

Cash Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 May 2023



Portfolio Managers



Katlyn Parker
Portfolio Manager



Ian Robertson
Co-Portfolio Manager

In May the Fund generated a return of 0.5%, which was in line with its objective to deliver a return in excess of the Reserve Bank of New Zealand (RBNZ) Official Cash Rate (OCR) after fees.

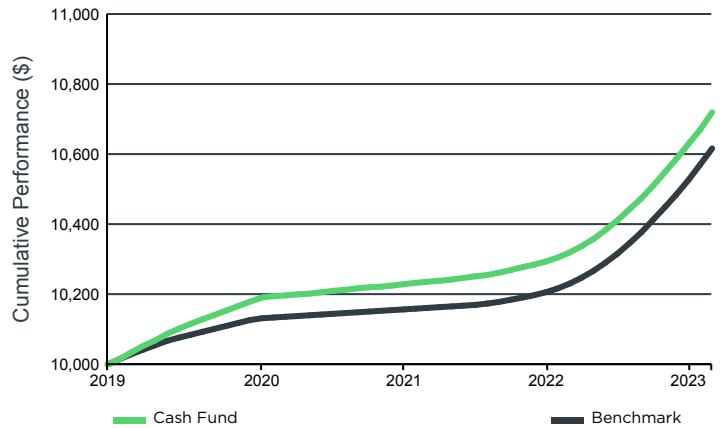
The RBNZ increased the OCR by 0.25 percentage points in May to 5.5%, as widely expected. However, in a surprise move to the market, the RBNZ suggested this may be the peak. It is now no longer forecasting future OCR increases in the near to medium term as its base case. Whether or not this eventuates will be dependent on how the economic data develops from here. Our expectation is that interest rates will remain at elevated levels, when compared to recent years, for some time. That will continue to benefit the Fund in terms of the interest rates into which it can reinvest maturing holdings.

The portfolio management of the Fund remains focused on maintaining its low-risk strategy, which is built on a diversified portfolio of cash, short-dated debt securities and term deposits, so as to protect capital. As a reminder, while the yield of the Cash Fund may vary over time, its objective is to deliver a return in excess of the OCR after fees. We expect we will continue to be able to deliver on this objective.

To view Milford's May 2023 Market and Economic Review please see milfordasset.com/insights.

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 a return above the New Zealand Official Cash Rate |
| Description | Primarily invests in New Zealand cash, short-dated debt securities and term deposits |
| Minimum recommended investment timeframe | N/A |
| Target Allocation | 100% Income Assets / 0% Growth Assets |
| Neutral FX Exposure | 0% |
| Net Asset Value (NAV) | \$522.4 M |
| Yield² | 5.57% |
| Average Credit Rating | A |
| Duration | 0.11 years |
| Buy-sell Spread | None - swing pricing applies (See PDS for details) |
| Inception Date | 1 March 2019 |
| Benchmark | OCR |
| Base Fund Fee³ | 0.20% |
| Performance Fee | Not applicable |
| Total Fund Fees⁴ | 0.20% |
| Risk Indicator | <p>Lower risk Higher risk</p> <p>1 2 3 4 5 6 7</p> <p>Potentially lower returns Potentially higher returns</p> |

Cash Fund as at 31 May 2023

Investment Performance after fees as at 31 May 2023⁵

Unit Price: \$1.0719

| | 1 Month | 3 Months | 1 year | 3 years (p.a.) | 5 years (p.a.) | Since inception (p.a.) |
|-------------------------------------|---------|----------|--------|----------------|----------------|------------------------|
| Milford Cash Fund (Gross Of Tax) | 0.47% | 1.26% | 3.87% | 1.68% | - | 1.65% |
| After Tax 10.50% | 0.42% | 1.13% | 3.46% | 1.50% | - | 1.47% |
| After Tax 17.50% | 0.39% | 1.04% | 3.18% | 1.38% | - | 1.36% |
| After Tax 28.00% | 0.34% | 0.91% | 2.77% | 1.21% | - | 1.18% |
| Benchmark | 0.44% | 1.26% | 3.77% | 1.56% | - | 1.42% |

Top Security Holdings

| Holdings | % of Fund |
|--------------------------|-----------|
| Westpac 45 Day WND | 16.65% |
| Auckland Airport CP 2023 | 3.80% |
| Auckland Airport CP 2023 | 3.78% |
| Contact CP 2023 | 3.78% |
| ASB 5.53% 2023 | 3.48% |
| Spark CP 2023 | 2.87% |
| Auckland Airport CP 2023 | 2.86% |
| Meridian CP 2023 | 2.60% |
| SBS CP 2023 | 2.47% |
| Contact CP 2023 | 2.29% |

Current Asset Allocation

| | Actual Investment Mix | Neutral Investment Mix |
|------------------------------|-----------------------|------------------------|
| Effective Cash # | 22.99% | 20% |
| New Zealand Fixed Interest | 77.01% | 80% |
| International Fixed Interest | 0.00% | 0.0% |
| New Zealand Equities | 0.00% | 0.0% |
| Australian Equities | 0.00% | 0.0% |
| International Equities | 0.00% | 0.0% |
| Other | 0.00% | 0.0% |

The actual cash held by the Fund is 22.99%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

1. After the base fund fee but before tax. 2. Yield to maturity (before tax and after fees) for underlying investments in the Fund. 3. Where applicable, the Base Fund Fee includes an estimate of non-related underlying fund charges. 4. 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. 5. 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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