

# Dynamic Fund

## Portfolio Investment Entity

### Monthly Fact Sheet as at 31 May 2026



## Portfolio Managers



**William Curtayne**  
Portfolio Manager



**Michael Higgins**  
Portfolio Manager



**Roland Houghton**  
Co-Portfolio Manager

The Fund returned 0.8% in May, underperforming the S&P/ASX Small Ordinaries Index, which rose 1.9%. Market leadership remained narrow throughout the period, masking elevated volatility beneath the surface. Compute network and storage provider Megaport (+69.4%) was the standout contributor following contract wins within its recently acquired global Compute-as-a-Service (CaaS) provider Latitude. Latitude provides high-performance compute solutions into a market experiencing strong demand for high-bandwidth memory and AI infrastructure. The acquisition broadens Megaport's exposure and strengthens its positioning within the expanding AI ecosystem.

Metals mining company Capstone Copper (+30.0%) also performed strongly. Copper remains one of our preferred long-term commodity exposures given its critical role in electrification, grid investment and data centre infrastructure. We continue to view Capstone as an attractive way to gain exposure to a tightening copper market through a diversified portfolio of long-life assets. Metal recycler Sims Group (+29.7%) rallied following improving sentiment towards its Sims Lifecycle Services division.

Growth in artificial intelligence infrastructure and data centres is accelerating turnover of IT hardware, creating an attractive opportunity for asset recovery and redeployment. Detractors included Singapore telecommunications provider Tuas (-65.0%), which weakened sharply following potential regulatory concerns regarding its operating licence. While there remains considerable uncertainty around the ultimate outcome, we believe the market may be assigning an excessively negative probability to licence cancellation at this stage.

While the US continues to benefit from significant AI-related capital investment and a position of relative energy advantage, Australia faces a more challenging backdrop. Inflation remains sticky, household confidence subdued and interest rates restrictive. As a result, we continue to favour businesses leveraged to capital expenditure rather than consumer spending. Our focus remains on HALO businesses (Hard Assets with Low Obsolescence) particularly across critical materials, industrial services and energy infrastructure. These structural themes continue to shape portfolio positioning and where we see the most attractive long-term opportunities.

To view Milford's May 2026 Market and Economic Review please see [milfordasset.com/insights](http://milfordasset.com/insights).

For previous fund reports see [milfordasset.com/fund-reports](http://milfordasset.com/fund-reports).

## Cumulative Fund Performance

(after fees and before tax)



Assumes the growth of \$10,000 invested at the Fund's inception date.

## Key Fund Facts

**Objective<sup>1</sup>** To provide capital growth by out-performing the relevant share market index over the minimum recommended investment timeframe

**Description** Primarily invests in small to mid-cap Australasian equities

<b>Minimum recommended investment timeframe</b>	8 years +
<b>Target Allocation</b>	10% Income Assets / 90% Growth Assets
<b>Status</b>	Closed to New Investment
<b>Neutral FX Exposure</b>	0%
<b>Net Asset Value (NAV)</b>	\$984.4 M
<b>Buy-sell Spread</b>	None - swing pricing applies (See PDS for details)
<b>Inception Date</b>	1 October 2013
<b>Benchmark</b>	S&P/ASX Small Ordinaries Total Return Index (100% NZD-hedged)
<b>Base Fund Fee<sup>2</sup></b>	1.35%
<b>Performance Fee</b>	15% of the Fund's returns above the Benchmark <sup>1</sup> , subject to the high watermark.
<b>Total Fund Fees<sup>3</sup></b>	1.35%

<b>Risk Indicator</b>	Lower risk						Higher risk
	1	2	3	4	5	6	7
	Potentially lower returns					Potentially higher returns	

## Dynamic Fund as at 31 May 2026

### Investment Performance after fees as at 31 May 2026<sup>4</sup>

Unit Price: \$3.9079

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Dynamic Fund (Gross Of Tax)	0.76%	-5.16%	7.27%	11.29%	6.75%	11.53%
After Tax 10.50%	0.75%	-5.30%	7.11%	11.08%	6.59%	11.42%
After Tax 17.50%	0.75%	-5.39%	7.00%	10.94%	6.47%	11.35%
After Tax 28.00%	0.74%	-5.53%	6.84%	10.73%	6.31%	11.24%
Benchmark	1.85%	-6.63%	10.06%	10.77%	4.31%	7.67%

### Top Security Holdings

Holdings	% of Fund
Dalrymple Bay Infrastructure	2.52%
Contact Energy	2.18%
Capstone Copper	2.16%
Sigma Healthcare	2.16%
Bluescope Steel	2.15%
Sims	2.10%
Nexgen Energy	2.07%
Ridley	2.05%
Breville Group	1.95%
Capricorn Metals	1.94%

### Current Asset Allocation

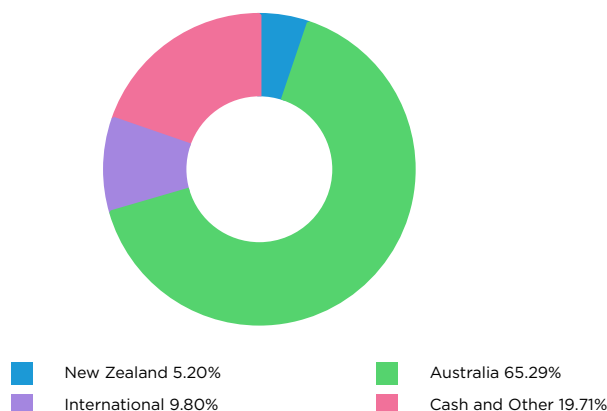
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	17.87%	10%
New Zealand Fixed Interest	0.00%	0.0%
International Fixed Interest	0.00%	0.0%
New Zealand Equities	4.49%	0.0%
Australian Equities	75.79%	90%
International Equities	0.00%	0.0%
Commodities	1.85%	0.0%
Other	0.00%	0.0%

# The actual cash held by the Fund is 17.60%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

### Sector Allocation

Allocation	Weight %
Materials	22.82%
Industrials	9.88%
Energy	9.42%
Real Estate	6.99%
Health Care	6.21%
Communication Services	6.21%
Financials	5.44%
Consumer Discretionary	5.02%
Other Sectors	8.29%
Cash and Other	19.72%

### Region Exposure



1. After the Base Fund Fee but before tax and before the performance fee. 2. Where applicable, the Base Fund Fee includes an estimate of non-related underlying fund charges. 3. The Total Fund Fees comprise the Base Fund Fee and any estimated Performance Fee. Please refer to the Product Disclosure Statement for more information as to how these are calculated. 4. Please note past performance is not a guarantee of future returns.

Please refer to the 'Glossary for the Monthly Fact Sheet' at [milfordasset.com/fact-sheet](http://milfordasset.com/fact-sheet) for more information about the data published within this document.

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