Trans-Tasman Bond Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 September 2026

MILFORD
INVESTED IN YOU

Portfolio Managers



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Portfolio Manager



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The Fund returned -0.9% during the month of September, which was 0.2% behind the benchmark, notwithstanding rounding. Global market interest rates moved higher during the month as a surge in oil prices reignited fears of sticky inflation, while stronger-than-expected global activity data added to the pressure. Central banks on both sides of the Tasman responded by hiking rates in September. Together, these constrained the Fund's absolute returns.

The Fund's underperformance against the benchmark was largely due to being overweight interest rate exposure, which detracted as market interest rates rose. Our view remains that Australasian bond yields, particularly in New Zealand, offer good value relative to cash rates and to similar maturity instruments offshore, and that the current move higher reflects near-term inflation concerns rather than a lasting shift in the outlook.

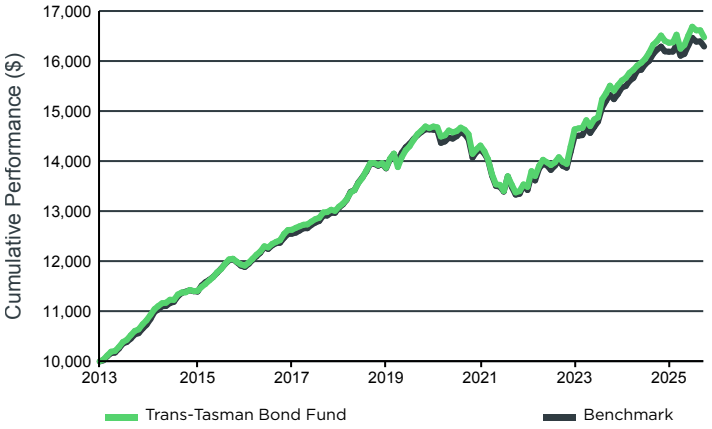
Performance was also hindered by a widening in Australian credit spreads (the extra yield of corporate bonds over government bonds) over the month, which weighed on the Fund's overweight allocation to AU dollar corporate and financial bonds. While disappointing, the move has improved the relative value on offer, and we continue to favour our core credit positions given their sound fundamentals and attractive income. Credit spreads in New Zealand remained relatively rangebound, supported by the continued limited supply of NZ dollar corporate bonds. During the month the Fund invested in a number of new corporate bonds including the inaugural EUR issuance from NZ water utility Watercare, an NZ dollar issuance from Bank of New Zealand and the inaugural AU dollar issuance from UK water utility Anglian Water.

Looking ahead, we remain constructive on the medium-term return outlook. Corporate bond yields in Australasia remain historically attractive and should provide a solid return buffer against future volatility. Wider credit spreads also present an opportunity to selectively add to high-quality issuers at more attractive levels. Noting however, that further rises in market interest rates (yields) and/or further widening of credit spreads could cause ongoing headwinds for fund performance.

To view Milford's September 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

Objective [1]	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)	$2,176.8 M
Yield [2]	4.19%
Average Credit Rating	A+
Duration	3.45 years
Rating Categories	Inv.Grade 91% / High Yield 3% / Unrated 6%
Inception Date	2 December 2013
Current Distribution	0.7 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 Fee [3]	0.65%
Performance Fee	Not applicable
Total Fund Fees [4]	0.65%

Risk Indicator

Lower risk — Higher risk

1 2 **3** 4 5 6 7

Potentially lower returns — Potentially higher returns

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Trans-Tasman Bond Fund as at 30 September 2026

Investment Performance after fees as at 30 September 2026 [5]

Unit Price: $1.1811

	1 Month	1 year	3 years (p.a.)	5 years (p.a.)	10 years (p.a.)	Since inception (p.a.)
Milford Trans-Tasman Bond Fund (Gross Of Tax)	-0.85%	0.46%	5.60%	2.53%	3.17%	3.97%
After Tax 10.50%	-0.77%	0.44%	5.01%	2.27%	2.84%	3.55%
After Tax 17.50%	-0.72%	0.42%	4.62%	2.10%	2.63%	3.27%
After Tax 28.00%	-0.64%	0.40%	4.03%	1.85%	2.30%	2.86%
Benchmark	-0.63%	0.37%	5.41%	2.44%	3.07%	3.88%

Top Fixed Interest Holdings

Holdings	% of Fund
NZLGFA 3.5% 2033	4.95%
Housing NZ 2.183% 2030	2.57%
Westpac 4.337% 2029	2.56%
Housing NZ 3.42% 2028	2.34%
NZLGFA 4.5% 2030	2.30%
Westpac 5.141% 2031	2.26%
BNZ 4.884% 2031	2.16%
CaixaBank Float 2031	1.94%
BNZ 4.354% 2031	1.92%
Qube Treasury 5.6% 2031	1.84%
CIBC Float 2031	1.83%
GTA Finance 2.2% 2027	1.75%
NZLGFA 1.5% 2029	1.72%
ICPF Finance 6.573% 2033	1.68%
Aurizon 6.84% 2036	1.56%
NZ Govt. 3.5% 2033	1.52%
Region Group 4.933% 2031	1.50%
Royal Bank of Canada Float 2031	1.45%
Lottery Corp 6.326% 2032	1.40%
BNZ Float 2029	1.39%

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

Current Asset Allocation

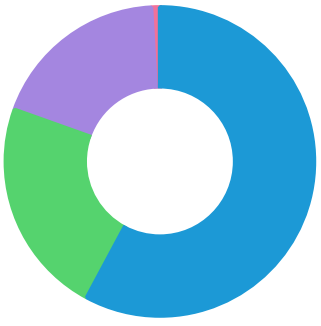
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	0.91%	3%
New Zealand Fixed Interest	56.70%	48.5%
International Fixed Interest	42.39%	48.5%
New Zealand Equities	0.00%	0.0%
Australian Equities	0.00%	0.0%
International Equities	0.00%	0.0%
Other	0.00%	0.0%

The actual cash held by the Fund is 0.13%. 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	39.06%
Government	19.12%
Real Estate	17.11%
Utilities	12.95%
Industrials	4.06%
Communication Services	1.59%
Consumer Discretionary	1.38%
Consumer Staples	1.19%
Other Sectors	2.63%
Cash and Other	0.91%

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). **3.** Where applicable, the Base Fund Fee includes an estimate of non-related underlying fund charges. **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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