

# Trilogy Essential Retail Fund

## ADVISER INVESTMENT REPORT



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ADVISER INVESTMENT REPORT | MARCH 2026

## MONTHLY DISTRIBUTION<sup>1</sup>

**7.00 CPU P.A.**

Distributions are variable. Past performance is not a reliable indicator of future performance. Monthly distribution yield, annualised. Based on the most recent unit price.

## CURRENT YIELD<sup>2</sup>

**7.00% P.A.**

## FUND INVESTMENT FEATURES

- ✓ Monthly tax-effective distributions
- ✓ Capital growth potential
- ✓ Fund seeded by Brighton Village Shopping Centre asset
- ✓ Ability for value-add initiatives at Brighton Village

## INVESTMENT STRATEGY

The investment strategy of the Trilogy Essential Retail Fund (Fund) is to build a portfolio of real estate assets located in regional and metropolitan areas of Australia, by primarily seeking to acquire convenience retail properties such as neighbourhood shopping centres and large format retail centres that have the potential to provide long-term cashflows to investors and / or could offset 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.

## ABOUT THE MANAGER

Trilogy Funds Management Limited (Trilogy Funds) is an alternative asset manager specialising in the real estate sector. Trilogy Funds Asset Management Pty Ltd, a related party and corporate authorised representative of Trilogy Funds, is investment manager of the Fund.

## APIR

Ordinary units

TGY9366AU

## FUND INFORMATION

**Inception** October 2025

**Unit price<sup>6</sup>** \$1.0000

**Distribution frequency** Monthly

### Liquidity events

First Limited Liquidity Event Forecast to occur in September 2028. See PDS for full details.

First Primary Liquidity Event Forecast to occur in September 2029. See PDS for full details.

**Management fee** 0.45% (excl. GST) p.a. of the Fund's GAV

## KEY METRICS (AS AT 31 MARCH 2026)

**\$25.3M**

ASSET VALUE<sup>3</sup>

**100%**

OCCUPANCY<sup>3</sup>

**1**

NUMBER OF ASSETS<sup>3</sup>

**6.57YRS**

WALE BY INCOME<sup>5</sup>

**53.34%**

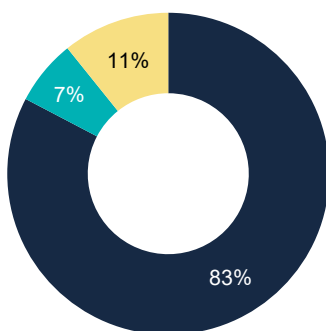
FUND LVR<sup>4</sup>

**3,833<sup>SQM</sup>**

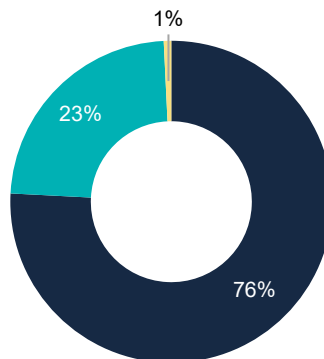
NET LETTABLE AREA<sup>3</sup>

## FUND SNAPSHOT (AS AT 31 MARCH 2026)<sup>6</sup>

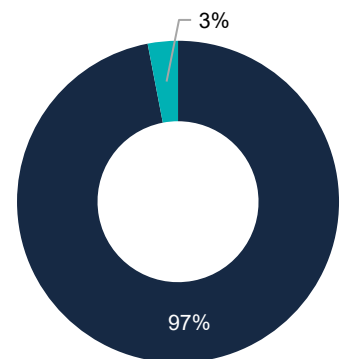
Tenant expiry profile – By income



Tenant income breakdown



Fund exposure



■ 5 + years ■ 3 - 4 years ■ 0 - 2 years

■ Major ■ Specialty ■ Licence

■ Direct Real Property ■ Cash



## MARKET CONDITIONS AND OUTLOOK

In March 2026, the Trilogy Essential Retail Fund delivered an annualised net distribution rate of 7.00 cents per unit, consistent with the previous month.

The defining development of the March quarter was a decisive shift in Australia's monetary policy stance. After easing through much of 2025, the Reserve Bank of Australia's (RBA) reversed course, lifting the cash rate target by 25 basis points to 3.85% on 3 February 2026 and by a further 25 basis points to 4.10% on 17 March 2026 in a narrow five to four decision. The Board pointed to a re-acceleration of inflation in the second half of 2025, stronger than expected household spending and tighter capacity pressures as the basis for the change in direction. The next Monetary Policy Board decision is scheduled for 5 May 2026.<sup>7</sup>

The RBA's February 2026 Statement on Monetary Policy reinforced the message that the return to target inflation will take time. For real estate investors, the practical implication is that financing costs and capitalisation rates are likely to sit higher for longer than was anticipated at the close of 2025, placing a renewed premium on assets with defensive income characteristics, contractual inflation protection and structural demand drivers. The essential retail sub-asset class sits squarely in that category. Neighbourhood and convenience centres underpinned by major supermarkets, pharmacies and everyday needs tenants derive their income from non-discretionary household expenditure, which historically remains resilient through periods of monetary tightening and softer consumer sentiment. Long-dated anchor leases with CPI-linked or fixed-percentage rental escalations deliver contractual protection against inflation at the income line, while diversified specialty tenancies limit exposure to any single trading name.

In January, a Melbourne-based syndicator completed its \$895 million acquisition of Erina Fair on the NSW Central Coast, representing the largest 100% trade of an Australian shopping centre on record.<sup>8</sup> Also in January, a Bunnings-anchored large format asset at Epping, Victoria, sold off market for \$49.5 million on a 4.92% yield. In February, an IGA-anchored neighbourhood centre in Moss Vale in the NSW Southern Highlands traded for \$12.995 million on a 6.25% yield, setting a new state benchmark for freestanding IGA assets.<sup>9</sup> March brought two further headline transactions include the sub-regional Lansell Square centre in Bendigo to a private investor for \$110 million, and Woolworths agreed to sell a national portfolio of ten neighbourhood shopping centres to Taiwan-based Forest Endeavour for more than \$500 million as part of its ongoing property recycling program.<sup>10,11</sup>

At the Fund level, the Brighton Village Shopping Centre continues to deliver a stable income stream consistent with the essential retail characteristics described above, supported by its non-discretionary tenant mix and long-term anchor leases. The portfolio's income profile is well positioned for an environment in which inflation proves sticky and monetary policy remains restrictive. Management continues to explore additional value add potentials with EV chargers as well as coffee kiosk operators to derive additional income as well as capital value increase for the Centre.

## RECENT MARKET TRANSACTIONS

Address	Classification	Sale Date	Price	Yield
Erina Fair, NSW	Supermarket anchored Neighbourhood Centre	JAN 2026	\$895.0m	Undisclosed
Moss Vale, NSW	Supermarket anchored Neighbourhood Centre	FEB 2026	\$13.0m	6.25%
Morayfield Village, QLD	Large Format Retail	NOV 2025	\$24.6m	6.89%
Windsor Exchange, QLD	Supermarket anchored Neighbourhood Centre	NOV 2025	\$28.5m	4.91%
Woolworths Portarlington, VIC	Supermarket anchored Neighbourhood Centre	OCT 2025	Undisclosed	Sub 5%
Bluewater Square, QLD	Supermarket anchored Neighbourhood Centre	SEP 2025	\$32.0m+	6.36%
The Gateway, Alkimos, WA	Supermarket anchored Neighbourhood Centre	MAR 2025	\$30.1m	6.74%
Coles Currambine, WA	Supermarket anchored Neighbourhood Centre	DEC 2024	\$25.0m	6.00%
Coles Florida Beach, WA	Supermarket anchored Neighbourhood Centre	DEC 2024	\$31.4m	6.03%



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This Investment Report 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. Application for investment can only be made on the application form accompanying the Product Disclosure Statement (**PDS**) dated 22 July 2025. The PDS and Target Market Determination (**TMD**) dated 22 July 2025 for the Trilogy Essential Retail Fund ARSN 687 648 068 are available at [www.trilogyfunds.com.au](http://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 no or lower than expected returns, or a loss of part or all of your capital. 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. Past performance is no indicator of future performance.

- 1. Monthly distributions annualised. All distribution rates quoted are variable, net of fees, costs and taxes and assumes no distribution reinvestment.
- 2. Monthly distribution yield, annualised. Based on 31 March 2026 unit price. Past performance is not a reliable indicator of future performance. Total returns measured from first.
- 3. Data updated as at 31 March 2026.
- 4. LVR is defined as loan to valuation ratio.
- 5. WALE is defined as weighted average lease expiry. Calculated based on the gross income of the properties as at 31 March 2026.
- 6. Graph figures may not sum to 100% due to rounding.
- 7. <https://www.rba.gov.au/media-releases/2025/mr-25-33.html>
- 8. <https://www.cbre.com.au/press-releases/erina-fair-shopping-centre-mega-deal-finalised-for-895-million>
- 9. <https://www.commo.com.au/properties/2026/02/24/moss-vale-neighbourhood-centre-sold-market-cbre/1771874541>
- 10. <https://www.commo.com.au/properties/2026/03/12/asian-capital-buys-bendigo-shopping-centre-sold-110m-behalf-charter-hall>
- 11. <https://www.cbre.com.au/press-releases/woolworths-sells-10-store-national-supermarket-portfolio>