MyNorth Managed Portfolios

HORIZON ACCUMULATION 60% GROWTH PORTFOLIO

Monthly Update for Month Ending December 2025

Investment objective

Aims to deliver return outperformance against the benchmark over the medium to longer term.

Key information

Code	NTH0260
Manager name	Mercer
Inception date	31 May 2022
Benchmark	Morningstar Australia Balanced Target Allocation NR AUD
Asset class	Diversified
Number of underlying assets	24
Minimum investment horizon	4 years
Portfolio income	Default - Reinvest
Management fees and costs	'0.66%
Performance fee	'0.08%
Estimated Transaction Costs	'0.06%
Risk band/label	5/Medium to high
Minimum investment amount	$500

About the manager

Mercer

Mercer is a multi-national investment manager, using specialised investment tools and strategies to provide robust and diversified portfolios for their clients. The team manages approximately $200 billion worldwide, with approximately $33 billion invested in Australia and New Zealand. With Australian operations commencing in 1972, Mercer's primary driver in portfolio construction is risk management - spreading investments across investment types and different risks to mitigate periods of market volatility and protecting investments from loss. Using a multi-dimensional framework, Mercer uses active management in asset classes offering the greatest opportunity for skilled investment managers to add value while using passive management to manage risk or constructing a portfolio to deliver close to market returns.

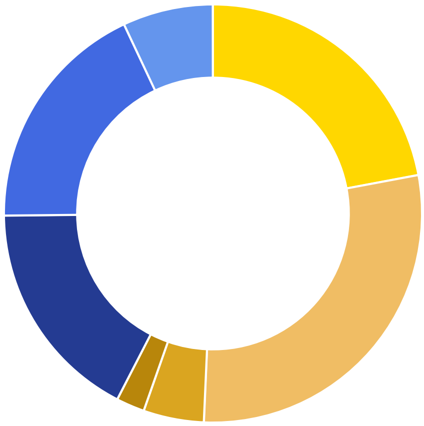
Returns

as at 31 December 2025

	Since inception*	1 Month (%)	3 Months (%)	6 Months (%)	1 Year (%)	3 Years (%)	5 Years (%)
Total return[1]	6.89	-0.25	0.47	2.93	6.32	8.86	-
Income	3.90	0.12	0.65	2.81	4.35	3.70	-
Growth	2.99	-0.37	-0.18	0.12	1.97	5.16	-
Benchmark[2]	7.37	0.06	0.63	3.99	8.60	9.72	-

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

Asset allocation



as at 31 December 2025

Growth assets	Allocation (%)
Australian Equities	22.1
International Equities	28.7
Property	4.7
Other	2.2
Total	**57.7%**

Defensive assets	Allocation (%)
Australian Fixed Interest	17.3
International Fixed Interest	18.2
Cash	7.0
Total	**42.5%**

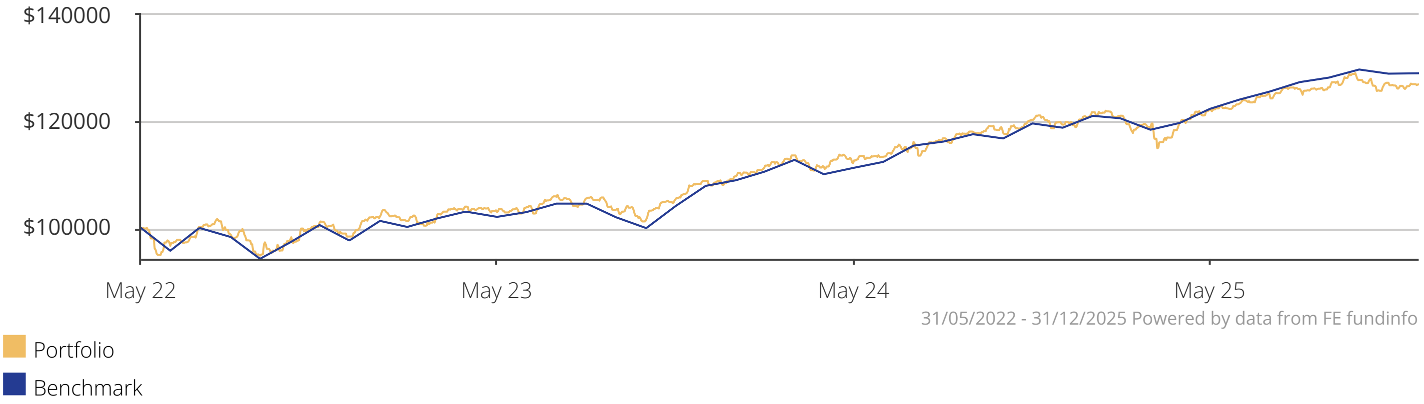
Asset allocation data sourced via Morningstar® from the underlying fund manager.

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 31/05/2022



Managed portfolio holdings[3]

Holding	Asset class	Allocation (%)
Macquarie True Index Australian Fixed Interest	Australian Fixed Interest	13.6
AB Dynamic Global Fixed Income Fund	International Fixed Interest	9.9
AB Concentrated Australian Equities Fund	Australian Equities	7.3
JPMorgan Global Select Equity Fund - Class I (Hedged) Units	International Equities	6.9
Solaris Core Australian Equity Fund (Performance Alignment)	Australian Equities	6.3
DNR Capital Australian Equities High Conviction Fund - W-Class	Australian Equities	5.7
Resolution Capital Global Property Securities Fund - Class C	Property	4.7
Colchester Global Government Bond Fund - Class R	International Fixed Interest	4.6
T.Rowe Price Global Equity - M Class	International Equities	4.3
Lazard Global Infrastructure Fund (Hedged) - S Class	International Equities	3.6
Coolabah Floating-Rate High Yield Fund - Institutional Class	Australian Fixed Interest	3.5
CT Global Corporate Bond Fund	International Fixed Interest	3.3
Ishares Msci Japan Etf Ishares Msci Japan Etf	International Equities	3.0
Pengana Global Private Credit SMA Fund - Class A	International Fixed Interest	3.0
Hyperion Australian Growth Companies Fund - Class M	Australian Equities	2.9
Vanguard International Shares Index Fund (Hedged)	International Equities	2.6
Skerryvore Global Emerging Markets All-Cap Equity Fund - Class M	International Equities	2.5
JPMorgan Global Select Equity Fund - Class I Units	International Equities	2.4
P/E Global FX Alpha No.1 Fund - Class W	Other	2.3
Man AHL Alpha (AUD) - Class B	Other	2.0
Macquarie Cash	Cash	1.9
Pzena Global Focused Value Fund - P Class	International Equities	1.7
Fairlight Global Small & Mid Cap Fund - Class I	International Equities	1.2
Cash Account	Cash	1.0

Quarterly manager commentary

Market Update

In Q4 2025, global equities rose, helped by AI enthusiasm, monetary policy easing and fiscal stimulus measures, while trade tensions eased as the year progressed. 2025 was a strong year for risk assets as markets shrugged off tariff concerns with focus shifting towards positive earnings growth momentum particularly from large cap US equities. Global government bonds showed mixed trends across economies and maturities. In the US, the yield curve steepened, with 2-10-year spread widening over Q4. Progress on disinflation and continued gradual weakness in the US labour market led the Fed to cut interest rates in December with markets pricing more rate cuts to come. Commodity prices rose over Q4, led by metals. Silver and gold rallied, up 51% and 12%, respectively. Silver outperformed gold due to strong industrial demand and supply shortages. Gold remained favored as a safe haven and appears to be driven by strong retail demand. Copper saw the largest gains among industrial metals, driven by strong expected demand from the AI datacentre build out.

In Australia, the Reserve Bank of Australia (RBA) held rates steady at 3.6% at their December meeting, in line with market expectations. Although market expectations have recently shifted toward rate hikes in 2026, our view is that the RBA is unlikely to pivot that quickly. It is more likely that the RBA will remain on hold into 2026. Australian shares fell -0.9% over the quarter, as stronger than expected labour market data and higher inflation both suggested that future interest rate cuts in Australia may not eventuate. The materials sector was the best performing sector over the quarter, higher by 12.9% driven by higher commodity prices, followed by the energy sector, which increased marginally, by 0.9%

Portfolio Update

Australian shares fell -0.9% over the quarter, as stronger than expected labour market data and higher inflation both suggested that future interest rate cuts in Australia may not eventuate. The materials sector was the best performing sector over the quarter, higher by 12.9% driven by higher commodity prices, followed by the energy sector, which increased marginally, by 0.9%.

The DNR High Conviction Australian Equities Fund underperformed the benchmark over the quarter, returning -3.0%. Stock selection within Financials and Communication Services detracted from performance. Whilst the performance of the strategy had been challenged over the past year, we continue to remain comfortable with the fund as the manager continues to follow its fundamental philosophy of investing in quality companies at increasingly attractive valuations.

The AB Concentrated Australian Equities Fund outperformed the benchmark over the quarter, returning 1.0%. Stock selection within Financials and an overweight to Materials contributed most. The deep value investment style of AB outperformed over the period as the market adopted a risk off approach as future interest rate cuts appear unlikely.

International shares (hedged) rose 3.5% over the quarter, supported by a strong US Q3'25 earnings season and Fed rate cuts. Healthcare was the best performing sector over the quarter, up 10.8%, as pharmaceuticals performed strongly following solid earnings reports. This was followed by the materials sector, which rose 5.2%, as metal prices moved higher over the quarter. The consumer discretionary sector was the worst performing sector for the quarter but still saw gains, up 1.4%.

The JPMorgan Global Select Fund underperformed the benchmark over the quarter, returning 0.2%. Stock selection in media and technology – semi & hardware detracted from performance. The fund continues to reduce risk by not taking on outsized regional, sector or style biases, subsequently maintaining a well-diversified portfolio as the implications for inflation and growth remain uncertain.

The T. Rowe Global Equity Fund underperformed its benchmark over the quarter, returning 1.8%. Specifically, stock selection within Financials detracted over the quarter, despite being partially offset by strong stock selection in Consumer Staples. The manager continues to exhibit quality-growth characteristics, focusing on companies with durable competitive advantages and strong business fundamentals.

International listed infrastructure was higher, up 0.8%; while international listed property was flat.

The Resolution Capital Global Property Securities Fund outperformed its benchmark over the quarter, returning 1.1%. Stock selection in self-storage and retail, as well as overweight positions in diversified and healthcare segments contributed to relative performance. The fund offers broad exposure to global listed property sectors, provides inflation-linked cash flows, as well as diversification to equity investments.

The Lazard Global Listed Infrastructure Fund outperformed its benchmark over the quarter, returning 5.3%. Stock selection within Toll Roads and Utilities contributed to relative performance. Infrastructure assets generally offer stable returns and protect against inflation, which typically benefits portfolios during periods of economic uncertainty and rising inflation.

Australian government bonds were down -1.3% over the quarter. Australian 10-year government bond yields rose by 44bps over the quarter, as markets priced in interest rate hikes in 2026 following stronger labour market data and higher inflation. International government bonds were up 0.5% over the quarter.

The AB Dynamic Global Fixed Income Fund underperformed its benchmark over the quarter, returning 0.8%. The underperformance was largely due to negative contributions from country positioning in Australia, the Eurozone, and Canada. The fund provides diversified exposures to growth fixed income assets, such as high yield and securitised assets in both developed and emerging markets.

The Colchester Government Bond Fund underperformed its benchmark over the quarter, returning -0.0%. Currency positions detracted, notably long positions in the Japanese yen, Korean won, and Australian dollar. The fund offers currency-hedged exposure to global sovereign bonds, developed and emerging markets and provides diversification from lower investment grade high-yield fixed income exposures.

The P/E Global FX Alpha Fund returned 2.2% over the December quarter. The current long US Dollar position strengthened against most major currencies as risk premiums have reversed from the beginning of 2025. The strategy continues to uphold its characteristics of being uncorrelated to equities whilst providing equity like returns over the long-term.

Man AHL Alpha Fund returned 7.1% over the December quarter, led by metals, currencies and equities. A short Japanese yen position contributed, as did long positions in gold, silver, platinum and copper. The fund is designed to identify signals and exploit behavioural biases over the long term, however, can lag in volatile periods where prevailing trends remain unclear over the short-term.

Portfolio changes during the quarter:

Mercer implemented a strategic short-term allocation to Japanese equities, with Japan looking set to benefit from corporate governance reforms and a resilient economy, while equity valuations look appealing.

Market Outlook

We expect the international economy to stay fairly strong going into 2026. US consumer spending should remain solid; helped by steady income growth, strong share markets, and generally healthy household finances. Outside the US, we see a small pickup in growth. Emerging Markets and Japan are expected to keep performing well. China's growth will likely stay below its potential because of ongoing weakness in the property sector. The

Fed is likely to cut rates further, but probably not as much as markets expect. The Bank of Japan is expected to keep raising rates, while the Bank of England will likely start easing policy as inflation moves closer to its target. Australian economic growth is likely to pick up in 2026; driven by recent RBA interest rate cuts, improving consumer confidence, and solid income growth. Although market expectations have recently shifted toward rate hikes in 2026, our view is that the RBA is unlikely to pivot that quickly. It is more likely that the RBA will remain on hold into 2026, taking a data dependent approach and assessing each new inflation and employment release. Nonetheless, mounting evidence suggests that most of the easing cycle is already behind us. Headline inflation will continue to rise in 2026 as government energy rebates expired in December, although this should be a short-term impact that the RBA should not be concerned about. Finally, the situation in Venezuela is not expected to impact international markets significantly. Typically, heightened geopolitical risks increase investor concerns and push oil prices higher. However, Venezuela's oil output has declined as its infrastructure has deteriorated, despite the country holding the world's largest oil reserves. If output is restored and increased, higher supply could instead put downward pressure on oil prices.

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.