

Australian Absolute Growth Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 March 2023



Portfolio Managers



William Curtayne
Portfolio Manager



Wayne Gentle
Portfolio Manager

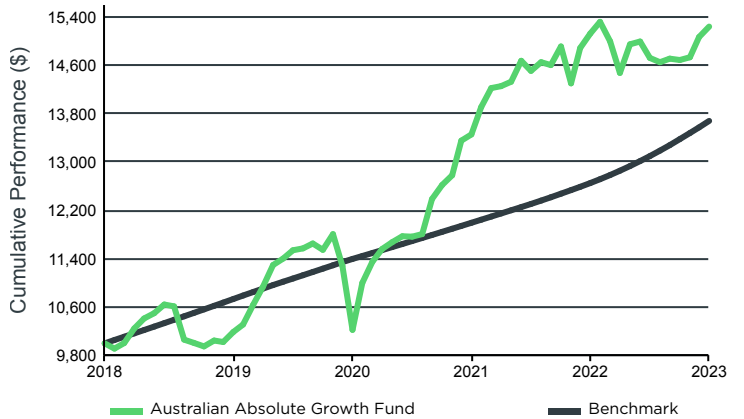
The Fund returned 1.2% as defensive positioning and strong stock picking contributed nicely in March. Neuren Pharmaceuticals was the standout performer, rallying 84.2% on the back of FDA approval for Trofinetide. This drug treats Rett syndrome, a genetic neurological disorder that presents in young females, and is expected to hit the shelves in the US in April.

Other key winners were our iron ore and gold miners. We added significantly to our positions in BHP and Rio Tinto as their share prices pulled back in early March. These companies were caught up in the global rotation out of cyclicals and into defensive and tech companies. As this rotation slowed, both companies rallied back strongly later in the month. With our gold miners we added to Newcrest Mining, Evolution Mining and Northern Star early in the month, but as share prices rallied approximately 20% over the month, we decided to take some back off the table and lock in some profits. We retain a reasonable position in gold miners as a hedge against the US allowing inflation to get out of control through their continued pumping of liquidity to combat every crisis.

Our largest losers were insurers which declined as bond yields declined, which reduced returns on their investment books. We deployed a reasonable portion of the Fund's cash into opportunities this month, which helped the Fund participate in the late-month rally. Our 2023 view remains cautious as the earnings outlook worsens, recessions move nearer on the back of a likely tightening in credit, and inflation may frustrate the ability of central banks to react to slowing growth. We will continue to manage the Fund's risk levels to this view but will use market setbacks like the one in March to pick up attractive investments.

To view Milford's March 2023 Market and Economic Review please see milfordasset.com/investor-centre.

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	Targets an absolute return with an annualised return objective of 5% above the New Zealand Official Cash Rate while seeking to protect capital over rolling three year periods
Description	Diversified fund that primarily invests in Australasian equities, complemented by selective exposure to international equities and cash

Minimum recommended investment timeframe	7 years +
Target Allocation	17.5% Income Assets / 82.5% Growth Assets
Neutral FX Exposure	0%
Net Asset Value (NAV)	\$593.5 M
Buy-sell Spread	None - swing pricing applies (See PDS for details)
Inception Date	1 March 2018
Benchmark	OCR + 5% p.a.
Base Fund Fee²	1.05%
Performance Fee	15% of the Fund's returns above the Benchmark ¹ , subject to the high watermark.
Total Fund Fees³	1.25% (includes an est. performance fee)

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

Australian Absolute Growth Fund as at 31 March 2023

Investment Performance after fees as at 31 March 2023⁴

Unit Price: \$1.5141

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Australian Absolute Growth Fund (Gross Of Tax)	1.15%	3.76%	0.76%	14.25%	8.98%	8.64%
After Tax 10.50%	1.03%	3.69%	0.82%	14.40%	8.95%	8.59%
After Tax 17.50%	0.95%	3.63%	0.86%	14.51%	8.92%	8.55%
After Tax 28.00%	0.83%	3.55%	0.92%	14.66%	8.89%	8.49%
Benchmark	0.79%	2.25%	8.13%	6.28%	6.35%	6.36%

Top Equity Holdings

Holdings	% of Fund
OZ Minerals	7.33%
CSL	5.92%
BHP	5.67%
Origin Energy	5.52%
Santos	3.88%
Telstra	3.49%
NAB	3.45%
Rio Tinto	3.35%
Neuren Pharmaceuticals	2.90%
Contact Energy	2.76%
Newcrest Mining	2.51%
Ampol	2.34%
Suncorp Group	2.09%
Resmed	1.50%
ANZ	1.50%
Westpac	1.50%
Treasury Wine Estates	1.36%
SmartPay	1.25%
Viva Energy Group	1.19%
IPH	1.14%

Current Asset Allocation

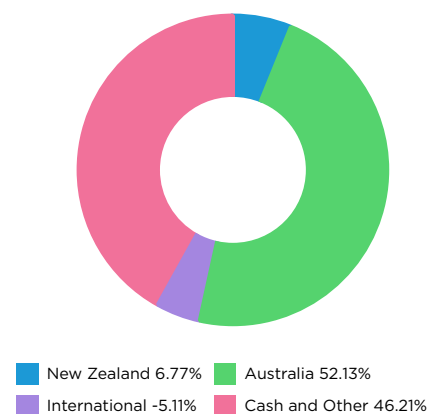
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	43.44%	7.5%
New Zealand Fixed Interest	1.83%	10%
International Fixed Interest	1.05%	0.0%
New Zealand Equities	4.73%	7.5%
Australian Equities	46.18%	72.5%
International Equities	0.00%	2.5%
Other	2.77%	0.0%

The actual cash held by the Fund is 19.37%. 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	20.53%
Financials	10.43%
Health Care	9.20%
Utilities	8.95%
Energy	7.86%
Consumer Staples	1.52%
Industrials	0.93%
Real Estate	0.55%
Other Sectors	-6.18%
Cash and Other	46.21%

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 for more information about the data published within this document.

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