

Milford Corporate Bond Plus Fund

January 2026



Portfolio Managers



Anthony Ip
Portfolio Manager



Paul Morris
Portfolio Manager

The Fund returned 0.5% in the month of January, which was 0.2% ahead of the benchmark. The Fund's relative performance versus its benchmark was driven by several factors including (1) its overweight to AU dollar corporate bonds, (2) underweight in short-end AU dollar market interest rates versus its overweight to longer-end market interest rates and (3) security selection. The strong positive absolute return was pleasing – achieved despite the continued rise in AU dollar market interest rates (which generally put downward pressure on bond prices).

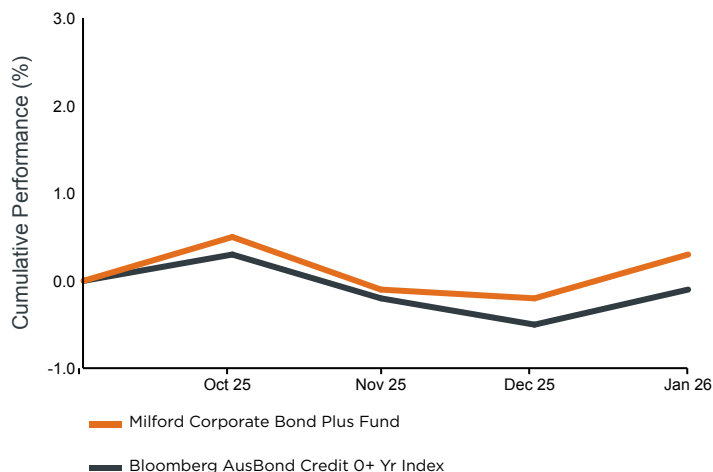
The Fund has been active in rotating capital within the Australian bond market. Early in the month, the Fund invested in new AU dollar issuances from highly-rated AAA issuers such as the Canadian Pension Plan Investment Board (largest pension plan in Canada) and the Australian Federal Government where we were able to capitalise on attractive new issue premiums. Later in the month, the Fund rotated into opportunities in the Financials space including transactions from BFCM (French cooperative bank) and CBA providing AU dollar yields of >5%. The Fund also participated in the inaugural AU dollar issuance from MTR Corporation (HK subway operator) at an attractive yield of 5.6%

The Fund has been positioned neutral versus its benchmark to AU dollar market interest rates on an overall basis. Within that, it has been underweight front-end bonds, which has been offset by being overweight longer-end bonds. This positioning is to take advantage of attractive long-end yield premiums, whilst providing protection from front-end interest rate volatility stemming from continued strong economic data in Australia.

Looking ahead, the focus in February will be on the upcoming RBA policy meeting where consensus is looking for a 25bp increase in the cash rate. We continue to favour longer end AU dollar market interest rates given the attractive yield in outright terms and relative to the cash rate. We continue to be constructive on AU dollar corporate bonds which offer attractive medium-term returns.

Cumulative Performance (after fees and expenses)

31 January 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 Jan	\$0.9922
Fund Size*	\$30.2 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	5.1%
Running Yield	4.7%
Credit Duration	3.9 years
Interest Rate Duration	3.2 years

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

Milford Corporate Bond Plus Fund as at 31 January 2026

Investment Performance to 31 January 2026

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since Inception
Milford Corporate Bond Plus Fund	0.51%	-0.21%	-	-	-	0.27%
Bloomberg AusBond Credit 0+ Yr Index	0.32%	-0.41%	-	-	-	-0.14%
Excess Return	0.19%	0.20%	-	-	-	0.41%

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

Top Security Holdings

Holdings	% of Fund
CPPIB Capital 4.75% 2031	8.96%
Crédit Mutuel 4.99% 2031	8.80%
NatWest 5.026% 2029	7.98%
GTA Finance 2.2% 2027	7.97%
BWP Trust 4.55% 2030	7.16%
CBA 5.03% 2031	5.65%
Region Group 4.933% 2031	5.21%
GAIF 4.904% 2031	4.27%
Scentre Group Float 2054	3.44%
SBS Float 2028	3.36%

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

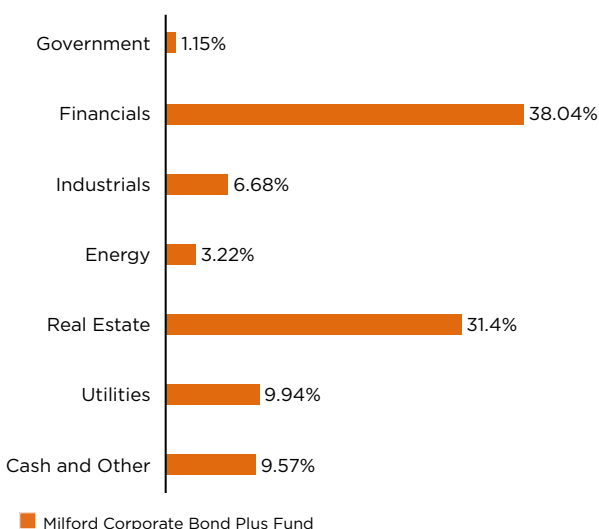
Current Asset Allocation

	Actual	Neutral	Maximum Range
Australian Fixed Interest	90.55%	95%	40-100%
Cash and Other	9.45%	5%	0-60%

Credit Rating Band

	Actual
AAA	8.96%
AA	13.43%
A	41.51%
BBB	26.54%
Cash and Other	9.56%

Sector Allocation



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.