

Australian Absolute Growth Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 September 2022



Portfolio Managers



William Curtayne
Portfolio Manager



Wayne Gentle
Portfolio Manager

Equity markets sold-off sharply in September on the back of inflation data that remained too hot resulting in a large sell-off in bonds and equities.

Our cautious positioning meant that as expected the Fund's decline in September was much less than the market at 1.8% compared to the ASX 200 decline of 6.2%. We did add back some equities into this weakness but only in moderate size as we retain a cautious medium-term view.

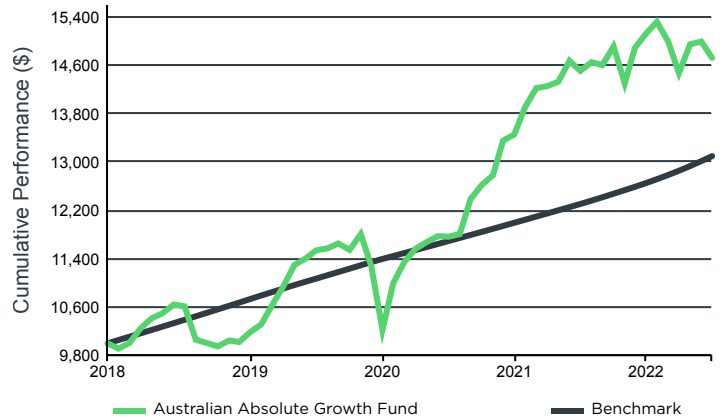
Our winner for the month was once again Neuren Pharmaceutical which was up 13.3% in a tough month. Losers were some of our energy names including Santos which was down 10.1%.

As this equity weakness continues, we will begin to establish longer term buy and hold opportunities at attractive prices. Growth and technology stock prices have now come down a long way and some of them are approaching reasonable levels (if not yet highly discounted levels). As economic weakness sets in more broadly in 2023 the time will come to buy homebuilders, retailers and other early-stage cyclicals. Until then, we anticipate more volatility both up and down which we intend to navigate with caution and selective buying on weakness.

To view Milford's October 2022 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	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)	\$578.6 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)
Risk Indicator	Lower risk Higher risk 1 2 3 4 5 6 7 Potentially lower returns Potentially higher returns

Australian Absolute Growth Fund as at 30 September 2022

Investment Performance after fees as at 30 September 2022⁴

Unit Price: \$1.4633

	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)	-1.81%	1.72%	1.48%	8.45%	-	8.80%
After Tax 10.50%	-2.00%	1.64%	1.24%	8.21%	-	8.67%
After Tax 17.50%	-2.12%	1.59%	1.09%	8.05%	-	8.57%
After Tax 28.00%	-2.31%	1.51%	0.85%	7.81%	-	8.44%
Benchmark	0.63%	1.88%	6.43%	5.76%	-	6.06%

Top Equity Holdings

Holdings	% of Fund
Telstra	6.20%
CSL	6.20%
Contact Energy	3.89%
Woolworths	3.38%
Resmed	3.33%
Santos	3.15%
Suncorp Group	2.95%
Computershare	2.94%
Ampol	2.20%
Shell	2.15%
HCA Holdings	1.99%
Nearmap	1.89%
Xero	1.84%
EBOS Group	1.79%
Graincorp	1.48%
QBE Insurance Group	1.48%
Coles	1.46%
Incitec	1.45%
Waypoint REIT	1.42%
Neuren Pharmaceuticals	1.36%

Current Asset Allocation

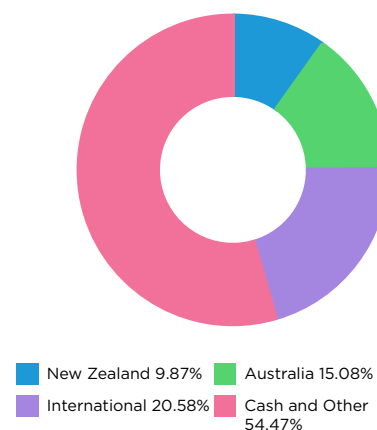
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	54.47%	7.500%
New Zealand Fixed Interest	4.25%	10.0%
International Fixed Interest	0.00%	0.0%
New Zealand Equities	5.87%	7.500%
Australian Equities	26.35%	72.500%
International Equities	9.06%	2.500%
Other	0.00%	0.0%

The actual cash held by the Fund is 26.75%. 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 %
Health Care	11.71%
Information Technology	7.30%
Communication Services	6.99%
Energy	6.65%
Utilities	5.46%
Consumer Staples	4.67%
Industrials	2.00%
Consumer Discretionary	1.51%
Other Sectors	-0.76%
Cash and Other	54.47%

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.

Disclaimer: The Milford Fund Fact Sheet has been prepared by Milford Funds Limited. It is based on information believed to be accurate and reliable although no guarantee can be given that this is the case. No reproduction of any material either in part or in full is permitted without prior permission. For more information about the Fund, please refer to the Production Disclosure Statement or the latest Quarterly Fund Update.