



MLC MultiActive and MultiSeries

End of year distribution commentary, 2024 financial year
18 July 2024

Background

The last cash distribution for the 2024 financial year (FY2024) has been made to investors in the MLC MultiActive and MultiSeries funds.

Investors can expect the unit price for the funds in Table 1 (Funds) to fall by the amount of the distribution.

If you invest through a platform, your distribution will be allocated to you by the platform. Investors who have their distributions paid into their bank account, rather than reinvested into their fund, can generally expect the income in their account within one month after the last day of the distribution period.

The tax components will be available at ioof.com.au by early August 2024 (published in the relevant 'Product updates and news' section for these product sets). To assist investors in the preparation of their tax return, the final taxation components will also be reflected in financial year 2023/2024 tax statements for the Funds. We estimate the tax statements will be sent in late July/early August to those investing in MLC MultiActive and MLC MultiSeries directly. Investors in these Funds through a platform will receive tax information from their platform.

Appendix 1 provides the full financial year (1 July to 30 June) distributions for the last two years.

Commentary for full year cash distributions for FY2024

Commentary on the final cents per unit (CPU), is provided in Table 1.

Table 1 – Commentary on cash distributions for FY2024

| MLC fund | Distribution frequency | CPU for | Full year CPU | | Full year cash distribution for |
|--|------------------------|---------|---------------|---------|--|
| (APIR code) | | June 24 | 2023/24 | 2022/23 | FY2024 commentary |
| MLC MultiActive Capital Stable (IOF0094AU) | Half yearly | 2.21 | 2.83 | 2.31 | The distribution is slightly higher than FY2023. The Fund has <u>carried forward capital losses</u> at the end of FY2024, resulting in no realised capital gains to distribute. Please click on the link for more information. |
| MLC MultiActive Conservative (IOF0095AU) | Half yearly | 5.03 | 5.49 | 3.09 | The distribution is significantly higher than FY2023 due to <u>an increase in capital gains income</u> . Please click on the link for more information. |



MLC MultiActive and MultiSeries

End of year distribution commentary, 2024 financial year
18 July 2024

| MLC fund (APIR code) | Distribution frequency | GPU for | Full year GPU | | Full year cash distribution for |
|---|------------------------|---------|---------------|---------|---|
| | | June 24 | 2023/24 | 2022/23 | FY2024 commentary |
| MLC MultiActive Moderate (JFM0051AU) | Half yearly | 4.01 | 4.47 | 4.45 | The distribution is similar to FY2023. |
| MLC MultiActive Balanced (IOF0093AU) | Half yearly | 6.05 | 6.41 | 4.24 | The distribution is significantly higher than FY2023 due to <u>an increase in capital gains income</u> . Please click on the link for more information. |
| MLC MultiActive Growth (IOF0097AU) | Half yearly | 6.41 | 6.81 | 3.72 | The distribution is significantly higher than FY2023 due to <u>an increase in capital gains income</u> . Please click on the link for more information. |
| MLC MultiActive High Growth (MLC0397AU) <i>Formerly known as the MLC Wholesale Horizon 6 Share Portfolio.</i> | Annually | 11.65 | 11.65 | 6.46 | The distribution is significantly higher than FY2023 due to <u>an increase in capital gains income</u> . Please click on the link for more information. |
| MLC MultiActive Geared (MLC0449AU) <i>Formerly known as the MLC Wholesale Horizon 7 Accelerated Growth Portfolio</i> | Annually | 14.05 | 14.05 | 5.45 | The distribution is significantly higher than FY2023 due to <u>an increase in capital gains income</u> . Please click on the link for more information. |
| MLC MultiActive Cash Enhanced (IOF0091AU) | Quarterly | 1.79 | 4.96 | 2.54 | The distribution is significantly higher than FY2023 due to an increase in interest income. The Fund has <u>carried forward capital losses</u> at the end of FY2024, resulting in no realised capital gains to distribute. Please click on the link for more information. |
| MLC MultiActive Diversified Fixed Income (IOF0096AU) | Quarterly | 0.81 | 3.32 | 2.09 | The distribution is moderately higher than FY2023. The Fund has <u>carried forward capital losses</u> at the end of FY2024, |



MLC MultiActive and MultiSeries

End of year distribution commentary, 2024 financial year
18 July 2024

| MLC fund (APIR code) | Distribution frequency | CPU for | Full year CPU | | Full year cash distribution for |
|---|------------------------|---------|---------------|---------|--|
| | | June 24 | 2023/24 | 2022/23 | FY2024 commentary |
| | | | | | <p>resulting in no realised capital gains to distribute.</p> <p>The Fund has <u>carried forward revenue losses</u> at the end of FY2024.</p> <p>Please click on the links for more information.</p> |
| MLC MultiActive Property (WPC0012AU) | Quarterly | - | - | - | <p>The Fund has <u>carried forward capital losses</u> at the end of FY2024, resulting in no realised capital gains to distribute.</p> <p>The Fund has <u>carried forward revenue losses</u> at the end of FY2024.</p> <p>Please click on the links for more information.</p> |
| MLC MultiActive Australian Shares (IOF0092AU) | Half yearly | 8.03 | 8.97 | 2.86 | <p>The distribution is significantly higher than FY2023 due to <u>an increase in capital gains income</u>.</p> <p>Please click on the link for more information.</p> |
| MLC MultiActive Global Shares (IOF0098AU) | Half yearly | 4.38 | 5.35 | 4.24 | <p>The distribution is moderately higher than FY2023.</p> |
| MLC MultiSeries 30 (IOF0253AU) | Half yearly | 2.18 | 3.18 | 1.93 | <p>The distribution is significantly higher than FY2023 due to a reduction in <u>currency losses</u>.</p> <p>The Fund has <u>carried forward capital losses</u> at the end of FY2024, resulting in no realised capital gains to distribute.</p> <p>Please click on the links for more information.</p> |



MLC MultiActive and MultiSeries

End of year distribution commentary, 2024 financial year
18 July 2024

| MLC fund (APIR code) | Distribution frequency | CPU for | Full year CPU | | Full year cash distribution for |
|-----------------------------------|------------------------|---------|---------------|---------|---|
| | | June 24 | 2023/24 | 2022/23 | FY2024 commentary |
| MLC MultiSeries 50 (IOF0254AU) | Half yearly | 3.30 | 4.20 | 1.96 | The distribution is significantly higher than FY2023 due to <u>an increase in capital gains income</u> and a reduction in <u>currency losses</u> . Please click on the links for more information. |
| MLC MultiSeries 70 (IOF0090AU) | Half yearly | 4.78 | 5.66 | 1.98 | The distribution is significantly higher than FY2023 due to <u>an increase in capital gains income</u> and a reduction in <u>currency losses</u> . Please click on the links for more information. |
| MLC MultiSeries 90 (IOF0255AU) | Half yearly | 6.77 | 7.98 | 7.33 | The distribution is slightly higher than FY2023. |

Key factors affecting distributions in FY2024

MLC MultiActive and MLC MultiSeries portfolios are a range of funds tailored to meet the needs of investors with different return expectations, time frames and tolerances for volatility. The income distributions for these funds are largely based on the income from the underlying asset classes. The allocations to the asset classes are different for each of the funds.

MLC's share funds and the MLC diversified funds with high allocations to shares, are designed to provide capital growth over the long term. Although many of these growth-focussed funds make frequent distributions, their main objective is to increase the value of their assets for investors, rather than to deliver a regular income stream. As a result their income tends to fluctuate from year to year.

Here are the key factors affecting distributions in FY2024.

Capital gains income

When we sell securities in our funds (such as shares and property securities) we 'realise' a capital gain or loss. The capital gain (or loss) is the difference between the price we sell the security for and the cost of the security, and any costs associated with buying or selling the security.

In FY2024, enhancements were made to the Australian shares and global shares strategies within the MultiActive portfolios. As a result of these enhancements there was an increase in trading activity in FY2024, which contributed to more capital gains income being generated when compared to FY2023.

Capital losses

A fund's capital losses significantly reduce the level of realised capital gains distributed. Weak and volatile markets from events such as the GFC and COVID-19 results in most funds suffering large capital losses when they sell investments.

Capital losses must remain in the fund and are carried forward until they can be offset against future capital gains.



MLC MultiActive and MultiSeries

End of year distribution commentary, 2024 financial year
18 July 2024

The funds with carried forward capital losses at the end of FY2024 are:

- MLC MultiActive Cash Enhanced
- MLC MultiActive Diversified Fixed Income
- MLC MultiActive Capital Stable
- MLC MultiActive Property
- MLC MultiSeries 30

Other income such as dividends and interest income continue to be distributed by funds with carried forward capital losses because only capital gains are offset against capital losses.

Importantly, while carried forward losses dampen income distributions, they don't affect a fund's total returns.

Reduction in currency losses

The MultiActive and MultiSeries investments include global shares and fixed income. We hedge part of these holdings to reduce the funds' exposure to movements in the Australian dollar (AUD).

In FY2023, the AUD weakened when compared to the US dollar (USD) and the euro, as a result funds with AUD hedging generated losses, which decreased the distributions.

In FY2024, the AUD strengthened when compared to the euro and yen and was flat against the USD. The AUD increased from around euro 0.61 at the end of June 2023 to around euro 0.62 at the end of June 2024. The AUD increased from around yen 95.92 at the end of June 2023 to around yen 106.61 at the end of June 2024. The AUD was around USD 0.66 at the end of June 2023 and June 2024.

As a result, funds with AUD hedging generated gains, which increased the distributions. Currency hedging losses and gains accumulate during the year and are all paid in the June distribution. Our [Income Distributions FAQs](#), Question 9, has more information on hedging.

Carried forward revenue losses

Revenue losses occur when a fund's expenses are higher than its income. Revenue income includes dividends and interest and is also impacted by foreign currency gains (and losses) and returns from certain assets. However, revenue income doesn't include capital gains. Revenue losses reduce the level of distributions and, subject to majority continuity of ownership testing, are able to be carried forward until they can be offset against future revenue income.

The funds with carried forward revenue losses at the end of FY2024 are:

- MLC MultiActive Diversified Fixed Income
- MLC MultiActive Property

Next steps

The tax components will be available by early August 2024. This information will be available on ioof.com.au.

The final taxation components will also be reflected in financial year 2023/24 tax statements for the Funds, which are estimated to be available in late July/early August for those investing in MLC MultiActive and MLC MultiSeries directly. Investors in these Funds through a platform will receive tax information from their platform. If you have questions, please speak to your financial or tax adviser.

We also have frequently asked questions on income distributions available on ioof.com.au.

More information on the performance of each fund is available through its fund profile on ioof.com.au.



MLC MultiActive and MultiSeries

End of year distribution commentary, 2024 financial year
18 July 2024

Appendix 1: Financial year distribution history

Table 2 shows the full financial year (1 July to 30 June) distributions for the last two years.

Table 2 – Cash distribution history for MLC MultiActive and MultiSeries funds

| MLC funds (APIR code) | Full year CPU (distribution yield) ¹ | |
|--|---|----------------|
| | 2023/24 | 2022/23 |
| MLC MultiActive Capital Stable (IOF0094AU) | 2.83 (2.9%) | 2.31 (2.4%) |
| MLC MultiActive Conservative (IOF0095AU) | 5.49 (6.1%) | 3.09 (3.4%) |
| MLC MultiActive Moderate (UFM0051AU) | 4.47 (4.6%) | 4.45 (4.7%) |
| MLC MultiActive Balanced (IOF0093AU) | 6.41 (7.1%) | 4.24 (4.9%) |
| MLC MultiActive Growth (IOF0097AU) | 6.81 (7.7%) | 3.72 (4.5%) |
| MLC MultiActive High Growth (MLC0397AU) (formerly known as the MLC Wholesale Horizon 6 Share Portfolio) | 11.65 (9.7%) | 6.46 (5.9%) |
| MLC MultiActive Geared (MLC0449AU) (formerly known as the MLC Wholesale Horizon 7 Accelerated Growth Portfolio) | 14.05 (7.8%) | 5.45 (3.5%) |
| MLC MultiActive Cash Enhanced (IOF0091AU) | 4.96 (4.9%) | 2.54 (2.6%) |
| MLC MultiActive Diversified Fixed Income (IOF0096AU) | 3.32 (4.1%) | 2.09 (2.5%) |
| MLC MultiActive Property (WPC0012AU) | - (0.0%) | - (0.0%) |
| MLC MultiActive Australian Shares (IOF0092AU) | 8.97 (8.2%) | 2.86 (2.8%) |
| MLC MultiActive Global Shares (IOF0098AU) | 5.35 (6.2%) | 4.24 (5.5%) |
| MLC MultiSeries 30 (IOF0253AU) | 3.18 (3.1%) | 1.93 (2.0%) |

¹ The distribution yield for a fund is the annual CPU divided by the unit price released the day after the final distribution for the previous financial year. A fund's total return includes unit price movements (ie capital growth) and its income distribution. Total returns are available at ioof.com.au



MLC MultiActive and MultiSeries

End of year distribution commentary, 2024 financial year
18 July 2024

| MLC funds (APIR code) | Full year CPU (distribution yield) ¹ | |
|-----------------------------------|---|----------------|
| | 2023/24 | 2022/23 |
| MLC MultiSeries 50 (IOF0254AU) | 4.20 (4.0%) | 1.96 (1.9%) |
| MLC MultiSeries 70 (IOF0090AU) | 5.66 (6.5%) | 1.98 (2.4%) |
| MLC MultiSeries 90 (IOF0255AU) | 7.98 (7.1%) | 7.33 (6.9%) |

¹ The distribution yield for a fund is the annual CPU divided by the unit price released the day after the final distribution for the previous financial year. A fund's total return includes unit price movements (ie capital growth) and its income distribution. Total returns are available at ioof.com.au

The above amounts are historical distributions and are not indicative of future distributions.

Important information

This information is provided by IOOF Investment Services Ltd, ABN 80 007 350 405, AFSL 230703 (IISL) as Responsible Entity of the MLC MultiActive (except for MLC MultiActive High Growth and MLC MultiActive Geared), and MLC MultiSeries, and MLC Investments Limited ABN 30 002 641 661, AFSL 230705 (MLCI), as Responsible Entity of MLC MultiActive High Growth and MLC MultiActive Geared.

IISL and MLCI are part of the Insignia Financial Group of companies (comprising Insignia Financial Ltd, ABN 49 100 103 722 and its related bodies corporate) ('Insignia Financial Group'). The capital value, payment of income, and performance of the Funds are not guaranteed. An investment in the Funds is subject to investment risk, including possible delays in repayment of capital and loss of income and principal invested. No member of the Insignia Financial Group guarantees or otherwise accepts any liability in respect of any financial product referred to in this communication.

This communication is directed to and prepared for Australian residents only.

This communication may constitute general advice. It has been prepared without taking account of an investor's objectives, financial situation or needs and because of that an investor should, before acting on the advice, consider the appropriateness of the advice having regard to their personal objectives, financial situation and needs.

You should obtain a Product Disclosure Statement (PDS) relating to the financial products mentioned in this communication issued by IISL and MLCI, and consider it before making any decision about whether to acquire or continue to hold these products. Target Market Determinations (TMDs) for relevant products are also required to be made available and considered by distributors. A copy of the PDS (or other disclosure documents) and TMD for the products mentioned in this presentation are available upon request or from www.mlc.com.au, www.ioof.com.au, and www.ioof.com.au.

Past performance is not a reliable indicator of future performance. The value of an investment may rise or fall with the changes in the market.

Any projection or other forward-looking statement ('Projection') in this communication is provided for information purposes only. No representation is made as to the accuracy of any such Projection or that it will be met. Actual events may vary materially.

Any opinions expressed in this communication constitute our judgement at the time of issue and are subject to change. We believe that the information contained in this communication is correct and that any estimates, opinions, conclusions or recommendations are reasonably held or made at the time of compilation. However, no warranty is made as to their accuracy or reliability (which may change without notice) or other information contained in this communication.

Any general tax information provided in this publication is intended as a guide only and is based on our general understanding of taxation laws. It is not intended to be a substitute for specialised taxation advice or an assessment of your liabilities, obligations or claim entitlements that arise, or could arise, under taxation law, and we recommend you consult with a registered tax agent.

IOOF Investment Services Ltd and MLC Investments Limited may use the services of any member of the Insignia Financial Group where it makes good business sense to do so and will benefit customers. Amounts paid for these services are always negotiated on an arm's length basis.