

Annual Report 2025

**LM WHOLESALE FIRST
MORTGAGE INCOME FUND**

ARSN 099 857 511

Issued by Trilogy Funds Management Limited
in its capacity as Responsible Entity

 **Trilogy Funds**



Your Annual Financial Report

Enclosed is the Annual Report for the LM Wholesale First Mortgage Income Fund for the year ended 30 June 2025.

This report completes the suite of investor information relating to the 2024–2025 financial year.

If you have any questions about the Annual Report, please contact our Investor Relations team on 1800 230 099 between 8.30am and 5.00pm AEST, Monday to Friday.

Kind regards,

A handwritten signature in black ink, appearing to read 'Robert Willcocks', written in a cursive style.

Robert Willcocks

Independent Non-Executive Chairman
Trilogy Funds Management Limited

LM Wholesale First Mortgage Income Fund
Contents page

	Page
Directors' report	1
Auditor's independence declaration	6
Statement of profit or loss and other comprehensive income	7
Statement of financial position	8
Statement of cash flows	9
Notes to the financial statements	10
Directors' declaration	22
Independent auditor's report	23

LM Wholesale First Mortgage Income Fund

Directors' report

For the year ended 30 June 2025

The Directors of Trilogy Funds Management Limited (Responsible Entity), the Responsible Entity of the LM Wholesale First Mortgage Income Fund (Scheme and WFMI), present their report together with the financial statements of the Scheme for the year ended 30 June 2025.

Scheme information

The Scheme is a registered managed investment scheme domiciled in Australia and was registered on 22 March 2002.

Trilogy Funds Management Limited was appointed the Responsible Entity of the Scheme on 16 November 2012.

The previous Responsible Entity of the Scheme was LM Investment Management Limited (Receivers and Managers Appointed) (In Liquidation) (hereinafter referred to as the Former Responsible Entity or LMIM), who was the Responsible Entity from the registration of the Scheme until 16 November 2012.

The Responsible Entity is incorporated and domiciled in Australia. The registered office and principal place of business of the Responsible Entity and the Scheme is Level 26, 10 Eagle Street, Brisbane, QLD, 4000.

Directors

The names of the directors in office at any time during, or since the end of the financial year are:

Name and qualifications	Age	Experience and special responsibilities
Robert M Willcocks Independent Non-Executive Chairman BA, LL.B, LL.M	77	Member of the Audit & Risk Committee Former partner with Mallesons Stephen Jaques (now King & Wood Mallesons) Mr Willcocks has been a non-executive director (sometimes Chairman) of a number of listed companies Chairman – Responsible Entity since 9 October 2009
Rodger I Bacon Non-Executive Deputy Chairman BCom(Merit), AICD, SFFin	79	Former executive director of Challenger International Limited Mr Bacon is a former director of several companies including, Financial Services Institute of Australasia Director – Responsible Entity until 30 June 2023 Non-Executive Director – Responsible Entity until 1 May 2025
John C Barry Executive Director BA, FCA	73	Member of the Audit & Risk Committee Former executive director of Challenger International Limited Mr Barry is a director of several companies, including former Chairman of Westpac RE Limited Director – Responsible Entity until 1 May 2025
Philip A Ryan Executive Director and Company Secretary LL.B, Grad Dip Leg Prac, FTIA, FFIN	64	Mr Ryan is a solicitor and member of the Queensland Law Society Inc. Former partner of a Brisbane law firm Mr Ryan is a director of several companies Director – Responsible Entity until 1 May 2025
Rohan C Butcher Independent Director Grad Dip PM, BASc(QS), Registered Builder, Licensed Real Estate Agent	56	Member of the Lending Committee Consultant to several major companies providing development management services Director – Responsible Entity since 29 July 2008

LM Wholesale First Mortgage Income Fund
Directors' report
For the year ended 30 June 2025

Directors (continued)

<i>Name and qualifications</i>	<i>Age</i>	<i>Experience and special responsibilities</i>
Justin J Smart Executive Director and Company Secretary BCom, CPA	53	Member of the Audit & Risk Committee Mr Smart is a director of several private companies and has over 25 years experience in the financial services industry Director – Responsible Entity from 1 January 2023 Company Secretary - Responsible Entity from 11 July 2013
Henry F Elgood Executive Director MAICD	30	Member of the Audit & Risk Committee, and Compliance Committee Mr Elgood is a non-executive director of several private companies Director – Responsible Entity from 1 January 2023
Clinton B Arentz Executive Director MBA, SIA (Aff)	62	Chairman of the Workout Committee Head of Lending & Property Mr Arentz is a former director of Winston Development Services, and has over 25 years experience in property development, asset management, project delivery, construction lending and property finance Director – Responsible Entity until 1 May 2025
Patrice A Sherrie Independent Non-Executive Director GAICD, FCA, B Bus	62	Member of the Audit & Risk Committee Patrice has over 35 years experience in chartered accounting and commerce and is, and has been, a non executive director of listed and unlisted organisations across multiple industries Independent Non-Executive Director – Responsible Entity from 25 February 2024

Principal activities

The Scheme held Class B units in the LM First Mortgage Income Fund (Receivers and Managers Appointed) (Receiver Appointed) (hereinafter referred to as the FMIF) in accordance with the Scheme's Constitution and in accordance with the investment policy of the Scheme that was outlined in the product disclosure statement (PDS). These units were fully redeemed during the reporting period. The Scheme remains closed to new investor applications.

The Scheme did not have any employees during the year.

Review of operations and results

Financial overview

The net loss attributable to unitholders for the year ended 30 June 2025 totalled \$43,231 (2024: \$831,188).

The net assets of the Scheme as at 30 June 2025 were NIL (2024: \$10,802,338), resulting in a net asset value (NAV) per unit of \$0.0000 (2024: \$0.1208) (refer Note 10). This decrease in NAV was the result of all net assets of the fund being returned to unitholders.

LM Wholesale First Mortgage Income Fund
Directors' report
For the year ended 30 June 2025

Review of operations and results (continued)

Scheme wind-up

As noted in the 2013 Annual Financial Report, Mr David Whyte of BDO (hereinafter referred to as the Receiver or BDO) was appointed Receiver of the FMIF, the unlisted managed investment Scheme which the Scheme invests in, on 8 August 2014 by the Supreme Court of Queensland.

On 1 August 2024, the Receiver of FMIF made a final distribution to the Scheme in the amount of \$10,192,150.

On 13 September 2024, the Responsible Entity published its resolution to commence the formal wind-up of the Scheme pursuant to s601NC of the Corporations Act 2001 (Cth) on the basis that it considers that the Scheme's purpose has been accomplished. The Responsible Entity is permitted to wind-up the Scheme unless a meeting is called to consider the proposed winding-up of the Scheme within 28 days of this notice. As no meeting was called within 28 days, the Responsible Entity had commenced the wind-up of the Scheme and had attended to the initial filings with ASIC.

An interim return of capital payment was processed on 18 December 2024, with each member receiving \$0.1158 per unit held.

On 5 March 2025 the Scheme paid a final amount to investors equating to approximately \$0.00447 per unit held by ordinary unitholders. All unclaimed monies were returned to ASIC for administration. All remaining units in the Scheme were redeemed to investors for no consideration. It is the intention of the Responsible Entity to continue with the formal wind-up of the Scheme with ASIC.

Units on issue

During the year no units were issued (2024: nil). All units were redeemed from the Scheme (2024: nil). The Scheme had no units on issue as at 30 June 2025 (2024: 89,419,882).

Indirect cost ratio (ICR)

The ICR is the ratio of the Scheme's management costs over the Scheme's average net assets for the year, expressed as a percentage.

The ICR for the Scheme for the year ended 30 June 2025 is 2.15% p.a. (2024: 1.16% p.a.).

Fees paid to the Responsible Entity

The following fees were paid or payable to the Responsible Entity and its associates out of the Scheme property during the financial year (refer Note 12(c)).

	2025	2024
	\$	\$
<i>Responsible Entity fees and other costs</i>		
Responsible Entity management fees	28,043	59,841
Registry and other investor-related service fees (i)	36,708	27,119
	64,751	86,960

(i) Fees relating to registry and other investor-related services are charged to the Responsible Entity, which are then on-charged to the Scheme.

Significant changes in the state of affairs

During the period a final return of capital was received from the Receiver of FMIF. An interim return of capital was paid to investors on 18 December 2024, and a final return of capital was paid to investors on 5 March 2025. All remaining units in the Scheme were redeemed. The Responsible Entity has continued efforts to wind-up the Scheme.

Events subsequent to the end of the reporting year

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Responsible Entity, to affect significantly the operations of the Scheme, the results of those operations, or the state of affairs of the Scheme, in future financial years.

LM Wholesale First Mortgage Income Fund
Directors' report
For the year ended 30 June 2025

Environmental regulation

The operations of the Scheme are not subject to any particular or significant environmental regulation under a law of the Commonwealth or of a State or Territory. There have been no known significant breaches of any other environmental requirements applicable to the Scheme.

Options

No options were:

- (i) Granted over unissued units in the Scheme during or since the end of the financial year; or
- (ii) Granted to the Responsible Entity.

No unissued units in the Scheme were under option as at the date on which this report is made.

No units were issued in the Scheme during or since the end of the financial year as a result of the exercise of an option over unissued units in the Scheme.

Indemnification of officers

Indemnification

Under the Scheme constitution the Responsible Entity is required to indemnify all current and former officers of the Responsible Entity (but not including auditors) out of the property of the Responsible Entity against:

- (a) any liability for costs and expenses which may be incurred by that person in defending civil or criminal proceedings in which judgement is given in that person's favour, or in which the person is acquitted, or in the connection with an application in relation to any such proceedings in which the court grants relief to the person under the Corporations Act 2001; and
- (b) a liability incurred by the person, as an officer of the Responsible Entity or of a related body corporate, to another person (other than the Responsible Entity or a related body corporate) unless the liability arises out of conduct involving a lack of good faith.

Insurance premiums

During the financial year, the Responsible Entity paid an insurance premium in respect of a contract insuring each of the officers of the Responsible Entity. The amount of the premium is, under the terms of the insurance contract, confidential. The liabilities insured include costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Responsible Entity or related body corporates. This insurance premium does not cover auditors.

Indemnification of auditors

To the extent permitted by law, the Scheme has agreed to indemnify its auditors, Moore Australia Audit (QLD) Pty Ltd, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Moore Australia Audit (QLD) Pty Ltd during or since the financial year.

Proceedings on behalf of the Responsible Entity

No person has applied for leave of Court to bring proceedings on behalf of the Responsible Entity or intervene in any proceedings to which the Responsible Entity is a party for the purpose of taking responsibility on behalf of the Responsible Entity for all or any part of those proceedings. The Responsible Entity was not a party to any such proceedings during the year.

LM Wholesale First Mortgage Income Fund
Directors' report
For the year ended 30 June 2025

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 6.

This report is made in accordance with a resolution of the Directors of the Responsible Entity.



Henry F Elgood
Co-Managing Director

7 November 2025
Sydney



Justin J Smart
Co-Managing Director

7 November 2025
Brisbane

To the Board of Directors of Trilogy Funds Management Limited, the Responsible Entity of LM Wholesale First Mortgage Income Fund

Auditor's Independence Declaration

Under section 307C of the *Corporations Act 2001*

As lead audit partner for the audit of the financial statements of LM Wholesale First Mortgage Income Fund for the financial year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.



AM Robertson
Director



Moore Australia Audit (QLD) Pty Ltd
Chartered Accountants

Brisbane
7 November 2025

LM Wholesale First Mortgage Income Fund
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Revenue and other income			
Other income		301,934	-
		<u>301,934</u>	<u>-</u>
Expenses			
Audit expenses		(17,448)	(19,950)
Compliance fees		(6,533)	(2,315)
Custodian fees		(14,040)	(13,504)
Impairment losses - financial assets	8	-	(638,031)
Insurance expenses		(188,661)	(63,509)
Legal expenses		(45,126)	-
Registry and other investor related fees	12(c)	(36,708)	(27,119)
Responsible Entity management fees	12(c)	(28,043)	(59,841)
Taxation fees		(1,760)	(5,357)
Other expenses		(6,846)	(1,562)
		<u>(345,165)</u>	<u>(831,188)</u>
Loss for the year before finance costs		<u>(43,231)</u>	<u>(831,188)</u>
Other comprehensive income			
Other comprehensive income		-	-
Loss for the year attributable to unitholders		<u>(43,231)</u>	<u>(831,188)</u>
Total comprehensive loss for the year		<u>(43,231)</u>	<u>(831,188)</u>

LM Wholesale First Mortgage Income Fund
Statement of financial position
As at 30 June 2025

	Note	2025 \$	2024 \$
Assets			
Cash and cash equivalents	6	-	997,278
Trade and other receivables	7	-	10,650
Financial assets	8	-	10,192,150
Total assets		<u>-</u>	<u>11,200,078</u>
Liabilities			
Trade and other payables	9	-	340,721
Distributions payable	4	-	57,019
Total liabilities (excluding liabilities attributable to unitholders)		<u>-</u>	<u>397,740</u>
Net assets		<u>-</u>	<u>10,802,338</u>
Represented by:			
Net assets attributable to unitholders	10	<u>-</u>	<u>10,802,338</u>

LM Wholesale First Mortgage Income Fund
Statement of cash flows
For the year ended 30 June 2025

	Note	2025 \$	2024 \$
<i>Cash flows from operating activities</i>			
Return of capital from Managed Investment Schemes		10,192,150	-
Payments to suppliers		(296,702)	(103,528)
Fees paid to Responsible Entity		(77,479)	(81,888)
GST-related receipts/(payments)		879	(354)
Net cash provided by/(used in) operating activities	11	9,818,848	(185,770)
<i>Cash flows from financing activities</i>			
Payments for return of capital to unitholders		(10,759,107)	-
Distribution payments to unitholders		(57,019)	-
Net cash (used in)/provided by operating activities		(10,816,126)	-
Net decrease in cash and cash equivalents		(997,278)	(185,770)
Cash at beginning of the reporting period		997,278	1,183,048
Cash and cash equivalents at end of financial year	6	-	997,278

LM Wholesale First Mortgage Income Fund
Notes to the financial statements
For the year ended 30 June 2025

Note 1 Reporting entity

LM Wholesale First Mortgage Income Fund (Scheme and WFMIF) is a registered managed investment scheme under the Corporations Act 2001 (Act). The Scheme is a for-profit entity.

The Scheme was constituted on 22 March 2002 and will terminate on 22 March 2082, unless terminated in accordance with the Scheme's Constitution. At this time, the Scheme has realised all assets and satisfy all liabilities, with surplus funds being distributed to unitholders. It is the intention of the Responsible Entity to wind-up the Scheme.

Note 2 Basis of preparation

(a) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations adopted by the Australian Accounting Standards Board and the Act. The financial report of the Scheme complies with International Financial Reporting Standards and interpretations adopted by the International Accounting Standards Board.

The financial statements of the Scheme are for the year ended 30 June 2025, and have been prepared on a wind-up basis rather than on a going concern basis. Under the wind-up basis of reporting, assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current.

The financial statements were approved by the Board of Directors of Trilogy Funds Management Limited (Responsible Entity) (Trilogy Funds) on 7 November 2025. The Directors have the power to amend and reissue the financial report.

(b) Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Scheme's functional currency.

(c) Key assumptions and sources of estimation

The preparation of the financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in assessing the anticipated settlement amounts that have most significant effect on the amounts recognised are disclosed in:

- Note 8: Financial assets; and
- Note 13: Financial risk management

Fair value of financial assets

When the fair value of financial assets recorded in the Statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values.

The judgements include considerations of liquidity and model inputs such as credit risk (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The Responsible Entity's considerations for the assessment of the Fund's investment in an unlisted managed investment scheme (MIS) are disclosed in Note 8.

LM Wholesale First Mortgage Income Fund
Notes to the financial statements
For the year ended 30 June 2025

Note 2 Basis of preparation (continued)

(d) Information provided by the previous Responsible Entity - LM Investment Management Limited (Receivers and Managers Appointed) (In Liquidation) (hereinafter referred to as the Former Responsible Entity or LMIM)

Trilogy Funds Management Limited registered as the Responsible Entity of the Scheme on 16 November 2012, and was not the Responsible Entity of the Scheme at any time prior to that date. Accordingly, the Board of the Responsible Entity did not have oversight or control over the Scheme's financial reporting systems, risk management systems or internal control systems prior to 16 November 2012.

LMIM did not lodge audited financial accounts or statements for the financial years ended 30 June 2012, and 30 June 2013. The Directors of the Responsible Entity prepared audited financial accounts and provided the Directors' Declaration for the financial years ended 30 June 2012 and 30 June 2013 in accordance with section 295(4)(d) of the Corporations Act 2001, but subject to the above limitations and based on:

- (i) the assumption that, during the period from 1 July 2011 to 16 November 2012, that LMIM was the Responsible Entity of the Scheme, the financial reporting systems, risk management systems and internal control systems of the Scheme were operating effectively in all material respects in relation to financial reporting risks. The Directors have no reason to not make this assumption, however, the Directors are not in a position to verify the assumption beyond what the Scheme's auditor has done; and
- (ii) assurances provided by LMIM in respect of the information and records made available to Trilogy as part of the arrangements involving the replacement of LMIM by Trilogy as Responsible Entity of the Scheme. The Directors have no reason to not accept these assurances, however, the Directors are not in a position to verify the assurances beyond what the Scheme's auditor has done.

Note 3 Material accounting policies

(a) Financial instruments

The nature and effects of the key changes to the Scheme's accounting policies resulting from the adoption of *AASB 9 Financial Instruments* are summarised below.

(i) Classification and measurement of financial assets and financial liabilities

AASB 9 requires that all financial liabilities be classified at amortised cost, except in certain circumstances. None of these circumstances apply to the Scheme.

(ii) Impairment of financial assets

Under the impairment model in AASB 9 applies to financial assets measured at amortised cost, contract assets and debt investments at fair value through other comprehensive income (FVOCI), but not to investments in equity instruments.

(iii) Accounting policies

AASB 9 contains three principal classification categories for financial assets:

- a) measured at amortised cost;
- b) fair value through other comprehensive income (FVOCI); and
- c) fair value through profit and loss (FVTPL).

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

LM Wholesale First Mortgage Income Fund
Notes to the financial statements
For the year ended 30 June 2025

Note 3 Material accounting policies (continued)

(a) Financial instruments (continued)

Financial assets at amortised cost

(iii) Accounting policies (continued)

Loans and receivables

Loans and receivables are initially recognised at fair value and subsequently at amortised cost using the effective interest rate method less any allowance under the expected credit loss (ECL) model.

Recoverability of loans and receivables

At each reporting date, the Scheme assesses whether financial assets carried at amortised cost are 'credit-impaired'. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Scheme recognises loss allowances at an amount equal to lifetime ECL on trade and other receivables. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of the trade receivable and are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Scheme in accordance with the contract and the cash flows that the Scheme expects to receive).

The Scheme analyses the age of outstanding receivable balances and applies historical default percentages adjusted for other current observable data as a means to estimate lifetime ECL. Debts that are known to be uncollectable are written off when identified.

(b) Cash and cash equivalents

Cash and cash equivalents include cash on hand, at call deposits with banks or financial institutions, and term deposits maturing within three months or less.

(c) Expenses

All expenses, including management fees, are recognised in the Statement of profit or loss and other comprehensive income on an accruals basis.

(d) Taxation

Under current legislation the Scheme is not subject to income tax as its taxable income including assessable realised capital gains is distributed in full to the unitholders. The Scheme fully distributes its distributable income, calculated in accordance with the Scheme's constitution and applicable taxation legislation, to the unitholders who are presently entitled to the income under the constitution.

Financial instruments held at fair value may include unrealised capital gains. Should such a gain be realised that portion of the gain that is subject to capital gains tax will be distributed so that the Scheme is not subject to capital gains tax.

Realised capital losses are not distributed to unitholders but are retained in the Scheme to be offset against any future realised capital gains. If realised capital gains exceeds realised capital losses the excess is distributed to the unitholders.

(e) Unit prices

The unit price is based on unit price accounting outlined in the Scheme's Constitution and Product Disclosure Statement (PDS).

(f) Distributions to unitholders

Distributions to unitholders on units issued are recognised in the profit or loss as distributions paid/payable. Distributions unpaid at the end of the financial year are recognised in the Statement of financial position as a financial liability. Income distributions paid to unitholders are included in cash flows from operating activities, while capital distributions paid to unitholders are included in cash flows from investing activities in the Statement of cash flows.

LM Wholesale First Mortgage Income Fund
Notes to the financial statements
For the year ended 30 June 2025

Note 3 Material accounting policies (continued)

(f) Distributions to unitholders (continued)

Class A unitholders' distribution entitlements are calculated in accordance with declared distribution rates and are either distributed to unitholders in cash or are reinvested via the purchase of additional units in the Scheme.

Class B unitholders' distribution entitlements are calculated in accordance with declared distribution rates and the distribution entitlements are rolled up into the published unit price.

(g) Applications and redemptions

Applications received for units in the Scheme are recorded when units are issued in the Scheme. Redemptions from the Scheme are recorded after the cancellation of units redeemed. Unit application and redemption prices are determined by reference to the net assets of the Scheme divided by the number of units on issue at the date of application or redemption.

(h) Terms and conditions of units on issue

Each unit confers upon the unitholder an equal interest in the Scheme and is of equal value. A unit does not confer an interest in any particular asset or investment of the Scheme. Unitholders have various rights under the Constitution and the Corporations Act 2001, including the right to:

- have their units redeemed;
- receive income and capital distributions;
- attend and vote at meetings of unitholders; and
- participate in the termination and winding up of the Scheme.

The Scheme is not required to complete a statement of changes in equity as all unitholder funds have been classified as a financial liability.

(i) Increase/decrease in net assets attributable to unitholders

Non-distributable income is transferred directly to net assets attributable to unitholders and may consist of unrealised changes in the net fair value of investments, accrued income not yet assessable, expenses provided or accrued which are not yet deductible, net capital losses and tax free or tax deferred income. Net capital gains on the realisation of any investments (including any adjustments for tax deferred income previously taken directly to net assets attributable to unitholders) and accrued income not yet assessable will be included in the determination of distributable income in the same year in which it becomes assessable for tax. Excess and undistributed income is also transferred directly to net assets attributable to unitholders.

(j) Trade and other receivables

Receivables are recorded at amortised cost less impairment and may include amounts for distributions and interest. Distributions are accrued when the right to receive payment is established. Interest is accrued at the reporting date from the time of last payment. Amounts are generally received within 30 days of being recorded as receivables.

(k) Goods and services tax

Management fees and other expenses are recognised net of the amount of GST recoverable from the Australian Taxation Office (ATO) as a reduced input tax credit (RITC).

Payables are stated with the amount of GST included.

The GST position of the Scheme is presented in the statement of financial position on a net basis.

Cash flows are included in the statement of cash flows on a gross basis.

(l) Advisor commissions

Advisor commissions were paid to the unitholders' investment advisors and were calculated as a percentage of funds invested. These commissions were paid monthly in arrears and were brought to account on an accruals basis. The Scheme ceases to pay advisor commissions when the related units are redeemed.

LM Wholesale First Mortgage Income Fund
Notes to the financial statements
For the year ended 30 June 2025

Note 3 Material accounting policies (continued)

(m) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Scheme during the reporting period, which remains unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(n) Impairment of non-financial assets

At the end of each reporting period, the Responsible Entity assesses whether there is any indication that an asset maybe impaired. The Responsible Entity's assessment for impairment for the year ended 30 June 2025 is disclosed in Note 8.

(o) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current year.

Note 4 Distributions to unitholders

During the year ended 30 June 2025, \$57,019 of distributions declared prior to the 30 June 2012 financial year were paid to unitholders. No further distributions have been declared since the 30 June 2012 financial year. The directors of the Former Responsible Entity made the decision to suspend distributions from the Scheme from 1 January 2011 and there has been no change to this decision during the year.

Note 5 Auditor's remuneration

During the year the following fees were paid or payable for services provided by the auditor of the Scheme, Moore Australia Audit (QLD) Pty Ltd previously known as Nexia Brisbane Audit Pty Ltd:

	2025	2024
	\$	\$
<i>Audit and other assurance services</i>		
• Audit and review of the financial statements	16,000	17,243
• Audit of the compliance plan	5,250	4,950
Total auditor's remuneration	21,250	22,193

Note 6 Cash and cash equivalents

	2025	2024
	\$	\$
Cash at bank	-	997,278
	-	997,278

Note 7 Trade and other receivables

	2025	2024
	\$	\$
Prepaid expenses	-	9,771
GST receivable	-	879
	-	10,650

(a) Impaired receivables

As at 30 June 2025 no receivables were considered to be impaired (2024: nil).

(b) Not past due or impaired receivables

The Scheme does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.

(c) Collateral pledged

No collateral is held over trade and other receivables.

LM Wholesale First Mortgage Income Fund
Notes to the financial statements
For the year ended 30 June 2025

Note 8 Financial assets

	2025	2024
	\$	\$
Designated at fair value through profit or loss		
Investment in unlisted managed investment scheme	-	90,688,217
Impairment losses	-	(80,496,067)
	<u>-</u>	<u>10,192,150</u>

The Scheme invests in an unlisted managed investment scheme, the FMIF which in turns invests in a portfolio of registered first mortgages over a selection of properties and cash.

(a) Movement in financial assets

A reconciliation of the carrying value of the investment in unlisted managed investment schemes during the year is set out below:

	2025		2024	
	Units	\$	Units	\$
Balance at beginning of period	99,488,929	10,192,150	99,488,929	10,830,181
Redemption of units	(99,488,929)	-	-	-
Distribution from capital	-	(10,192,150)	-	-
	<u>-</u>	<u>-</u>	<u>99,488,929</u>	<u>10,830,181</u>
Fair value adjustments	-	-	-	(638,031)
Balance at end of period	<u>-</u>	<u>-</u>	<u>99,488,929</u>	<u>10,192,150</u>
Value of investment per unit		-		0.1024

(b) Impairment of financial assets

During the year ended 30 June 2025 a final distribution was made by FMIF of \$10,192,150. As a result of the return of capital to the Scheme's unitholders during the period, the Scheme's investment value reduced from \$0.1024 per unit as at 30 June 2024, to \$0.0000 per unit as at 30 June 2025.

Movement in the provision for impairment of financial assets is as follows:

	Opening balance	Charge / (writeback) for the year	Amounts written off	Closing balance
	\$	\$	\$	\$
2025				
Investment in FMIF	80,496,067	-	(80,496,067)	-
2024				
Investment in FMIF	79,858,036	638,031	-	80,496,067

Note 9 Trade and other payables

	2025	2024
	\$	\$
Commissions payable (i)	-	301,934
Other payables	-	26,060
Fees and costs payable to the Responsible Entity and its related parties	-	12,727
	<u>-</u>	<u>340,721</u>

(i) The Responsible Entity has ceased accruing further advisor commissions since the time of its appointment. Refer Note 15 for further details.

LM Wholesale First Mortgage Income Fund
Notes to the financial statements
For the year ended 30 June 2025

Note 10 Net assets attributable to unitholders

	Ordinary units No	2025 Contributed capital \$	Accumulated profits \$	Ordinary units No	2024 Contributed capital \$	Accumulated profits \$
A Class Units						
Opening balance	79,855,271	79,949,975	79,949,975	79,855,271	79,949,975	79,949,975
Units redeemed	(79,855,271)	-	-	-	-	-
Return of capital	-	(79,949,975)	-	-	-	-
	-	-	79,949,975	79,855,271	79,949,975	79,949,975
B Class Units						
Opening balance	9,564,611	14,695,581	14,695,581	9,564,611	14,695,581	14,695,581
Units redeemed	(9,564,611)	-	-	-	-	-
Return of capital	-	(14,695,581)	-	-	-	-
	-	-	14,695,581	9,564,611	14,695,581	14,695,581
Investor funds	-	-	94,645,556	89,419,882	94,645,556	94,645,556
Cumulative movement (i)	-	-	(94,645,556)	-	-	(83,843,218)
Net assets (ii)	-	-	-	89,419,882	94,645,556	10,802,338

(i) Cumulative movement in changes in net assets attributable to unitholders

(ii) Net assets attributable to unitholders

	2025	2024
Net asset value per unit as at 30 June	\$ -	\$ 0.1208

Class A unitholders distribution entitlements are calculated in accordance with declared distribution rates and are either distributed to unitholders in cash or are reinvested via the purchase of additional units in the Scheme.

Class B unitholders distribution entitlements are calculated in accordance with declared distribution rates and the distribution entitlement is rolled up into the published unit price.

Note 11 Reconciliation of cash flows from operating activities

	2025	2024
	\$	\$
Loss for the year attributable to unitholders	(43,231)	(831,188)
<i>Adjustments for:</i>		
Impairment losses/(gains) - financial assets	-	638,031
<i>Changes in operating assets and liabilities:</i>		
Decrease/(increase) in trade and other receivables	10,650	4,070
Return of capital from Managed Investment Schemes	10,192,150	-
Increase/(decrease) in trade and other payables	(340,721)	3,317
Net cash provided by operating activities	9,818,848	(185,770)

LM Wholesale First Mortgage Income Fund
Notes to the financial statements
For the year ended 30 June 2025

Note 12 Related party transactions

(a) Responsible Entity

LMIM was removed as Responsible Entity of the Scheme on 16 November 2012. Trilogy Funds was appointed Responsible Entity for the Scheme on 16 November 2012.

(b) Key management personnel

The Scheme does not employ personnel in its own right. However it is required to have an incorporated Responsible Entity to manage the activities of the Scheme. The Executive Directors of the Responsible Entity are key personnel of that entity and their names are Justin J Smart and Henry F Elgood. The Responsible Entity also has three Non-Executive Directors being Robert M Willcocks, Rohan C Butcher and Patrice A Sherrie.

The Directors of the Former Responsible Entity were also key personnel of the Scheme until 16 November 2012 and their names are, Peter Drake, Lisa Darcy (resigned 21 June 2012), Eghard van der Hoven, Francene Mulder, Simon Tickner (resigned 13 July 2012), Grant Fischer (resigned 12 August 2012), and John O'Sullivan (resigned 19 September 2012).

No compensation is paid to the Directors of the Responsible Entity, nor to the key personnel of the Responsible Entity by the Scheme.

(c) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

i. Transactions recorded in the Statement of profit or loss and other comprehensive income

	2025	2024
	\$	\$
<i>Responsible Entity fees and other costs</i>		
Responsible Entity management fees	28,043	59,841
Registry and other investor-related service fees (i)	36,708	27,119
	<u>64,751</u>	<u>86,960</u>

(i) Fees relating to registry and other investor-related services are charged to the Responsible Entity, which are then on-charged to the Scheme.

ii. Balances recorded in the Statement of financial position

	Note	2025	2024
		\$	\$
Financial assets	8	<u>-</u>	<u>10,192,150</u>

(d) Investing activities

Details of the Scheme's investments in other schemes operated by LMIM or its affiliates are set out below, and have been based on the equivalent of \$1.00 per unit.

Scheme	Investment at year end No	Held in related scheme at year end (i) %	Units acquired during year No	Units redeemed during year (ii) No	Interim capital distributions paid or payable \$
2025					
FMIF - Class B Units	-	-	-	(99,488,929)	10,192,150
2024					
FMIF - Class B Units	99,488,929	20.22	-	-	-

LM Wholesale First Mortgage Income Fund
Notes to the financial statements
For the year ended 30 June 2025

Note 12 Related party transactions (continued)

(d) Investing activities (continued)

(i) The interest held in related schemes at year end is based upon the total number of units disclosed in the management accounts of the FMIF for the year ended 30 June 2025.

(ii) The total value of units in the FMIF redeemed by the Scheme during the year was nil (2024: nil).

(e) Key management personnel loan disclosures

The Scheme has not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel or their personally related entities at any time during the reporting period.

(f) Other transactions within the Scheme

Apart from those details disclosed in this note, no Director of the Responsible Entity has entered into a material contract with the Scheme from inception to the end of the financial year and no material contracts involving Directors of the Responsible Entity's interests subsisted at year end.

Note 13 Financial risk management

Statement of responsibility

The statements below relate to the management of the Scheme following the appointment of Trilogy Funds as the Responsible Entity.

Overview

The Scheme's assets principally consist of investments in cash and units in a registered managed investment scheme, the FMIF. The Scheme, through its investment in the FMIF, holds this investment asset in accordance with the Scheme's constitution and PDS. The Scheme remains closed to new investor applications and investor redemptions with the exception of approved hardship withdrawals.

Specific financial risk exposures and management

The main risks the Scheme is exposed to through its financial instruments are credit risk, liquidity risk, operational risk and market risk relating to interest rate risk.

The nature and extent of the financial instruments employed by the Scheme are discussed below. This note presents information about the Scheme's exposure to each of the above risks, the Scheme's objectives, policies and processes for measuring and managing risk.

The Board of Directors of the Responsible Entity has overall responsibility for the establishment and oversight of the Scheme's risk management framework.

The Board is responsible for developing and monitoring the Scheme's risk management policies. The Responsible Entity's risk management policies are established to identify and analyse the risks faced by the Scheme, including those risks managed by the Responsible Entity, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Scheme's activities.

The Responsible Entity's Compliance Committee and its Audit and Risk Committee oversees how management monitors compliance with the Scheme's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Scheme.

(a) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Scheme and cause a loss. The Responsible Entity manages the exposure to credit risk on an ongoing basis.

The carrying amount of the Scheme's financial assets represents the maximum credit exposure. The Scheme's maximum exposure to credit risk at the reporting date is as follows:

LM Wholesale First Mortgage Income Fund
Notes to the financial statements
For the year ended 30 June 2025

Note 13 Financial risk management (continued)

(a) Credit risk (continued)

	Note	2025	2024
		\$	\$
Financial assets			
Cash and cash equivalents	6	-	997,278
Trade and other receivables	7	-	10,650
Financial assets	8	-	10,192,150
Total financial assets		<u>-</u>	<u>11,200,078</u>

The FMIF's investments consisted primarily of construction and development loans which required a high degree of experience in their assessment and management. This risk is no longer relevant as all properties secured by loans written by the FMIF have been realised.

The ageing of trade receivables at the reporting date are all current with no amounts impaired (refer Note 7).

(b) Liquidity risk

Liquidity risk arises from the possibility that the Scheme might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Scheme's liquidity risk is managed on a daily basis by the Responsible Entity in accordance with policies and procedures in place. The Scheme's overall liquidity risks are monitored on a monthly basis by the Board of Directors. As the Scheme has limited cash reserves due to the cessation of distributions from the FMIF in recent times, the Responsible Entity provides funding to allow the Scheme to meet its working capital requirements.

The timing of cash flows presented in the table below to settle financial liabilities reflect the earliest contractual settlement date.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

	Carrying amount	Contractual cash flows	< 3 months	3-6 months	On call
	\$	\$	\$	\$	\$
2025					
Financial liabilities					
Trade and other payables	-	-	-	-	-
Distributions payable	-	-	-	-	-
Unitholder funds	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
2024					
Financial liabilities					
Trade and other payables	340,721	340,721	38,787	-	301,934
Distributions payable	57,019	57,019	-	-	57,019
Unitholder funds	10,802,338	10,802,338	-	-	10,802,338
	<u>11,200,078</u>	<u>11,200,078</u>	<u>38,787</u>	<u>-</u>	<u>11,161,291</u>

(c) Capital management

The Scheme has realised all of its assets and returned all remaining capital to investors.

(d) Fair value estimation

The fair values of financial assets and liabilities approximate their carrying value. No financial assets or liabilities are readily traded on organised markets in standardised form.

LM Wholesale First Mortgage Income Fund
Notes to the financial statements
For the year ended 30 June 2025

Note 13 Financial risk management (continued)

(d) Fair value estimation (continued)

Financial assets held at fair value through profit or loss are measured initially at fair value excluding any transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs on financial assets at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, all instruments held at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the profit or loss.

(e) Fair value hierarchy

(i) Classification of financial assets and financial liabilities

The Scheme classifies fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Responsible Entity. The Responsible Entity considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The valuation techniques used by the Scheme to measure fair value maximise the use of observable inputs and minimise the use of unobservable inputs.

The table below sets out the Scheme's financial assets and financial liabilities measured at fair value according to the fair value hierarchy as at 30 June 2025 and 30 June 2024.

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
2025				
Financial assets				
<i>Financial assets designated at fair value through profit or loss:</i>				
Investment in unlisted MIS	-	-	-	-
<hr/>				
Financial liabilities				
<hr/>				
2024				
Financial assets				
<i>Financial assets designated at fair value through profit or loss:</i>				
Investment in unlisted MIS	-	-	10,192,150	10,192,150
<hr/>				
Financial liabilities				
<hr/>				

LM Wholesale First Mortgage Income Fund
Notes to the financial statements
For the year ended 30 June 2025

Note 13 Financial risk management (continued)

(e) Fair value hierarchy (continued)

(i) Classification of financial assets and financial liabilities (continued)

Investments classified within level 3 have significant unobservable inputs, as they are infrequently traded. Level 3 instruments include investments held by the Scheme. As observable prices are not available for these securities, the Responsible Entity has used information that is publicly available in the determination of fair value.

(ii) Transfers between levels

There were no transfers between the levels in the fair value hierarchy during the reporting periods 30 June 2025 and 30 June 2024.

Note 14 Custodian of the Scheme

The Scheme's custodian is The Trust Company Limited. The custodian holds title to the assets of the Scheme in its name on behalf of the Scheme. The relationship between the custodian and Responsible Entity is set out in the Custodial Agreement.

The custodian is entitled to a minimum annual administration fee of \$14,540 (plus GST) (2024: \$13,291 (plus GST)). The Custodian fees are paid by the Scheme.

Note 15 Contingent liabilities

There are no contingent assets at 30 June 2025 (2024: nil). During the year ended 30 June 2025 contingent liabilities of \$301,934, being accrued commissions owed to financial advisers, were determined to be scheme property pursuant to direction from the Federal Court of Australia.

Note 16 Events subsequent to reporting date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Responsible Entity, to affect significantly the operations of the Scheme, the results of those operations, or the state of affairs of the Scheme, in future financial years.

**LM Wholesale First Mortgage Income Fund
Directors' declaration**

In the opinion of the Directors of Trilogy Funds Management Limited (Responsible Entity), the Responsible Entity of LM Wholesale First Mortgage Income Fund (Scheme):

- (a) The financial statements and notes, as set out on pages 7 to 21 are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Scheme's financial position as at 30 June 2025 and of its performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 2; and
- (c) There are reasonable grounds to believe that the Scheme will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors of the Responsible Entity.



Henry F Elgood
Co-Managing Director

7 November 2025
Sydney



Justin J Smart
Co-Managing Director

7 November 2025
Brisbane

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LM WHOLESALE FIRST MORTGAGE INCOME FUND

Opinion

We have audited the accompanying financial report of LM Wholesale First Mortgage Income Fund (“the Scheme”), which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income and the statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors’ declaration of Trilogy Funds Management Limited, the Responsible Entity of the Scheme. The financial report has been prepared on a liquidation basis as the Scheme is not expected to continue in operation as a going concern.

In our opinion, the accompanying financial report of LM Wholesale First Mortgage Income Fund, which has been prepared on a liquidation basis, is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the Scheme’s financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Scheme in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Responsible Entity (Trilogy Funds Management Limited), would be in the same terms if given to the directors as at the time of this auditor’s report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors of the Responsible Entity are responsible for the other information. The other information comprises the information in the Scheme’s annual report for the year ended 30 June 2025 but does not include the financial report and the auditor’s report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and will request that it is corrected. If it is not corrected, we will seek to have the matter appropriately brought to the attention of users for whom our report is prepared.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LM WHOLESALE FIRST MORTGAGE INCOME FUND (Continued)

Responsibilities of the Directors for the Financial Report

The directors of the Responsible Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors of the Responsible Entity are responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Scheme or to cease operations, or have no realistic alternative but to do so. The financial report has been prepared on a liquidation basis as the Scheme is not expected to continue in operation as a going concern.

Auditor's responsibility for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.



AM Robertson
Director



Moore Australia Audit (QLD) Pty Ltd
Chartered Accountants

Brisbane
7 November 2025



TRILOGYFUNDS.COM.AU

Find out more.

Start a conversation with us today.

Call 1800 230 099 or

email investorrelations@trilogyfunds.com.au

QUEENSLAND

Registered office:
Level 26, 10 Eagle Street
Brisbane QLD 4000
GPO Box 1648
Brisbane QLD 4001

NEW SOUTH WALES

Level 25, 56 Pitt Street
Sydney NSW 2000

VICTORIA

Level 9, 350 Collins Street
Melbourne VIC 3000

T 1800 230 099 (*free call Australia*) | +61 7 3039 2828 | +800 5510 1230 (*free call New Zealand*)

This report is issued by Trilogy Funds Management Limited (Trilogy Funds) ABN 59 080 383 679 AFSL 261425 as issuer of units in the LM Wholesale First Mortgage Income Fund (Trust) ARSN 099 857 511. This Trust is closed for new investment. This advice is general advice only and does not consider your objectives, financial situation or needs. You should consider whether the advice is suitable for you and your personal circumstances and we recommend that you seek personal financial product advice on your objectives, financial situation or needs before making any investment decision. You should understand the risks and seek personal advice from a licensed financial adviser before making an investment decision. The Trust is not a bank deposit and Trilogy Funds does not guarantee its performance. Past performance is not a reliable indicator of future performance.