

Fortlake Real-Higher Income Fund

Monthly Fact Sheet—November 2024

Portfolio Running Yield currently stands at 6.04%. One-year returns remain firm at 5.33% (net) and YTD 6.88% (net), and since inception the strategy's performance has maintained a solid 9.51% (net) return.

Over the month the Fund benefited from the prior months' hedging activities, we expect this benefit to keep flowing through for some time. Fund correlations are currently set at close to 0 relative to credit and equity. Given the strategies employed we believe that these correlations will remain independent of most asset classes in the months ahead. The US election induced significant interest rate opportunities due to the reflation fear of Trump, the Fund locked down some of these opportunities and we expect to see this benefit coming through in time.

We remain neutral credit beta, meaning a widening in credit spreads is unlikely to have any significant impact on performance albeit we have active tilts within the credit complex, our preference is still to remain actively seeking out defaults in the high yield space. Interest rates are an active area for the Fund, as we continue to see significant cross market opportunities between Europe and the US. Whilst volatility has come down this month we expect to see some defensive strategies taking the lead for performance in the months ahead. The Fund remains very active on low beta defensive strategies and has a preference to leverage these strategies rather than build positions in high beta areas of the credit markets.

Over the month the Fund benefitted from 1 default, Intrum AB (in Europe) – we expect to see the outcome of this process play out in December as the default auction takes place. There are signs of approximately ~3 more defaults over the next 3 months as the critical holiday period will determine whether many of these distressed names seek an insolvency solution to clear higher debt loads.

Portfolio Snapshot at 30 November 2024

Portfolio Running Yield (Gross)	6.04%
Average Credit Quality	A-
Weighted Average Years to Maturity	2.89
Total Number of Exposures	563
Total Country Exposures	35

Portfolio Returns to 30 November 2024

	Net	Benchmark*	Excess Return (net)
1M	0.74%	0.36%	0.38%
3M	-0.56%	1.11%	-1.66%
YTD	6.88%	4.02%	2.86%
1Y	5.33%	4.52%	0.81%
2Y p.a.	10.13%	4.21%	5.92%
3Y p.a.	8.83%	3.14%	5.69%
Since Inception p.a.**	9.51%	2.40%	7.11%

*RBA Cash Rate Target. **Fund inception: 18-Dec-2020

Fund Statistics at 31 November 2024

Since Inception*

Best Month Since Inception	4.78%
Worst Month Since Inception	-2.07%
% Positive Months Since Inception	74.47%

*Fund inception: 18-Dec-2020. Past performance is not an indicator of future performance and fees or costs may change in future years.

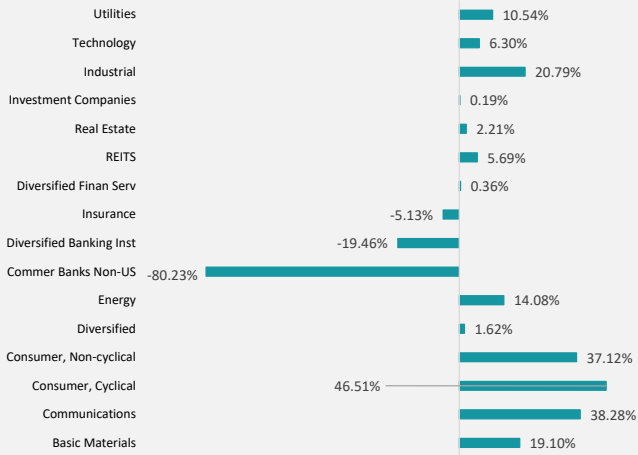
Fund attribution over the month was defined by **Default Arb** (+110.1 bps), **Corporate Hedges** (-111.0 bps), **Corporate/Gov Bonds** (+40.9 bps), **Inflation** (0bps) and **Duration/Curve** (+40.6 bps) contributing to overall (gross) return.

Fund Facts

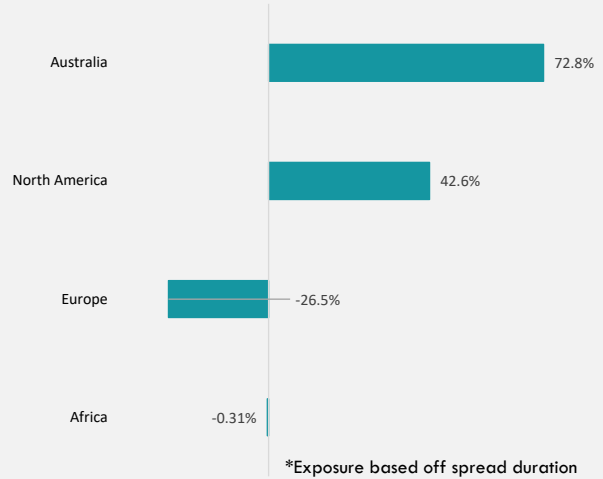
Investment Return Objective: RBA Cash Rate Target + 5% p.a.

Fund Managed by	Fortlake Asset Management Limited	Management Fee	0.484% p.a. including GST
Fund Type	Australian Unit Trust	Responsible Entity Fee and Indirect Costs	0.42% p.a. including GST
Fund Issued by	Colonial First State Investments Ltd	Buy/Sell Spread	0.1/0.1%
Responsible Entity	Colonial First State Investments Ltd	Distribution Frequency	Quarterly
Fund Inception	18-Dec-20	Liquidity	Daily
Minimum Investment	\$1,000		

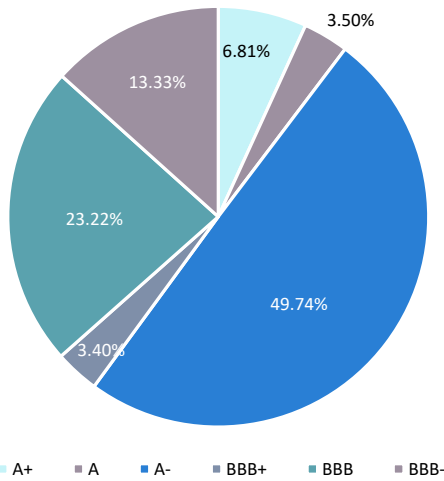
MARKET EXPOSURE BY SECTOR



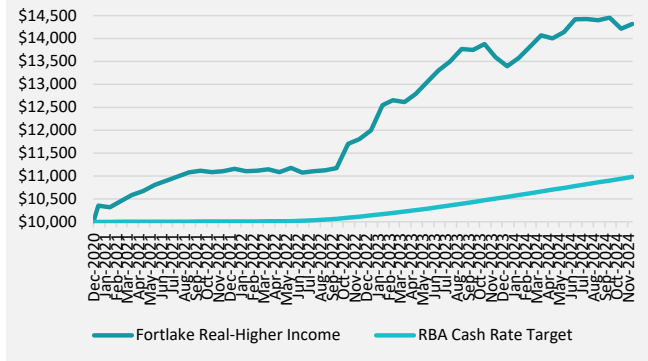
MARKET EXPOSURE BY REGION*



CREDIT RATING



INVESTMENT GROWTH OF \$10,000*



November 2024 (1 month) Return Analysis

FRHIF (gross returns)	0.81%
Ausbond Credit 0+ Index	1.44%
AusBond Government Index	0.61%
AusBond Composite Bond Index	0.74%
Australian 10-year Government Bond	-0.23%
Australian 3-year Government Bond	-0.16%
MSCI World Equity Index	6.68%
S&P 500	9.24%
ASX 200 Index	4.25%

FRHIF - Correlation Analysis - 30/11/2024

Fixed Income		Equities	
Ausbond Credit 0+ Index	0.02	MSCI World Equity Index	0.21
AusBond Government Index	0.00	S&P 500	0.19
AusBond Composite Index	0.00	ASX 200 Index	0.16
Australian 10-year Government Bond	-0.07		
Australian 3-year Government Bond	0.04		

Fortlake Real-Higher Income Fund Performance (net returns)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Year
2024	1.37%	1.73%	1.85%	-0.44%	0.97%	1.97%	0.04%	-0.20%	0.41%	-1.69%	0.74%		6.88%
2023	4.55%	0.89%	-0.34%	1.44%	2.06%	1.86%	1.49%	2.00%	-0.12%	0.92%	-2.07%	-1.46%	11.64%
2022	-0.47%	0.11%	0.29%	-0.56%	0.84%	-0.92%	0.27%	0.17%	0.41%	4.78%	0.86%	1.63%	7.55%
2021	-0.37%	1.28%	1.31%	0.81%	1.27%	0.81%	0.85%	0.85%	0.33%	-0.27%	0.18%	0.45%	7.75%
2020												3.54%	3.54%

Source: Morningstar

All data as at 30 November 2024 unless otherwise stated. Past performance is not an indicator of future performance. Fees or costs may change in future years

*Hypothetical performance assumes net returns and reinvestment of all distributions since inception. Past performance is not an indicator of future performance and fees or costs may change in future years.

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