

Trans-Tasman Bond Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 28 February 2026



Portfolio Managers



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The Fund delivered a positive return of 0.9% in February, which outperformed the benchmark by 0.1%. Absolute performance was supported by lower global government bond yields (higher prices) as market expectations for further central bank easing increased.

Credit spreads (the extra yield of corporate bonds over government bonds) were mixed during February. AU dollar credit spreads trended wider over the month, which was a headwind for the Fund's relative performance to the benchmark. This was somewhat offset by NZ dollar credit spreads, which were well supported due to the lack of primary market issuance. Although underlying Australasian corporate fundamentals remain broadly resilient, wider global credit spreads in February reflected a degree of investor caution amid ongoing geopolitical tensions, elevated valuations, concerns over the health of the private credit sector and the potential negative impact of artificial intelligence on a range of corporate bond issuers.

Portfolio positioning was and remains overweight Australian corporate bonds where we continue to have a positive outlook. That said, the Fund continues to skew its holdings towards high quality issuers where we see more value given generally expensive market valuations. Examples of investments in the high-quality space include new Fund holdings in CPPIB (Canadian Pension Board), DBS Bank (Singaporean bank), the Northern Territory government and New South Wales Treasury, all at NZ dollar equivalent yields of approximately mid 3%.

Looking forward, we continue to reiterate a favourable medium-term return outlook through 2026. Albeit now lower, the income from bonds still provides a reasonable return versus post Global Financial Crisis history and versus cash. There are however myriad known risks, not least near-term the Middle East issues and longer-term, the ramifications for many industries and the broader economy from AI. In combination, these risks make it currently prudent to have exposure tilted towards more defensive industries.

To view Milford's February 2026 Market and Economic Review please see milfordasset.com/insights.

For previous fund reports see milfordasset.com/fund-reports.

Cumulative Fund Performance

(after fees and before tax)



Assumes the growth of \$10,000 invested at the Fund's inception date, and assumes reinvestment of distribution.

Key Fund Facts

| | |
|------------------------------|---|
| Objective¹ | To generate a positive, low volatility return that exceeds the relevant benchmark over the minimum recommended investment timeframe |
| Description | Primarily invests in trans-Tasman fixed interest securities |

| | |
|---|---|
| Minimum recommended investment timeframe | 3 years + |
| Target Allocation | 100% Income Assets / 0% Growth Assets |
| Neutral FX Exposure | 0% |
| Net Asset Value (NAV) | \$2,061.9 M |
| Yield² | 3.25% |
| Average Credit Rating | A+ |
| Duration | 3.18 years |
| Rating Categories | Inv.Grade 97% / High Yield 3% / Unrated 2% |
| Inception Date | 2 December 2013 |
| Current Distribution | 0.85 cents per unit (Quarterly) |
| Benchmark | 50% x Bloomberg AusBond Credit 0+ Index (100% NZD-hedged) + 50% x S&P/NZX Investment Grade Corporate Bond Total Return Index |
| Base Fund Fee³ | 0.65% |
| Performance Fee | Not applicable |
| Total Fund Fees⁴ | 0.65% |
| Risk Indicator | Lower risk Higher risk 1 2 3 4 5 6 7 Potentially lower returns Potentially higher returns |

Trans-Tasman Bond Fund as at 28 February 2026

Investment Performance after fees as at 28 February 2026⁵

Unit Price: \$1.2062

| | 1 Month | 3 Months | 1 year | 3 years (p.a.) | 5 years (p.a.) | Since inception (p.a.) |
|--|---------|----------|--------|----------------|----------------|------------------------|
| Milford Trans-Tasman Bond Fund (Gross Of Tax) | 0.94% | 0.76% | 4.84% | 6.44% | 2.66% | 4.19% |
| After Tax 10.50% | 0.86% | 0.69% | 4.35% | 5.77% | 2.39% | 3.75% |
| After Tax 17.50% | 0.81% | 0.64% | 4.02% | 5.32% | 2.21% | 3.46% |
| After Tax 28.00% | 0.73% | 0.57% | 3.54% | 4.65% | 1.94% | 3.02% |
| Benchmark | 0.85% | 0.83% | 4.65% | 6.24% | 2.59% | 4.08% |

Top Fixed Interest Holdings

| Holdings | % of Fund |
|--------------------------|-----------|
| NZLGFA 3.5% 2033 | 5.44% |
| CPPIB Capital 4.75% 2031 | 2.94% |
| Housing NZ 2.183% 2030 | 2.79% |
| Housing NZ 3.42% 2028 | 2.54% |
| NZLGFA 4.5% 2030 | 2.52% |
| NZLGFA 2.25% 2031 | 2.50% |
| Westpac 5.141% 2031 | 2.38% |
| DBS Bank 5.065% 2031 | 2.26% |
| Crédit Mutuel 4.99% 2031 | 2.23% |
| BNZ 4.354% 2031 | 2.11% |
| Westpac 6.085% 2041 | 2.07% |
| EnBW 5.197% 2031 | 1.99% |
| NatWest 5.026% 2029 | 1.93% |
| NZLGFA 1.5% 2029 | 1.86% |
| Westpac 4.337% 2029 | 1.83% |
| GTA Finance 2.2% 2027 | 1.78% |
| CPPIB Capital 5.3% 2036 | 1.76% |
| SAFA 4.75% 2035 | 1.72% |
| NZ Govt. 3.5% 2033 | 1.68% |
| NSW Treasury 2.5% 2032 | 1.66% |

Note: Fixed interest securities are reported in the following format: Issuer name, interest (coupon rate), maturity year.

Current Asset Allocation

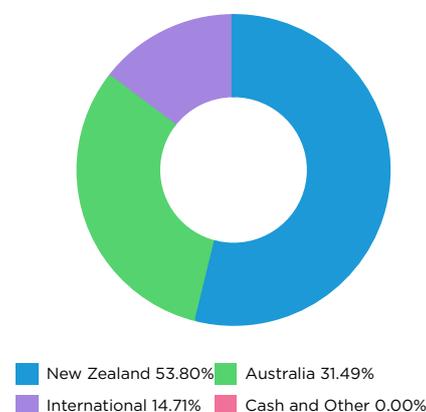
| | Actual Investment Mix | Neutral Investment Mix |
|------------------------------|-----------------------|------------------------|
| Effective Cash # | 0.00% | 3% |
| New Zealand Fixed Interest | 52.39% | 48.5% |
| International Fixed Interest | 47.61% | 48.5% |
| New Zealand Equities | 0.00% | 0.0% |
| Australian Equities | 0.00% | 0.0% |
| International Equities | 0.00% | 0.0% |
| Other | 0.00% | 0.0% |

The actual cash held by the Fund is -2.02%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Sector Allocation

| Allocation | Weight % |
|------------------------|----------|
| Financials | 36.89% |
| Government | 23.86% |
| Real Estate | 19.57% |
| Utilities | 14.52% |
| Industrials | 3.76% |
| Energy | 0.61% |
| Health Care | 0.40% |
| Communication Services | 0.39% |
| Other Sectors | 0.00% |
| Cash and Other | 0.00% |

Region Exposure



1. After the Base Fund Fee but before tax. 2. The yield to maturity is not an indicator of future return, but reflects the current yield to maturity of the fund's underlying holdings (before tax and after the base fund fee). 4. The Total Fund Fees comprise the Base Fund Fee and any estimated Performance Fee. Please refer to the Product Disclosure Statement for more information as to how these are calculated. 5. Includes the reinvestment of distributions. Returns prior to 1 March 2018 are from when the Fund was previously offered to wholesale investors only and have been adjusted for the current Total Fund Fees. Please note past performance is not a guarantee of future returns.

Please refer to the 'Glossary for the Monthly Fact Sheet' at milfordasset.com/fact-sheet for more information about the data published within this document.

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