

Australian Absolute Growth Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 May 2026



Portfolio Managers



William Curtayne
Portfolio Manager



Wayne Gentle
Portfolio Manager



Jason Kururangi
Co-Portfolio Manager

May was a strong month for global equity markets, with the S&P500 up 5.3% and continuing to lead the way. This was pulled higher by sentiment around AI and AI capital expenditure, factors with less available exposure in the Australian market. The ASX200 lagged the broader recovery in markets up a more modest 1.2%, while the Fund returned -0.5%.

Resources continued to be the bright spark on the local market, as a proxy for AI CapEx. Key outperformers within the Fund include mining company Capstone Copper, up 30.0% on the back of strong demand and copper supply disruptions benefitting the copper price.

The Australian budget announced during the month is likely to have important effects on the economy and local businesses over the next few years. The removal of Capital Gains Tax (CGT) discounts and negative gearing on investment properties are likely to put further downward pressure on house prices, which were already softening following RBA rate hikes. This reduces the growth outlook for Australian banks and is likely to lead to softer consumer spending. If proposed CGT changes go ahead, Australia may need rate cuts next year to help support the housing market and the wider domestic economy outside the mining sector.

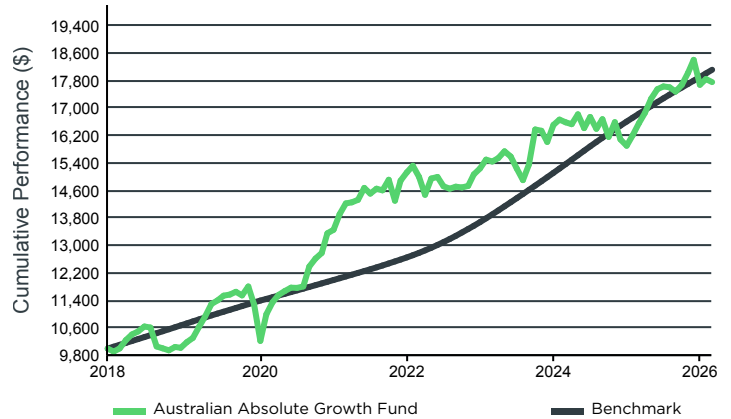
The Fund remains defensively positioned as we continue to monitor the significant disruption to physical oil supply. Even if a deal is made with Iran to reopen the Strait of Hormuz tomorrow, it is already too late to prevent more substantial shortages of oil products in July and August. This is because the current trajectory of oil and product storage levels leave storage buffers largely depleted around the world, and it would take more than 60 days to restart shut-in oil production in the Middle East. For this reason, we have maintained our positions in energy companies. If the coming month see cyclical companies selling off, this could create opportunities, particularly in selected mining companies.

To view Milford's May 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

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)	\$174.8 M
Buy-sell Spread	None - swing pricing applies (See PDS for details)
Inception Date	1 March 2018
Benchmark	OCR + 5% p.a.
Base Fund 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 style="display: flex; justify-content: space-between; width: 100%;"> Lower risk Higher risk </div> <div style="display: flex; justify-content: center; align-items: center; gap: 10px;"> 1 2 3 4 5 6 7 </div> <div style="display: flex; justify-content: space-between; width: 100%; margin-top: 5px;"> Potentially lower returns Potentially higher returns </div>

Australian Absolute Growth Fund as at 31 May 2026

Investment Performance after fees as at 31 May 2026⁴

Unit Price: \$1.7575

	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)	-0.50%	-3.53%	7.22%	4.76%	4.53%	7.20%
After Tax 10.50%	-0.51%	-3.45%	7.56%	4.86%	4.60%	7.20%
After Tax 17.50%	-0.51%	-3.41%	7.79%	4.93%	4.64%	7.20%
After Tax 28.00%	-0.52%	-3.34%	8.12%	5.03%	4.71%	7.20%
Benchmark	0.60%	1.78%	7.60%	9.21%	8.41%	7.46%

Top Security Holdings

Holdings	% of Fund
BHP Group	5.84%
CBA	5.20%
Woodside Energy	3.81%
Goodman Group	3.05%
Rio Tinto	3.01%
Westpac	2.54%
Sigma Healthcare	2.40%
SLB	2.16%
ANZ Group	1.97%
Amazon	1.96%

Current Asset Allocation

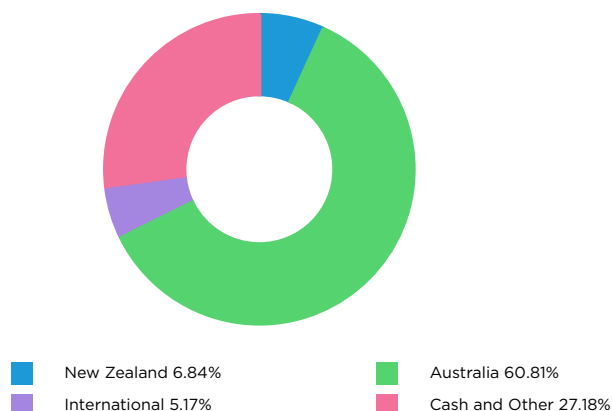
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	23.49%	7.5%
New Zealand Fixed Interest	3.72%	10%
International Fixed Interest	2.93%	0.0%
New Zealand Equities	2.99%	0.0%
Australian Equities	60.26%	77.5%
International Equities	2.97%	5%
Commodities	3.53%	0.0%
Other	0.11%	0.0%

The actual cash held by the Fund is 15.98%. 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 %
Materials	17.50%
Financials	14.95%
Energy	11.04%
Real Estate	10.29%
Industrials	5.03%
Health Care	4.47%
Consumer Discretionary	3.15%
Utilities	2.75%
Other Sectors	4.17%
Cash and Other	26.65%

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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