

Trans-Tasman Bond Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 October 2025



Portfolio Managers



Anthony Ip
Portfolio Manager



Ian Robertson
Co-Portfolio Manager



Paul Morris
Co-Portfolio Manager

The Fund returned 0.7% in October, ahead of the benchmark's return of 0.4%. Relative returns were supported by the Fund's underweight AU dollar interest rate positioning, together with an overweight positioning to AU dollar corporate bonds. Absolute returns were constrained by higher AU market interest rates following strong inflation data, which was partly offset by the continued path lower of NZ dollar interest rates as the Reserve Bank of New Zealand cut rates.

AU and NZ dollar credit spreads (the extra yield of corporate bonds over government bonds) continued to tighten during the month, largely shrugging off global macro concerns. This credit spread tightening benefited the Fund's overweight credit positioning. In Australia, the Fund invested in new issuances from real estate investment trusts BWP Property Group and SCA Property (both retail REITs) and port operator Patrick Terminals at NZ dollar equivalent yields of around 4% to 4.5%. In NZ, the Fund invested in the new issuance from Auckland Airport at a yield of 4.0%. The Fund's overweight credit positioning was pared back towards month-end in anticipation of fresh opportunities to deploy capital in the primary markets in November.

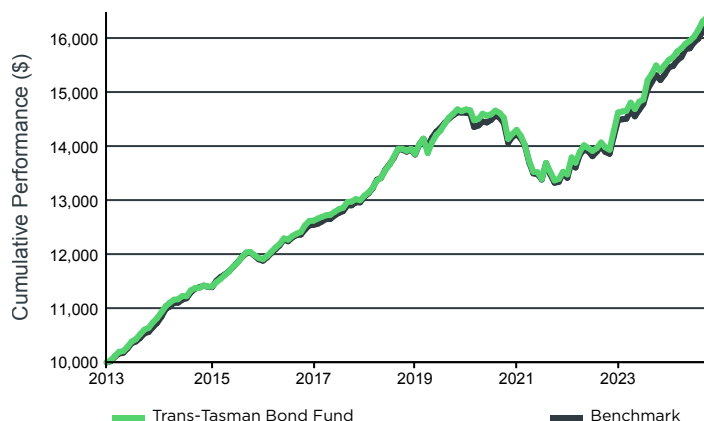
Looking ahead, we expect continued volatility in short-term interest rates on both sides of the Tasman as markets digest central bank meetings and economic data. The Fund is underweight short-end market interest rates relative to the benchmark, however we view longer-term AU and NZ dollar interest rates as attractive given the all-in yield and have focused the Fund's interest rate exposure here. We have a neutral view on AU and NZ dollar credit spreads here, recognising the outperformance in October versus global equivalents. We continue to tilt the Fund's holdings towards high-quality bank, infrastructure and utility corporate bonds, together with holdings of government-related issuers.

To view Milford's October 2025 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)	\$1,734.8 M
Yield²	3.15%
Average Credit Rating	A+
Duration	3.3 years
Rating Categories	Inv.Grade 92% / High Yield 4% / 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	<div> <div>Lower risk</div> <div>1 2 3 4 5 6 7</div> <div>Potentially lower returns Potentially higher returns</div> </div>

Trans-Tasman Bond Fund as at 31 October 2025

Investment Performance after fees as at 31 October 2025⁵

Unit Price: \$1.2136

	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)	0.68%	2.12%	7.15%	7.19%	2.36%	4.30%
After Tax 10.50%	0.64%	1.90%	6.41%	6.43%	2.12%	3.85%
After Tax 17.50%	0.61%	1.75%	5.92%	5.93%	1.96%	3.54%
After Tax 28.00%	0.56%	1.53%	5.19%	5.17%	1.72%	3.10%
Benchmark	0.37%	1.78%	6.90%	6.86%	2.16%	4.18%

Top Fixed Interest Holdings

Holdings	% of Fund
NZLGFA 3.5% 2033	4.24%
NZLGFA 4.5% 2030	3.09%
NZLGFA 2.25% 2031	3.03%
Housing NZ 3.42% 2028	3.03%
NZLGFA 1.5% 2029	2.22%
Westpac 4.337% 2029	2.19%
Progress Trust RMBS 2056	2.09%
GTA Finance 2.2% 2027	1.90%
Norfin Float 2028	1.89%
Watercare Services 3.847% 2030	1.78%
Rabobank NZ Float 2028	1.78%
Region Retail Trust 4.933% 2031	1.73%
Nordic Investment Bank 3.625% 2030	1.71%
Scentre Group Trust 1 5.35% 2035	1.67%
United Energy Distribution 5.417% 2032	1.65%
Queensland Treasury 1.5% 2032	1.65%
Teachers Mutual Bank Float 2028	1.55%
NZLGFA 4.5% 2027	1.51%
Stockland Trust 5.42% 2032	1.51%
BWP Trust 4.55% 2030	1.49%

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

Current Asset Allocation

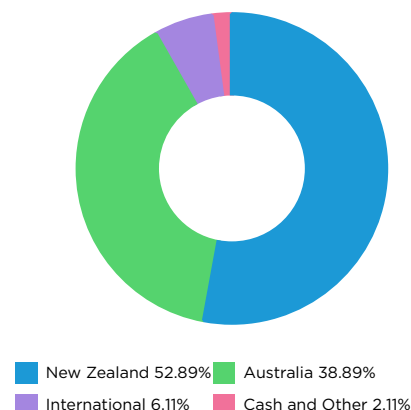
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	2.11%	3%
New Zealand Fixed Interest	53.40%	48.5%
International Fixed Interest	44.49%	48.5%
New Zealand Equities	0.00%	0.0%
Australian Equities	0.00%	0.0%
International Equities	0.00%	0.0%
Other	0.00%	0.0%

The actual cash held by the Fund is 1.26%. 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 %
Government	30.49%
Financials	28.13%
Real Estate	15.85%
Utilities	15.74%
Industrials	4.82%
Communication Services	1.64%
Energy	0.72%
Health Care	0.50%
Other Sectors	0.00%
Cash and Other	2.11%

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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