

# Australian Absolute Growth Fund

## Portfolio Investment Entity

### Monthly Fact Sheet as at 31 August 2025



## Portfolio Managers



**William Curtayne**  
Portfolio Manager



**Wayne Gentle**  
Portfolio Manager



**Jason Kururangi**  
Co-Portfolio Manager

August was another robust month for equity markets, characterised by a solid earnings season with generally positive earnings revisions. The Fund outperformed its benchmark return, delivering 1.6% during the month, however it did lag the broader ASX200, which rose 3.1%.

Nearly all our portfolio companies released results, and as with recent reporting seasons, volatility continues to step up seeing positive results rewarded and negative surprises getting punished. Examples of earnings downgrades that were punished included building materials companies with US exposure such as James Hardie (-24.5%) and Reece (-17.9%) being sold off. Our strongest performance over the month included Tuas, where we participated in the placement for the Singaporean telecommunications company, which rallied 45.8% following the acquisition of competitor M1.

Our gold holdings also delivered solid results, benefiting from record prices. Ramelius Resources (+25.8%), Newmont (+15.6%) and Genesis Minerals (+22.2%) all delivered solid results generating significant cash flow. The continued strength in the gold price reflects persistent geopolitical tensions, strong central bank buying and investors pursuing portfolio diversification as a store of value against significant fiscal expansion globally.

Unfortunately, the top contributor last month dragged in this month as its results disappointed the market with biotechnology company CSL selling off (-21.4%). While disappointing on an absolute basis, overall we had taken profits on the position through July and early August, so the drag on performance was manageable in the context of the Fund. We think the business continues to offer compelling medium-term value but we will continue to be active in how we manage the position.

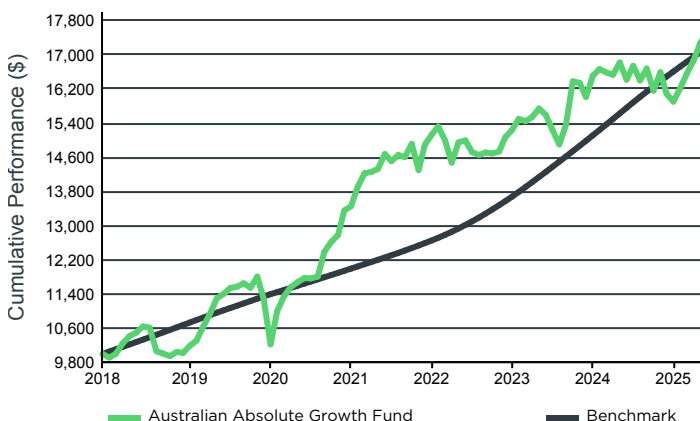
The Fund continues with a balanced overall investment position at just under 80% equity exposure. We have some call options and put options as the market isn't expecting much price movement, making options attractive. This allows us to gain exposure to further market gains and protect against any share reversal. The economic and policy outlook continues to be supportive for markets. We continue to see the main risks coming from positioning that is getting longer again, which means that investors are expecting prices to rise. However, any reversal in current market momentum is still likely to require a substantial negative catalyst which may happen, but for now doesn't look likely short term.

To view Milford's August 2025 Market and Economic Review please see [milfordasset.com/insights](https://milfordasset.com/insights).

For previous fund reports see [milfordasset.com/fund-reports](https://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<sup>1</sup>

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)	\$187.7 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 <sup>2</sup>	1.05%
Performance Fee	15% of the Fund's returns above the Benchmark <sup>1</sup> , subject to the high watermark.
Total Fund Fees <sup>3</sup>	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 August 2025

### Investment Performance after fees as at 31 August 2025 <sup>4</sup>

Unit Price: \$1.7385

	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)	1.59%	5.98%	6.90%	5.38%	8.31%	7.78%
After Tax 10.50%	1.63%	6.14%	6.93%	5.45%	8.33%	7.76%
After Tax 17.50%	1.65%	6.25%	6.95%	5.50%	8.34%	7.74%
After Tax 28.00%	1.68%	6.41%	6.99%	5.57%	8.35%	7.71%
Benchmark	0.67%	2.01%	8.98%	9.68%	8.08%	7.47%

### Top Security Holdings

Holdings	% of Fund
CSL	5.56%
BHP	4.27%
ANZ Group Holdings	3.01%
Newmont	2.84%
SmartPay	2.83%
ALS	2.18%
Santos	2.16%
Rio Tinto	2.08%
Xero	1.95%
Washington H Soul Pattinson And Company	1.84%

### Current Asset Allocation

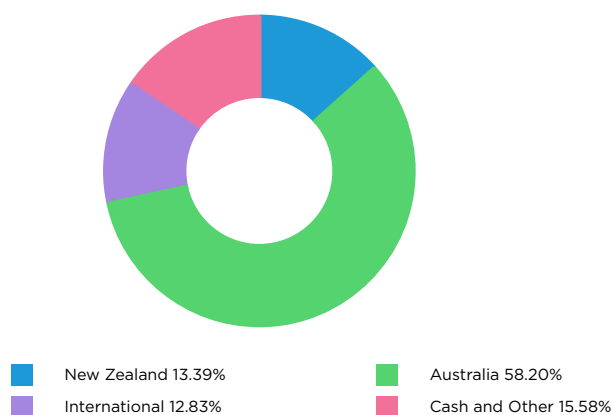
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	15.58%	7.5%
New Zealand Fixed Interest	5.39%	10%
International Fixed Interest	4.24%	0.0%
New Zealand Equities	5.61%	0.0%
Australian Equities	67.66%	77.5%
International Equities	1.52%	5%
Other	0.00%	0.0%

# The actual cash held by the Fund is 6.93%. 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	22.16%
Materials	15.28%
Health Care	10.12%
Real Estate	7.52%
Industrials	6.97%
Utilities	5.20%
Energy	5.09%
Consumer Discretionary	4.19%
Other Sectors	7.89%
Cash and Other	15.58%

### 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](http://milfordasset.com/fact-sheet) for more information about the data published within this document.

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