

Fortlake Real-Income Fund

Monthly Fact Sheet— March 2025

Portfolio Running Yield currently stands at 5.58%. One-year returns remain strong at 5.87% (net) and since inception the strategy's performance has maintained a solid 9.48% (net) return.

Over the month the Fund benefited from extreme intra month volatility as Tariff related uncertainty induced wide-spread market volatility. Investment Grade credit, which is the highest quality corporate benchmark in the US, was down -0.29% over the month and High Yield in the US was down -2.14%. We remain structurally long default protection in meaningful quantities, and we expect this benefit to come through over the next 3-6 months. The Fund has been active in a variety of volatility-based strategies across interest rates and credit coupled with its structural hedging activities, we expect the benefit to materialise gradually from this activity in the months ahead.

Given the strategies employed we believe that the Fund's correlations will remain independent of most asset classes moving forward. The Fund uses duration to help hedge credit exposure and to cross subsidise credit protection costs, as such we have seen significant gains from this strategy over the month as German bunds had their worst day in 30 years. With European and German interest rates moving significantly higher over the month the Fund crystallised profits and neutralised its European short rates exposure.

As we move to April and significant short-term volatility has ensued, our belief is that any volatility experienced is superficial and will correct when marks stabilise. The distorted volatility stems from the convention of marking assets on one side of the bid/offer spread. As spreads widen in stressed conditions and there is substantial price discovery taking place in markets, this approach can mechanically

Portfolio Snapshot at 31 March 2025

Portfolio Running Yield (Gross)	5.58%
Average Credit Quality	A-
Weighted Average Years to Maturity	3.34
Total Number of Exposures	564
Total Country Exposures	35

Portfolio Returns to 31 March 2025

	Net	Benchmark*	Excess Return (net)
1M	-0.11%	0.35%	-0.47%
3M	2.49%	1.06%	1.43%
1Y	5.87%	4.50%	1.37%
2Y p.a.	10.04%	4.36%	5.69%
3Y p.a.	11.01%	3.51%	7.51%
Since Inception p.a. **	9.48%	2.52%	6.95%

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

Fund Statistics at 31 March 2025

Since Inception*	
Best Month Since Inception	5.55%
Worst Month Since Inception	-1.06%
% Positive Months Since Inception	87.50%

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

depress reported valuations. We expect lags between the performance of hedges and other assets in markets such as these albeit we remain confident in the medium-term outlook. Despite this, for every 2% drop in value we estimate a recovery period of circa 4 weeks via running yield. Asset quality is extremely high and if defaults occur this will bring forward the recovery period materially.

With a disciplined approach to risk and commitment to our investment process which has served us well in prior market dislocations (see Russia-Ukraine conflict and Silicon Valley Bank collapse), the Fund's positioning is well aligned to capture opportunities and generate strong, differentiated returns.

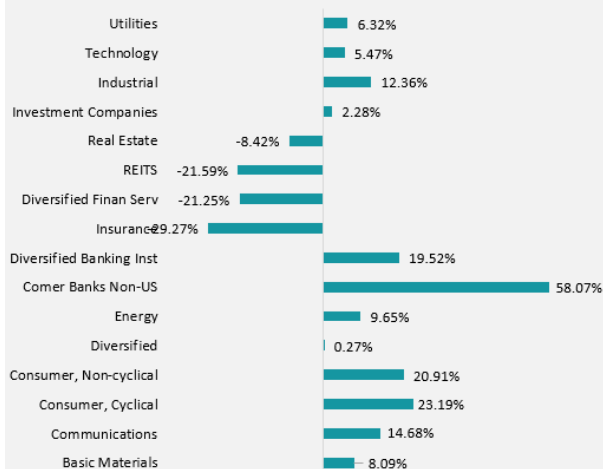
Fund attribution over the month was defined by **Default Arb** (+1.3 bps), **Corporate Hedges** (-0.8 bps), **Corporate/Gov Bonds** (+1.6 bps), **Inflation** (0bps) and **Duration/Curve** (-0.1 bps) contributing to overall (gross) return.

Fund Facts

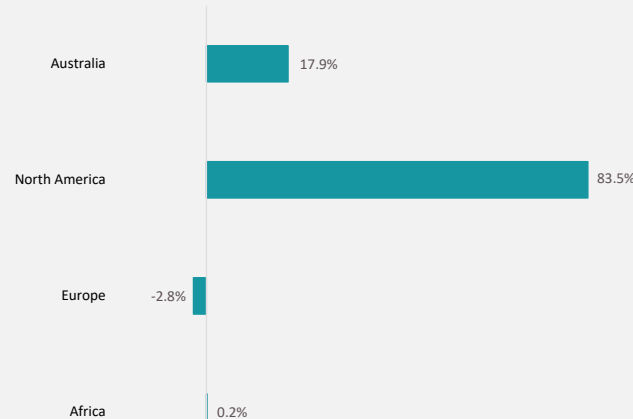
Investment Return Objective: RBA Cash Rate Target + 3.5% p.a.

Fund Managed by	Fortlake Asset Management Limited	Management Fee	0.41% p.a. including GST
Fund Type	Australian Unit Trust	Responsible Entity Fee	0.31% p.a. including GST
Fund Issued by	Colonial First State Investments Ltd	and Indirect Costs	
Responsible Entity	Colonial First State Investments Ltd	Buy/Sell Spread	0.05/0.05%
Fund Inception	18-Dec-20	Distribution Frequency	Quarterly
Minimum Investment	\$25,000	Liquidity	Daily

MARKET EXPOSURE BY SECTOR

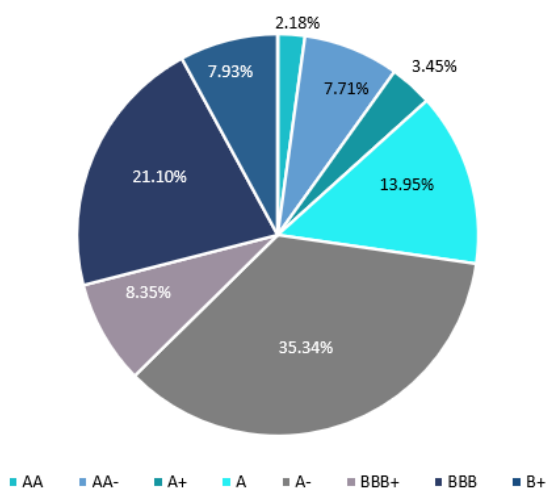


MARKET EXPOSURE BY REGION*

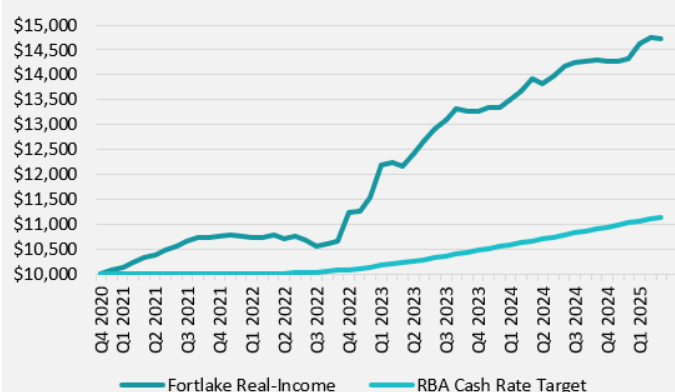


*Exposure based off spread duration

CREDIT RATING



INVESTMENT GROWTH OF \$10,000*



March 2025 (1 month) Return Analysis

FRIF (gross returns)	0.02%
Ausbond Credit 0+ Index	0.28%
AusBond Government Index	0.13%
AusBond Composite Bond Index	0.17%
Australian 10-year Government Bond	2.10%
Australian 3-year Government Bond	-1.19%
MSCI World Equity Index	-4.64%
S&P 500	-5.75%
ASX 200 Index	-4.02%

FRIF - Correlation Analysis - 31/03/2025

Fixed Income		Equities	
Ausbond Credit 0+ Index	-0.17	MSCI World Equity Index	-0.15
AusBond Government Index	-0.18	S&P 500	-0.13
AusBond Composite Index	-0.18	ASX 200 Index	-0.01
Australian 10-year Government Bond	0.12		
Australian 3-year Government Bond	0.12		

Fortlake Real Income Fund Performance (net returns)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Year
2025	1.70%	0.90%	-0.11%										2.49%
2024	1.13%	1.28%	1.83%	-0.68%	1.05%	1.47%	0.51%	0.16%	0.18%	-0.24%	0.01%	0.81%	7.73%
2023	5.55%	0.42%	-0.54%	2.06%	1.96%	2.04%	1.30%	1.75%	-0.42%	0.14%	0.56%	-0.07%	15.63%
2022	-0.20%	0.04%	0.29%	-0.63%	0.41%	-0.70%	-1.06%	0.35%	0.62%	5.33%	0.34%	2.41%	7.28%
2021	0.37%	1.08%	0.92%	0.55%	0.97%	0.75%	0.72%	0.75%	0.17%	0.04%	0.25%	-0.14%	6.60%
2020												0.91%	0.91%

Source: Morningstar

All data as at 31 March 2025 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 & fees or costs may change in future years.

Colonial First State Investments Limited ABN 98 002 348 352, AFSL 232468 (CFSIL) is the responsible entity and issuer of the Fortlake Real-Income Fund, Fortlake Real-Higher Income Fund and Fortlake Sigma Opportunities Fund. This document contains general financial product advice only, does not purport to contain all matters relevant to any particular financial instrument and is not intended to be a recommendation, offer or invitation to purchase, sell or otherwise deal in securities or other investments. This information has been prepared without taking account of your objectives, financial situation or needs. Before acting, you should consider the Product Disclosure Statement (PDS) and the appropriateness of the product for your circumstances and seek independent or specific advice from an appropriately qualified professional. The target market for this product is defined in the Target Market Determination (TMD) which is available with the PDS at www.fortlake.com.au. Past performance is not an indicator of future performance and fees or costs may change in future years. CFSIL and Fortlake Asset Management, nor any of its directors, authorised representatives, employees, or agents, makes any representation or warranty as to the reliability, accuracy, or completeness of any information or advice. Nor do they accept any liability or responsibility arising in any way (including negligence) for errors in, or omissions from, any information or advice.