Australian Absolute Growth Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 October 2026

MILFORD
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October was a mixed month for global markets. A stronger oil price and doubts over the pace of AI investment saw the local market outperform global indices. The ASX 200 rose 1.4%, but there was strong dispersion beneath the surface with financials, utilities and healthcare rallying while materials fell. The Fund returned 2.6% during the month driven by energy positions and favourable materials positioning relative to the market.

Oil and energy stocks rallied over the month as the blockades continued around the Persian Gulf and oil inventories continued lower. Key performers were Chevron (+15.3%), BP (+14.5%), Santos (+7.3%) and Schlumberger (+10.3%). To lock in some gains the Fund reduced our oil producers slightly but maintained a sizeable position given the precarious global energy inventory positions and difficulty getting a US-Iran deal to restore normal energy flows.

BHP (-5.4%) and Rio Tinto (-13.0%) declined as the market questioned the sustainability of the AI rollout and by extrapolation the demand for copper. The Fund was partially protected from this decline through some put options owned on BHP and Rio Tinto for just this risk. This weakness in large resources did lead to a rally in financials and banks despite the outlook for banks worsening.

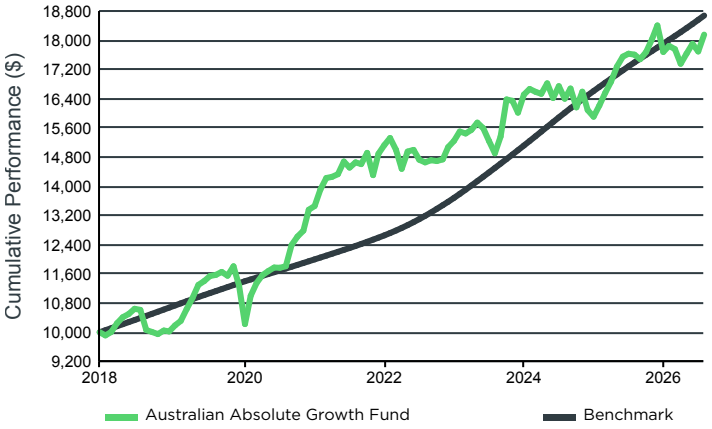
Looking ahead, uncertainty remains elevated both domestically and globally. In Australia, the housing market faces the risk of its most significant downturn in decades, while persistent inflation may limit the scope for interest rate relief. Globally, markets continue to assess the durability of the AI investment cycle alongside an emerging energy crisis that could improve significantly if a geopolitical resolution is reached, or worsen if tensions persist. The Fund has sought to capitalise on these dislocations through investments in energy companies and selected high-dividend Australian equities. However, with markets not fully pricing risks around housing, energy or slowing AI investment, volatility may remain elevated. As a result, the Fund has increased equity derivative protection while maintaining meaningful exposure to attractive equity opportunities.

To view Milford's October 2026 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

Objective [1]	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)	$160.8 M
Buy-sell Spread	None - swing pricing applies (See PDS for details)
Inception Date	1 March 2018
Benchmark	OCR + 5% p.a.
Base Fund Fee [2]	1.05%
Performance Fee	15% of the Fund's returns above the Benchmark [1], subject to the high watermark.
Total Fund Fees [3]	1.30% (includes an est. performance fee)
Risk Indicator	Lower risk — 1 2 3 **4** 5 6 7 — Higher risk Potentially lower returns — Potentially higher returns

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Australian Absolute Growth Fund as at 31 October 2026

Investment Performance after fees as at 31 October 2026 [4]

Unit Price: $1.796

	1 Month	1 year	3 years (p.a.)	5 years (p.a.)	10 years (p.a.)	Since inception (p.a.)
Milford Australian Absolute Growth Fund (Gross Of Tax)	2.61%	3.12%	6.80%	4.38%	-	7.12%
After Tax 10.50%	2.51%	3.20%	6.90%	4.43%	-	7.11%
After Tax 17.50%	2.44%	3.26%	6.97%	4.47%	-	7.10%
After Tax 28.00%	2.33%	3.34%	7.08%	4.52%	-	7.09%
Benchmark	0.64%	7.38%	8.80%	8.60%	-	7.47%

Top Security Holdings

Holdings	% of Fund
BHP Group	7.58%
CBA	5.23%
CSL	4.40%
Rio Tinto	3.23%
ANZ Group	3.13%
Lottery Corporation	3.04%
Goodman Group	2.36%
Westpac	2.23%
Woodside Energy	2.18%
Northern Star	1.95%

Current Asset Allocation

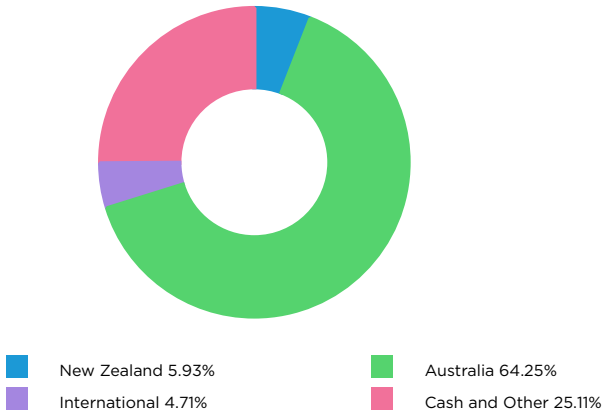
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	18.12%	7.5%
New Zealand Fixed Interest	3.75%	10%
International Fixed Interest	2.81%	0.0%
New Zealand Equities	2.19%	0.0%
Australian Equities	64.50%	77.5%
International Equities	1.61%	5%
Commodities	7.02%	0.0%
Other	0.00%	0.0%

The actual cash held by the Fund is 12.37%. 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	20.04%
Materials	16.05%
Energy	9.01%
Real Estate	7.48%
Health Care	5.72%
Consumer Discretionary	5.17%
Utilities	4.06%
Industrials	3.37%
Other Sectors	4.44%
Cash and Other	24.66%

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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