MLC Premium Model Portfolios

ASSET MANAGEMENT

Portfolio changes

Effective date: 19 May 2025

We continually review the model portfolios to ensure they remain appropriately structured to meet their objectives and are well-positioned for the future market environment. These updates provide investment rationale for adding a new holding, removing an entire holding, or making a significant change to a Model Portfolio. Details of Portfolio re-weightings or re-balances occur normally in the course of managing the Portfolio and are included in our portfolio updates.

What changes have we made?

Increase	Portfolio change	Rationale
BlueScope Steel Ltd (BSL)	High Growth 98: +0.45% Growth 85: +0.40% Balanced 70: +0.40% Moderate 50: +0.35% Conservative 30: +0.35%	We have initiated a new position in **BlueScope Steel Ltd (BSL)**. BSL produces and sells commodity and value added (coated/painted) products in Australia, the USA, and Asia. It is a cyclical business we see as being run by a highly rated management team. The stock recently had a positive earnings revisions and strong momentum, recovered from bottoming in December 2024. Because of these influences, its mispricing signal is now materially higher than when BSL was last owned in the strategy and appears attractive across the 'Valuation Direction and Quality (VDQ)' lens.
Reduction	**Portfolio change**	**Rationale**
Aurizon Holdings Ltd (AZJ)	High Growth 98: -0.45% Growth 85: -0.40% Balanced 70: -0.40% Moderate 50: -0.35% Conservative 30: -0.35%	We have simultaneously exited our position in **Aurizon Holdings Ltd (AZJ)**. Our analyst has recently downgraded the stock's direction as the long-lasting QLD wet weather increases the downside risk of meeting AZJ's financial year 2025 EPS and DPS targets. Although valuation upside still exists, its combined 'Valuation Direction and Quality (VDQ)' signals no longer warrant a position in the strategy.

The approximate portfolio change amount is not a guarantee of a change to a client's portfolio. There may be differences between the Model Portfolio and a client's portfolio due to the timing and transaction prices for portfolio changes, client investments and withdrawals during the period, timing of receipt of dividends and income distributions, platform administration fees, transactional costs associated with the client's portfolio, and any portfolio exclusions required by the client.