

# Milford Australian Absolute Growth Fund - R Class

December 2025



## Portfolio Managers



**William Curtayne**  
Portfolio Manager



**Wayne Gentle**  
Portfolio Manager



**Jason Kururangi**  
Co-Portfolio Manager

The Christmas rally was markedly absent for the first few weeks of December, however markets rallied strongly into month end. The ASX200 delivered 1.3% for December and 10.3% for the year. We are pleased the Fund delivered broadly similar performance in December, up 1.0%, delivering a strong 9.2% for the year.

Resources were the best performing part of the market. With a strong US economy, a lower US dollar and expectations lifting for US interest rate cuts, the setup looks robust for commodities with fears lingering of an acceleration in inflation, continuing to support the importance of commodities as a store of value. This supported strength in our gold miners through December, namely Newmont (+7.7%) and Genesis Minerals (+8.9%). We also benefited from our overweight to various base metal exposures more linked to global economic growth such as copper, performing very well in December (Copper +11%, on perceived demand strength and supply constraints). This drove copper miner Capstone Copper +14.9%, as well as mine owner Develop Global (+25.3%). We did use the opportunity to selectively take profits on some of our commodity exposures.

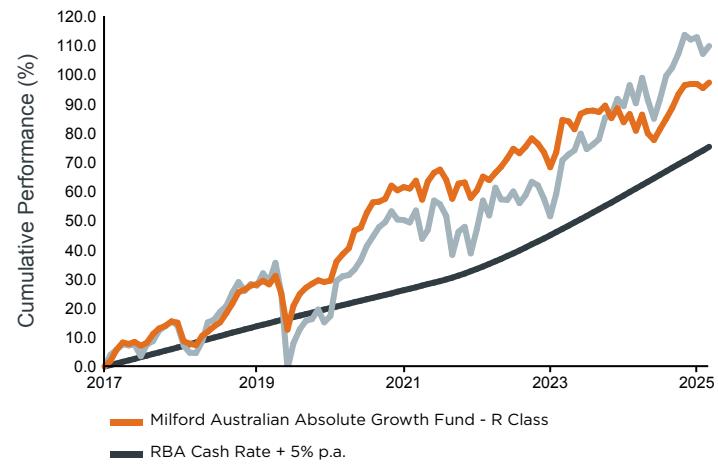
Technology companies remained under pressure as investors rotated into more cyclical sectors and the sheen came off the AI narrative. This in part contributed to location tracking company Life360's continued weakness (-17.1%), compounded by the market still trying to understand the shape of their advertising model and whether user growth will reaccelerate.

2026 will likely be another eventful year with midterm elections, likely accelerating US growth, potential inflation fears, the ending of some global interest rate cutting cycles, and the AI debate. There is a wide array of outcomes for the year ahead and we remain focused on generating strong risk-adjusted returns.

We enter 2026 relatively well invested at ~85% net invested, with optionality present to help cushion volatility, while allowing the Fund to maintain a strong investment position. As always we will look to adjust Fund positioning and manage capital preservation, should geopolitical events, such as the involvement from the US in Venezuela escalate, or we see a trigger for wider market volatility.

## Cumulative Performance (after fees and expenses)

31 December 2025



Performance since inception and assumes reinvestment of distributions. Past performance is not a reliable indicator of future performance.

## Key Fund Facts

<b>Objective</b>	Absolute returns with an annualised return of 5% above the RBA Cash Rate while seeking to preserve investor capital over rolling three-year periods.
<b>Description</b>	A diversified portfolio of predominantly Australian equities, complemented by selective exposure to international equities and cash. May use derivatives and foreign currency hedging.
<b>Benchmark</b>	RBA Cash Rate + 5% p.a.
<b>APIR</b>	ETL1090AU
<b>Redemption Price as at 31 Dec</b>	\$0.9959
<b>Fund Size*</b>	\$394.8 Million
<b>Inception Date</b>	October 2017
<b>Minimum Investment</b>	\$1,000
<b>Recommended Investment Timeframe</b>	7 years +
<b>Buy-sell Spread</b>	+/-0.20%
<b>Entry/Exit Fee</b>	Nil
<b>Management Fee</b>	1.05%
<b>Performance Fee</b>	15.35% p.a. of returns above the benchmark subject to achieving the high watermark.
<b>Fund Pricing</b>	Daily
<b>Distribution Frequency</b>	Biannual

\*The Fund Size represents the total assets of the fund.

## Milford Australian Absolute Growth Fund as at 31 December 2025

### Investment Performance to 31 December 2025

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Australian Absolute Growth Fund - R Class <sup>1</sup>	0.95%	0.26%	9.15%	6.37%	7.35%	8.58%
RBA Cash Rate + 5% p.a.	0.70%	2.10%	8.88%	9.04%	7.68%	7.03%
Excess Return	0.25%	-1.84%	0.27%	-2.67%	-0.33%	1.55%
S&P/ASX 200 (TR) Index	1.30%	-1.01%	10.32%	11.39%	9.90%	9.39%
Excess Return	-0.35%	1.27%	-1.17%	-5.02%	-2.55%	-0.81%

Past performance is not a reliable indicator of future performance. Returns greater than one year are annualised.

### Top Security Holdings

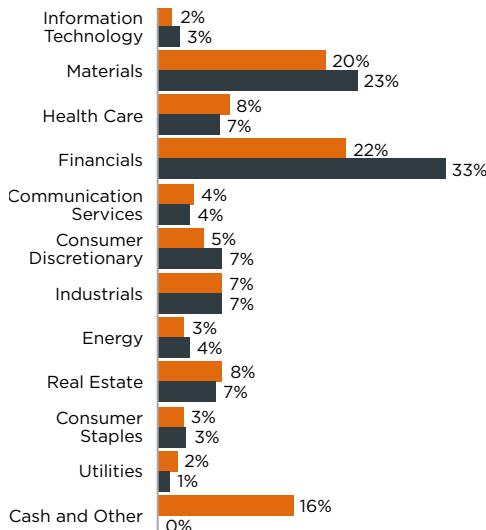
Holdings	% of Fund
NAB	3.82%
Westpac	3.81%
ANZ Group	3.66%
BHP Group	3.46%
CSL	2.92%
Rio Tinto	2.85%
ALS	2.34%
Bluescope Steel	2.18%
Sigma Healthcare	2.12%
Goodman Group	2.12%

### Current Asset Allocation

	Actual	Typical Range	Maximum Range
Australasian Equities	75.44%	75-85%	30-100%
Derivatives	4.77%	NA	NA <sup>^</sup>
International Equities	4.04%	0-10%	0-20%
Cash and Other	20.06%	0-20%	0-50%

<sup>^</sup> Refer to PDS for limits on derivative exposure.

### Sector Allocation



■ Milford Australian Absolute Growth Fund - R Class

■ S&P/ASX 200 (TR) Index

### Fund Changes

There have been no material changes to the Fund's risk profile or strategy since the last monthly report. There have been no changes to the key service providers or individuals playing a key role in investment since the last monthly report.

## Milford Australian Absolute Growth Fund as at 31 December 2025

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1. The performance stated combines the performance of the Australian Absolute Growth Fund - W Class from 2 October 2017 to 30 June 2021, and the performance of the Milford Australian Absolute Growth Fund - R Class thereafter.

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Milford Australian Absolute Growth Fund - R Class's Target Market Determination is available at <https://milfordasset.com.au/documents-and-forms>. The Target Market Determination is a document describing who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed.