

Monthly Update for Month Ending September 2025

Investment objective

Aims to deliver outperformance of the Benchmark over 5 years, after fees.

Key information

Code	NTH0532
Manager name	Watershed Funds Management Pty Ltd
Inception date	28 March 2025
Benchmark	Morningstar Australia Balanced Target Allocation NR AUD
Asset class	Diversified
Number of underlying assets	58
Minimum investment horizon	5 years
Portfolio income	Default - Paid to Platform Cash
Management fees and costs	'0.82%
Performance fee	'0.00%
Estimated net transaction costs	'0.00%
Estimated buy/sell spread	0.10%/0.01%
Risk band/label	5/Medium to high
Minimum investment amount	\$25,000

About the manager

Watershed Funds Management Pty Ltd

Watershed Funds Management is a boutique Australian investment manager that delivers client- focused investment solutions to institutions, intermediaries, financial planners and high net worth investors. Watershed's fundamental goal is to protect and create capital for their clients by delivering on their investment philosophy of taking strategic positions in and out of all asset classes throughout the investment cycle, whilst identifying and holding high quality companies for the medium to long term within each asset class.

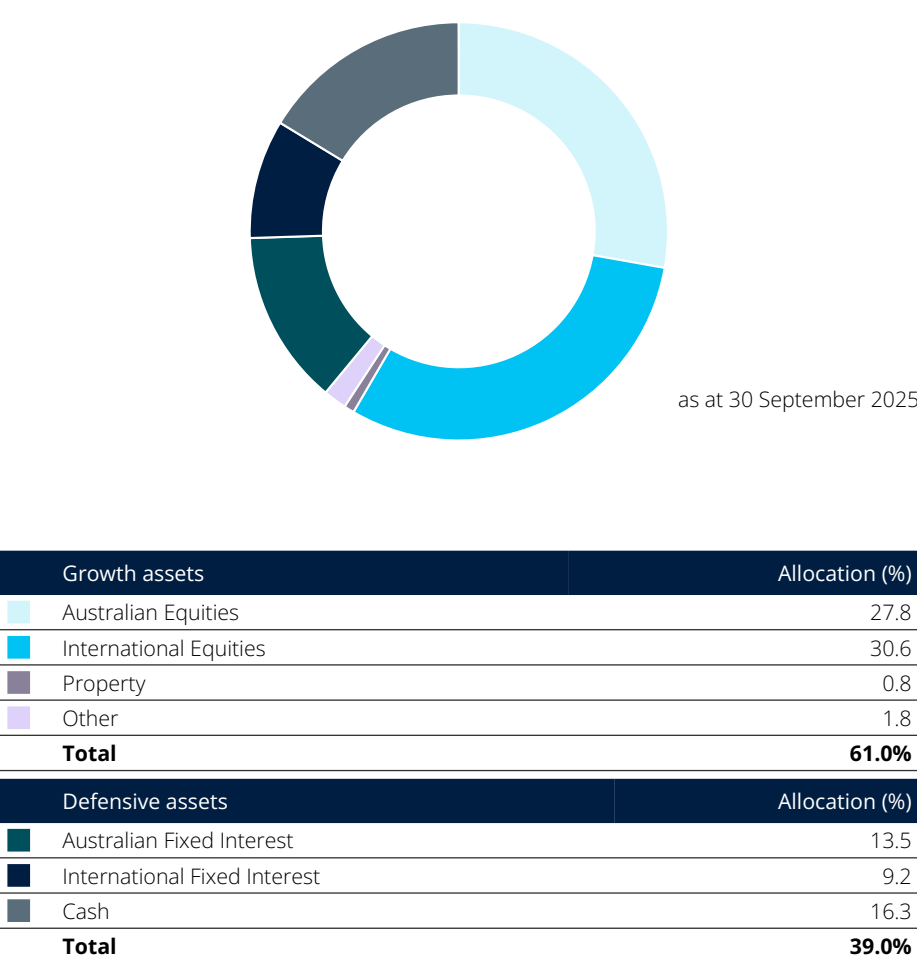
Returns

as at 30 September 2025

	Since inception*	1 Month (%)	3 Month (%)	6 Month (%)	1 Year (%)	3 Years (%)
Total return ¹	7.89	0.27	4.22	-	-	-
Income	1.48	0.38	0.94	-	-	-
Growth	6.41	-0.11	3.28	-	-	-
Benchmark ²	8.26	0.67	3.34	-	-	-

* Since inception returns commence from the month end of the portfolio's launch.

Asset allocation



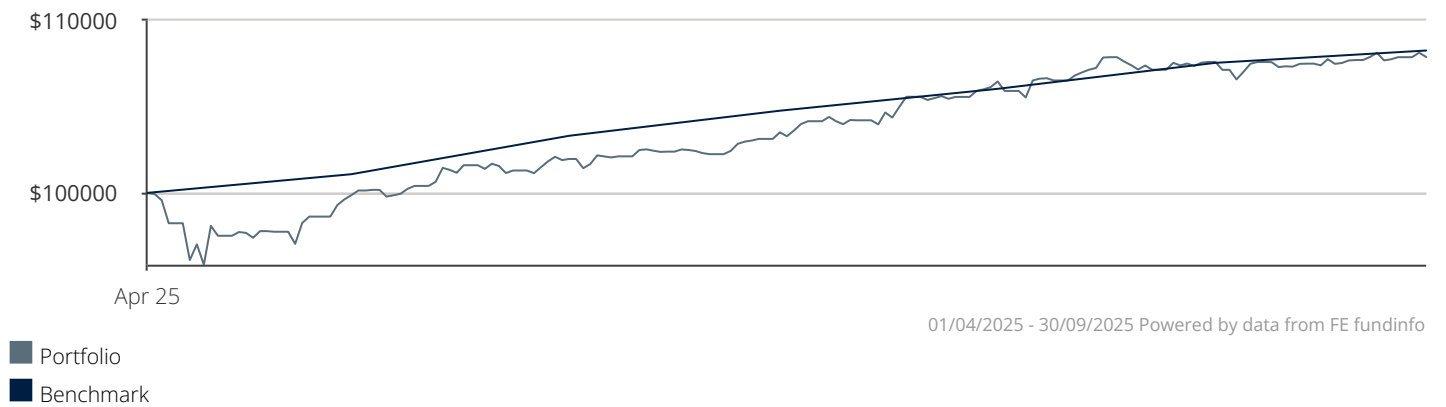
Asset allocation data sourced via Morningstar® from the underlying fund manager.

1 The managed portfolio performance represents total return for the periods. Returns have been calculated using the time-weighted method, they assume distributions are reinvested and are after investment management fees and indirect costs. Total and growth returns include accrued distributions, while income return includes paid distributions only. Returns do not take into account tax payable. Individual client returns may vary based on the contributions, withdrawals, and timing differences within the managed portfolio

2 The applicable Benchmark for this portfolio is shown in the Key Information section.

Performance history

\$100,000 invested since 01/04/2025



Managed portfolio holdings³

Holding	Asset class	Allocation (%)
Ishares S&P 500 Etf	International Equities	22.9
Cash Account	Cash	15.4
Betashares Australian Government Bond Etf Betashares Australian Govern	Australian Fixed Interest	5.9
Global X US Treasury Bond (Currency Hedged) Etf Global X US Treasury Bond (Currency Hedged) Etf	International Fixed Interest	5.9
Vaneck Emerging Income Opportunities Active Etf Vaneck Emerging Income Opportunities Active Etf	International Fixed Interest	3.6
Kkr Credit Income Fund Ordinary Units Fully Paid	Australian Equities	2.5
Australia And New Zealand Banking Group Limited. Cap Note 3-Bbsw+2.70%	Australian Fixed Interest	1.9
BHP Group Limited Ordinary Fully Paid	Australian Equities	1.9
Ishares Msci Japan Etf Ishares Msci Japan Etf	International Equities	1.9
Australia And New Zealand Banking Group Limited. Cap Note 3-Bbsw+3.00	Australian Fixed Interest	1.6
Commonwealth Bank Of Australia Ordinary Fully Paid	Australian Equities	1.6
Betashares Aus Equities Strong Bear Complex Etf Betashares Aus Equities Strong Bear Complex Etf	Other	1.6
Life360 Inc. Cdi 3:1 Foreign Exempt Xngs	Australian Equities	1.6
Global X Euro Stoxx 50 Etf Global X Euro Stoxx 50 Etf	International Equities	1.5
Commonwealth Bank OF Australia. Cap Note 3-Bbsw+2.85% Perp Non-Cum Red	Australian Fixed Interest	1.2
National Australia Bank Limited Cap Note 3-Bbsw+3.50% Perp Non-Cum Red	Australian Fixed Interest	1.2
Aristocrat Leisure Limited Ordinary Fully Paid	Australian Equities	1.2
CSL Limited Ordinary Fully Paid	Australian Equities	1.1
Westpac Banking Corporation Cap Note 3-Bbsw+3.10% Perp Non-Cum Red T-09-31	Australian Equities	1.0
Pinnacle Investment Management Group Limited Ordinary Fully Paid	Australian Equities	1.0
Austal Limited Ordinary Fully Paid	Australian Equities	1.0
RIO Tinto Limited Ordinary Fully Paid	Australian Equities	1.0
Betashares Ftse 100 Etf Betashares Ftse 100 Etf	International Equities	0.9
Mineral Resources Limited Ordinary Fully Paid	Australian Equities	0.9
Macquarie Group Limited Cap Note 3-Bbsw+4.15% Perp Non-Cum Red T-09-26	Australian Fixed Interest	0.9
Macquarie Group Limited Cap Note 3-Bbsw+2.65% Perp Non-Cum Red T-12-31	Australian Equities	0.9
Ishares Msci Emerging Markets Etf Ishares Msci Emerging Markets Etf	International Equities	0.8
Goodman Group Fully Paid Ordinary/Units Stapled Securities	Property	0.8
Macquarie Group Limited Ordinary Fully Paid	Australian Equities	0.8
Newmont Corporation Cdi 1:1 Foreign Exempt NYSE	Australian Equities	0.8
Resmed Inc Cdi 10:1 Foreign Exempt NYSE	Australian Equities	0.8
Santos Limited Ordinary Fully Paid	Australian Equities	0.8
Transurban Group Fully Paid Ordinary/Units Stapled Securities	Australian Equities	0.8
Block, Inc. Cdi 1:1 Foreign Exempt NYSE	Australian Equities	0.8
Vanguard Ftse Europe Shares Etf Vanguard Ftse Europe Shares Etf	International Equities	0.7
Fidelity Global Emerging Markets Active Etf Fidelity Global Emerging Markets Active Etf	International Equities	0.7
Macquarie Bank Limited Cap Note 3-Bbsw+4.70% Perp Non-Cum Red T-12-25	Australian Fixed Interest	0.7
Nrw Holdings Limited Ordinary Fully Paid	Australian Equities	0.7
Cochlear Limited Ordinary Fully Paid	Australian Equities	0.6
Woolworths Group Limited Ordinary Fully Paid	Australian Equities	0.6
Betashares US Eqty Strong Bear Ccy H Complex Etf Betashares US Eqty Strong Bear Ccy H Complex Etf	Other	0.5

Holding	Asset class	Allocation (%)
Smartgroup Corporation Ltd Ordinary Fully Paid	Australian Equities	0.5
AUB Group Limited Ordinary Fully Paid	Australian Equities	0.5
National Australia Bank Limited Cap Note 3-Bbsw+3.15% Perp Non-Cum Red	Australian Fixed Interest	0.5
Baby Bunting Group Limited Ordinary Fully Paid	Australian Equities	0.5
Sonic Healthcare Limited Ordinary Fully Paid	Australian Equities	0.5
Bendigo And Adelaide Bank Limited Cap Note 3-Bbsw+3.80% Perp Non-Cum R	Australian Fixed Interest	0.5
CAR Group Limited Ordinary Fully Paid	Australian Equities	0.4
REA Group Ltd Ordinary Fully Paid	Australian Equities	0.4
Pwr Holdings Limited Ordinary Fully Paid	Australian Equities	0.4
James Hardie Industries PLC Chess Depositary Interests 1:1	Australian Equities	0.4
Praemium Limited Ordinary Fully Paid	Australian Equities	0.3
Breville Group Limited Ordinary Fully Paid	Australian Equities	0.3
Hansen Technologies Limited Ordinary Fully Paid	Australian Equities	0.3
Beach Energy Limited Ordinary Fully Paid	Australian Equities	0.3
Johns Lyng Group Limited Ordinary Fully Paid	Australian Equities	0.2
Bapcor Limited Ordinary Fully Paid	Australian Equities	0.2
Audinate Group Limited Ordinary Fully Paid	Australian Equities	0.2

Quarterly manager commentary

Market Update

The third quarter of 2025 was a strong one for global equity markets, supported by the U.S. Federal Reserve's long-awaited pivot toward monetary easing, sustained enthusiasm for artificial intelligence, and robust corporate earnings, particularly within the technology sector.

With fears of a tariff-driven recession fading, the S&P 500 has climbed 14% year-to-date. The Dow Jones Industrial Average is up 9.1%, while the Nasdaq Composite has surged 17%.

The long-anticipated Federal Reserve rate cut, delivered in September, marked the central bank's first easing move of the year. The decision, aimed at cushioning a moderating economy, provided a meaningful tailwind for risk assets and helped reinforce the bullish tone in equities.

The bond market is reinforcing the upbeat tone. Expectations of further rate cuts have lifted government bond prices, pushing the 10-year U.S. Treasury yield down to 4.15%, its lowest level since June. Corporate bonds have rallied as well, narrowing credit spreads to multi-decade lows.

In contrast, the Australian share market delivered a more subdued performance relative to global peers. The S&P/ASX 200 traded within a narrow range through much of September, reflecting investor caution amid mixed domestic data and a subdued corporate reporting season.

A pivotal development for the local market was the Reserve Bank of Australia's September decision to leave the cash rate unchanged. While the RBA maintained a dovish bias and signalled its willingness to cut rates if required, the decision underscored lingering concerns about persistent inflation.

Portfolio Update

Over the September Quarter all underlying allocations had a positive contribution to performance, led by allocations to Watershed Emerging Leaders (Australian Mid-Small Cap) and International Equities.

Within the Fixed Income allocation, top contributors to performance included exposure to US Treasuries (USTB) and Emerging Market Debt (EBND). There were no changes to the Fixed Income allocation over the Quarter.

Within the Australian Equity allocation, top contributors to performance included Newmont Corporation (NEM), Mineral Resources (MIN), and Rio Tinto (RIO), while key detractors included Santos (STO), CSL Limited (CSL), and Transurban (TCL).

Within the Australian Equity Mid-Small Cap allocation, top contributors to performance included Life 360 (360), NRW Holdings (NWH), and Baby Bunting (BBN), while key detractors included Pinnacle Investment Management (PNI), Smartgroup (SIQ) and Bapcor (BAP). Over the quarter we added to the portfolio Breville Group (BRG) and Hansen Technologies (HSN), and sold Light and Wonder (LNW).

Portfolio changes during the quarter:

There were no changes to the Fixed Income allocation over the Quarter. Within the Australian Equity (Large Cap) allocation, we added to the portfolio Life 360 (360), Car Group (CAR), Pinnacle Investment Management (PNI), and REA Group (REA), and sold Origin Energy (ORG). Within the Australian Equity (Mid-Small Cap) allocation we added to the portfolio Breville Group (BRG) and Hansen Technologies (HSN), and sold Light and Wonder (LNW).

Market Outlook

As we move into the final quarter of the year, attention will turn to key economic data—particularly inflation and employment figures—for clues about the next steps in monetary policy. Comments from both Federal Reserve and RBA officials will be closely watched for signs of shifting sentiment.

The Balanced Portfolio maintains a defensive look-through exposure, consistent with our view that market valuations remain elevated and that the near-term outlook warrants caution. We are maintaining a higher level of cash within the portfolios, earmarked for allocation to global small and mid-cap equities once we see a more attractive entry point.

Looking forward, the Balanced Portfolio retains significant flexibility to respond to market dislocations and we actively reviewing new opportunities, particularly in the global small and mid-cap space as mentioned where we anticipate making a dedicated allocation in the near future.

3 A significant percentage of assets comprising this portfolio are only available through the managed portfolios and therefore can't be transferred out of the MyNorth Managed Portfolio Scheme. For more information relating to restrictions that may apply to asset transfers, refer to the 'Transferring assets in and out of your Portfolio' in Part 1 of the MyNorth Managed Portfolios PDS.

Important Information

NMMT Limited (ABN 42 058 835 573 AFS License 234653), is the responsible entity of MyNorth Managed Portfolios (ARSN 624 544 136) (Scheme). To invest in the Scheme, investors will need to obtain the current Product Disclosure Statement (PDS) which is available at northonline.com.au. The PDS contains important information about investing in the Scheme and it is important investors consider their circumstances and read the PDS before making a decision about whether to acquire, continue to hold or dispose of interests in the Scheme. This quantitative report has been prepared for the purpose of providing general information, without taking account of any particular investor's objectives, financial situation or needs. Although the information is from sources considered reliable, AMP doesn't guarantee that it's accurate or complete. You shouldn't rely upon it and should seek professional advice before making any financial decision. Except where liability under any statute can't be excluded, AMP doesn't accept any liability for any resulting loss or damage to the reader or any other person. MyNorth Managed Portfolios are not sponsored, endorsed, sold or promoted by Morningstar, Inc. or any of its affiliates (all such entities, collectively, "Morningstar Entities"). The Morningstar Entities make no representation or warranties regarding the advisability of investing in managed portfolios generally or in the MyNorth Managed Portfolios in particular, or the ability of the Morningstar Benchmarks to accurately represent the asset class or market sector that it purports to represent. The Morningstar Entities and their third party licensors do not guarantee the accuracy and/or the completeness of the Morningstar Benchmarks, and the Morningstar Entities and their third party licensors shall have no liability for any errors, omissions, or interruptions included therein. The S&P/ASX 20 TR Index, S&P/ASX 200 TR Index, S&P/ASX 200 A-REIT TR Index, S&P/ASX 200 Industrials TR Index, S&P/ASX 300 TR Index, S&P/ASX 300 TR Index excluding S&P/ASX 20 TR Index, S&P/ASX Small Ordinaries TR Index, S&P/ASX 100 TR Index ("Index") is a product of S&P Dow Jones Indices LLC, its affiliates and/or their licensors and has been licensed for use by NMMT Limited. Copyright © 2021 S&P Dow Jones Indices LLC, its affiliates and/or their licensors. All rights reserved. Redistribution or reproduction in whole or in part are prohibited without written permission of S&P Dow Jones Indices LLC. For more information on any of S&P Dow Jones Indices LLC's indices please visit www.spdji.com. S&P® is a registered trademark of Standard & Poor's Financial Services LLC and Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC. Neither S&P Dow Jones Indices LLC, Dow Jones Trademark Holdings LLC, their affiliates nor their third party licensors make any representation or warranty, express or implied, as to the ability of any index to accurately represent the asset class or market sector that it purports to represent and neither S&P Dow Jones Indices LLC, Dow Jones Trademark Holdings LLC, their affiliates nor their third party licensors shall have any liability for any errors, omissions, or interruptions of any index or the data included therein.