Milford Australian Absolute Growth Fund - R Class

July 2026

Portfolio Managers

William Curtayne
Portfolio Manager

Wayne Gentle
Portfolio Manager

Jason Kururangi
Co-Portfolio Manager

July was a mixed month for global equity markets. The ASX 200 rose 2.3%, outperforming international markets as investors moved away from AI beneficiaries following a strong first half. The Fund returned 1.8%, outperforming the benchmark by 1.0% over the month.

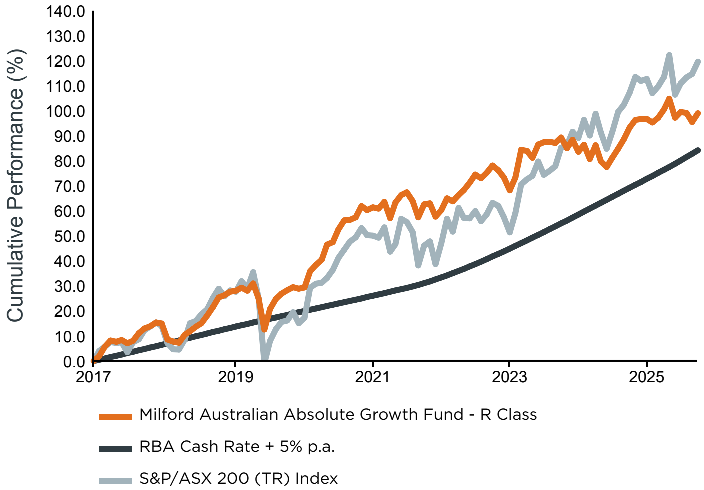
In early July, stretched positioning and concerns around the pace of AI investment triggered a correction across several global technology beneficiaries. In Australia, this drove strong performance from financials which had been used as a funding short for markets more leveraged to the AI build out. The banks were significant beneficiaries, with CBA (+7.8%) and NAB (+9.2%) among the strongest performers. Financials were the largest positive contributor to the Fund over the month.

The other major contributor was the Fund's energy positions, which rebounded strongly as renewed disruption in the Strait of Hormuz drove a 20% rise in crude prices. This flowed through to oil and gas holdings Woodside (+16.8%) and Santos (+8.7%) as well as refiners like Ampol (+21.3%) as higher refiner margins supported earnings. We have reduced some of these holdings after their strong performance, while retaining a reasonable energy exposure. Global inventories of crude oil are continuing to decline and are approaching critical levels which increases the likelihood of a larger crude price increase but also increases the need for a resolution to be found.

Looking ahead we have a weakening Australian housing market, a possible end to the RBA rate hiking cycle (unless oil prices surge further), 10-year bond yields breaking out to the upside, and a continuing surge in capital expenditure related to AI. This creates both increased uncertainty and opportunities as we are compensated by cheaper valuations in some sectors of the Australian equity market.

Cumulative Performance (after fees and expenses)

31 July 2026



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

Key Fund Facts

Objective	Absolute returns with an annualised return of 5% above the RBA Cash Rate while seeking to preserve investor capital over rolling three-year periods.
Description	A diversified portfolio of predominantly Australian equities, complemented by selective exposure to international equities and cash. May use derivatives and foreign currency hedging.
Benchmark	RBA Cash Rate + 5% p.a.
APIR	ETL1090AU
Redemption Price as at 31 Jul	$0.8587
Fund Size*	$335.9 Million
Inception Date	October 2017
Minimum Investment	$1,000
Recommended Investment Timeframe	7 years +
Buy-sell Spread	+/-0.20%
Entry/Exit Fee	Nil
Management Fee	1.05%
Performance Fee	15.35% p.a. of returns above the benchmark subject to achieving the high watermark.
Fund Pricing	Daily
Distribution Frequency	Biannual

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

Milford Australian Absolute Growth Fund as at 31 July 2026

MILFORD

Investment Performance to 31 July 2026

	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 [1]	1.76%	-0.27%	2.99%	3.77%	4.79%	8.10%
RBA Cash Rate + 5% p.a.	0.76%	2.27%	8.88%	9.12%	8.15%	7.16%
Excess Return	1.00%	-2.54%	-5.89%	-5.35%	-3.36%	0.94%
S&P/ASX 200 (TR) Index	2.26%	4.13%	6.01%	10.40%	8.01%	9.32%
Excess Return	-0.50%	-4.40%	-3.02%	-6.63%	-3.22%	-1.22%

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

Top Security Holdings

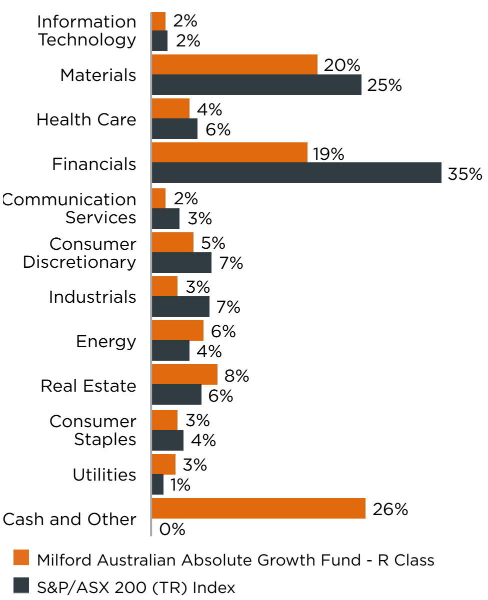
Holdings	% of Fund
BHP Group	6.58%
CBA	5.19%
Rio Tinto	4.87%
NAB	3.22%
ANZ Group	3.17%
Westpac	2.95%
Goodman Group	2.81%
Woolworths	1.80%
Aristocrat Leisure	1.57%
Lottery Corporation	1.51%

Current Asset Allocation

	Actual	Typical Range	Maximum Range
Australasian Equities	67.71%	75-85%	30-100%
Derivatives	5.23%	NA	NA^
International Equities	5.28%	0-10%	0-20%
Cash and Other	27.05%	0-20%	0-50%

^ Refer to PDS for limits on derivative exposure.

Sector Allocation



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.

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.