessary, the re-leasing of the tenancy. With a vacancy arising, the Fund could incur costs in re-leasing the premises, such as incentives to an incoming tenant, rent-free periods, or other incentive payments and agents' leasing commissions. These leasing costs could diminish the income available to the Fund.

Capital expenditure risk

While the tenant may pay for outgoings associated with the Property as per the lease agreement, the Fund, as the landlord, may be required to pay for any structural repairs or maintenance work required. If there is unexpected structural maintenance work required or the cost of scheduled work exceeds amounts anticipated, then it may affect the returns of the Fund. Alternatively, if structural repairs and maintenance work is less than the budgeted amounts, then surplus funds may be retained in the Fund.

Refinance risk

There is a risk that when the stipulated term of a finance facility expires, finance may not be available on similar terms or as favourable terms (including as to the terms as may be renegotiated). This may be caused by a number of factors including:

- the general economic and political climate;
- the availability of funds in the debt capital markets; and
- the performance, reputation and financial strength of the Fund.

Changes to these factors may affect the ability of Trilogy Funds to refinance a finance facility at all, or the terms on which it is able to do so. A refinance on less attractive terms may result in an impact on the returns from the Fund. Additionally, if Trilogy Funds is unable to refinance a loan from any source, then one or more Properties may need to be sold.

Borrowings and interest rates

Rising interest rates impact the distributable income of the Fund. If interest rates increase, then there is a risk that distributions paid to Investors may be reduced.

Gearing risk

The Fund has utilised the Finance Facility to partly fund the purchase of the Initial Property, together with equity raised from Investors. For further information see Sections 4.13 to 4.16.

Gearing has the effect of amplifying potential gains and losses. Because the financier does not participate in capital gains, the effect of this is to increase the potential of capital gain for Investors. However, this also increases any capital loss for Investors if the value of any one of the Properties falls in value, as the financier/s must be repaid the principal amount outstanding on the loan and outstanding interest or costs before distributions are made to Investors. Any rise or fall in the value of a Property has a corresponding, disproportionate effect on equity held by Investors. A highly geared fund will have a lower asset buffer to rely on in times of financial stress.

Where there is a fall in the value of any one individual Property, the net asset value of the Fund will fall. Alternatively, where there is a rise in the value of any one individual Property, the net asset value of the Fund will increase. As the Fund will utilise borrowing facilities provided by financiers, the Fund is subject to the terms and conditions, otherwise known as 'covenants', of the borrowing facilities. If those terms and conditions are breached, a financier may have the ability to take action against the Fund. For example, if LVR covenant stipulated in a finance facility is breached, then the financier may want to enforce its security and sell one or more of the Properties to reduce or repay any amounts owed.

However, under the terms of the Finance Facility, the financier cannot require Investors to contribute any more cash to remedy any breach under the Finance Facility.



Tenancy risk

Should any tenant within a Property become insolvent, make a late payment of rent or cause damage to the Property, there is a risk this could adversely impact the return of the Fund and result in a lower distribution to Investors. To mitigate tenancy risk, Trilogy Funds performs limited financial due diligence on each tenant and where it is practically possible each tenant is required to provide some form of security in the form of a bank guarantee or security deposit for a specified period. In addition, retail property is often unique in nature and in some cases finding a replacement tenant may take some time.

Building and construction risk

Any expansion of current Properties or development of new facilities could lead to adverse effects on the returns of the Fund, or the project costs could be more than the forecast project costs. This expansion risk could impact on the net asset value and the returns of the Fund. Investors should be aware that during the term of their investment in the Fund, there is a risk that unexpected capital expenditure may be incurred, and this may impact returns.

Property insurance risk

Damage to any one of the Properties as a result of fire, storm, flood, cyclone, malicious damage, earthquake etc. Where reasonably practicable, Trilogy Funds will seek to secure comprehensive insurance policies over the Property.

The full extent of the insurance coverage available is subject to the specific terms and conditions of the applicable insurance policy. In unusual circumstances, insurance may not cover some or all of a particular loss, thus resulting in a loss to Investors. There may be events for which there is no insurance cover available, the Fund has not taken out insurance cover for this particular event or additional costs apply because of the location or nature of the Property. Should an event occur for which the Fund has no cover, this could impact the net asset value of the Fund and Investors may incur a capital loss. Events that are uninsurable may include some natural disasters, social upheaval, events of terrorism or war involving Australia, pandemics or events causing global disruption, or failure of the insurer itself.

Increases in insurance premiums may also affect the performance of the Fund. Insurance premium increases could occur, for example, due to external market factors, or if the Fund claims under any insurance policy for significant losses in respect of the portfolio. Any failure by the insurer may adversely affect the Fund's ability to make claims under its insurance.

Environmental contamination risk

Retail, like industrial property, can be impacted by risks associated with environmental contamination. There is a risk that a Property may be found to contain or produce an environmental contamination. In such a

case, costs including remediation costs and potential increases to insurance premiums may be incurred by the Fund thus impacting Investors' returns. Further, there is the risk that the discovery of environmental contamination may adversely affect the value of a Property. Such risks may occur irrespective of whether the cause of the contamination occurred during the Fund's ownership or not.

8.3 Underlying investment risks

At the date of this PDS, the Fund's investment strategy is to invest excess cash held by the Fund in other income earning investments. These investments may include other income earning investments such as other unlisted managed funds (registered or unregistered) including Trilogy Funds' other products, index funds, income securities, listed securities (such as REITs) and fixed or floating rate debt securities that may be held directly or indirectly. The other investments that the Fund may invest in from time to time carry additional risks specific to each investment.

Structure of underlying managed investment scheme, mandate of investment manager or others income earning investments

Where the Fund invests in another investment, it carries the risk that there could be a change of that investment's responsible entity or investment manager, loss of key personnel, or the investment manager may not meet their obligations or perform as expected, assets may be lost, inaccurately recorded or misappropriated, fees and charges may change, systems may fail and insurance may be inadequate or insurers not pay at all.

Credit risk

This is the risk that the value of a credit investment held by the Fund may change or become more volatile, potentially causing a reduction in the value of the Fund's investment. This may be because, amongst other things, there are changes in the Government's policies, the trustee's the investment manager's operations or management, or business environment, or a change in perceptions of the risk of any investment. Various risks may lead to the issuer of the investment defaulting on its obligations and reducing the value of the investment to which the Fund has an exposure. A reduction in the value of an investment may be from a political, social, economic, or a health event such as COVID-19 during which credit markets experienced and may continue to experience a degree of dislocation.

Operations and investment mandate risk

A managed investment scheme that the Fund invests in will carry the operational risks inherent in that particular scheme. For example, the assets in which the scheme invests could be assigned credit ratings by independent ratings agencies and in the case where they are downgraded this could significantly reduce the value of an asset held by the scheme and in turn the value of the Fund's assets.



Additionally, it is possible that the investment manager of a scheme that the Fund invests in uses derivatives from time to time to manage risks of that scheme as considered appropriate by the relevant investment manager. These carry risks as well, including that the value of a derivative fails to move in line with the underlying assets, the potential liquidity of an asset, potential leverage resulting from the position and counterparty risk.

A further example concerns borrowing risk. A scheme in which the Fund invests has an ability to borrow indirectly in the short term to manage withdrawals and distributions. The risk with borrowing is that it magnifies both gains and losses. Further, where the scheme invests in income securities, these will carry the risk of volatility that arises from investment in the share market (including any capital gains or losses that may eventuate), which may have an impact on the returns obtained by the Fund.

8.4 Specific Fund risks

There are also other risks that are specific to the Fund and its structure. For example, investments in the Fund are not capital guaranteed. Investors may not receive any return on their investment and may lose some or all of the capital invested.

Expansion risk

When procuring construction and development borrowings, the Fund is exposed to risks relating to building construction and property development. This may include risks of increases in costs of materials and/or labour during the life of the project, supply chain issues, and delays such as those caused by building contractors and trades, council development and town planning approvals, costs associated with latent conditions underlying or adjacent to the development site or abnormal weather events. These factors can increase costs beyond the contingency amount normally allowed in a construction agreement. Additionally, the risk of failure to complete a project may arise because the appointed contractors and trades may become insolvent. In this case the development partner and the Fund will have to source other contractors or trades to complete works which may result in an increase in costs of the project.

Risks in this type of project include the risk that:

- the value of the asset will decline in value during the development period;
- the cost of the development will be greater than budgeted; and
- delays in the development may add to interest and other costs that the Fund may or may not have to bear.

Trilogy Funds will work together with any development partner it engages, including any project manager, to ensure risks above are mitigated to the extent

practicably possible. There will be a development management agreement that articulates the details of the development delivery including which responsibilities and risks are borne by each party.

Liquidity of the Fund may also be adversely affected in the case of any construction or development borrowings where there may be insufficient funds available to meet the ongoing development and construction costs. Trilogy Funds will mitigate this by continuing to monitor the ongoing cashflow requirements of the Fund and where necessary make adjustments at the portfolio level either by selling one or more properties, selling underlying income earning investments it holds or using existing cash to meet the cashflow requirements of the Fund.

Trilogy Funds will update Investors on any development works that are undertaken by the Fund from time to time and the details of any such development works.

With any construction or development borrowing, the Fund's level of gearing may change from time to time given any development funding will be a combination of equity and debt. For further information, please refer to Sections 4.13 to 4.16.

Liquidity and withdrawals

The Fund is intended to be a liquid investment, and the Fund has no fixed end date. As stated in Section 4.10, Trilogy Funds intends, subject to its obligations at law (which includes an obligation to act in the best interests of Investors), to use its best endeavours to offer a Primary Liquidity Event approximately every four years from the Settlement Date. Trilogy Funds also intends, subject to its obligations at law (which include an obligation to act in the best interests of Investors), to use its best endeavours to offer a Limited Liquidity Event as a secondary, limited withdrawal mechanism on an annual basis (commencing from the third anniversary of the Settlement Date).

Section 4.10 of the PDS identifies the amount Trilogy Funds currently intends to make available to meet withdrawal requests at each Liquidity Event, but these are not guaranteed. The amount made available for withdrawal, and the ability of Trilogy Funds to provide liquidity to meet Investors' withdrawal requests during a Liquidity Event, is dependent on various factors which may be outside of Trilogy Funds' control, including future property market conditions and economic conditions. Liquidity Events may be cancelled, deferred or suspended by Trilogy Funds in exceptional circumstances such as where it is impracticable to offer liquidity or it would not be in the best interests of remaining Investors for liquidity to be offered at the applicable time. Additionally, if the aggregate value of withdrawal requests received during the Limited Liquidity Event exceeds the amount made available, withdrawals will be scaled back on a pro-rata basis. The pro-rating of any withdrawal will result in any unmet portion of a withdrawal request being cancelled.



There is a chance that the Fund may become illiquid, in which case Investors will only be able to withdraw in response to a withdrawal offer made by Trilogy Funds. Trilogy Funds is under no obligation to make a withdrawal offer.

There is no established external secondary market for the sale of Units in the Fund outside of the Liquidity Events. An Investor may arrange for a private sale with the approval of Trilogy Funds at any time, including when there is no current Liquidity Event. There is no right for an Investor to require their Units to be purchased either by Trilogy Funds or by any other person or to have their Units redeemed.

Consultancy services

Trilogy Funds, as Responsible Entity of the Fund, is dependent upon its consultants (e.g., an independent qualified valuer, technical due diligence, and a technical legal review) to provide quality and timely consultancy services. The ability of the consultants to do this and the accuracy of their advice cannot be guaranteed by Trilogy Funds and may be affected by factors completely outside its control.

Operational risk

Operational risk relevant to the Fund and Trilogy Funds includes system failures, the risk of errors, fraud or other criminal activity, and events that might disrupt the normal course of operating the Fund. These events may lead to delays, or at worst, failures in respect of functions on which Investors rely. This includes any such failures by Trilogy Funds in its capacity as the Responsible Entity, its related service providers and third parties. Operational risk extends to the risk associated with Trilogy Funds reliance on the effective operation and security of some computing and systems processes. It manages these risks by having appropriate systems and controls in place and by utilising experienced external service providers.

Responsible Entity risk

Trilogy Funds is the Responsible Entity of the Fund. In this capacity, there is the risk that Trilogy Funds may be removed as the Responsible Entity of the Fund or that a change of key personnel may adversely affect the way in which the Fund and the Properties are managed.

Cyber risk

There is a risk of fraud, data loss, business disruption or damage to the information of the Fund or to Investors' personal information as a result of a threat or failure to protect the information or personal data stored within the Fund's IT systems and networks and those of service providers to the Fund.

Diversification risk

The intention is for the Fund to, over time, build a diversified portfolio which meets the Fund's investment criteria. However, initially the Fund will only hold the Initial Property. Therefore, the Fund will be exposed to higher diversification risk in the short to medium term until the Fund acquires more assets to achieve greater scale and diversify its portfolio. Diversification risk can lead to exposure to geographical risk, losses or lower returns because of an investment portfolio lacking diversity.

Additionally, there is uncertainty around further acquisitions and capital inflows. The investment objective of the Fund is to provide Investors with a regular income stream with the potential for capital growth through building an investment in a diverse retail focused property portfolio which has the opportunity to value-add. The Investment Manager will continue to actively seek opportunities to further diversify and grow the Fund however the Fund's ability to complete future acquisitions is dependent on raising additional equity and/ or borrowings to fund such acquisitions.

Forecast risks

There is a risk that the assumptions listed in Section 9 used to determine the financial information about the Fund assuming the purchase of the Initial Property may be incorrect, may not eventuate, or may produce a different outcome. This in turn may affect the return on investment forecast in Section 9.1. Particularly, if the Fund acquires one or more additional Properties in the forecast period then actual returns to Investors may be higher or lower than the forecast returns.

8.5 Conclusion

The preceding list of risk factors is not to be taken as being comprehensive or inclusive of all the risks that may be attributable to an investment in the Fund.

These risks, as well as other risks which have not been specifically identified, may in the future affect the financial performance of the Fund.

The general economic and political climate in which the Fund operates, and other like events, are outside the control of Trilogy Funds. Investors should note that while such events exist, Trilogy Funds will use best endeavours to mitigate risk wherever possible.





Section 9.

Financial Information

Important note

The information in this Section 9 contains forecasts as to the returns from the Fund, the anticipated source and application of funds, and the resulting pro forma balance sheet. It also sets out the key assumptions on which these forecasts are made, and financial information is provided. All figures set out in this section are inclusive of GST less any RITCs, unless otherwise stated.

It is essential that Investors understand that:

- the financial material in this Section 9 has been prepared in accordance with Australian Accounting Standards unless otherwise stated; and
- the financial material in this Section 9 is based on the key assumptions in Section 9.4. While Trilogy Funds believes that the key assumptions are reasonable, they must be treated as assumptions only. Any one or more of them may not eventuate and the outcome may therefore be different from that which has been forecast. Without limitation, this applies to the forecast returns in Section 9.1. You should consider this as a risk which may affect the return to you on your investment in the Fund together with the other risks set out in Section 8 of this PDS. In relation to the forecast returns in Section 9.1 there is no guarantee that the forecasts will be achieved. Forecasts are estimates only and may not reflect actual future performance. They are therefore not indicative of future performance; the forecast returns are for the limited periods indicated and do not go beyond 30 June 2027. No forecast is given and cannot be implied as to the performance of the Fund after that date. Investors should understand that past performance is also not indicative of future performance.



9.1 Forecast Returns

	YEAR ENDED 30 JUNE 2026 (Note 1)	YEAR ENDED 30 JUNE 2027
Net Property Income	1,461,397	1,764,290
Total Income	1,461,397	1,764,290
TRUST EXPENSES (NOTE 2)		
Responsible Entity management fees (see Section 7.4.1) (Note 3)	51,941	80,748
Audit & taxation fees	38,297	38,170
Other expenses (Note 4)	142	152
Registry fees	23,513	28,215
Custodian Fees	6,250	7,500
Total Expenses	120,143	154,785
Interest on finance facility	545,004	654,005
Net operating income	796,250	955,500
Net distributions received by Investors (Note 5)	796,250	955,500
Return on cash contributions (Note 6)	7.00%	7.00%
% Return which is tax-deferred	35.66%	31.92%

You must read the further information in Section 9.5 and the associated risks in Section 8 and also the Key assumptions in Section 9.4.

Note 1: The forecast relates to the time period from 1 September 2025 to 30 June 2026.

Note 2: With the exception of the Responsible Entity management fees, all Fund expenses for the period commencing 1 July 2025 will increase by Consumer Price Index, which is estimated to be 2.40% p.a..

Note 3: Trilogy Funds may, at its discretion, elect to charge a lower management fee than the amount specified in Section 7.4. As at the date of this PDS, Trilogy Funds forecasts that it will waive 35% of its management fee for the period from 1 September 2025 to 30 June 2027. This discretion may be exercised on a temporary or ongoing basis.

Note 4: Other expenses include ASIC and bank fees.

Note 5: These returns are calculated on the cash subscribed by Investors excluding funds provided under the indicative finance facility, but after payment of interest on the existing finance facility.

Note 6: Annualised return based on the Unit issue price of \$1.00 per unit. Investors should note that Units in the Fund are subject to variable pricing and the value of their Units will not remain at \$1.00 per unit.



9.2 Source and Application of Funds

The following table sets out the cash flows associated with the acquisition of the Initial Property and the establishment of the Finance Facility. The following does not include the costs of further acquisitions to build the Fund's portfolio or value-add improvements to any Properties, both of which are part of the investment objective of the Fund. Investors should note that the intention of the Investment Manager is that the Fund will raise further equity and debt in the future to pursue this objective. All figures set out in Table 9.2 include GST and exclude any RITCs.

SOURCE OF FUNDS	AMOUNT
Total cash subscribed by Investors	13,650,000
Finance Facility from financier (initial draw)	13,915,000
Total of funds raised	27,565,000

APPLICATION OF FUNDS	AMOUNT
Purchase of property	25,300,000
Stamp duty	1,294,070
Asset origination fee	556,600
PDS preparation and marketing costs	73,500
Legal and accounting fees (PDS)	40,700
Legal fees (property settlement)	35,750
Loan establishment fee	20,873
Valuation	14,850
Due diligence report	8,250
Legal fees (debt)	10,000
Compliance & ASIC registration fees	10,529
Cash Reserve	199,878
Total	27,565,000



9.3 Forecast Pro Forma Balance Sheet

The following table sets out the forecast balance sheet of the Fund as at 30 September 2025.

ASSET	AMOUNT (\$)
Cash at Bank	202,912
Investment Property (at cost) (Note 1)	26,700,791
Total of Funds raised	26,903,703
LIABILITIES	
Borrowings	13,915,000
Total Liabilities	13,915,000
NAV	12,988,703
Less: Intangible assets	
Intangible capitalised acquisition costs (Note 2)	1,326,570
NTA	11,662,133
Units on issue	13,650,000
NTA Per Unit	\$0.8544

Note 1: Investment Property (at cost) includes the Initial Property net of accumulated depreciation, as well as stamp duty and legal fees associated with the acquisition of the Property plus GST less any RITC's.

Note 2: For the purposes of calculating the Net Tangible Assets (NTA) of the Trust, certain capital transaction costs (such as stamp duty and legal fees) are excluded from the tangible asset base. These costs, while capital in nature, do not represent physical or tangible assets and are therefore removed from the NTA calculation.



9.4 Key Assumptions

ASSUMPTION	DETAILS
Settlement Date and Purchase Price	The acquisition of the Property is assumed to be completed in accordance with a Settlement Date of 1 September 2025 at the Purchase Price of \$25,300,000.
Net property income	The forecast includes gross rental income plus outgoing recoveries receivable from tenants pursuant to their leases less any unrecoverable outgoing Rental escalations fixed in accordance with the lease terms. Unrecoverable outgoing are based on the current unrecoverable outgoing increased by CPI.
Lease incentive, vacancy allowance, and letting fees	The forecast does not include any lease incentives or vacancy allowances during the period from the Settlement Date to 30 June 2026 and the year that follows to 30 June 2027, as no leases expire during that time. The Net Property Income assumes the Chippy's lease is extended in August 2026 on the same terms as the current lease. The forecasts include an allowance for letting fees in respect of the Chippy's lease in year 2.
Make good allowance	No provision for make good allowance has been provided for in the forecast for the period from the Settlement Date to 30 June 2026 and the financial year to 30 June 2027 respectively as no leases expire during that time.
Outgoings expenditure	Under the terms of the leases (measured by area of occupation), outgoing expenditure (including rates, building insurance and electricity) are paid directly by the tenants. Outgoing expenditure is forecast to increase each financial year by 2.90% p.a.
Repairs and maintenance and capital expenditure	The allowance for repairs and maintenance will be borne by the tenants which is in accordance with their respective leases. There is no material capital expenditure expected during the forecast period.
Expense recoverables	Expense recoverables include registry fees, printing and postage expenses, travel inspection costs, and compliance fees.
Interest costs	<p>The Finance Facility to assist with the purchase of the Property will be available for an initial three-year term.</p> <p>The indicative finance facility consists of a variable interest rate plus a margin of 1.40% p.a. calculated on the maximum facility limit.</p> <p>The forecasts assume a total interest cost of 4.7% p.a. based on the three-year bank-bill swap rate (BSBY) of 3.30% (as at 30 May 2025) plus a margin of 1.40% p.a.</p>
LVR	The indicative Finance Facility is expected to have a maximum Loan-to-Valuation Ratio covenant of 60% of the value of the Property. The LVR of the Fund after the Settlement Date, assuming the Subscription Amount is fully subscribed, will be 55%.
GST	The Fund is registered for GST. As such, the impact of GST payments and recoveries should be neutral to the extent the Fund's supplies are not financial supplies. The forecast has been adjusted to include the cost of GST on any financial supplies.
Financial supplies	Some of the Fund's acquisition transactions are deemed to be financial supplies which can affect the Fund's entitlement to recover input tax credits where the financial acquisitions threshold has been exceeded. Financial supplies that fall into this category include independent research costs, legal and accounting fees (for the PDS), and PDS preparation, and marketing costs. The forecast includes the partial non-recovery of GST on these items.



9.5 Important Information

Table 9.1 (Forecast returns) and Table 9.3 (Forecast Pro Forma Balance Sheet) have been prepared in accordance with Australian Accounting Standards and Australian Income Tax Law with the exception of the following:

- Table 9.1 has not been prepared in accordance with AASB 117 Leases. This Accounting Standard states that rental income due on a lease that contains fixed annual review charges must be recognised on a straight line basis over the entire term of the lease;
- Net Property Income as shown in Table 9.1 represents the actual rental income due from the tenants for each relevant financial year, which is in alignment with the assessment of taxable income for income tax purposes;
- Table 9.1 has been prepared on the basis that the current year loss provisions in Schedule 2F of the Income Tax Assessment Act 1936 are not applicable. In this respect, if there is a 50% or greater change in the Investors that are entitled to the income or capital distributions from the Fund in a year of income, then the current year loss provisions in Schedule 2F may be applicable. These provisions require the Fund to divide its income year into separate periods with each period ending when there is a 50% or greater change in the Investors that are entitled to income or capital distributions from the Fund. The Fund is then required to determine the notional income or notional loss for each separate period, with income and expenses being apportioned to the period to which they relate in accordance with the prescribed methodology. The sum of the notional income amounts will result in the net (tax) income of the Fund for the year. The application of these provisions may impact the taxable components of distributions to Investors and in particular reduce the percentage of distributions that are non-assessable;
- Table 9.3 has not been prepared in accordance with AASB 117 Leases with the exception of the Property. Under this Accounting Standard the difference between the straight line rental income recognised in each financial year and the actual rental income due from the tenant for the same period is to be recognised as an asset/ liability of the Fund; and
- The NTA has been determined based on the financial position of the Fund (including the Initial Property) immediately after settlement of the purchase of the Property and does not incorporate revenues and expenses of the Fund post acquisition of the Property.

9.6 Taxation

Investing in a managed fund such as the Fund is likely to have taxation consequences. Australian tax laws are complex and subject to change. The tax comments in this section are only relevant for Australian resident Investors who hold their Units in the Fund on capital account for Australian income tax purposes. Further, the information may not be relevant for Investors that are subject to special tax rules such as banks, insurance companies, tax exempt organisations and dealers in securities.

The information in this section is in relation to the Australian income tax and capital gains tax implications of holding Units in the Fund. The stamp duty implications relevant to holding Units in the Fund are not outlined.

The information in this section of the PDS is based on the law and announcements current in Australia as at the date of this PDS. It does not account for any changes in the tax law or future judicial interpretations of the law after this time. Moreover, the following information does not consider the specific circumstances of any Investor. It is therefore important that Investors obtain independent professional advice as to the specific taxation requirements for their own circumstances.

Trilogy Funds does not purport to offer any taxation advice.

The Fund

The Fund is an open-ended unlisted unit trust that invests directly, in real property for the purposes of deriving rental income. The Fund or the trustee of the Fund should not be subject to tax on the net (tax) income of the Fund for the relevant year. Rather, Investors should be assessed on their share of the net (tax) income of the Fund for the relevant year.

The share is determined based on the attribution of the different income characters by the Fund to Investors. This is the case even where cash distributions are reinvested into the Fund, where no cash distributions are made by the Fund to Investors, or where the cash distributions differ to the aggregate attribution of the different characters from the Fund.

Where the Fund makes a net tax loss or a net capital loss, such losses cannot be distributed to Investors. Rather, the net tax losses and net capital losses are carried forward and may be utilised by the Fund against its assessable income and/or capital gains respectively in future income years. The use of carried forward tax losses is subject to satisfying any loss utilisation rules that may be applicable for the relevant period.



The Fund is expected to qualify as a Managed Investment Trust (MIT) as defined in the income tax law and if it qualifies as a MIT, the trustee of the Fund intends to make a choice for the Fund to elect into the Attribution Managed Investment Trust (AMIT) taxation regime. The AMIT regime will apply to you as an Investor in the Fund for a particular income year if the Fund satisfies the requirements to qualify as an AMIT for that year. It is intended for the Fund to qualify as a MIT and an AMIT each year.

If the AMIT regime applies to the Fund for an income year, then the tax outcomes for Investors should be as follows:

- The net (tax) income of the Fund for an income year will be attributed to the Investors in the Fund on a fair and reasonable basis each year and this attribution will be based on the Fund's Constitution and this PDS.
- The amounts attributed to Investors from the Fund each year will be disclosed in an AMIT Member Annual Statement (AMMA Statement). This statement will be provided to Investors no later than three months after the end of the relevant income year.
- The amounts attributed to Investors from the Fund as disclosed in the AMMA Statement should be taken into account in their taxable income calculation for the relevant year of income.
- The amounts attributed to Investors from the Fund should retain the character they had in the Fund for income tax purposes.
- Subject to certain limitations, the Investors and the Fund can rely on specific legislative provisions that allow for an adjustment in calculating the net (tax) income of the Fund for a previous income year to be carried forward and dealt with in the year that the adjustment is discovered.
- Investors will be subject to a tax cost base adjustment mechanism, which may result in increases or decreases to the tax cost base of their Units in the Fund, broadly where there is a difference between the cash amount distributed by the Fund and the taxable amounts attributed to Investors for an income year. Details of these tax cost base adjustments will be shown in the AMMA Statement.
- Taxable amounts may be attributed to Investors by the Fund at the time of any redemption or cancellation of Units in the Fund on a fair and reasonable basis.

If the AMIT regime is not applicable to the Fund for a particular income year (because the qualification requirements for that year were not satisfied) then Investors should be subject to tax on their proportionate share of the net (tax) income of the Fund for that year, based on their present entitlement to the income of the Fund for that year.

It is recommended that Investors obtain independent tax advice on the application of the AMIT regime to them in respect of their investment in the Fund.

Distributions

Distributions from the Fund may include assessable components (e.g. net rental income) and non-assessable components. Investors should be able to identify the assessable and non-assessable components of distributions from the AMMA Statement or annual tax statement, which will be issued by Trilogy Funds each year to assist Investors in preparing their annual income tax returns.

Non-assessable distributions broadly arise where the aggregate of the assessable components of the Fund are lower than the cash distribution amount (e.g. due to tax timing differences or tax deductions for capital allowances on assets). Non-assessable distributions are not immediately assessable to Investors when received but are applied to reduce the tax cost base of each Unit on which the distribution is made. This should impact on the calculation of any capital gain or capital loss made on the disposal or redemption of the relevant Unit (refer below). Further, where the non-assessable distribution received on a Unit in the Fund is greater than the tax cost base of that Unit, the tax cost base of the Unit is reduced to nil and the amount by which the non-assessable distribution exceeds the tax cost base of the Unit should be regarded as a discountable capital gain made by the holder of that Unit.

Note, the non-assessable distributions referred to above do not include a distribution of an amount that relates to the CGT discount on a capital gain. Such CGT discount amounts should also not be assessable to Investors when received, and should not reduce the tax cost base of the Unit on which the distribution is made.

Taxation of capital gains

If the Fund disposes of a property in the portfolio, it may make a capital gain or capital loss. This capital gain or capital loss should be taken into account when determining the net capital gain made by the Fund for the relevant income year.

In this respect, a distribution from the Fund may include capital gains and a CGT discount amount. Broadly, where the Fund disposes of an asset it has held for at least 12 months, it is currently eligible for the 50% capital gains tax discount, after the application of any capital losses. The net capital gain will form part of the net (tax) income of the Fund and the CGT discount amount is regarded as a separate non-assessable amount. The capital gains and CGT discount amounts will be identified in the AMMA Statement or annual tax statement to assist Investors to calculate their net capital gain for the relevant income year.



Non-assessable amounts

The regular income distributions from the Fund are predominantly comprised of the rental income from tenants after deducting cash expenses of the property and the Fund. Distributions from the Fund may include assessable components (e.g. net rental income) and non-assessable components (e.g. amounts sheltered by deductible capital allowances or non-cash expenses commonly referred to as tax deferred amounts).

Tax deferred amounts are distributions from a trust, that are received by an investor but are not assessable immediately for income tax purposes (rather any tax payable on these amounts is deferred). The tax liability on a tax deferred distribution is generally deferred until the asset (i.e. unit in the Fund) is disposed. A tax deferred distribution reduces the cost base of the Unit on which the distribution is made. Broadly, the cost base of a Unit includes the initial amount invested into the Fund (adjusted for any additional investments, redemptions, attribution of assessable components and distribution of non-assessable amounts (e.g., tax deferred distributions)). Note, if a tax deferred distribution on a Unit exceeds the cost base of that Unit, then the excess amount is regarded as a discountable capital gain for the Investor.

The following example set out below is provided for information purposes only to illustrate how non-assessable amounts may operate. Actual results may vary significantly from those in this example. Trilogy Funds is not able to provide you with tax or financial advice and we recommend you seek independent professional advice about the taxation treatment of your investment prior to investing in the Fund and when completing your tax return.

Example:

Investor A invests \$100,000 in the Fund. During the year, Investor A has received 12 monthly distributions from the Fund at 7% per annum. The monthly distributions included both an assessable and non-assessable component (tax deferred). As Investor A has received non-assessable tax deferred distributions, these will reduce the investor's cost base.

Over the year, 40% of the Fund's distributions were tax deferred.

Original purchase of units:	\$100,000
Cash distributions received (7% p.a.) over 12 months:	\$7,000
Non-assessable tax deferred amount (40% of 7% p.a.):	\$2,800
Assessable income (60% of 7% p.a.):	\$4,200

Investor A has been attributed \$4,200 of assessable income (which increases the cost base of the Units) and received total cash distributions of \$7,000

(which decreases the cost base of the Units), with the difference being the receipt of non-assessable tax deferred distributions of \$2,800. This will result in an AMIT net cost base decrease equal to the amount of the non-assessable tax deferred distributions, and therefore this amount will reduce the Investor's cost base and will generally not be included in the assessable income of the investor for the income year in which the distribution was received. That is, the cost base of Investor A's initial \$100,000 investment is reduced by the \$2,800 tax deferred distribution for capital gains tax purposes.

Original cost base:	\$100,000
Non-assessable tax deferred amount (40% of 7% p.a.):	\$2,800
New cost base:	\$97,200

Investor A's new cost base for capital gains tax purposes is \$97,200. On redemption of Investor A's units in the Fund, the updated cost base is used to determine if Investor A has made a capital gain or capital loss on the units. If Investor A redeems all of their units for \$100,000, then a discountable capital gain of \$2,800 should be made by the investor. This capital gain should be taken into account in determining the investor's net capital gain for the income year in which the redemption occurs. Investors may be eligible to apply the CGT discount to any capital gain made on redemption of units that have been held for at least 12 months.

Disposal/Redemption of Units

For an Australian resident Investor, the redemption, disposal or cancellation of any Unit in the Fund may give rise to a capital gain or capital loss that should be included in the Investor's net capital gain calculation for the relevant income year.

A capital gain is made where the capital proceeds from the redemption, disposal or cancellation exceed the cost base of the relevant Unit. A capital loss is made from the redemption, disposal or cancellation where the capital proceeds from the redemption, disposal or cancellation of the Unit are less than the reduced cost base of the Unit at the time of the redemption, disposal or cancellation. In order to determine their capital gain or capital loss position from the redemption, disposal or cancellation of any Unit, Investors will need to adjust the tax cost base of each Unit in the Fund for any net non-assessable distributions or net distribution shortfall amounts in respect of that Unit. Certain Investors, including individuals, trusts and superannuation funds, may be entitled to a discount on any capital gain (after the application of any capital losses) made on the Units where the Units in the Fund have been held for at least 12 months. In this regard, the discount is 50.00% for Australian resident individuals and trusts, and 33.33% for complying superannuation funds.



Social security

Investing in the Fund may affect an Investor's entitlement to social security benefits as their investment may be included in the income and assets tests of Centrelink and the Department of Veterans' Affairs. Investors should obtain professional advice concerning the particular social security implications for their circumstances.

GST

Neither applications to, nor withdrawals from, the Fund should be subject to GST. Certain expenses incurred by the Fund may be subject to GST at the prevailing rate (currently 10%). The Fund may be able to claim a credit in relation to some or all of those expenses.

Tax File Numbers and Australian Business Numbers

Investors are not required to quote their tax file number (TFN) or, if they have one, an Australian Business Number (ABN) or claim an exemption from providing a TFN. However, for an Australian resident Investor, if a TFN or ABN is not provided or an exemption is not claimed, Trilogy Funds is required by law to deduct tax from the taxable component of any distributions at the highest marginal tax rate plus the Medicare Levy (currently 47%). If an Investor is making this investment on behalf of a business or enterprise they carry on, they may quote their ABN instead of a TFN.

FATCA and CRS

The Fund should not be a Reporting Financial Institution under the Inter-Governmental Agreement between the Australian and US governments in relation to the *Foreign Account Tax Compliance Act (FATCA)*, a law which imposes certain due diligence and reporting obligations on non-US financial institutions and other financial intermediaries to prevent tax evasions by US citizens and US tax residents through the use of non-US domiciled investments or accounts.

The Fund may be a Reporting Financial Institution under the *Tax Laws Amendment (Implementation of the Common Reporting Standard) Act 2016 (Cth)* which implemented the OECD Common Reporting Standard (CRS) in Australia. This standard requires Reporting Financial Institutions in Australia to report to the Australian Taxation Office (ATO) details of their foreign investors from 1 July 2017. However, the Fund should not have any reportable accounts for CRS purposes.

Note, if the Fund is required to comply with either the FATCA or CRS requirements, Trilogy Funds will conduct due diligence on prospective Investors in the Fund and will require certain information and documentation at the time of an Investor's application for Units. Where required, Trilogy Funds will report information in respect of certain Investors and their Units in the Fund to the ATO. The ATO will share information reported to it by the Reporting Financial Institutions with the U.S. Internal Revenue Service for FATCA purposes, or with tax authorities of jurisdictions that have signed the CRS Competent Authority Agreement for CRS purposes.

If you are a new Investor and you do not provide us with the required information and/or documentation on request, we may not issue Units to you. Alternatively, we may report information in respect of you and your Units in the Fund to the ATO, or any distributions made to you on your Units in the Fund.

For further information in relation to how our due diligence and reporting obligations may affect you, please consult your tax adviser and see our website at www.trilogyfunds.com.au/forms.





Section 10.

Additional information

This section does not purport to be an exhaustive statement of additional information relating to the operation of the Fund, or all of the provisions contained in the documents described. In particular, the provisions of the Corporations Act can affect the construction and operation of the Fund and Trilogy Funds' obligations. Please contact Investor Relations for further information.

10.1 Continuous disclosure and other updates

The Fund is anticipated to be a disclosing entity pursuant to the Corporations Act. As such, Trilogy Funds must lodge half-yearly as well as annual financial reports of the Fund with ASIC which may be inspected at or obtained from ASIC or the registered office of Trilogy Funds. If you wish to receive a copy of the latest audited accounts of the Fund, then please contact Trilogy Funds on 1800 230 099.

Trilogy Funds follows ASIC good practice guidance contained in *Regulatory Guide 198 – Unlisted disclosing entities: Continuous disclosure obligations* to meet its continuous disclosure obligations. This means Trilogy Funds has elected, as a disclosing entity, to update Investors by posting continuous disclosure notices on its website at www.trilogyfunds.com.au. This information is likely to be:

- information that Investors and their professional advisers reasonably require to make an informed investment decision; and
- information that might reasonably be expected to have a material influence on the investment decision of a reasonable person, as a retail client.

Any updated information about the Fund that is considered not materially adverse to investors will also be made available at www.trilogyfunds.com.au/investing/trilogy-essential-retail-fund/ and a hard copy will be sent to you free of charge on request.

10.2 Investor reporting

Upon becoming a member of the Fund, you will be provided with an acknowledgement letter confirming receipt of Application Money and the number of Units issued. Other reporting, including continuous disclosure reporting obligations as set out in the previous Section 10.1, will generally be made available on the website, or by email regarding Investor statements, and will include the following:

- unit issuance notification;
- distribution statement;
- an annual statement of taxable income, providing a summary of distributions earned for inclusion in the Investor's income tax return (AMIT Member Annual Statement);
- annual periodic statement, which details all transactions on each Investor's account, together with balances on the number of Units held in the Fund;
- annual financial report of the Fund in accordance with regulatory requirements, if requested; and
- bi-annual RG 46 updates on the website.

If you do not have an email address or access to the internet to receive this information, then please contact Investor Relations to update your communication preferences.

10.3 Target Market Determination

The current Target Market Determination (TMD) for the Fund is available on Trilogy Funds' website at www.trilogyfunds.com.au and a hard copy can be sent to you free of charge on request.

10.4 Cooling off

A cooling off period applies to an investment by a retail Investor in the Fund while the Fund is Liquid. The right to return the Units can only be exercised during the period of 14 days starting on the earlier of:

- a. the time when the Trilogy Funds confirms acquisition by the Investor of Units; and
- b. the end of the fifth business day after the day on which the Units were issued to the Investor.

10.5 Complaints

Trilogy Funds' complaints handling process is based on the Australian Standard AS ISO 10002-2014 'Customer Satisfaction – Guideline for Complaints Handling in Organisations'. The Fund's Constitution and Compliance Plan also contain provisions governing how complaints must be dealt with. A copy of our Complaints Handling Policy is on Trilogy Funds' website at <http://www.trilogyfunds.com.au> and a hard copy will be sent to you free of charge on request.

Indirect Investors who are retail clients may lodge complaints in relation to the Fund or the complaints handling process by contacting Trilogy Funds. Contact details are shown in the corporate directory.



Upon receipt of a complaint, Trilogy Funds acknowledges the complaint by the close of the next business day or as soon as practicable.

Trilogy Funds aims to resolve a complaint as quickly as possible and, unless it has been resolved within 5 Business Days, will provide you with a written “IDR response” setting out the final outcome. Other than in limited circumstances, including where the complaint is particularly complex, Trilogy Funds will provide the IDR response within 30 calendar days after receipt of the complaint. If there is to be a delay, Trilogy Funds will advise you of the reasons for the delay and your further rights.

If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Website: www.afca.org.au

Email: info@afca.org.au

Telephone: 1800 931 678 (free call)

In writing to: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001.

10.6 Wholesale investors

Trilogy Funds has the discretion to waive or reduce fees for wholesale investors. Any waiver or reduction is available only to persons who are ‘wholesale investors’ as that term is defined in the Corporations Act on an individual basis, and only in accordance with the legislative requirements relating to differential fees. Such special fee arrangements will not adversely impact upon the fees that are paid by other Investors.

10.7 Privacy

Trilogy Funds is committed to protecting the privacy of its Investors. We are bound by the *Privacy Act 1988 (Cth)* (Privacy Act), as amended from time to time, and the principles and procedures to be adopted under that legislation. The Privacy Act regulates, among other things, the collection, storage and security, quality, management, correction, use and disclosure of and access to personal information. By applying to invest in the Fund, applicants consent to personal information being used by Trilogy Funds for the purposes for which it was provided and for other purposes permitted under the Privacy Act.

The Application Form accompanying this PDS requires personal information to be provided. Trilogy Funds, and any service providers to Trilogy Funds or to the Fund (including the Custodian) may collect, hold and use your personal information in order to assess your application, service your needs as an Investor, provide facilities and services to you, to Trilogy Funds and to the Fund and for other purposes permitted under the Privacy Act and other legislation, such as the Anti-Money Laundering and Counter Terrorism Financing (AML/CTF) laws.

Taxation, AML/CTF and other laws (such as CRS and FATCA) also require some of the information to be collected in connection with your application. If you do not provide the information requested or provide us with incomplete or inaccurate information, your application may not be able to be processed efficiently, or at all. Trilogy Funds may disclose your information (or parts of it) as follows:

- to government agencies who may lawfully request it, but only when it is required by law to do so;
- to external parties on your behalf, such as your financial adviser (if the adviser’s name appears on the Application Form), unless you have instructed Trilogy Funds in writing to do otherwise;
- to service providers (mailing houses, auditors, etc.) to enable the administration and operation of your investment and the Fund; and
- to assist you with any queries.

You are entitled to access, correct and update all personal information which Trilogy Funds holds about you. The information held may be obtained by contacting Trilogy Funds. You should contact us if you have concerns about the completeness or accuracy of the information, we have about you or if you would like to access or amend your personal information held by us or our service providers. Please advise Trilogy Funds of any changes to information you have provided to us using the Change of Details Form as provided on Trilogy Funds’ website at <http://www.trilogyfunds.com.au/>. Any complaint you have as to how we have handled your personal information will be dealt with in accordance with our Privacy Policy and Complaints Handling Policy which are available on our website and a paper copy will be sent to you free of charge on request.

10.8 Anti-money laundering

Trilogy Funds is required to comply with the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)* (AML/CTF Law). This means that Trilogy Funds will require you to provide personal information and documentation in relation to your identity and that of any beneficial owners when you invest in the Fund. Trilogy Funds may need to obtain additional information and documentation from you to process your application or subsequent transactions or at other times during your investment. The obtaining of information will be pursuant to the AML/CTF program that has been adopted by Trilogy Funds. Trilogy Funds may need to identify:

- an Investor and each beneficial owner (including all investor types noted on the Application Form) prior to purchasing Units in the Fund. Trilogy Funds will not issue Units to you until all relevant information has been received and your identity and that of any beneficial owner has been satisfactorily verified;
- transferees of Units in the Fund. Trilogy Funds will not register a transfer until all relevant information has been received and you or your transferee’s identity or that of its beneficial owners has been satisfactorily verified;



- your estate. If you die while you are the owner of a Unit in the Fund, Trilogy Funds may need to identify your legal personal representative prior to transferring ownership or making any payments; and
- anyone acting on your behalf, including under your power of attorney.

In some circumstances, Trilogy Funds may need to re-verify this information and may request additional information. By applying to invest in the Fund, you also acknowledge that Trilogy Funds may decide to delay or refuse any request or transaction if it is concerned that the request or transaction may breach any obligation of, or cause Trilogy Funds to commit or participate in an offence under, any AML/CTF Law, and neither Trilogy Funds nor any of its related bodies corporate, affiliates, associates or officers will incur any liability to you if it does so.

10.9 Related party disclosure

(Please refer to RG 46 Report – Benchmark 5 and Disclosure Principle 5 – Related party transactions)

Trilogy Funds maintains a policy on related party transactions. The key points of this policy are as follows:

any transaction involving a related party shall be on terms and conditions no more favourable to the related party than those that it is reasonably expected would be the case if the benefit directly or indirectly was paid to a third party dealing at arm's-length in the same circumstances and on commercial terms;

before any related party transaction is entered into, Trilogy Funds will satisfy itself that the fees to be paid to the related party are approximately equivalent to what would be paid to a third party at arm's-length for the same goods or services; and

Trilogy Funds will also satisfy itself, and obtain legal advice if there is any doubt, that all the relevant factors in determining whether the proposed related party transaction falls within the 'arm's length' exception in the Corporations Act, have been taken into account.

10.10 Services provided by related parties

Certain entities in Trilogy Funds Group provide services to Trilogy Funds for which those entities receive fees. For example, entities within Trilogy Funds Group provide in-house fund accounting, compliance, risk management, information technology, human resources, communications, marketing and distribution advice. All contracts with related parties have been entered into in accordance with the Trilogy Funds Related Party Policy and are managed in accordance with its Conflicts of Interest Policy.

Trilogy Funds has engaged TFAM to provide investment management services and RELM to

provide registry and investor relations services to the Fund. TFAM's role is to seek property investment opportunities and oversee the day-to-day management of the retail property assets. This role includes tenant management, maintenance, capital expenditure, development/expansion opportunity assessment and implementation, and leasing. In addition, TFAM may be retained to carry out further functions in respect of the Properties, such as lease negotiations, project management, and sales and marketing services, for which it will be remunerated from the Fund assets in accordance with the fee structure set out in this PDS. There is no fixed term to these arrangements. Trilogy Funds is satisfied that these agreements (including the fees payable under them) are on normal commercial terms (i.e., arm's length).

The directors and certain executives of entities in Trilogy Funds Group may also hold interests in the entities that earn fees directly or indirectly from the Fund and therefore may be said to benefit from any fees derived by it. These interests are governed in accordance with Trilogy Funds' conflict of interests and related party transaction policies.

Directors, employees and related parties of entities in Trilogy Funds Group may also hold Units in the Fund. These Units will be acquired and held on the same terms as any other Investor in the Fund.

10.11 Summaries of material documents

The Constitution for the Fund

The Constitution is the primary document that establishes the structure of the Fund and the rights of Investors. Some of the provisions of the Fund's Constitution are summarised below, with other provisions outlined elsewhere in the PDS. A copy of the Constitution is available for inspection at the office of Trilogy Funds and may also be obtained from ASIC. Trilogy Funds strongly recommends you read the Constitution and seek independent advice as necessary. The following is a summary of some key provisions:

- The Constitution provides that the beneficial interest in the Fund is divided into Units.
- Trilogy Funds may issue further Units, and Units in other classes including those with different rights.
- Subject to rights attached to a particular class of Unit, Investors have a right to participate in any withdrawal opportunity on a pro rata basis with all other Investors.
- Investors are not liable to Trilogy Funds or any creditor of Trilogy Funds in excess of the amounts subscribed or to be subscribed for units. However, the question of the ultimate liability of a beneficiary for claims against a responsible entity or other trustee in an arrangement such as this has not been finally determined by a court.
- Trilogy Funds is responsible for operating the Fund. It may only deal with the Fund assets in accordance



with the Fund's Constitution, the PDS, and the Corporations Act. It may appoint agents or other parties to do anything that it is authorised to do in connection with the Fund.

- Trilogy Funds may retire as responsible entity of the Fund by calling a meeting of Investors in the Fund explaining the reason it wants to retire, therefore enabling Investors to vote for a new responsible entity. Investors may remove Trilogy Funds as responsible entity of the Fund at a meeting of Investors of the Fund where Investors holding more than 50% of the Units in the Fund vote for the removal. Trilogy Funds is entitled to be reimbursed for all expenses relating to the termination of the Fund and its retirement or removal as the responsible entity and the appointment of a replacement. In certain circumstances, if Trilogy Funds ceases to be responsible entity, then it may be entitled to a fee in accordance with the Constitution.
- Subject to the law, Trilogy Funds has a right of indemnity out of the Fund assets for all expenses and costs incurred in the proper performance of its duties under the Fund's Constitution, other than where expenses were not incurred in the proper performance of its duties.
- Trilogy Funds is not liable for any loss to any person (including an Investor) arising out of any matter unless it failed to exercise due care and diligence. In particular it will not be liable where:
 - in good faith it relied on advice from a professionally qualified consultant;
 - it is hindered, prevented or forbidden to do an act or thing by any law; or
 - in respect of any Application Form or notice it relied in good faith on a forged signature or inaccurate details.
- Trilogy Funds or its appointed agent will keep and maintain a register of Investors of the Fund and any other register required by the Corporations Act. Trilogy Funds must cause the register to be altered when informed by an Investor of any change of name or address.
- Trilogy Funds may exercise its right to terminate the Fund in accordance with the Constitution and the Corporations Act provided it gives the Investors adequate notice as required by the Corporations Act. This includes the right to terminate the Fund if it considers that the purpose of the Fund has been accomplished or cannot be accomplished and if, after requisite notice has been provided to Investors, no meeting of Investors is called within 28 days of Trilogy Funds providing the Investors notice, or if instructed via a court order at a date that the court so determines. Investors have the right to require the termination of the Fund by passing an extraordinary resolution (that is, one that is passed by the Investors holding at least 50.00% of the Units in the Fund).

- Trilogy Funds may convene a meeting of Investors in the Fund at any time and when required to do so by the Corporations Act. Trilogy Funds must convene a meeting of Investors in the Fund if requisitioned by at least 100 Investors or by Investors who hold at least 5.00% of the Units in the Fund. Each Investor is entitled to attend and vote at meetings of Investors. Meetings must be conducted in accordance with the Fund's Constitution and Part 2G.4 of the Corporations Act.
- Trilogy Funds must keep accounts of the Fund and report to Investors concerning its affairs according to the Australian equivalent of the International Financial Reporting Standards and the provisions of the Corporations Act. Trilogy Funds must appoint an auditor to audit the accounts and the Compliance Plan for the Fund. The audits must be prepared in accordance with the provisions of the Corporations Act.
- The Constitution may be amended only by a special resolution of the Investors in the Fund or by Trilogy Funds, if it reasonably believes the change will not adversely affect Investors' rights.

Compliance Plan for the Fund

Trilogy Funds has adopted a Compliance Plan for the Fund. The Compliance Plan addresses issues such as compliance with laws and Trilogy Funds' ethical standards and comprises structural and operational maintenance elements. The Compliance Plan includes provisions that set out the procedures to be adopted for:

- appointment of agents;
- management of the Fund;
- custody of the Fund assets;
- valuations;
- methods for the handling of Application Money, income and payments;
- complaints handling and dispute resolution;
- audits;
- conflicts of interest;
- monitoring, resolving and reporting suspected breaches of the Corporations Act.

Custody Deed

Trilogy Funds and the Custodian have entered a Custody Deed. Under the Deed, the Custodian will hold the assets of the Fund in compliance with the Corporations Act, regulatory requirements, and ASIC policy. The responsibilities of the Custodian include acquiring and disposing of assets of the Fund, and dispensing money on behalf of Trilogy Funds. The liability of the Custodian is limited. The Custodian acts on instruction from Trilogy Funds. The Deed may be terminated by either party giving not less than 90 days' written notice to the other.



Valuation Policy

(Refer also to RG 46 Report – Benchmark 4 – Valuation policy)

Trilogy Funds has adopted the following rules for valuations of a Property:

- all properties are initially valued at cost including Acquisition Costs amortised over the lesser of five years and the holding period;
- all external valuations must be performed by panel valuers, who must undergo an accreditation process before formal inclusion on the panel;
- the valuer must be registered in the state or territory in which the Property is situated;
- the panel valuer must be independent of the Property vendor and Trilogy Funds;
- the panel valuer must be instructed to prepare the valuation report in a format that sets out the primary methodology used and a secondary check valuation methodology, in accordance with the instructions;
- all valuations must state a replacement value to allow Trilogy Funds to determine the amount of insurance required;
- the valuation report should include a statement that the valuation complies with all relevant industry standards and codes;
- valuations for development assets are on an 'as is' and an 'as if complete' basis, while all others are on an 'as is' basis; and
- any conflicts of interest will be dealt with in accordance with Trilogy Funds' Conflicts of Interest Policy.

Trilogy Funds must ensure that property assets are independently valued before they are purchased and at least once every two years (except where the property asset is being held for sale or lease negotiations are underway that Trilogy Funds reasonably believes may have a material impact on the outcome of the revaluation of the property asset) or more frequently, including within two months after the directors form a view that there may have been a material change in the value of a Property. To obtain a full copy of Trilogy Funds' Valuation Policy, please contact Investor Relations at investorrelations@trilogyfunds.com.au.

Unit Pricing Policy

The Unit Price will be determined monthly. Trilogy Funds may apply a buy or sell spread to the Unit Price if it considers it is in the best interests of Investors to do so at the time there is a Limited Liquidity Event or a Primary Liquidity Event or new investment. This will result in a variation between the entry price and the exit price due to transaction costs incurred from investing new equity or realising an investment to meet a withdrawal request.

10.12 Labour, environmental, social and ethical considerations

While Trilogy Funds intends to conduct its affairs in an ethical and sound manner, its investment criteria do not give weight to labour standards, environmental, social, or ethical considerations when making, retaining or realising an investment of the Fund.

10.13 Consents

The Trust Company Limited ACN 004 027 749, named in this PDS as the Custodian, is the Custodian for the Fund. The role of the Custodian is to hold the assets of the Fund and title documents as the agent for Trilogy Funds in relation to the conduct of the Fund. It is not the role of the Custodian to protect the rights and interests of the Investors. The Trust Company Limited has given and has not withdrawn its consent to be named in this PDS as the Custodian to the Fund in the form and context in which it is named. No person other than Trilogy Funds has authorised or caused the issue of this PDS and the Custodian takes no responsibility for any part of the PDS other than the references to its name. The Custodian has relied upon Trilogy Funds and its advisers for the truth and accuracy of the contents, and is not to be taken to have authorised, or caused the issue, of this PDS. The Custodian does not guarantee the return of any investment, any tax deduction availability, or the performance of the Fund. The Custodian has no interest in relation to the Fund other than the remuneration it is entitled to receive under the Custody Deed by way of custodian fees.

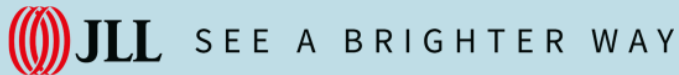
Jones Lang LaSalle Advisory Services Pty Ltd (JLL) has provided the valuation summary which is included at Section 11 of this PDS. JLL has given and has not withdrawn its consent to the inclusion of the valuation summary in the PDS in the form and context in which the statement is included.





Section 11.

Valuation Summary Letter



Value and Risk Advisory

Valuation summary letter

**Brighton Village Shopping Centre,
6 Kingsbridge Boulevard, Butler WA**

Prepared for: Trilogy Funds Management Limited

Valuation Date: 13 June 2025

4 July 2025

Trilogy Funds Management Limited
Level 9, 350 Collins Street
Melbourne VIC 3000

Attention: Mr Jufri Abidin,

Dear Mr Abidin,

Brighton Village Shopping Centre, 6 Kingsbridge Boulevard, Butler WA – Valuation Summary Letter

1 Introduction

Jones Lang LaSalle Advisory Services Pty Ltd ('JLL') accepted written instructions, sent to and received on 23 May 2025 by Mr Jufri Abidin of Trilogy Funds Management Limited (Trilogy Funds). The instructions request that we undertake a market valuation of the 100% freehold interest in Brighton Village, 6 Kingsbridge Boulevard, Butler, Western Australia. The valuation was undertaken as at 13 June 2025 and has been prepared for reliance by Trilogy Funds Management Limited for inclusion in a product disclosure statement (PDS) for capital raising purposes only.

Having regard to the results from the valuation methods described in this summary letter together with available market evidence, the comments made within the Valuation Report, and present retail market investment sentiment, we have adopted a rounded valuation figure of \$25,300,000.

This valuation summary letter is a summary of the valuation only and has been prepared solely for the purpose of inclusion in a PDS. It is an abstract of the contents of the valuation report dated 13 June 2025.

Reliance on this Letter

This letter summarises the Valuation Report, which is dated 13 June 2025, and is subject to the assumptions, limitations and disclaimers contained therein.

This letter alone does not contain all of the data and supporting information which is included in the Valuation Report. This summary letter must be read in conjunction with the Valuation Report, together with all of the risks and critical assumptions contained therein.

Basis of Valuation

Market Value

The value given herein is that of the market value of the Property as defined by the International Valuation Standards Committee (IVSC), and endorsed by the API and PINZ, which is as follows:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

Included within the valuations are Lessor-owned items of building fixtures, fittings, plant and equipment. These items exclude all movable equipment, furniture, furnishings and tenant owned fit-out and improvements.

Valuation Methodologies

In arriving at our opinion of market value, we have adopted the capitalisation of net income and discounted cash flow (DCF) approaches as our primary methodologies. The direct comparison approach is used as a support methodology, where the value is analysed on a rate per square metre of GLAR.

Our valuation has been undertaken utilising the Forbury Retail valuation model.

Capitalisation Approach

The capitalisation approach involves the addition of our opinion of market rent for the various components of the Property, and the deduction of outgoings in order to determine the net market income of the Property. This net market income is capitalised at the adopted capitalisation rate to derive a core value.

Adjustments (for rental reversions, letting up allowances and capital expenditure) have been made where appropriate in order to derive the resultant value.

Discounted Cash Flow Approach

The discounted cash flow analysis is undertaken over a 10 year investment horizon to derive a net present value for the Property. We stress that the estimating of future rentals and values is a very problematic exercise, which at best should be regarded as an indicative assessment of possibilities rather than absolute certainties. The process of making forward projection of key elements includes assumptions regarding a considerable number of variables which are acutely sensitive to changing conditions, variation in any of which may significantly affect value.

Our revenue projections commence with the passing rent for the Property and, where relevant, include structured annual and market rent reviews together, as provided for under the respective leases.

The Property's anticipated terminal sale price at the end of the 10 year cash flow period is also discounted to its present value at a market derived discount rate and added to the discounted income stream (i.e. 10 years) to arrive at the total present market value of the Property.

We have applied a terminal yield to the market net income at the start of Year 11 in order to calculate the estimated terminal sale price. This value also includes rental reversions if appropriate.

In estimating the terminal value, we have had regard to assumed stable market conditions at the end of Year 10 and the age, leasing profile and condition of the Property at that time. Given the difficulty in projecting long range forecasts, we have assumed stable market conditions would be prevalent. Long term cyclical factors will undoubtedly influence and govern the actual market conditions and appropriate terminal sale capitalisation rate that should be applied.

Direct Comparison Approach

The direct comparison approach to valuation compares the Property to sales of similar properties and analyses on a rate per square metre of GLAR or rate per square metre of building area.

When analysing the sales evidence, we have taken into consideration the location attributes, building improvements, lease terms and conditions, access, zoning, date of purchase etc. of the sales and we have compared them to the Property.

2 Brief Property Description and Tenancy Details

Brighton Village Shopping Centre comprises of a single level Neighbourhood Shopping Centre originally constructed in 2006 and developed upon a 1.2190 hectare land parcel.

The Property is situated on the eastern alignment of Marmion Avenue and southern alignment of Kingsbridge Boulevard, within Butler approximately 40.5 km north-west of the Perth CBD.

The centre is anchored to Coles supermarket on an initial 20 year lease term to expire 31 October 2033. Coles holds a further 8 x 10 year options to extend its lease. Coles are supported by 6 specialty tenants and an ATM. The total Gross Lettable Area is 3,832 square metres.

The centre is fully leased and exhibits a WALE by income of 7.42 years at date of valuation. A summary of the lettable area is detailed as follows:

Area Summary							
	GLA m ²	Occupied %	Occupied m ²	Vacant m ²		WALE by Rent	WALE by Area
Majors	2,802	73.1%	2,802	-	-	8.39	8.39
Specialties	1,029	26.9%	1,029	-	-	4.15	4.64
ATMs	1	0.0%	1	-	-	0.88	0.88
Total GLA	3,832	100.0%	3,832	-	-	7.42	7.38

3 Valuation Summary

We provide below a summary of the adopted value as at 13 June 2025.

The results of our valuation methods are:

Methodology	
Market Capitalisation Value	\$25,276,260
Discounted Cash Flow	\$25,429,004

Having regard to the results from the valuation methods described above together with available market evidence, the comments made within this report, and present retail market investment sentiment, we have adopted a rounded valuation figure of \$25,300,000.

The assessed value reflects an initial passing yield of 7.03%, an equivalent yield of 6.24%, an internal rate of return of 6.82%, and a rate of \$6,602/m² of Gross Lettable Area, as leased.

4 Qualifications

We consent to the inclusion of this summary letter in the PDS on the following conditions:

- The letter is a summary of the valuation only and has been prepared solely for the purpose of inclusion in a product disclosure statement.
- JLL has not been involved in the preparation of the PDS nor have we had regard to any material contained in the PDS. This summary letter does not take into account any matters concerning the investment opportunity contained in the PDS.
- JLL has not operated under an Australian financial services licence in providing this summary letter and makes no representation or recommendation to a prospective investor in relation to the valuation of the Property or the investment opportunity contained in the PDS.
- The Valuation Report and this summary letter are strictly limited to the matters contained within them, and are not to be read as extending, by implication or otherwise, to any other matter in the PDS. Without limitation to the above, no liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the real estate market subsequent to the date of valuation.
- Other than for inclusion in the PDS, this summary letter may not be reproduced in whole or in part without the prior written approval of JLL.
- JLL has prepared this summary letter solely in reliance upon the financial and other information (including market information and third-party information) provided by Trilogy Funds and has assumed that information is accurate, reliable and complete. We confirm that we have not tested the information in that respect.
- This summary letter is to be read in conjunction with the Valuation Report and is subject to the assumptions, limitations and disclaimers contained therein.
- JLL specifically disclaims liability to any potential investor using the valuation report and summary letter except to the extent the summary letter contains a misleading or deceptive statement, or an omission of material required by the Corporations Act.
- JLL specifically disclaims all liability with respect to parts of the PDS not prepared by it, including any alleged misleading or deceptive statement in, or omission of material required by the Corporations Act in Australia.
- JLL has received a fee of \$13,500 plus GST from Trilogy Funds for the preparation of the Valuation Report and this summary letter.
- JLL are participants in the Australian Property Institute (API) limited liability scheme. This scheme has been approved under Professional Standards legislation and is compulsory for all API members.
- Trilogy Funds acknowledge and accept the JLL Terms & Conditions for Business for Valuations.

5. Valuer's Experience and Interest

The Valuer who prepared the valuation report is Mr Andrew Buchanan.

The Valuer has over 15 years valuation experience in the property type and is authorised under the requirements of the Australian Property Institute (API) to practice as Valuer in the State of Western Australia.

The above-mentioned valuer does not have any pecuniary interest that could reasonably be regarded as being capable of affecting their ability to give an unbiased opinion of the Property's value or that could conflict with a proper valuation of the Property.

6 Liability Disclaimer

This summary letter and the Valuation Report will be prepared for Trilogy Funds for inclusion in a PDS only and is subject to the conditions referred to in this summary letter.

Neither JLL nor any of its directors make any representation in relation to the PDS nor accept responsibility for any information or representation made in the PDS, other than in relation to this summary letter.

JLL consents to this summary letter being included in the PDS, noting JLL was involved only in the preparation of this summary letter and the Valuation Report referred to herein, and specifically disclaims any liability to any person in the event of any omission from, or false or misleading statement included in the PDS other than in relation to this summary letter.

JLL shall not in respect of any claim be liable to the other party for any loss of opportunity, loss of goodwill, or any form of indirect, incidental, punitive, consequential or special losses or damages of any kind. The valuation of the Property may not be relied upon after a period of 90 days from the date of inspection, being 13 June 2025.

Yours faithfully,

Jones Lang LaSalle Advisory Services Pty Ltd



Andrew Buchanan AAPI MRICS
Certified Practising Valuer
Director
Value and Risk Advisory – WA

Value and Risk Advisory

We are value and risk advisory experts supporting you through the changing world of real estate.

Andrew Buchanan

Director

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 Trilogy Funds



Section 12.

Glossary of terms

'Acquisition Cost' means in relation to a Property asset, the total cost of it to the Fund including the purchase price, commission, stamp duties, borrowing and financial accommodation costs in relation to the acquisition, and other costs and disbursements and expenses incurred or to be paid by Trilogy Funds in connection with the acquisition of that investment for the Fund.

'AMIT' means a trust that, for a given financial year, is an attribution managed investment scheme for the purpose of section 276-10 of the *Income Tax Assessment Act 1997* (Cth).

'AMMA Statement' means AMIT Member Annual Statement to be provided to you no later than three months after the end of the relevant income year, disclosing the amounts attributed to you from the Fund each year.

'Application Form' means the application form included in or accompanying this PDS, to be used by persons wishing to acquire Units in, and become a member of, the Fund.

'Application Money' means the money paid by an Investor to acquire units offered pursuant to this PDS.

'ASIC' means the Australian Securities and Investments Commission.

'ASX' means ASX Limited ACN 008 624 691.

'Business Day' means a day that is not a Saturday, a Sunday or a public holiday in Brisbane, Australia.

'CGT' means capital gains tax as determined under the *Income Tax Assessment Act 1997* (Cth).

'Compliance Plan' means the compliance plan for the Fund, as amended from time to time.

'Constitution' means the constitution of the Fund, as amended from time to time.

'Corporations Act' means the *Corporations Act 2001* (Cth).

'Custodian' means The Trust Company Limited ACN 004 027 749.

'Disposal Price' means the net proceeds of the sale of the Property asset being sold (being the gross proceeds of sale less the costs and disbursements incurred in the sale, including agent's commission, legal fees, advertising and auction expenses).

'Finance Facility' means the intended borrowing arrangement as set out in Section 4.13.

'Fund assets' means the Properties and all other assets of the Fund.

'Fund' means the Trilogy Essential Retail Fund ARSN 687 648 068.

'Gross asset value' or **'GAV'** means the total assets of the Fund as disclosed in the balance sheet of the Fund.

'GST Act' means the *New Tax System (Goods and Services Tax Act) 1999*.

'GST' means Goods and Services Tax within the meaning of the GST Act.

'Indirect Investor' means an Investor who subscribes for Units under the Offer via an investment platform or investor directed portfolio service (IDPS).

'Initial Property' means the property described in Section 6.

'Internal Rate of Return' or **'IRR'** means the return earned from the cash flows of a project over the period of investment.

'Investment Manager' or **'TFAM'** means Trilogy Funds Asset Management Pty Ltd ACN 612 360 933, a party related to Trilogy Funds.

'Investment Referrer' means an individual who is acknowledged, via the appropriate form submitted by the Investor or proposed Investor, as having introduced the Investor or proposed Investor to the Fund.

'Investor' or **'you'** or **'your'** means the registered owner of Units in the Fund, and may include a proposed Investor in the Fund if the case requires.

'Jones Lang LaSalle Advisory Services Pty Ltd' or **'JLL'** means Jones Lang LaSalle Advisory Services Pty Ltd ACN 003 262 600.

'Limited Liquidity Event' means the liquidity event that Trilogy Funds intends to offer on an annual basis (commencing on the third anniversary of the Settlement Date). The Limited Liquidity Event acts as a secondary and limited mechanism for Investors to redeem Units alongside the Primary Liquidity Event. The amount made available for withdrawal during a Limited Liquidity Event is at the discretion of Trilogy Funds, but as at the date of this PDS, the intention is that it will not exceed 3% of the Net Asset Value of the Fund at the relevant time.

'Liquid' means that at least 80% of the value of the fund is held in liquid assets, including assets that Trilogy Funds reasonably expects can be realised for their market value within 365 days.



‘Liquidity Event’ means either a Primary Liquidity Event or a Limited Liquidity Event.

‘LVR’ means the Loan-to-valuation Ratio being the loan amount divided by the value of the Properties, as required by Trilogy Funds’ valuation policy from time to time. Note that this differs from the gearing ratio required to be calculated in accordance with ASIC’s RG 46.

‘MIT’ means Managed Investment Trust.

‘Net Asset Value’ or **‘NAV’** of the Fund means the amount determined by Trilogy Funds from time to time as the value of the assets of the Fund (the GAV) less the liabilities, as adjusted in accordance with the Fund’s constituent documents and policies from time to time.

‘Net Tangible Assets’ or **‘NTA’** means the net assets of the Fund as calculated by Trilogy Funds.

‘Offer’ means the offer of Units through this PDS.

‘PDS’ means this Product Disclosure Statement.

‘Primary Liquidity Event’ means the liquidity event that Trilogy Funds intends to offer approximately every four years from the Settlement Date. The Primary Liquidity Event is the primary opportunity for Investors to redeem some or all of their Units. The amount made available for withdrawal during a Primary Liquidity Event is at the discretion of Trilogy Funds, but as at the date of this PDS, the intention is that it will not exceed 20% of the Net Asset Value of the Fund at the relevant time.

‘Property’ or **‘Properties’** means any one property or all real property the Fund holds or may hold in the future.

‘RELM’ means RELM Australia Pty Ltd ACN 168 934 987, a party related to Trilogy Funds.

‘Retail Investor’ has the meaning given in the Corporations Act.

‘RG’ means a Regulatory Guide issued by ASIC.

‘RG 46 Report’ means the RG 46 Report or the current update of that report on the website as it relates to the Fund at www.trilogyfunds.com.au/trilogy-essential-retail-fund/ at the applicable time.

‘RITC’ means reduced input tax credit.

‘Settlement Date’ means the date of settlement of the purchase of the Initial Property, expected to be 1 September 2025, but is subject to change.

‘Subscription Amount’ means \$13,650,000.

‘Trilogy Funds’ or **‘we’** or **‘us’** or **‘our’** means Trilogy Funds Management Limited ACN 080 383 679.

‘Trilogy Funds Group’ means Trilogy Funds Group Pty Ltd ACN 615 429 019

‘Unit’ means a unit in the Fund.

‘Unit Price’ means the entry or exit price for a Unit in the Fund, calculated in accordance with the Constitution.



Find out more.

Start a conversation with us today.

Call 1800 230 099 or
email investorrelations@trilogyfunds.com.au

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This PDS is issued by Trilogy Funds Management Limited ABN 59 080 383 679 AFSL 261425 (Trilogy Funds) as responsible entity for the Trilogy Essential Retail Fund ARSN 687 648 068 (Fund). Application for investment can only be made on the application form accompanying the Product Disclosure Statement (PDS) dated 22 July 2025. The PDS and the Target Market Determination (TMD) for the Fund are available at www.trilogyfunds.com.au. The PDS contains full details of the terms and conditions of investment and should be read in full, particularly the risk section, prior to lodging any application or making a further investment. All investments, including those with Trilogy Funds, involve risk which can lead to loss of part or all of your capital or diminished returns. Trilogy Funds is licensed to provide only general financial product advice about its products and therefore recommends you seek personal advice on the suitability of this investment to your objectives, financial situation and needs from a licensed financial adviser. Investments with Trilogy Funds are not bank deposits and are not government guaranteed.