

Fortlake Real-Higher Income Fund

Monthly Fact Sheet— October 2025

Portfolio Running Yield currently stands at 5.14%. Since inception the strategy's performance has maintained an 8.50% (net) return.

Over the month, the Fund benefitted from running yield and spread tightening across the Investment Grade (IG) portfolio whereas weakness across High Yield (HY) markets benefitted the Fund, as we retain significant short exposure to the HY market. The Fund currently sits broadly market neutral from a credit beta perspective meaning we expect very little movements in capital value over the short term. The Fund retains significant tail hedges. The strategic priority is to capture defaults in the HY market should they arise, whilst simultaneously dampening capital volatility in the Fund.

The most significant positive development for the Fund over the month was the continuation of proceedings in relation to potential defaults which the Fund has short exposure to. We expect progress to be made throughout November in relation to default determinations, which will be a positive catalyst for the Fund. We continue to see stress building in areas such as the levered structured credit space, specifically Collateralised Loans (CLO's), where outflows across major ETFs and managers in this space are creating related selling in other areas of the high yield market. We believe markets are underpricing this risk.

We continue to see clusters of distress across a broad variety of sectors and geographies and remain active in positioning for further weakness, in these areas. We are actively seeking out defensive areas of the market and adjusting existing positions to be more accrual related with less capital volatility, due to the current posture of markets.

We believe macro settings have somewhat shifted through October increasing the chances of higher base level interest rates.

Portfolio Snapshot at 31 October 2025

Portfolio Running Yield (Gross)	5.14%
Average Credit Quality	A-
Weighted Average Years to Maturity	3.34
Total Number of Exposures	578
Total Country Exposures	33

Portfolio Returns to 31 October 2025

	Net	Benchmark*	Excess Return (net)
1M	0.95%	0.31%	0.64%
3M	3.08%	0.93%	2.15%
1Y	4.68%	4.15%	0.53%
2Y p.a.	3.53%	4.33%	-0.80%
3Y p.a.	8.32%	4.14%	4.18%
Since Inception p.a.**	8.50%	2.72%	5.78%

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

Fund Statistics at 31 October 2025

Since Inception*	
Best Month Since Inception	4.78%
Worst Month Since Inception	-4.31%
% Positive Months Since Inception	70.69%

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

Consequently, the outlook for interest rate sensitive areas such as the HY market are potentially more challenging if rates are not cut as deeply as originally thought.

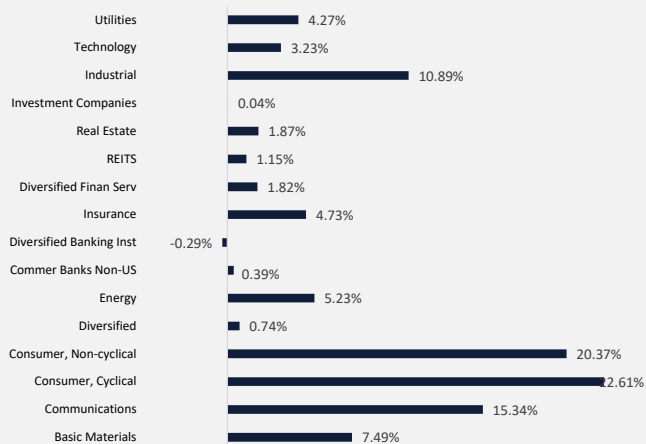
Fund attribution over the month was defined by **Default Arb** (+54.1 bps), **Corporate Hedges** (+17.2 bps), **Corporate/Gov Bonds** (+21.3 bps), **Inflation** (Obps) and **Duration/Curve** (+2.3 bps) contributing to overall (gross) return.

Fund Facts

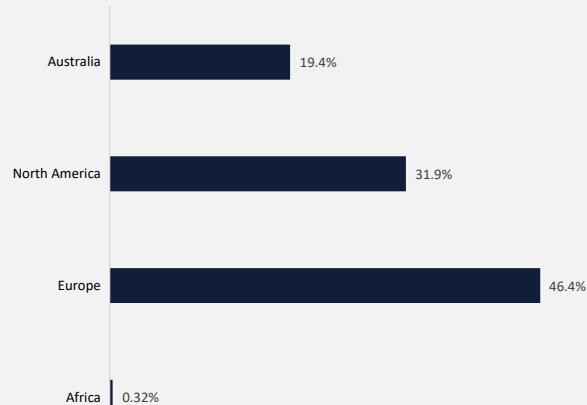
Investment Return Objective: RBA Cash Rate Target + 5% p.a.

Fund Managed by	Fortlake Asset Management Limited	Management Fee	0.484% p.a. including GST
Fund Type	Australian Unit Trust	Responsible Entity Fee	0.62% 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	0.1/0.1%
Fund Inception	18-Dec-20	Distribution Frequency	Quarterly
Minimum Investment	\$25,000	Liquidity	Daily

MARKET EXPOSURE BY SECTOR

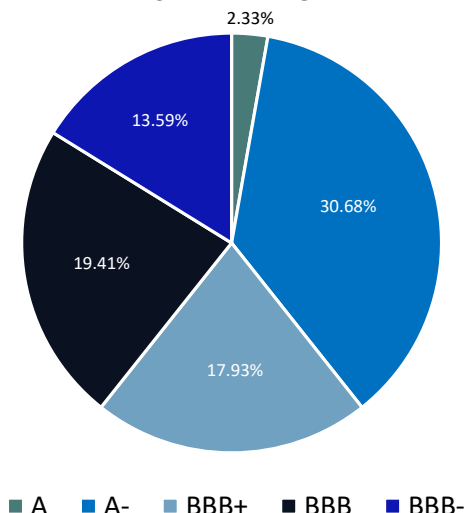


MARKET EXPOSURE BY REGION*



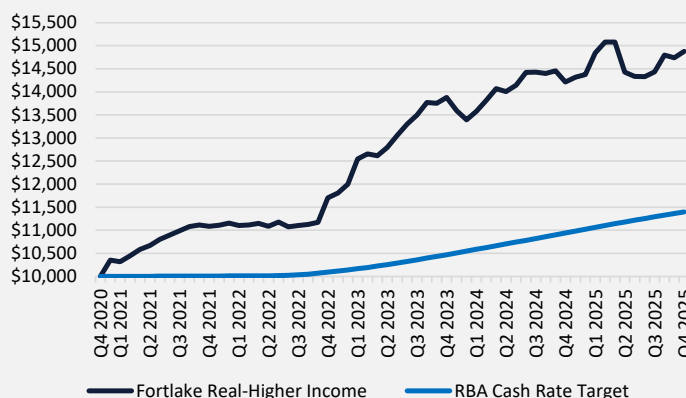
*Exposure based off spread duration

CREDIT RATING



■ A ■ A- ■ BBB+ ■ BBB ■ BBB-

INVESTMENT GROWTH OF \$10,000*



— Fortlake Real-Higher Income — RBA Cash Rate Target

Fortlake Real-Higher Income Fund Performance (net returns)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Year
2025	3.56%	1.60%	0.00%	-4.31%	-0.64%	-0.06%	0.72%	2.51%	-0.38%	0.95%			3.80%
2024	1.37%	1.73%	1.85%	-0.44%	0.97%	1.97%	0.04%	-0.20%	0.41%	-1.69%	0.74%	0.09%	6.98%
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%

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