

Milford Monthly Fund Overview

December 2025

The gift of calm

December saw most Milford Funds post small gains as share markets were flat to slightly higher over the month. Bond and lower-risk funds saw weaker performance as NZ and Australian bond prices were softer.

Financial markets in 2025 were whipsawed by policy driven volatility as tariff announcements on April's 'Liberation Day' saw share markets drop precipitously. Elsewhere, the ongoing AI arms race saw plenty of speculation in markets as investors chased winners in the new technology era. After all this drama, more muted markets in December are something of a relief with little volatility in broad markets or underlying stocks. It was encouraging to see Australian shares recovering after a few months of underperformance.

Local NZ and Australian bond markets have been coming to grips with the prospect of no more interest rate cuts from either the Reserve Bank of Australia or Reserve Bank of New Zealand. This saw weaker bond prices in November and the trend continued modestly into December. We have been using this weakness to add exposure as the higher yields on offer start to look more attractive (especially compared to other bond markets, notably the US). Moves in bond markets

have also seen both the NZ and Australian dollar appreciate recently. We had increased our exposure to these currencies over the last month or so.

Looking ahead to 2026, we are optimistic that the global economy will likely experience a modest but broad-based policy induced upswing. AI spending by technology companies and businesses in general will also be ongoing. Economic risks are two sided. Fiscally induced economic growth could fuel inflation, threatening global bond markets. Or AI powered productivity gains could offset inflationary impacts, but threaten the health of the already precarious US labour market.

Against this economic backdrop, investors have to contend with share market valuations that are stretched, although most of the overvaluation is contained in the technology heavy US market. Broader economic growth and AI productivity gains potentially accruing to non-technology companies support a more diversified investment approach. Much like the year gone, we are likely to see plenty of surprises along the way and investors should be alert to risks of greater volatility – potentially in both directions.

Milford Fund Performance as at 31 December 2025

Milford Investment Funds

	Past month	1 year	3 years (p.a.)	5 years (p.a.)	Since Fund Inception (p.a.)	Unit price \$	Fund size \$
Multi-Asset Funds							
Conservative Fund*	-0.12%	5.34%	7.00%	3.47%	5.09%	1.3037	898.3 M
Diversified Income Fund*	0.05%	7.12%	7.31%	4.89%	8.93%	2.0276	3,497.5 M
Balanced Fund	0.21%	8.85%	9.57%	6.73%	9.02%	3.7126	2,573.3 M
Active Growth Fund	0.58%	12.72%	13.42%	9.58%	11.73%	6.9699	5,999.2 M
Australian Absolute Growth Fund	1.13%	9.39%	6.36%	6.97%	7.54%	1.7507	176.3 M
Aggressive Fund	-0.06%	10.84%	14.31%	—	7.89%	1.4016	3,790.9 M
Cash and Fixed Income Funds							
Trans-Tasman Bond Fund**	-0.23%	4.82%	6.66%	2.18%	4.16%	1.1944	1,870.6 M
Global Corporate Bond Fund**	-0.26%	6.29%	6.47%	1.91%	3.40%	1.0730	494.1 M
Cash Fund	0.22%	3.50%	4.83%	3.45%	2.83%	1.2107	1,018.9 M
Equity Funds							
Global Equity Fund†	0.02%	12.59%	15.96%	9.41%	9.77%	3.2184	2,256.3 M
Trans-Tasman Equity Fund*	1.05%	2.77%	8.70%	5.17%	10.26%	4.5890	890.8 M
Dynamic Fund#	-0.06%	18.62%	15.65%	10.28%	12.49%	4.1513	913.7 M

For details of how investment performance is calculated, and returns at each PIR please see www.milfordasset.com/funds-performance/view-performance#tabperformance.

Performance figures are after total Fund charges have been deducted and at 0% PIR. Please note past performance is not a guarantee of future returns.

Inception dates for the Funds: Active Growth Fund: 1 October 2007, Trans-Tasman Equity Fund: 1 October 2007, Balanced Fund: 1 April 2010, Diversified Income Fund: 1 April 2010, Global Equity Fund: 12 April 2013, Dynamic Fund: 1 October 2013, Trans-Tasman Bond Fund: 2 December 2013, Conservative Fund: 1 September 2015, Global Corporate Bond Fund: 1 February 2017, Australian Absolute Growth Fund: 1 March 2018, Cash Fund: 1 March 2019, Aggressive Fund: 21 June 2021.

* Performance figures include the reinvestment of the Funds' distribution.

^ Returns prior to 1 March 2018 are from when the Fund was previously offered to wholesale investors only and have been adjusted for current Fund charges.

† Returns prior to 1 October 2018 are from when the Fund was structured to achieve an absolute return.

Closed to new investment.

Upcoming Distributions

Fund	Target	Payment Date
Conservative Fund	0.85 cents (Quarterly)	14/01/2026
Diversified Income Fund	1.55 cents (Quarterly)	18/02/2026
Trans-Tasman Bond Fund	0.70* cents (Quarterly)	18/03/2026
Global Corporate Bond Fund	0.55* cents (Quarterly)	18/03/2026

*Please note distribution rates are being updated from March, the new rate for the Trans-Tasman Bond Fund and the Global Corporate Bond Fund are shown in the table.

Milford, its staff and their families, have approx. \$139.8 million invested in Milford's Investment Funds as of December 2025.

Milford Fund Performance as at 31 December 2025

Milford KiwiSaver Plan

	Past month	1 year	3 years (p.a.)	5 years (p.a.)	Since Fund Inception (p.a.)	Unit price \$	Fund size \$
KiwiSaver Conservative Fund	0.12%	5.37%	7.01%	3.49%	6.74%	2.3257	411.3 M
KiwiSaver Moderate Fund	-0.17%	6.81%	8.20%	5.02%	6.92%	1.4609	296.3 M
KiwiSaver Balanced Fund	0.14%	9.13%	9.76%	6.86%	9.23%	3.8289	2,314.4 M
KiwiSaver Active Growth Fund [^]	0.48%	12.51%	13.34%	9.71%	11.84%	7.0985	8,476.1 M
KiwiSaver Aggressive Fund	-0.15%	10.74%	14.20%	9.27%	11.13%	1.9517	2,967.8 M
KiwiSaver Cash Fund	0.22%	3.50%	4.83%	3.45%	3.04%	1.1882	163.0 M

For details of how investment performance is calculated, and returns at each PIR please see www.milfordasset.com/funds-performance/view-performance#tabperformance. Performance figures are after total Fund charges have been deducted and at 0% PIR. Please note past performance is not a guarantee of future returns. Inception dates for the Funds: KiwiSaver Active Growth Fund: 1 October 2007, KiwiSaver Balanced Fund: 1 April 2010, KiwiSaver Conservative Fund: 1 October 2012, KiwiSaver Aggressive Fund: 1 August 2019, KiwiSaver Cash Fund: 27 March 2020, KiwiSaver Moderate Fund: 27 March 2020. [^]Based on the performance of the AonSaver AMT Milford Aggressive Fund until 31 March 2010 and the Milford KiwiSaver Active Growth Fund from 1 April 2010.

Milford KiwiSaver Plan is the proud winner of multiple awards:



PROVIDER OF THE YEAR
KIWISAVER 2020 - 2025



OUTSTANDING VALUE
KIWISAVER SCHEME 2020 - 2025

Key Market Indices

	Past month	1 year	3 years (p.a.)	5 years (p.a.)	7 years (p.a.)
S&P/NZX 50 Gross Index (with imputation credits)	0.5%	4.08%	6.54%	1.46%	7.16%
S&P/ASX 200 Accumulation Index (AUD)	1.3%	10.32%	11.39%	9.9%	10.45%
MSCI World Index (local currency)*	0.53%	18.44%	20.85%	12.97%	14.99%
MSCI World Index (NZD)*	0.63%	17.98%	25.06%	17.31%	17.33%
S&P/NZX NZ Government Bond Index	-0.3%	4.97%	5.02%	-0.25%	1.26%
Bloomberg Global Agg. Bond (USD-Hedged)	-0.21%	4.86%	5.12%	0.34%	2.17%
S&P/NZX 90-Day Bank Bill Rate	0.2%	3.55%	4.84%	3.41%	2.76%

*With net dividends reinvested

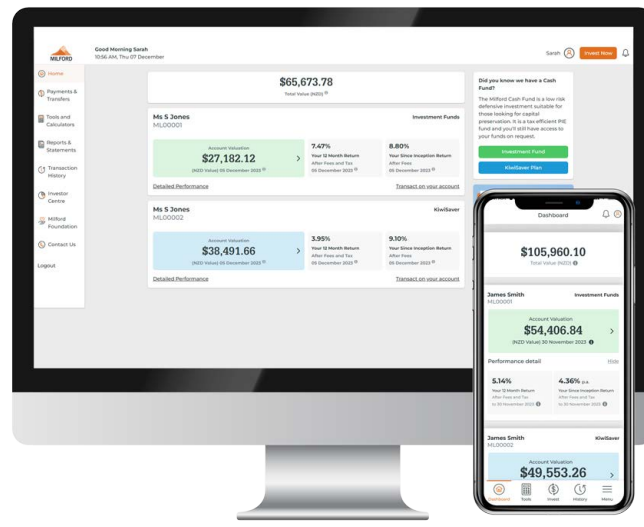
Milford staff and their families have approx. \$55.4 million invested in Milford's KiwiSaver Plan as of December 2025.

Milford Digital Tools

The Milford client portal & app

We understand that transparency is important because it's your money

Clients have access to a dedicated Milford mobile app and online portal that gives full visibility over where your money is invested and how it is performing at all times.



Need help choosing the right fund?

Access our expert digital advice to help guide you on your way

Whether you're saving for your first home, building your savings or about to retire, our digital advice can help you invest with confidence.

- ✓ Understand your risk tolerance
- ✓ Estimate your future balance
- ✓ Choose the right Milford Fund for you
- ✓ Estimate how much future income your investment could provide
- ✓ Free to use, no financial advice fee
- ✓ No obligation to invest with us.



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