

## Bentham Defensive Income Fund (Class A)

September 2025

### Fund Aim

Fund aims to provide investors with access to a diversified, defensive, multi-sector credit strategy with a focus on providing steady monthly income with a focus on downside volatility.

### Fund Performance as at 30 September 2025 (%)

|                             | 1 month | 3 months | 6 months | 1 year | 2 Year (p.a.) | 3 Year (p.a.) | Since inception (p.a.) |
|-----------------------------|---------|----------|----------|--------|---------------|---------------|------------------------|
| Gross return (before fees)  | -0.03   | -0.30    | 1.93     | 2.53   | 7.67          | 6.25          | 5.59                   |
| Benchmark                   | 0.20    | 0.66     | 2.50     | 4.16   | 4.95          | 4.25          | 4.05                   |
| Excess return (before fees) | -0.23   | -0.96    | -0.56    | -1.62  | 2.71          | 2.00          | 1.54                   |
| Total return (after fees)   | -0.05   | -0.38    | 1.77     | 2.22   | 7.34          | 5.88          | 5.22                   |

Source: Fidante Partners. Past performance is not indicative of future performance. Returns may be volatile and may vary from year to year.

The inception date of the fund is 01 July 2022.

### Portfolio and Market Returns

The Bentham Defensive Income Fund (Class A) had a before fees return of -0.03% for the month, underperforming the benchmark by 0.23%.

September 2025 was marked by notable macroeconomic developments and shifts in global financial markets. In the United States, the Federal Reserve responded to signs of a cooling labour market by cutting interest rates by 25 basis points at its September meeting. This decision followed weaker than expected employment data, with non-farm payrolls increasing by just 22,000 in August. This was significantly below the 79,000 jobs added in July and the consensus forecast of 75,000. The data reflected a growing softness in the labour market and increased expectations that the Fed may adopt a more accommodative stance as the year progresses.

In Australia, economic indicators presented a mixed picture. Headline inflation rose to 3.0% in August, up from 2.8% in July, surprising to the upside and prompting a sharp rise in bond yields. The stronger inflation print has cast doubt over the likelihood of a rate cut at the Reserve Bank of Australia's (RBA) November meeting, as policymakers weigh persistent price pressures against a softening economic backdrop. While the unemployment rate held steady at 4.2%, data from the Australian Bureau of Statistics showed a net decline of 5,400 employed persons in August—an early indication of potential weakness in the labour market.

Despite these conflicting signals, global equity markets delivered strong returns for the month. The MSCI World Index (unhedged in AUD) rose by 2.0%, supported by investor optimism surrounding central bank policy and continued corporate earnings strength. In the United States, the S&P 500 advanced by 3.5%, reaching new record highs.

Fixed income markets were mixed. In Australia, bond yields tightened slightly, with the Australian bond index yield narrowing by 2 bps over the month with yields selling off later in the month on the back of the inflation data. Investment-grade credit spreads tightened by 5 bps, while U.S. high-yield spreads tightened by 3 bps, indicating continued investor demand for risk assets.

### Portfolio Summary Statistics

|                                        |                   |
|----------------------------------------|-------------------|
| Yield to maturity                      | 4.87%             |
| Running yield                          | 4.66%             |
| Credit spread <sup>1</sup>             | +71bps            |
| Number of issuers                      | 89                |
| Interest rate duration                 | 6.90 years        |
| Credit duration                        | 3.21 years        |
| Average credit quality <sup>2</sup>    | AA                |
| Investment grade <sup>3</sup> exposure | 100% of portfolio |
| Fund size                              | A\$71,929,302     |

### Risk Characteristics

|                          |       |
|--------------------------|-------|
| 1 Year Volatility        | 3.91  |
| 1 Year Sharpe Ratio      | -0.42 |
| 1 Year Tracking Error    | 2.55  |
| 1 Year Information Ratio | -0.64 |

### Fund Distributions

|                                              |                  |
|----------------------------------------------|------------------|
| Distribution frequency                       | Monthly          |
| Monthly distribution <sup>4</sup>            | 0.38% (Sep 2025) |
| Target distribution rate (FY26) <sup>5</sup> | 4.50             |

<sup>1</sup> Spread over the swap rate.

<sup>2</sup> The average credit quality is calculated using a duration adjusted Moody's Weighted Average Rating Factor (WARF) for both the S&P and Moody's security credit ratings within a portfolio.

<sup>3</sup> An assigned credit rating of BBB-/Baa3 or better by a credit rating agency.

<sup>4</sup> Calculated as the cents per unit (CPU) distribution at the month end divided by the ex-distribution unit price at the start of the month.

<sup>5</sup> Target distribution rates for FY26 set at 4.5% of the monthly unit price. Bentham intends to achieve the distribution rate for FY2026 with taxable income. If there is a shortfall of taxable income, the distribution may possibly include a capital return. The current distribution rate setting was based on the running yield of the Fund as at 30 June 2025 and assumes the Fund continues to achieve an equivalent yield for FY2026.

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### Monthly Distribution Returns History (%)<sup>1</sup>

| Financial Year | Jul  | Aug  | Sep  | Oct  | Nov  | Dec  | Jan  | Feb  | Mar  | Apr  | May  | Jun  | YTD <sup>2</sup> |
|----------------|------|------|------|------|------|------|------|------|------|------|------|------|------------------|
| 2026           | 0.38 | 0.38 | 0.38 | -    | -    | -    | -    | -    | -    | -    | -    | -    | 1.13             |
| 2025           | 0.41 | 0.41 | 0.41 | 0.43 | 0.42 | 0.41 | 0.42 | 0.39 | 0.38 | 0.38 | 0.38 | 0.41 | 5.06             |
| 2024           | 0.42 | 0.41 | 0.41 | 0.42 | 0.41 | 0.42 | 0.42 | 0.43 | 0.41 | 0.41 | 0.41 | 0.41 | 5.26             |
| 2023           | 0.42 | 0.42 | 0.41 | 0.41 | 0.42 | 0.41 | 0.42 | 0.42 | 0.40 | 0.42 | 0.42 | 0.38 | 4.96             |

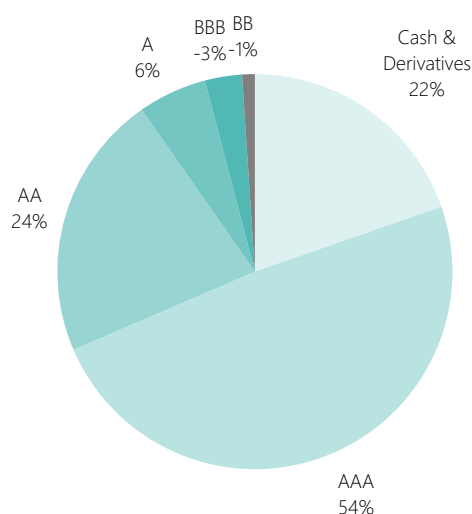
Source: Fidante Partners

Past distributions are no indication of future distributions.

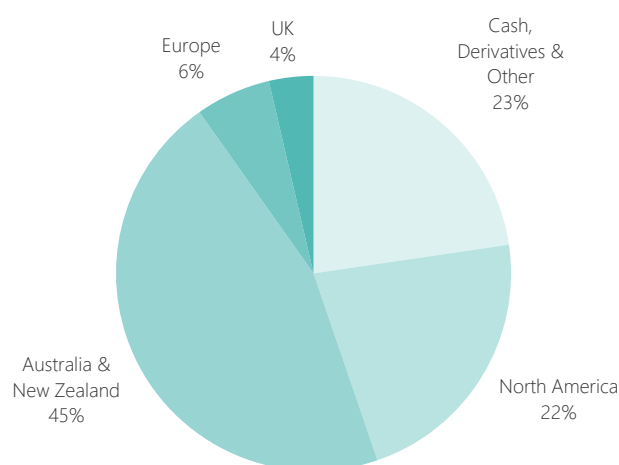
<sup>1</sup> Calculated as the cents per unit (CPU) distribution at month end divided by the ex-distribution unit price at the start of the month.

<sup>2</sup> Annual distribution return (Year-to-Date) is calculated as the Total Return (after fees) minus Growth Return. Total Return (after fees) is calculated using pre-distribution month end withdrawal unit price, and assumes distributions are reinvested. Growth Return equals the percentage change in unit price.

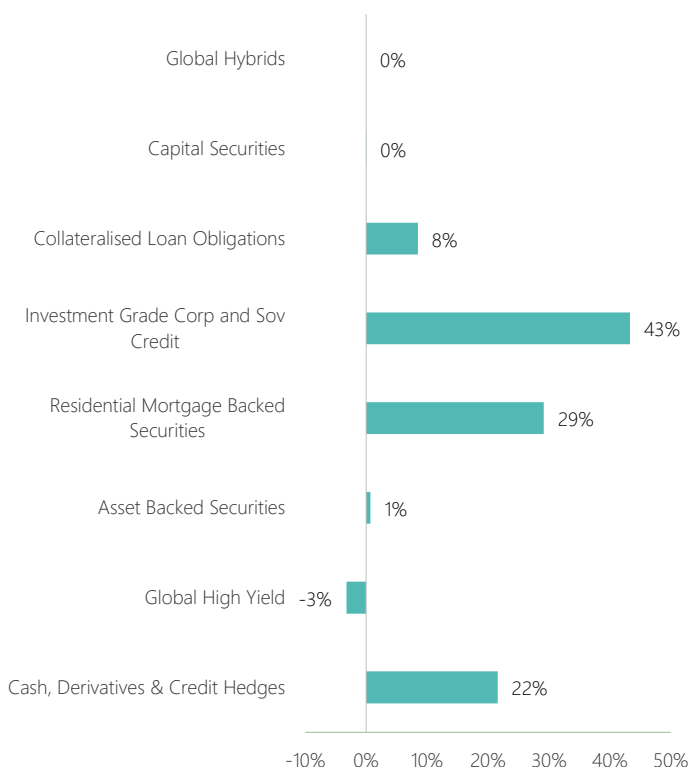
### Credit Rating Breakdown



### Regional Breakdown



### Portfolio Asset Allocation



### Top Issuer Exposures

|                                |      |
|--------------------------------|------|
| Treasury Corp Victoria         | 4.5% |
| Cppib Capital Inc              | 4.3% |
| New South Wales Treasury Corp  | 4.2% |
| Psp Capital Inc                | 3.5% |
| Auckland Council               | 2.8% |
| Province Of Quebec             | 2.8% |
| Medallion Trust - 2023-2       | 2.1% |
| Commonwealth Bank Of Australia | 2.0% |
| Cbamr Ltd - 2017-4x            | 1.8% |
| Dryden Euro CLO - 2020-89X     | 1.6% |

| Currency     | Interest Rate Duration (yrs) |
|--------------|------------------------------|
| AUD          | 4.43                         |
| USD          | 0.11                         |
| EUR          | -0.01                        |
| GBP          | 2.34                         |
| CAD          | 0.00                         |
| NZD          | 0.04                         |
| <b>Total</b> | <b>6.90</b>                  |

## Bentham Defensive Income Fund (Class A)

September 2025

### Fund Overview

|                                 |                                                                                                                                                                  |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Inception date                  | 1 July 2022                                                                                                                                                      |
| APIR code                       | CSI0521AU                                                                                                                                                        |
| Benchmark                       | 50% Bloomberg Ausbond Composite Bond Index and 50% Bloomberg Ausbond Bank Bill Index                                                                             |
| Performance objective           | To exceed the Benchmark (cash) by 1.5% p.a. over rolling three-year periods                                                                                      |
| Suggested investment time frame | Medium term, minimum 3 years                                                                                                                                     |
| Investment universe             | Global credit and fixed interest markets, including but not limited to, investment grade securities, asset backed securities, capital securities and derivatives |
| Credit                          | Minimum                                                                                                                                                          |
| Interest rate exposure          |                                                                                                                                                                  |

### Fund Overview (Cont.)

|                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Fund features</b> | <ul style="list-style-type: none"> <li>• The Fund is a diversified multi-sector credit strategy with a focus on providing investors with steady monthly income from an actively managed portfolio of fixed income securities with a focus on downside protection.</li> <li>• Actively managed Fund with the flexibility to change the credit exposures to suit market conditions across the credit cycle.</li> <li>• Access to global investment opportunities</li> <li>• Diversified sources of income across many countries, industries, companies and investment types</li> <li>• Unique asset classes with specialist expertise</li> <li>• Regular monthly distributions</li> <li>• Daily unit pricing</li> </ul> |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

### Pricing and Fees

|                              |                     |
|------------------------------|---------------------|
| Unit frequency pricing       | Daily               |
| Management fee               | 0.35%               |
| Recoverable expenses         | 0.05% p.a. estimate |
| Buy/sell spread <sup>1</sup> | +0.100%/-0.100%     |
| Entry and exit fees          | A\$10,000           |

<sup>1</sup> Buy/sell spread is retained in the Fund to cover transaction costs. It is not paid to the Investment Manager. The buy/sell spread is reviewed on a monthly basis to ensure it fairly reflects market transaction costs.

### Currency

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**PDS:** [Bentham Defensive Income Fund PDS](#)

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