seed FUNDS MANAGEMENT

Fund Dashboard

31 October 2026

6.71%
Running Yield*

A+
Weighted Average Portfolio Issuer Rating

BBB+
Weighted Average Portfolio Security Rating

100%
Portfolio Floating Rate

0.11 Years
Weighted Average Interest Rate Duration^

4.3 Years
Weighted Average Credit Duration^

5.4 Years
Weighted Average Term to Call

37
Number of Holdings

$600 million
Current FUM

Source: Seed Funds Management. As at 31 October 2026.

*Running yield is an estimate of underlying portfolio gross yield before active management as at 31 October 2026 and is not a forecast of future distributions.

^Maximum duration of 1.

Seed Financial Income Fund Strategy Net Performance[1]

31 October 2026

	1 Month	3 Months	6 Months	1 Year	3 Years Annualised	5 Years Annualised	10 Years Annualised	SI (Sep 15) Annualised	Excess Return
SEED FINANCIAL INCOME FUND[3]	0.27%	0.89%	2.72%	4.68%	6.84%	5.89%	5.92%	6.31%	
Hybrid Benchmark (Solactive[2])	0.68%	1.13%	3.32%	4.87%	5.62%	4.49%	4.71%	4.84%	+1.47%
RBA Cash Rate[4]	0.38%	1.11%	2.21%	4.16%	4.23%	3.43%	2.19%	2.16%	+4.15%

[1]Fund returns are calculated net of management fees, inclusive of franking credits, and assuming all distributions are re-invested. Returns can be volatile, reflecting moves in the value of underlying investments. [2]Refers to the Solactive Australian Hybrid Securities Index (Net). Net refers to net total return. Fund returns are net of management fees and inclusive of franking credits.

Management Insights

The Fund's investment approach continues to deliver regular monthly income from a carefully selected portfolio of securities issued by highly rated banks and insurers. While secondary market prices have remained volatile, the rise in interest rates has increased the income generated by our floating-rate investments.

During October, investors continued to reassess the relative appeal of credit securities as government bond yields remained elevated. Persistent inflation, uncertainty about the path of interest rates and geopolitical pressures also weighed on market sentiment. This contributed to softer secondary market prices, despite the continuing strength of the financial institutions in which we invest.

Our investment strategy remains firmly anchored in generating resilient, high-quality monthly income, while seeking to manage the impact of short-term volatility in the broader debt markets.

Over the past year, these market movements have contributed to a marked-to-market 12-month performance of under 5%. However, these capital fluctuations are unrealised paper adjustments and do not disrupt our core objective. Crucially, the underlying credit strength of our portfolio remains strong; we invest predominantly in subordinated debt issued by highly rated, robust banks and insurers regulated by APRA and the RBNZ. These institutional balance sheets are among the strongest in the world, which we believe helps mitigate default risk.

Twelve months ago, our fund had a running yield of 5.6%, which has supported our monthly cash distributions over the past year. Furthermore, as the RBA has lifted the cash rate by 1.25% over the course of 2026 to 3 November, the floating-rate nature of our bank subordinated debt has allowed our portfolio's running yield to reset dynamically upward to 6.71% as at 31 October 2026.

In our opinion, holding these credit assets supports our regular income stream, which has performed broadly as intended, benefitting from higher interest rates while remaining subject to capital risk as the secondary market undergoes a pricing adjustment.

This Fund does not invest in Kangaroo bonds. These are bonds issued in AUD to Australian investors from foreign issuers. Our focus on Australian and New Zealand regulated financial institutions only reflects our preference for strong prudential oversight, exceptionally sound banking systems and the relative civic and institutional stability of our home region.

Events in France during October highlighted why the location and operating environment of an issuer matter. Civil unrest in Paris and other French cities added to concerns about the country's fiscal and political outlook, contributing to pressure on French government bond prices. Such events can also affect sentiment towards securities issued by institutions operating in any market, including AUD Kangaroo bonds – in this case, issued by French banks. We proactively assessed this risk in advance of constructing our strategy.

Suitable primary market opportunities were limited during October, with only a couple of shorter-dated senior bond issues from smaller banks. Larger subordinated issues remained sporadic, although known maturities and significant call dates for subordinated debt and hybrids are approaching through the first quarter of 2027. As issuers refinance maturing securities and replace regulatory capital, we expect further subordinated bond opportunities to emerge.

Our active management is important in this environment. By assessing new issues, taking advantage of opportunities in the secondary market and adjusting the portfolio as relative value changes, we seek to enhance returns while maintaining our focus on credit quality and monthly income.

[3]The performance table above represents The Financial Income Fund Strategy ("Strategy"). The Strategy commenced in September 2015 and has been continuously operated with identical investment parameters and processes by its portfolio manager, Nicholas Chaplin. The Strategy began in 2015 as the Paraclete Investment Fund until June 2022. The Financial Income Fund commenced in June 2022 operating under Evolution Trustees Limited as trustee. Investment management services were novated to Seed Funds Management Pty Ltd in March 2024. Since inception returns are calculated from 23 September 2015 for the unquoted class of units (Financial Income Fund). The class (ASX:SFIF) launched on 13 October 2025. Seed Funds Management Pty Ltd receives a management fee for managing the Fund. Performance figures for the Strategy have been reviewed in accordance with ASRS 4400 "Agreed-Upon Procedures Engagements" by Hall Chadwick Corporate (NSW) Limited up to June 2025. [4]The RBA Cash Rate is provided for illustrative purposes only and is not a direct benchmark.

Portfolio Features

Tier 1, Tier 2 bonds, and Senior bonds;

Issued by APRA/RBNZ regulated Australian banks, Insurers & non-bank financials;

Currently 37 positions.

Top 5 Holdings

ANZ Sub Notes Aug 2041

QBE Additional Tier 1 Securities Jun 2033 Call

Macq Bank Sub Notes Aug 2036

Westpac Sub Notes Aug 2036

Macq Bank Sub Notes Sep 2041

Fund Features

Daily Pricing & Liquidity

Monthly Distributions

Management Fees: 0.55%

Other Costs: 0.15% (max)

Performance Fee: zero

Fund Classes

Retail PDS
APIR: EVO3184AU

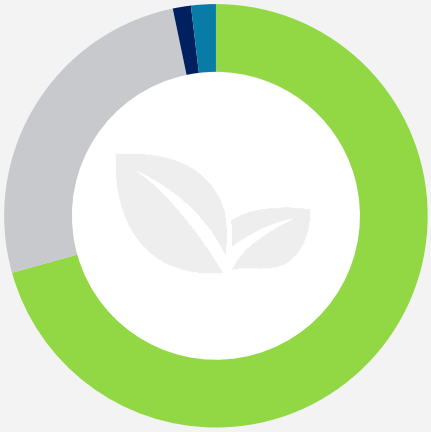
Wholesale IM

ASX Active ETF
APIR: EVO4781AU
(ASX: SFIF)

Portfolio Holdings

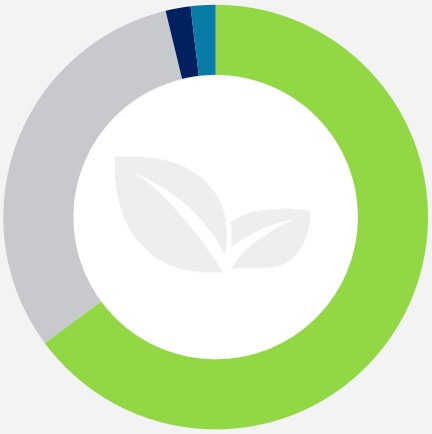
(as at 31 October 2026)

Asset Allocation



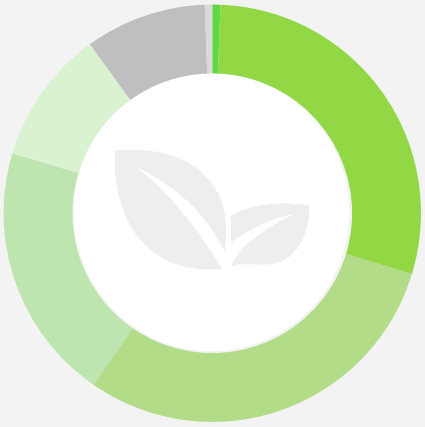
- Tier 2 – 70.66%
- Tier 1 – 26.07%
- Senior – 1.38%
- Cash – 1.89%

Sector Allocation



- Bank – 64.88%
- Insurance – 31.32%
- Non-bank – 1.90%
- Cash – 1.89%

Issuer Credit Rating Allocation[2]



A Portfolio Issuer Credit Rating [1,2,3]

- AAA (0.63%)
- AA- (29.07%)
- A+ (29.93%)
- A (20.01%)
- A- (10.39%)

90.03% rated **A-** or above

- BBB+ (9.39%)
- BBB (0.58%)

1. Portfolio Weighted Average
2. Figures to Q3 2026
3. S&P Rating Scale

Platform Availability

ASX · BT Panorama · Macquarie · praemium · HUB24 · netwealth · Mason Stevens · FNZ · Australian Money Market · Colonial First State · APEX

The Product Disclosure Statement (PDS) and Target Market Determination (TMD) for the fund, along with our continuously updated unit price, are available on our website here.

General Disclosures

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