

Australian Absolute Growth Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 July 2025



Portfolio Managers



William Curtayne
Portfolio Manager



Wayne Gentle
Portfolio Manager



Jason Kururangi
Co-Portfolio Manager

July was a strong month for equity markets characterised by a solid earnings season out of the US and broadly supportive economic measures. The ASX200 rallied 2.4%, in line with the Nasdaq (+2.4%) and slightly ahead of the S&P500 (+2.2%). The Fund outperformed the ASX200, rising 2.5%, and was ahead of its benchmark over the month.

The top contributor was healthcare business CSL which rose 13.1% and contributed 90bps to Fund performance. CSL has worked through challenges over the past years and is now getting into a position to return to consistent earnings growth, driven by its core Behring business. It is not well owned by the market and, trading on 22x earnings, is attractively valued, especially for its medium earnings growth compared to many other large ASX listed companies. Some risks remain; its flu vaccine business continues to struggle with low vaccination rates in the US and there is uncertainty over what the US Government's drug pricing policies may mean for Behring. Ultimately, we think CSL has a very good outlook, but do not be surprised if there is another short-term setback this year on the back of drug pricing policies.

Other strong performers were financial services company Insignia Financial (+23.7%) on a confirmed takeover offer, Biopharmaceutical company Neuren Pharmaceuticals (+22.5%), mining companies ALS (+8.0%) on a strong mining assay outlook and Lynas, which rallied 21.6% on positive US policies for rare earth metals.

The main negative performers were companies which performed well in previous months, notably mining services company Develop Global (-12.0%) and gold miner Greatland Resources (-25.5%).

The Fund continues with a balanced overall investment position at just under 80% equity exposure. We have some call options and put options as the market isn't expecting much price movement, making options attractive. This allows us to gain exposure to further market gains and protect against any share reversal.

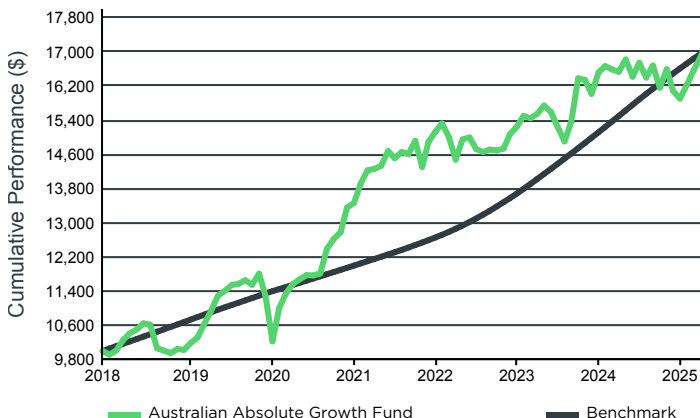
The current economic and policy outlook is reasonably supportive for markets. The main risks, however, come from positioning that is getting longer again, which means that investors are expecting prices to rise. Any reversal in current market momentum is still likely to require a substantial negative catalyst which may happen, but is not all that likely. Due to a strategic mix of investments and option hedges, the Fund remains well-positioned should any positive or negative surprises emerge.

To view Milford's July 2025 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.

Key Fund Facts

Objective¹

Targets an absolute return with an annualised return objective of 5% above the New Zealand Official Cash Rate while seeking to protect capital over rolling three year periods

Description

Diversified fund that primarily invests in Australasian equities, complemented by selective exposure to international equities and cash

Minimum recommended investment timeframe	7 years +
Target Allocation	17.5% Income Assets / 82.5% Growth Assets
Neutral FX Exposure	0%
Net Asset Value (NAV)	\$189.0 M
Buy-sell Spread	None - swing pricing applies (See PDS for details)
Inception Date	1 March 2018
Benchmark	OCR + 5% p.a.
Base Fund Fee²	1.05%
Performance Fee	15% of the Fund's returns above the Benchmark ¹ , subject to the high watermark.
Total Fund Fees³	1.30% (includes an est. performance fee)
Risk Indicator	<div> <div>Lower risk</div> <div>1 2 3 4 5 6 7</div> <div>Potentially lower returns Potentially higher returns</div> </div>

Australian Absolute Growth Fund as at 31 July 2025

Investment Performance after fees as at 31 July 2025⁴

Unit Price: \$1.7117

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Australian Absolute Growth Fund (Gross Of Tax)	2.46%	6.57%	2.71%	4.93%	8.15%	7.64%
After Tax 10.50%	2.57%	6.78%	2.64%	4.99%	8.18%	7.61%
After Tax 17.50%	2.65%	6.91%	2.60%	5.03%	8.20%	7.59%
After Tax 28.00%	2.77%	7.12%	2.53%	5.09%	8.22%	7.56%
Benchmark	0.68%	2.03%	9.17%	9.66%	8.03%	7.46%

Top Security Holdings

Holdings	% of Fund
CSL	6.55%
BHP	4.23%
SmartPay	2.75%
ALS	2.65%
Santos	2.60%
NAB	2.16%
ANZ Group Holdings	2.09%
Rio Tinto	2.00%
Cleanaway Waste Management	2.00%
Xero	1.87%

Current Asset Allocation

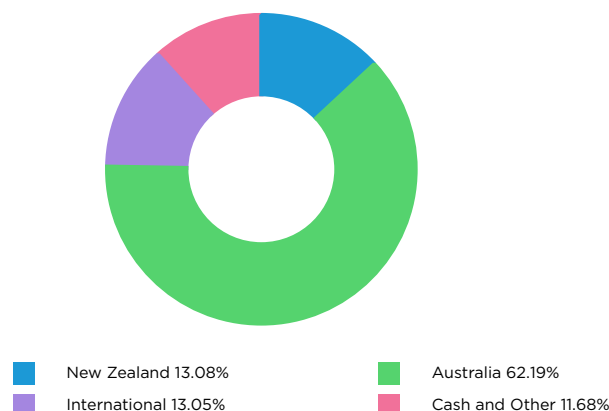
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	11.52%	7.5%
New Zealand Fixed Interest	5.07%	10%
International Fixed Interest	4.32%	0.0%
New Zealand Equities	5.62%	0.0%
Australian Equities	71.01%	77.5%
International Equities	2.30%	5%
Other	0.16%	0.0%

The actual cash held by the Fund is 11.37%. 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	23.78%
Materials	13.92%
Health Care	11.05%
Industrials	8.19%
Energy	6.47%
Real Estate	5.72%
Utilities	4.96%
Consumer Discretionary	3.95%
Other Sectors	10.28%
Cash and Other	11.68%

Region Exposure



1. After the Base Fund Fee but before tax and before the performance fee. 2. Where applicable, the Base Fund Fee includes an estimate of non-related underlying fund charges. 3. 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. 4. 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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