

Australian Absolute Growth Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 September 2025



Portfolio Managers



William Curtayne
Portfolio Manager



Wayne Gentle
Portfolio Manager



Jason Kururangi
Co-Portfolio Manager

Offshore equity markets pushed ahead in September, driven by AI technology stocks following announcements of new AI investment. The ASX200 trailed, falling 0.8% after a strong August. The Fund increased 0.5%, driven by the performance of our technology and gold investments relative to the ASX200 index.

Our offshore AI-related investments performed on the AI investment announcements. Software company Oracle rallied over 24.4% and we decided to exit that investment. We added to TSMC which rallied over the month on the improving demand outlook for computing.

The gold price continued to break higher, exceeding US \$3,800 an ounce which drove our gold miner investments sharply higher. We steadily trimmed our gold miner investments, but remain positive on gold over the medium-term. We will monitor and add back to these miners on weakness.

In Australia there are many signs the economy is accelerating from stronger GDP, improving house prices and very strong household expenditure. While overall positive for Australian equities, the negative side of a stronger economy is that it makes further Reserve Bank of Australia interest rate cuts more difficult. There is a reasonable chance there are no further cuts.

Considering this economic and interest rates view, we reduced Real Estate Investment Trust (REIT) holdings over the month and increased positions in all four major banks. This included a 1% position in Commonwealth Bank (CBA) further supplemented with CBA call options. All the major banks are likely to see positive earnings revisions from net interest margins if interest rates are cut only once or not at all. Combined with a robust credit growth and bad debt outlook this is a supportive environment for Australian banks.

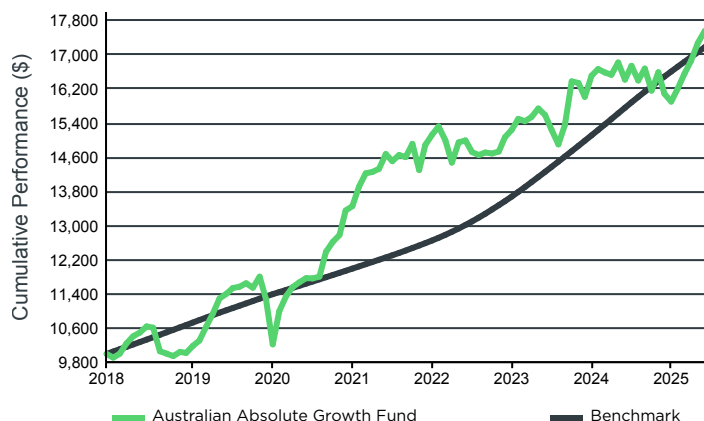
The likely scenario is equities can continue to perform well into year-end, albeit with a small wobble or two. The key major risks to equities are a bursting of the AI boom (not apparent just yet) and a Federal Reserve that may be unable to cut interest rates as expected, or turn around and raise interest rates (more a risk for next year).

To view Milford's September 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)	\$185.4 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 Potentially lower returns Potentially higher returns

Australian Absolute Growth Fund as at 30 September 2025

Investment Performance after fees as at 30 September 2025 ⁴

Unit Price: \$1.7463

	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)	0.46%	4.56%	5.31%	6.19%	8.42%	7.76%
After Tax 10.50%	0.44%	4.70%	5.36%	6.32%	8.47%	7.73%
After Tax 17.50%	0.43%	4.79%	5.40%	6.41%	8.50%	7.71%
After Tax 28.00%	0.41%	4.93%	5.46%	6.54%	8.54%	7.68%
Benchmark	0.63%	1.99%	8.80%	9.68%	8.13%	7.48%

Top Security Holdings

Holdings	% of Fund
BHP	4.33%
Westpac	3.45%
CSL	3.39%
NAB	3.19%
SmartPay	2.89%
Flight Centre Travel Group 2032	2.82%
Newmont	2.79%
Cleanaway Waste Management	2.67%
ANZ Group Holdings	2.60%
Goodman	2.35%

Current Asset Allocation

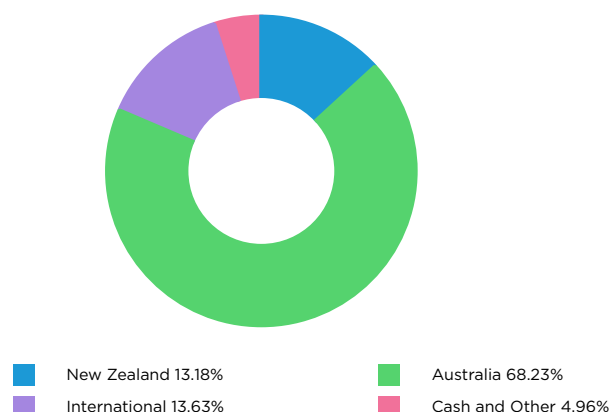
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	4.96%	7.5%
New Zealand Fixed Interest	4.90%	10%
International Fixed Interest	7.22%	0.0%
New Zealand Equities	5.90%	0.0%
Australian Equities	71.93%	77.5%
International Equities	5.09%	5%
Other	0.00%	0.0%

The actual cash held by the Fund is 5.71%. 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	27.38%
Materials	14.69%
Industrials	9.26%
Consumer Discretionary	8.06%
Health Care	7.68%
Real Estate	7.05%
Information Technology	5.95%
Utilities	3.95%
Other Sectors	11.02%
Cash and Other	4.96%

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.

Disclaimer: The Milford Fund Fact Sheet has been prepared by Milford Funds Limited. It is based on information believed to be accurate and reliable although no guarantee can be given that this is the case. No reproduction of any material either in part or in full is permitted without prior permission. For more information about the Fund, please refer to the Product Disclosure Statement or the latest Quarterly Fund Update.