

Active Growth Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 December 2020



Portfolio Managers



Jonathan Windust
Portfolio Manager



William Curayne
Co-Portfolio Manager

The Fund rose 2.0% in December, as share markets delivered strong gains benefitting from successful vaccine trials and enormous economic stimulus from governments and central banks.

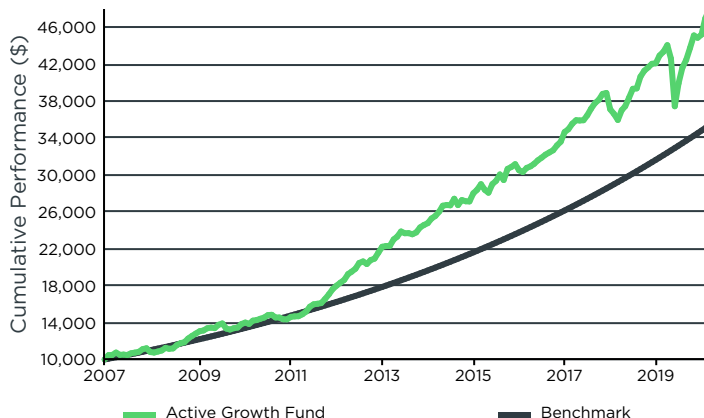
Key positive companies during the month included NZ retirement operator Summerset (+18.4%), global video gaming companies Activision Blizzard (+16.8%), Electronic Arts (+12.6%) and Nintendo (+11.1%), and resources companies Rio Tinto (+12.3%) and BHP (+11.5%). Summerset rose after it provided profit guidance which exceeded analyst forecasts and given the strong NZ housing market. Video game companies rebounded on further lockdowns and the expectation of good holiday sales. Resource companies benefitting from strong commodity prices, particularly iron ore. Commodities are benefitting from strong demand as governments continue to support their economies. During the month, the Fund added to holdings in both the video game and resource companies, including Australian lithium miner IGO. Lithium is a key material used in the production of batteries used to power electric vehicles.

The outlook for share markets is supported by the expectation of an economic rebound in 2021, an improvement in company earnings (as COVID headwinds subside), and importantly, ultra-low interest rates from central banks around the world. Low interest rates continue to drive investors to shares. The key headwind for markets is relatively high market valuations and generally optimistic investor sentiment. On balance, we retain a positive outlook for shares over 2021 for which the Fund currently holds a higher-than-average allocation. We remain active to isolate those shares which we believe will provide strong risk-adjusted returns.

To view Milford's January 2021 Market and Economic Review please see milfordasset.com/fact-sheet.

Cumulative Fund Performance

(after fees and before tax)



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

Key Fund Facts

Objective¹ Annual returns of 10% over a minimum of five years

Description Diversified fund that primarily invests in equities, with a moderate allocation to fixed interest securities

Target Allocation 22% Income Assets / 78% Growth Assets

Neutral FX Exposure 15.0%

Net Asset Value (NAV) \$1,380.2 M

Buy-sell Spread None - swing pricing applies (See PDS for details)

Inception Date 1 October 2007

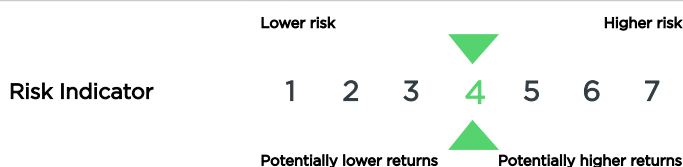
Status Closed to new investors

Benchmark 10% p.a.

Base Fund Fee² 1.05%

Performance Fee 15% of the Fund's returns above the Benchmark¹, subject to the high watermark.

Total Fund Fees³ 1.30% (includes an est. performance fee)



External Ratings



Milford Active Growth Fund received a Morningstar Analyst Rating™ of 'Silver' on 29-05-2018

Active Growth Fund as at 31 December 2020

Investment Performance after fees as at 31 December 2020⁴

Unit Price: \$4.4637

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Active Growth Fund (Gross Of Tax)	2.02%	6.80%	10.52%	10.46%	10.56%	12.55%
After Tax 10.50%	2.01%	6.63%	10.30%	10.13%	10.24%	12.03%
After Tax 17.50%	2.00%	6.52%	10.15%	9.91%	10.03%	11.82%
After Tax 28.00%	1.99%	6.35%	9.93%	9.58%	9.72%	11.40%
Benchmark	0.81%	2.43%	10.00%	10.00%	10.00%	10.00%

Top Equity Holdings

Holdings	% of Fund
Fisher & Paykel	4.48%
Spark	3.84%
Summerset	3.03%
Contact Energy	2.12%
EBOS Group	1.90%
Dr Horton	1.79%
BHP	1.57%
Kiwi Property	1.51%
Rio Tinto	1.43%
Microsoft	1.41%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	1.46%	6.00%
New Zealand Fixed Interest	0.85%	2.00%
International Fixed Interest	9.59%	14.00%
New Zealand Equities	27.26%	22.00%
Australian Equities	19.85%	18.00%
International Equities	39.49%	38.00%
Other	1.50%	0%

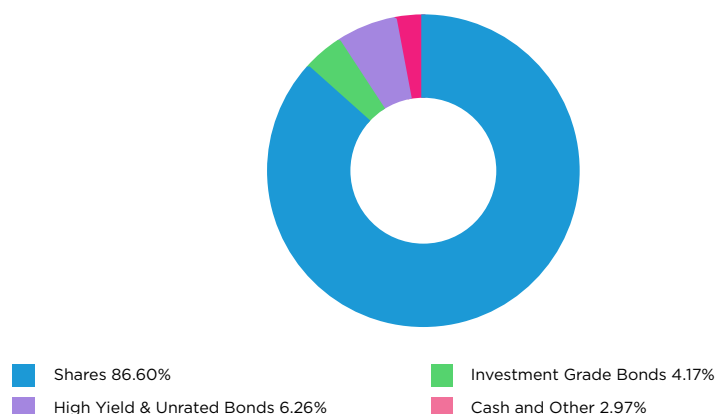
The actual cash held by the Fund is 4.03%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

Holdings	% of Fund
Scentre Group 5.125% 2080	1.48%
CYBG 8% 2049	1.08%
NatWest 6% Perpetual	0.63%
Lloyds Bank 5.125% Perpetual	0.56%
Crown Resorts 5.795% 2075	0.52%
CYBG 7.875% 2028	0.49%
Barclays 5.875% 2024	0.44%
Lloyds Bank 7.5% Perpetual	0.34%
Vodafone 6.25% 2078	0.34%
Barclays 7.75% Perpetual	0.33%

Note: Fixed interest securities are reported in the following format: Issuer name, interest (coupon rate), maturity year.

Fund Portfolio Mix



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 for more information about the data published within this document.

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