REALM GLOBAL HIGH INCOME FUND AUD

OCTOBER 2026

REALM INVESTMENT HOUSE

FUND OBJECTIVE

The Realm Global High Income Fund AUD is a fixed income strategy, that invests in global asset backed securities, bank-issued securities and corporate bonds. The objective of the Fund is to deliver investors a consistent return (net of fees and gross of franking) of 2.5 - 3.5% over the RBA cash rate through a market cycle.

FUND DETAILS

Distribution Frequency: Monthly
Liquidity: Daily
Buy/Sell: 0.05% / 0.05%
Hedging: Fully hedged to AUD
Inception Date: 16.11.2023
Fund size: AUD $668 million
APIR Code: OMF4269AU
Management Fees (Net of GST): 0.7175%
Direct Minimum Investment:
Ordinary Units - $25,000

Zenith RECOMMENDED

Recommended Lonsec Research

NET PERFORMANCE

Period	Global High Income Fund AUD*	RBA Cash Rate Return*
1 Month	-0.28%	0.38%
3 Month	0.27%	1.10%
6 Month	1.88%	2.18%
1 Year	3.50%	4.07%
2 Years p.a	6.07%	4.04%
Since Inception p.a.*	9.23%	4.13%

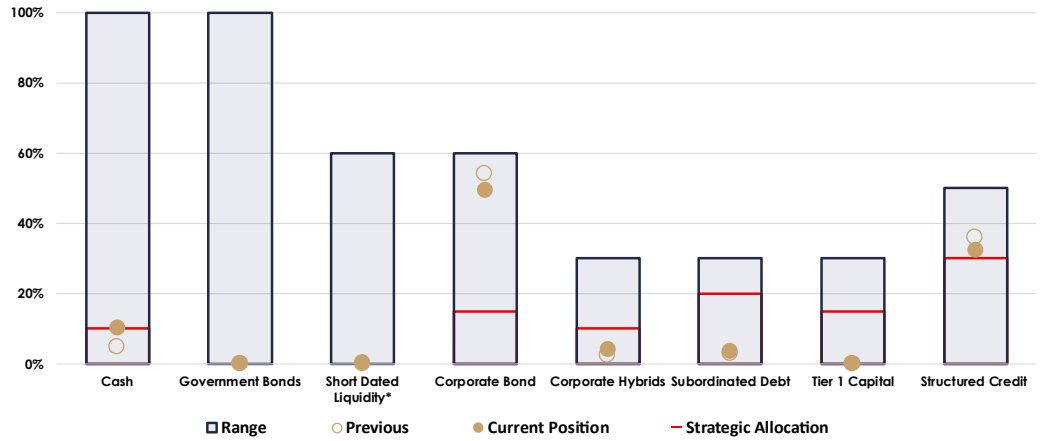
*Past performance is not indicative of future performance. Fund inception 16 November 2023.

FUND STATISTICS

Running Yield	8.16%
Yield to Maturity	9.01%
Volatility†	1.48%
Interest rate duration	1.72
Credit duration	3.95
Average Credit Rating	BBB
Number of positions	218
Average position exposure	0.51%
Worst Month*	-0.91%
Best Month*	2.22%
Sharpe ratio∂	3.11

†Trailing 12 Months Calculated on Daily observations. ∂Since Inception Calculated on Daily observations
*Since Inception 16 November 2023

SECTOR ALLOCATION



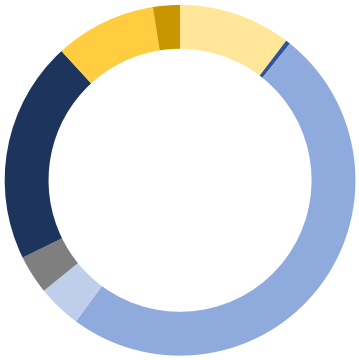
*Senior investment grade corporate bonds not subject to call risk and maturing in less than 12 months; and AAA-rated asset backed securities, senior in the capital structure, not subject call risk and with an expected weighted average life of less than 12 months.

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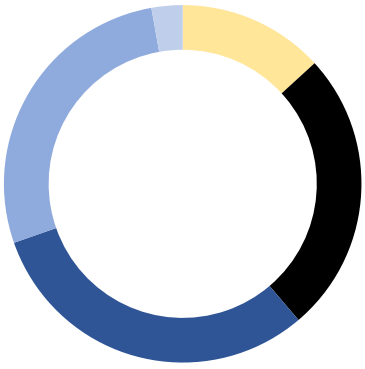
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PORTFOLIO COMPOSITION



- Cash (10.35%)
- Government Bonds (0.00%)
- Short Dated Liquidity (0.43%)
- Corporate Bond (49.35%)
- Corporate Hybrid (4.03%)
- Subordinated Debt (3.58%)
- Tier 1 Capital (0.00%)
- ABS Public (20.45%)
- ABS Private (9.34%)
- RMBS Private (2.48%)

CREDIT DURATION PROFILE



- At Call to 6 Months (13.21%)
- 6 Months to 3 Years (25.57%)
- 3 Years to 5 Years (30.86%)
- 5 Years to 10 Years (27.54%)
- 10 Years + (2.81%)

FUND UPDATE

The Fund returned -0.28% net of fees in October, underperforming the RBA Cash Rate (0.38%). Credit spread widening was the key detractor of performance, particularly across corporate bonds and public ABS. These effects were partially offset by income generation and gains from interest rate duration exposure.

During the month, the Fund selectively deployed capital into market weakness, adding to hyperscalers, data centre-related issuers and EUR-denominated corporate hybrids. The fund also increased cash holdings, preserving flexibility to capitalise on opportunities arising from ongoing market volatility.

While the portfolio remains defensively positioned, its yield to maturity of 9.01% continues to offer compelling forward-looking return potential and a substantial income buffer against adverse market conditions.

PORTFOLIO POSITIONING

Cash and Short-Term Liquidity:

↑ The allocation to highly liquid assets (cash, short-dated liquidity and government bonds) increased from 4.65% to 10.78%, primarily reflecting reduced allocations to corporate bonds and ABS, partially offset by increased exposure to corporate hybrids and subordinated debt.

Corporate Bond, Corporate Hybrids & Subordinated Debt:

↓ Weightings to corporate bonds, corporate hybrids and subordinated debt decreased from 59.52% to 56.96%. After tightening in the first half of the month, global credit spreads widened towards month-end, creating opportunities to selectively crystallise gains in US BDCs and reallocate proceeds to preferred exposures, including hyperscalers, data centre-related issuers and EUR-denominated corporate hybrids. Primary issuance remained robust, highlighted by Microsoft's US$25 billion multi-tranche bond offering.

Tier 1 Capital:

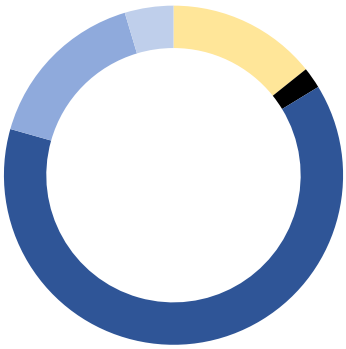
↔ Weighting to T1 capital remains at 0.00%. Global T1 credit spreads widened in October with EUR T1s underperforming, led by French issuers amid heightened political and fiscal uncertainty. Primary issuance was limited to a handful of banks, namely in USD. While valuations have cheapened, we continue to await a more attractive entry point.

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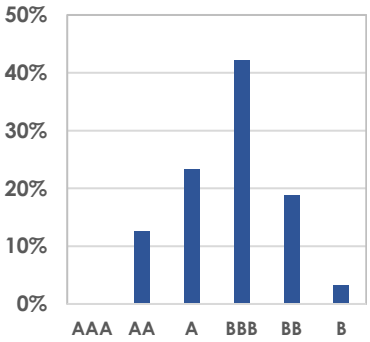
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GEOGRAPHIC EXPOSURE



- Australian/NZ Domiciled Issuer & Cash (14.26%)
- Asian Domiciled Issuer (2.03%)
- North America Domiciled Issuer (63.11%)
- Europe Domiciled Issuer (15.97%)
- United Kingdom Domiciled Issuer (4.64%)

CREDIT QUALITY



PORTFOLIO ESG RISK LIMITS

Sector	Portfolio Exposure	Portfolio Limit
Fossil Fuels	2.4%	10%
Non-Renewable & Nuclear Energy	0.0%	10%
Alcohol	0.0%	10%
Gambling	0.0%	10%

Structured Credit (ABS/CLO):

↓ ABS/CLO weighting decreased over the month from 35.83% to 32.27%. CLO spreads were slightly tighter over October. Clean new issues took up more share of issuance as a spike lower in loan prices enabled CLO managers to capture decent arbitrage using "print and sprint" transactions to take advantage of very stable AAA spreads, largely thanks to the elevated rates environment. Regarding loan price weakness, the US Leveraged Loan index fell 84c to 94.52 with macro volatility and renewed focus on AI disruption/impact on technology related companies, and in Europe specifically, idiosyncratic stress in the telecoms sector. CLO issuance was decent with around $40bn and $16bn in the US and Europe respectively. Resets and refinances made up $37bn of the total. AAA spreads remain in the low 120s, but dispersion did open up across manager tiering. Mezzanine spreads were wider, notably in BBs, where underlying loan pricing has more direct impact, and secondary trading activity elevated across all tranches. In terms of loan collateral metrics, median CCC buckets dropped 0.1% this month to 3.8% in the US, and to 2.3% from 3.1% in Europe. Notable issuer downgrades to CCC from single B or higher in October included specialty retail company Leslie's Poolmart in the US and European real estate services company Emeria, both widely held in CLO portfolios. Managers remain active in portfolio rotation against weaker CCC issuers and particular industries in secondary markets. Default rates in CLO portfolios remained steady at around 0.55%.

UK BTL arrears fell slightly to 0.43% as a percentage of outstanding and homeowner mortgages also fell to 0.87%. ICR fell slightly to 217% from 221%. Reported average rental yields for the UK rose to 7.27% from 7.21%, with the usual dispersion in the headline number: around 5.8% in London to 8.0% in the North East. Official UK rent inflation was steady at 3.8% in October.

Interest Rate Duration Position:

↓IRD positioning decreased from 1.94 years to 1.72 years over the month. The relative value of government bonds fell as safe-haven demand drove most global developed market yields lower. Sentiment towards AI investments weakened. As the Fund's risk exposure to interest rate movements declined and the value inherent in the use of options to protect against disorderly movements also declined, we reduced reliance on put options. US 10-year yields fell by 36bps to 4.92% driven primarily by real yields. MOVE rates volatility decreased from 110 to 100. French yields did not benefit from safe-haven flows as concerns over debt sustainability increased following riots.

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PLATFORM AVAILABILITY

- Australian Money Market
- AMP North
- BT Panorama
- CFS Edge
- HUB24
- IOOF Pursuit/Expand
- Macquarie Wrap
- Mason Stevens
- Netwealth
- Praemium

OTHER FUND DETAILS

Responsible Entity: One Managed Investment Funds Ltd

Custodian: State Street Australia Limited

Unit Pricing and Unit Price History: https://www.realminvestments.com.au/our-products/realm-global-high-income-fund/

Targeted risk across the Fund:

↓ Target portfolio risk fell from 2.61% to 2.47%, mainly due to a shortening in interest rate duration from 1.94 to 1.72 years. Credit duration declined modestly from 3.98 to 3.95 years.

MARKET REVIEW

AI financing concerns and geopolitical tensions weighed on financial markets in October.

The NASDAQ Composite index fell 5.3% as concerns over the sustainability of AI capital expenditure drove a sell-off in semiconductor and data centre stocks. In Australia, neocloud operator Firmus withdrew its planned initial public offering amid weak investor demand.

In credit markets, the Bloomberg US Corporate Baa-rated Option Adjusted Spread widened 13bps to 1.11%. Neocloud provider CoreWeave saw its bonds trade at distressed levels, with yields surging above 15%.

Global government bond yields were generally lower over the month, supported by safe-haven demand following the AI-related sell-off. The Fed, ECB and BoJ all left rates unchanged at their policy meetings in October, while the RBA hiked by 25bps in early November after Q3 inflation came in stronger than expected. French yields underperformed, rising over the month as fiscal and political instability weighed. ECB President Lagarde announced her resignation and will step down in February 2027.

Oil prices continued to rise in October as Middle East tensions remained elevated, with Brent crude oil rising 13.6% to $117 per barrel. The US dollar rose 0.4% over the month after US core inflation printed firmer than expected, while gold (-6.8%) dropped below $4000.

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