

Active Growth Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 28 February 2021



Portfolio Managers



Jonathan Windust
Portfolio Manager



William Curtayne
Co-Portfolio Manager

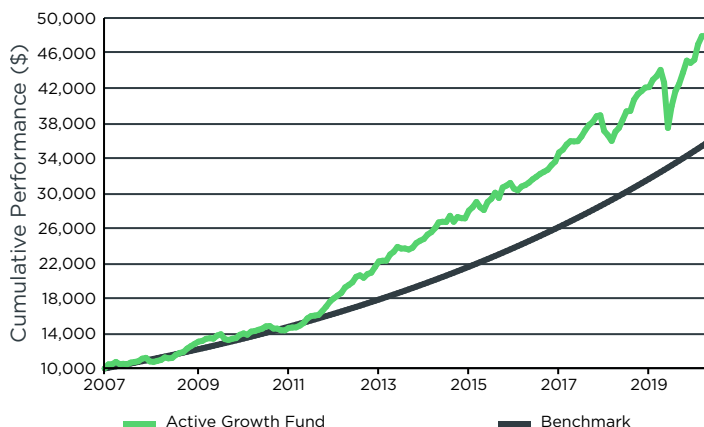
The Fund rose 2.1% in February. Global share markets ended up 2.7% having given back some earlier gains as markets became concerned about rising bond yields and the impact on highly valued companies. The NZ share market ended the month down 6.9% with sharply negative returns from utilities and large cap companies Fisher & Paykel Healthcare and a2 Milk. The Fund performed strongly relative to the markets it invests in due to strong company selection and strategies to protect against rising bond yields.

Key positives during the month included global Banks; Virgin Money UK (+39.5%), Lloyds (+18.2%) and JP Morgan (+14.4%). Banks benefitted from a combination of lower bad debts and higher interest rates on their investments. Materials companies also generated good gains including Australian miners BHP (+12.8%), RIO Tinto (+15.3%) and US aggregates company Martin Marietta (+17.4%). Materials companies are benefitting from strong demand and higher commodity prices. During the month the Fund added to our holdings in Alphabet, the parent company of Google. Alphabet delivered a strong quarterly result with revenues rising 23% and profits 44% on the previous year. We believe Alphabet is well positioned to continue to grow as economies reopen and as Cloud computing grows. Importantly we think that Google is attractively valued. The outlook for share markets is supported by the expectation of an economic rebound in 2021 and an improvement in company earnings (as Covid headwinds subside), low interest rates and high levels of liquidity. The key headwind for markets is relatively high market valuations, generally optimistic investor sentiment and the prospect of rising interest rates. On balance we retain a positive outlook for shares over 2021 but given high levels of optimism we remain selective in our investments and look to avoid over-hyped companies and those sensitive to rising long-term interest rates.

To view Milford's March 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) \$1,443.6 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 28 February 2021

Investment Performance after fees as at 28 February 2021⁴

Unit Price: \$4.5535

	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)	2.05%	4.08%	14.71%	10.83%	11.73%	12.56%
After Tax 10.50%	1.95%	3.92%	14.31%	10.50%	11.40%	12.03%
After Tax 17.50%	1.89%	3.82%	14.04%	10.29%	11.17%	11.82%
After Tax 28.00%	1.79%	3.66%	13.64%	9.96%	10.83%	11.39%
Benchmark	0.73%	2.37%	10.00%	10.00%	10.00%	10.00%

Top Equity Holdings

Holdings	% of Fund
Fisher & Paykel	3.92%
Spark	3.39%
Summerset	2.71%
Virgin Money	2.09%
Alphabet	2.02%
Dr Horton	2.01%
Microsoft	1.91%
Charter Hall Retail	1.75%
HCA Holdings	1.56%
Contact Energy	1.55%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	15.97%	6.00%
New Zealand Fixed Interest	1.03%	2.00%
International Fixed Interest	8.19%	14.00%
New Zealand Equities	24.03%	22.00%
Australian Equities	19.82%	18.00%
International Equities	30.88%	38.00%
Other	0.08%	0%

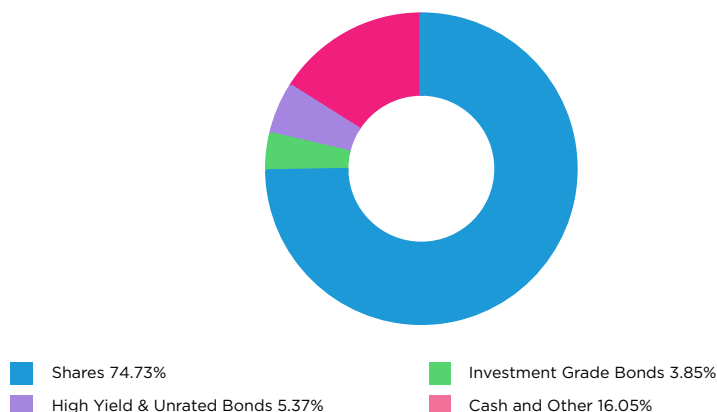
The actual cash held by the Fund is 9.45%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

Holdings	% of Fund
CYBG 8% 2049	1.07%
Scentre Group 5.125% 2080	0.96%
NatWest 6% Perpetual	0.60%
Lloyds Bank 5.125% Perpetual	0.53%
Crown Resorts 5.795% 2075	0.49%
CYBG 7.875% 2028	0.48%
Barclays 5.875% 2024	0.43%
Lloyds Bank 7.5% Perpetual	0.32%
Barclays 7.75% Perpetual	0.32%
NatWest 5.125% Perpetual	0.29%

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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