Ralton Concentrated Australian Equity

Monthly Portfolio Report | July 2025

RALTON ASSET MANAGEMENT EST. 2005

Key Facts

Income versus growth target

Income — Growth

Market cap bias

Large — Small

Investment strategy

A portfolio of ASX-listed equities designed to provide capital growth with some tax-effective income

Investment objective

Outperform index by over 3% p.a.

Benchmark index

S&P/ASX 300 Accumulation Index

Portfolio Manager

Will Riggall

Inception date

February 2008

Management fee

0.75% p.a. (may vary across platforms)

Number of stocks

25-35

External ratings

Zenith "Approved"

Key platforms

HUB24, NetWealth, Praemium, OneVue, Powerwrap, Linear, Xplore, Wealth02

Performance (%, returns greater than one year are p.a.)[1]

At month end	1 Mth	3 Mth	1 Yr	2 Yr	3 Yr	5 Yr	10 Yr	Inception
Ralton	4.1%	7.8%	7.2%	8.3%	8.7%	10.7%	6.9%	7.3%
Income	0.0%	0.7%	3.4%	3.5%	3.8%	3.5%	3.8%	4.0%
Growth	4.1%	7.1%	3.8%	4.8%	4.9%	7.2%	3.2%	3.3%
Index[2]	2.4%	8.2%	11.9%	12.6%	12.1%	12.2%	8.7%	6.8%
Outperformance	*1.6%*	*-0.4%*	*-4.7%*	*-4.3%*	*-3.4%*	*-1.5%*	*-1.7%*	*0.5%*

1 Performance is based on a model portfolio and is gross of investment management and administration fees, but net of transaction costs. Total returns assume the reinvestment of all portfolio income.

2 Index means the S&P/ASX 300 Accumulation Index.

Portfolio Performance

The Ralton Concentrated Portfolio outperformed the ASX300 Accumulated Index in July, returning 4.1%, versus the index return of 2.4%.

Contributors	Comment
Newmont Corporation Registered Shs Chess Depositary Interests Repr 1 Sh (NEM.ASX) 10.8%	Newmont Corporation (NEM.ASX) was a key contributor in July following a strong second-quarter result. The company delivered record free cash flow of US$1.7 billion and reported net income of US$2.1 billion, driven by a higher gold price and operational improvements at assets such as Yanacocha, Peñasquito, and Boddington. Costs moderated with lower sustaining capital spend and divestment of non-core assets. The result reinforced confidence in Newmont's portfolio quality and its commitment to disciplined capital allocation.
PEXA Group Limited (PXA.ASX) 16.8%	PXA was a positive contributor to performance over July driven by the news that NatWest has agreed to implement Pexa's platform for both remortgages and sale / purchase transactions. As a top five financial institution in the UK, this development is a very positive step forward for Pexa to replicate the success it has achieved in Australia as a digital property settlement platform.
CSL Limited (CSL.ASX) 13.1%	CSL was a positive contributor to performance during July, driven by supportive financial results from peer companies and several broker research reports hinting at the prospect of CSL announcing a large cost saving program at its upcoming August result.

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Portfolio Performance

Detractors	Comment
Macquarie Group, Ltd. (MQG.ASX) -5.0%	MQG detracted in July after reporting a softer than expected operating update, driven by lower trading activity in its Commodities and Global Markets division. While Banking and Macquarie Capital performed better, the outlook appears more cautious given the mixed divisional performance and announced key management changes.
National Australia Bank Limited (NAB.ASX) -1.1%	NAB detracted during July following a period of strong performance for the banking sector. Investors leaned on this sector during the month utilising the strong gains over the past 12 months to fund alternative opportunities in sectors trading at more attractive levels such as Healthcare.
Transurban Group Ltd. (TCL.ASX) -1.1%	Transurban (TCL) was a modest detractor to performance in July with the stock falling 1% vs the market rising 2%. There was no news of significance during the month.

Portfolio Commentary

Markets

Equity markets extended their gains in July, buoyed by increasing confidence in a near-term easing of monetary policy. Global inflation indicators continued to trend lower, reinforcing expectations of central bank rate cuts in the second half. Domestically, the Australian economy showed modest resilience despite ongoing cost-of-living pressures, while a rebound in commodity prices — particularly iron ore — helped support the resources sector. Broadly, investor sentiment improved as geopolitical tensions remained stable and corporate earnings updates were generally well-received.

Portfolio Performance

The portfolio outperformed the broader market in July, driven by strong contributions from a number of our overweight positions. Our underweight in CBA was a positive for relative performance, as the stock fell amid signs of investor rotation following a sharp re-rating earlier in the year. Newmont also supported returns following a strong second quarter update that reaffirmed production guidance. Pexa rallied on news that NatWest will implement its platform in the UK — a meaningful step forward in the group's international expansion ambitions. CSL performed well as peer results provided confidence in sector demand, while ResMed continued its steady growth trajectory.

On the downside, our lack of exposure to Fortescue detracted, with the stock rebounding sharply on the back of rising iron ore prices and a solid quarterly production result. Macquarie traded lower after its AGM update pointed to softer trading conditions in key divisions. Transurban and QBE both eased modestly with little stock-specific news, though rising bond yields weighed on valuations. NAB declined alongside the broader banking sector in late July.

Outlook

We remain constructive on the outlook for Australian equities. Market leadership appears to be broadening beyond a narrow group of large caps, which we view as a positive sign for active management. The ongoing disinflationary trend increases the likelihood of rate cuts, which should support valuations — particularly in rate-sensitive sectors. We continue to focus on businesses with clear earnings visibility and attractive valuation support, and believe the portfolio remains well-positioned into FY26.

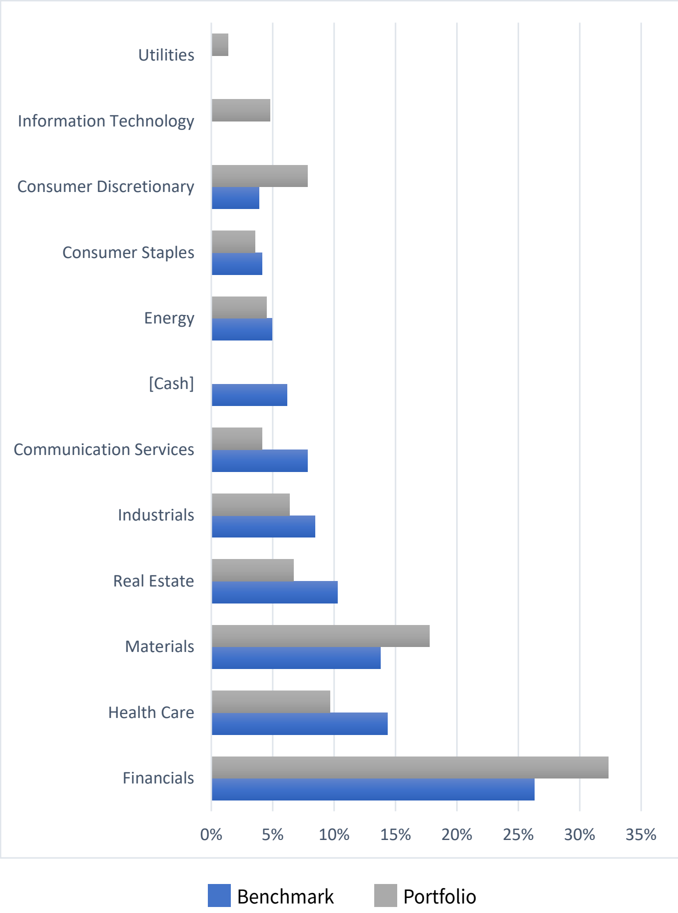
Portfolio Activity

Buy	
Seek Limited (SEK.ASX)	We have decided to buy Seek (SEK.ASX). SEEK has a strong track record of value creation in Australia, supported by its market-leading position and continual investment in technology to enhance the user experience. Offshore ventures, once mixed, are now more disciplined with a clear focus on Southeast Asia. After a period of earnings pressure from softer job listings and heavy investment to unify its ANZ and Asian platforms, we believe SEK is now positioned to grow earnings ahead of consensus for the first time in years. Revenues remain more cyclical than REA and Carsales, but job volumes are off cycle highs. Importantly, SEK trades at a notable discount to peers after adjusting for its equity-accounted investments.
Woolworths Group Ltd (WOW.ASX)	During the month we increased the portfolio position in WOW. We retain the view that recent underperformance is attributed to short-term factors negatively influencing margins and earnings, however, appropriate steps are being taken by management to reinvest back into its core supermarket division, rectify customer perception and regain market share. Its valuation remains undemanding relative to history and the market, which presents a key re-rating catalyst as earnings momentum turns positive.
Sell	
Ampol Limited (ALD.ASX)	Since adding to our position in ALD on 10 April, its shares have since risen 20%. Accordingly, we have decided to take some profits in the position and reduce the holding to a normal weighting. ALD remains a core position in the portfolio in recognition of the company's strong suite of assets and management's strategy of returning cash flow to shareholders.
ANZ Group Holdings Limited (ANZ.ASX)	We have decided to moderate our holding in ANZ. The decision reflects our concerns for earnings delivey in the coming 12m as lower policy interest rates come to pressure net interest margin (NIM) performance.
National Australia Bank Limited (NAB.ASX)	We have decided to moderate our holding in NAB. The decision reflects renewed concerns for earnings delivey in the coming 12m as lower policy interest rates come to pressure net interest margin (NIM) performance.
ResMed Inc. CHESS Depositary Interests on a ratio of 10 CDIs per ord.sh (RMD.ASX)	Following very strong share price performance in recent months, we have decided to moderate our position in Resmed (RMD.ASX) to realign its position size within our Australian shares portfolios.

Top 10 Holdings (alphabetical)

ANZ Group Holdings Limited	Macquarie Group, Ltd.
BHP Group Ltd	National Australia Bank Limited
Commonwealth Bank of Australia	Newmont Corporation Registered Shs Chess Depositary Interests Repr 1 Sh
CSL Limited	Telstra Group Limited
Goodman Group	Woolworths Group Ltd

Sector Positioning



Portfolio Metrics*

	Ralton	XKOAI^
# of Securities	25	298
Market Capitalisation	*84,956.8*	*88,798.8*
Active Share	57.1	--
Tracking Error	*3.54*	--
Beta	0.84	1.00
Est 3-5 Yr EPS Growth	4.4	4.2
ROE	*10.3*	*12.7*
Dividend %	3.08	3.18
P/E using FY2 Est	19.2	19.1
Price/Cash Flow	11.8	12.1

* Source: FactSet

^ XKOAI means the S&P/ASX 300 Accumulation Index (Index). The Index is shown for comparative purposes only. Index returns do not allow for transaction, management, operational or tax costs. An index is not managed and investors cannot invest directly an in index.