

Milford Corporate Bond Plus Fund

May 2026



Portfolio Managers



Anthony Ip
Portfolio Manager



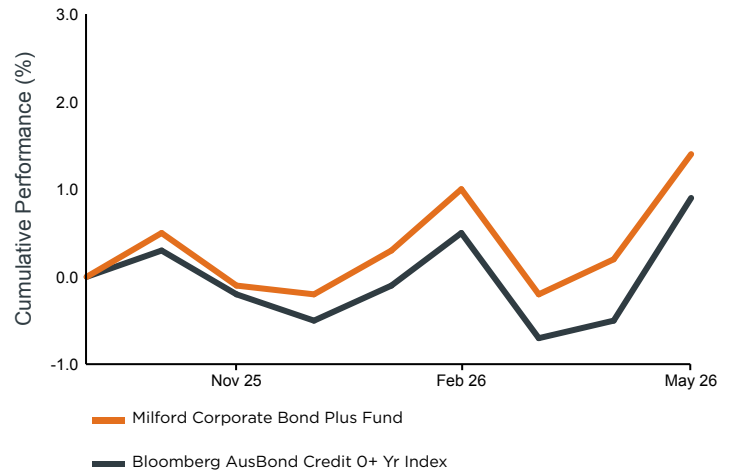
Paul Morris
Portfolio Manager

The Fund returned 1.3% in May, behind the benchmark return of 1.4%. Lower market interest rates in Australia helped the Fund's absolute return. However, compared with the benchmark, performance was held back by the Fund's overweight positioning to Australian dollar credit, as credit spreads (the extra yield of corporate bonds over government bonds) widened during the month, and by underweight positioning to Australian dollar interest rates.

Markets expect global central banks to keep interest rates high because of the inflation pressure caused by the war in Iran. In Australia, expectations are for the Reserve Bank of Australia to follow-up its three hikes in the year-to-date with potentially one more hike by the end of 2026. Even so, the Australian dollar market interest rates fell this month, as markets increasingly priced in the growth impacts from the conflict. The Fund's interest rate exposure is now largely neutral compared with the benchmark. We believe the competing forces of a potential slowing domestic economy are offset by the still-tight domestic capacity constraints.

The Australian dollar corporate bond market remains very active with bond supply, which partly caused credit spreads to lag the tightening seen in the US dollar and Euro denominated markets during the month. There were a number of opportunities for the Fund to deploy capital during the month, capitalising on wider credit spreads and new issue premiums available in the primary market. For example, UK bank Barclays PLC's inaugural subordinated hybrid issuance in the Australian dollar market and Spanish retail bank CaixaBank's inaugural Australian dollar issuance (4%). Going forward the Fund's credit positioning relative to benchmark is close to neutral, though still moderately overweight. Looking ahead, we remain constructive on the medium-term return outlook. While we remain wary on tight valuations in the credit markets, historically attractive bond yields provide a cushion against market volatility.

Cumulative Performance (after fees and expenses) 31 May 2026



Performance since inception and assumes reinvestment of distributions. Past performance is not a reliable indicator of future performance.

Key Fund Facts

Objective	The Fund aims to provide regular income and generate a positive, low volatility return, that outperforms the Bloomberg AusBond Credit 0+ Yr Index over rolling three-year periods.
Description	Primarily invests in Australian dollar denominated securities from issuers in Australia and New Zealand. Derivatives may be used for efficient portfolio management and foreign currency hedging.
Benchmark	Bloomberg AusBond Credit 0+ Yr Index
APIR	ETL6715AU
Redemption Price as at 31 May	\$0.9968
Fund Size*	\$30.6 Million
Inception Date	September 2025
Minimum Investment	\$1,000
Recommended Investment Timeframe	3 years +
Buy-sell Spread	+/-0.10%
Entry/Exit Fee	Nil
Management Fee	0.52%
Fund Pricing	Daily
Distribution Frequency	Quarterly
Yield to Maturity	5.64%
Running Yield	5.18%
Credit Duration	3.56 years
Interest Rate Duration	3.37years

*The Fund Size represents the total assets of the fund.

Milford Corporate Bond Plus Fund as at 31 May 2026

Investment Performance to 31 May 2026

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since Inception
Milford Corporate Bond Plus Fund	1.25%	0.42%	-	-	-	1.42%
Bloomberg AusBond Credit 0+ Yr Index	1.36%	0.39%	-	-	-	0.90%
Excess Return	-0.11%	0.03%	-	-	-	0.52%

Past performance is not a reliable indicator of future performance. Returns greater than one year are annualised.

Top Security Holdings

Holdings	% of Fund
Crédit Mutuel 4.99% 2031	8.79%
Westpac Float 2029	8.19%
GTA Finance 2.2% 2027	7.90%
Westpac 5.141% 2031	5.80%
IBRD 5% 2031	5.77%
Region Group 4.933% 2031	5.05%
NatWest 5.026% 2029	4.65%
GAIF 4.904% 2031	4.13%
Westpac 6.085% 2041	4.08%
Scentre Group Float 2054	3.40%

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

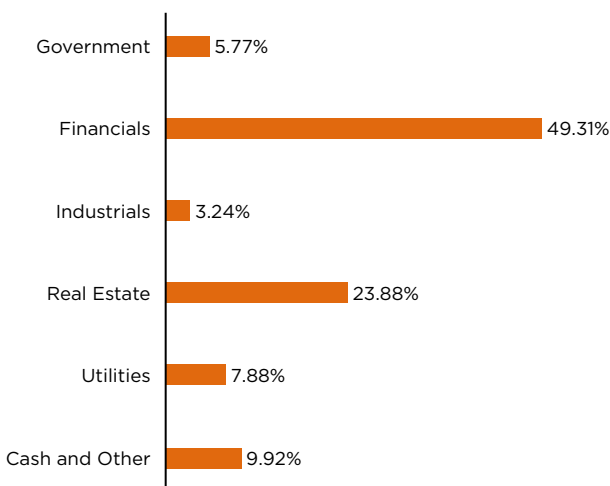
Current Asset Allocation

	Actual	Neutral	Maximum Range
Australian Fixed Interest	88.51%	95%	40-100%
International Fixed Interest	1.59%	0%	0-25%
Cash and Other	9.90%	5%	0-60%

Credit Rating Band

	Actual
AAA	10.65%
AA	13.99%
A	35.82%
BBB	29.61%
Cash and Other	9.93%

Sector Allocation



■ Milford Corporate Bond Plus Fund

Fund Changes

There have been no material changes to the Fund's risk profile or strategy since the last monthly report. There have been no changes to the key service providers or individuals playing a key role in investment since the last monthly report.

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Milford Corporate Bond Plus Fund's Target Market Determination is available at <https://milfordasset.com.au/documents-and-forms>. The Target Market Determination is a document describing who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed.