

Trilogy Enhanced Income Fund

Investment report: *December 2021*

Investment at a glance

Investment type:

Unlisted diversified income fund

Inception:

May 2017

Minimum initial investment:

\$5,000

Unit Price:

\$1.00[^]

Withdrawals:

30 days; see PDS and TMD for details

Automatic reinvestment:

Available

Minimum additional investment:

Nil

Preferred method of payment:

Direct debit, BPAY (Please contact us if intended payment method is not listed)

Target asset allocation

Approximately 65% allocation to cash, term deposits, direct and indirect investments in other short term debt instruments.

Approximately 35% allocation to the Trilogy Monthly Income Trust.

Risks:

This product carries capital, distribution and other risks. You should consider Section 5 of the PDS before investing.

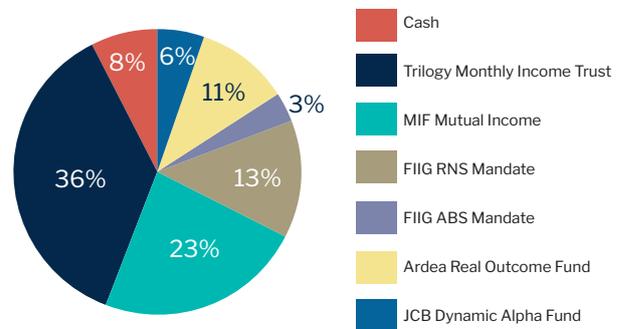
2.70% PA*

December 2021 net distribution rate annualised. Variable rate. Past performance is not reliable indicator of future performance.

Historical performance***

3 Months	1 Year	Since Launch (2017)
2.70% pa	3.04% pa	3.67% pa

Investment portfolio



Please note, all figures are based on unaudited figures as at 31 December 2021 and may be subject to change. Figures have been rounded to nearest percent.

*Equivalent net distribution rate annualised paid to investors for the month ended 31 December 2021. All distribution rates quoted are net of fees, costs and taxes and assume no reinvestment of distributions. Past performance is not a reliable indicator of future performance. Variable rate.

[^]Whilst the unit price is fixed, capital losses can occur in circumstances where an asset of the Fund incurs a capital loss.

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Investments in the Trilogy Enhanced Income Fund ARSN 614 682 469 can only be made on the application form accompanying the Product Disclosure Statement (PDS) dated 28 July 2020 and by considering the Target Market Determination (TMD) dated 1 October 2021 issued by Trilogy Funds Management Limited (Trilogy Funds) ABN 59 080 383 679 AFSL 261425 and available from www.trilogyfunds.com.au. Information included in this communication about investment yield and returns should be considered only as part of a balanced review of all the features, benefits and risks associated with the product. Please read the PDS and TMD in full. Investors may lose part or all of their capital or there may be periods where their returns are diminished. Investments in Trilogy Funds' products are not bank deposits and are not government guaranteed.

Update

The Trilogy Enhanced Income Fund (Fund) delivered a net distribution rate of 2.70% p.a.* for the month of December 2021.

The Fund saw a balanced performance across its investment portfolio during December. We continued to deploy capital in our structured credit position and invested in new issuances coming to market.

The continued pace of the Australian economic recovery during December increased market expectations around an earlier than forecast raising of the Australian Official Cash Rate. This was reflected in the increased 10-year Government bond yield which rose by over 15 basis points during December.

The pace of tapering stimulatory efforts from various central banks is also a driving factor on current sovereign debt yields in Australia. The Reserve Bank of Australia (RBA) reaffirmed this policy direction in their December Monetary Policy decision where they signalled that significant stimulatory support would begin to wind back in the first quarter of 2022.

We continue to see investment opportunities arising from these developments.

Independent research

We are pleased to announce that Foresight Analytics awarded the Fund a 'Very Strong' investment rating** for the second consecutive year in their November 2021 report released late last year.



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**The information contained in the Foresight Analytics report and encapsulated in the investment rating is of a general nature only. The report and rating reflect the opinion of Foresight Analytics and Ratings Pty Limited (AFSL 494552). It does not take into account an individual's objectives, financial situation, or needs. Professional advice should be sought before making an investment decision. A fee has been paid by the fund manager for the production of the report and investment rating.

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