Milford Dynamic Small Companies Fund

October 2026

MILFORD
INVESTED IN THE OUTCOME

Portfolio Managers



William Curtayne
Portfolio Manager



Michael Higgins
Portfolio Manager



Roland Houghton
Co-Portfolio Manager

The Fund returned -4.3% in October, compared with a 6.4% decline in the benchmark. Our cautious positioning and elevated cash holdings helped limit the downside, consistent with the strategy's longer-term record of capturing over 100% of market upside while participating in approximately 60% of downside. Chrysos Corporation (+7.1%), developer of PhotonAssay gold-testing technology, held up relatively well. We believe the industry is approaching an inflection point in adoption, with PhotonAssay offering a faster, safer alternative to traditional fire assay. As ore bodies become deeper and more complex, the need for accurate and timely testing continues to grow.

BlueScope Steel (+9.4%) was another positive contributor. We consider BlueScope a HALO-style business (Hard Assets with Low Obsolescence), underpinned by scarce industrial assets. These include its highly efficient North Star steelmaking operation in Ohio and its established Australian coated-products franchise. These hard-to-replicate assets offer attractive long-term value.

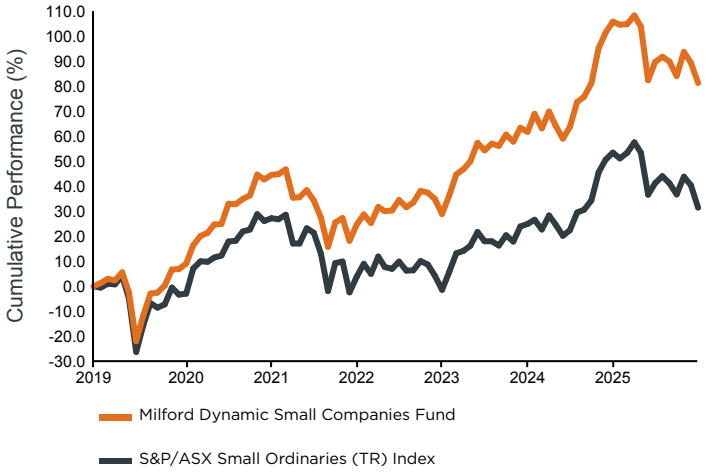
FleetPartners (+10.4%) continued its strong run as SG Fleet emerged as the successful bidder in the competitive takeover process, at an 87% premium to the undisturbed share price. Having long viewed FleetPartners as undervalued, we progressively reduced our position as the share price approached fair value.

Detractors included digital infrastructure company Megaport (-14.7%) and healthcare services company Integral Diagnostics (-18.7%). The latter downgraded growth expectations highlighting the impact of negative operating leverage.

Looking ahead, Australia faces a challenging backdrop. Inflation remains stubborn, household confidence is subdued and interest rates are restrictive, with risks still skewed to the upside. This environment calls for greater discipline in how we assess risk and deploy capital. One of the less appreciated advantages of active management is the ability to be patient. We continue to prioritise liquidity and diversification, maintaining elevated cash holdings while remaining alert to opportunities. We recognise that share markets lead the economy, and we intend to deploy capital as the balance between risk and reward becomes more compelling.

Cumulative Performance (after fees and expenses)

31 October 2026



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

Key Fund Facts

Objective	The fund targets outperformance of the S&P/ASX Small Ordinaries (TR) Index over the minimum recommended investment timeframe (net of fees)
Description	Primarily invests in small to mid-cap Australian equities
Benchmark	S&P/ASX Small Ordinaries (TR) Index
APIR	ETL6978AU
Redemption Price as at 31 Oct	$1.2608
Fund Size*	$383.3 Million
Inception Date	October 2019
Minimum Investment	$1,000
Recommended Investment Timeframe	8 years +
Buy-sell Spread	+/-0.30%
Entry/Exit Fee	Nil
Management Fee	1.23%
Performance Fee	20.5% p.a. of returns above the benchmark subject to achieving the high watermark.
Fund Pricing	Daily
Distribution Frequency	Annual

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

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Milford Dynamic Small Companies Fund as at 31 October 2026

Investment Performance to 31 October 2026

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Dynamic Small Companies Fund	-4.30%	-1.56%	-11.92%	12.01%	4.63%	8.75%
S&P/ASX Small Ordinaries (TR) Index	-6.43%	-3.89%	-14.36%	10.03%	0.64%	3.93%
Excess Return	2.13%	2.33%	2.44%	1.98%	3.99%	4.82%

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

Top Security Holdings

Holdings	% of Fund
Megaport	3.11%
New Hope Corp	3.11%
Dalrymple Bay Infrastructure	2.85%
Breville Group	2.72%
Region Group	2.33%
Chrysos Corporation	2.33%
Nexgen Energy	2.20%
Newmont	2.18%
Ridley	1.97%
Bluescope Steel	1.78%

Current Asset Allocation

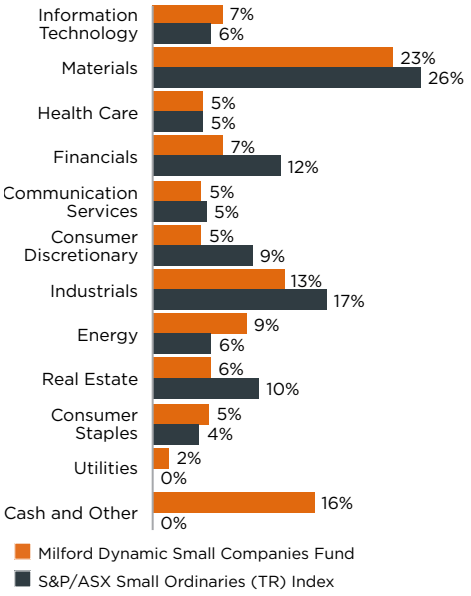
	Actual	Neutral	Maximum Range
Australian Equities	80.98%	90%	60-100%
New Zealand Equities	3.51%	0%	0-20%
Cash and Other	15.51%	10%	0-20%

Ratings

Zenith RECOMMENDED

Recommended Lonsec Research

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.

Platform Availability

Asgard, BT Panorama, Dash, HUB24, IOOF, Macquarie Wrap, Mason Stevens, MLC, MyNorth, Netwealth, PowerWrap, Praemium, Xplore Wealth Ltd

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Milford Dynamic Small Companies Fund'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.

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