

Conservative Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 28 February 2025



Portfolio Managers



Mark Riggall
Portfolio Manager



Paul Morris
Co-Portfolio Manager

The Fund returned 0.7% last month, bringing the one-year return to 9.2%. Market volatility picked up in February as investors grew concerned about falling US growth. This saw shares sell-off and bonds rally. The Fund has navigated this period well due to active decisions across asset allocation and stock selection.

In late January, the Fund's exposure to US shares was reduced as we became concerned about a slowing in growth. At the same time, exposure to bonds was increased. This meant the Fund had only very modest exposure to shares (approximately 17%) and a much greater exposure to bonds (approximately 60%). With bonds rallying sharply over the month, this delivered positive returns for the Fund even as share markets fell. The type of stocks we have also helped as the falls in shares were concentrated in the high growth stocks in the US. More defensive shares and those tied to interest rates fared much better, again helping the Fund deliver positive performance.

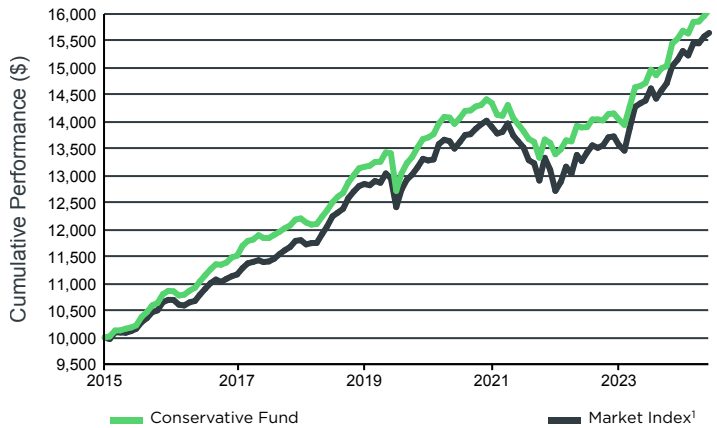
Looking ahead, it is likely that share and bond markets continue to be choppy. US policies around tariffs and cuts to government spending are increasing uncertainty and weighing on sentiment. However, the underlying US economy is strong and whilst growth is slowing it is unlikely to be negative. The rest of the developed world is also supported by falling interest rates and in Europe, increased fiscal spending is on the cards. The outlook for returns remains reasonable, partly due to the solid returns available from bonds which can cushion returns, even if economic growth slows more sharply.

To view Milford's February 2025 Market and Economic Review please see milfordasset.com/insights.

For previous fund reports see milfordasset.com/fund-reports.

Cumulative Fund Performance

(after fees and before tax)



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

Key Fund Facts

- Objective²** To provide moderate returns and protect capital over the minimum recommended investment timeframe
- Diversified fund that primarily invests in fixed interest securities, with a moderate allocation to equities.
- Description** While conservative in nature, the Fund may experience short term negative returns, particularly in times of heightened volatility

Minimum recommended investment timeframe	3 years +
Target Allocation	82% Income Assets / 18% Growth Assets
Neutral FX Exposure	0%
Net Asset Value (NAV)	\$626.3 M
Yield³	3.65%
Average Credit Rating	BBB+
Duration	2.7 years
Buy-sell Spread	None - swing pricing applies (See PDS for details)
Inception Date	1 September 2015
Current Distribution	0.95 cents per unit (Quarterly)
Benchmark	Not applicable
Base Fund Fee⁴	0.85%
Performance Fee	Not applicable
Total Fund Fees⁵	0.85%

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

Conservative Fund as at 28 February 2025

Investment Performance after fees as at 28 February 2025⁶

Unit Price: \$1.2805

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Conservative Fund (Gross Of Tax)	0.70%	1.42%	9.22%	4.83%	3.69%	5.13%
After Tax 10.50%	0.63%	1.30%	8.48%	4.43%	3.42%	4.71%
After Tax 17.50%	0.59%	1.22%	8.00%	4.16%	3.23%	4.43%
After Tax 28.00%	0.52%	1.10%	7.28%	3.76%	2.96%	4.01%
Market Index ¹	0.42%	1.23%	8.73%	4.69%	3.85%	4.83%

Top Equity Holdings

Holdings	% of Fund
Contact Energy	0.84%
Microsoft	0.79%
NatWest Group	0.71%
Bank of America	0.71%
Shell	0.54%
Spark	0.53%
Aena SME	0.52%
BT Group	0.50%
APA	0.45%
Segro	0.41%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash [#]	23.70%	7%
New Zealand Fixed Interest	20.30%	25%
International Fixed Interest	39.45%	50.0%
New Zealand Equities	2.55%	1%
Australian Equities	3.29%	3%
International Equities	7.62%	9%
Listed Property	3.09%	5%
Other	0.00%	0.0%

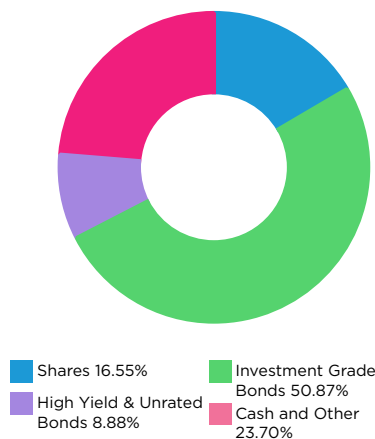
[#] The actual cash held by the Fund is 14.96%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

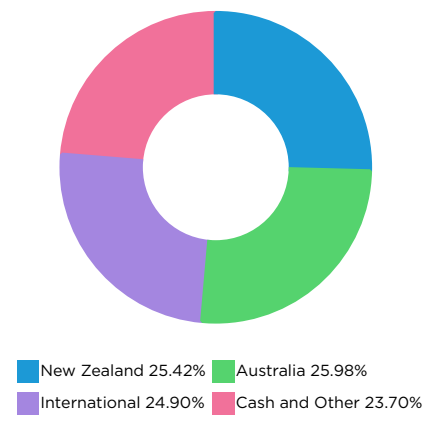
Holdings	% of Fund
NZLGFA 4.5% 2030	1.70%
NZGBI 2% 2025	1.40%
Origin Energy 5.35% 2031	1.32%
Westpac 5.618% 2035	1.28%
Housing NZ 3.42% 2028	0.96%
Progress Trust RMBS 2050	0.96%
NZLGFA 1.5% 2029	0.94%
GTA Finance 2.2% 2027	0.88%
EnBW International Finance 6.048% 2034	0.87%
NAB 5% 2029	0.85%

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

Fund Portfolio Mix



Region Exposure



1. The Fund does not have a performance benchmark, hence a market index has been included for comparison purposes. See the Statement of Investment Policy and Objectives for more details on the market index. The market index is a blend of indices that represent the Fund's neutral asset allocation. Note the Fund's investment strategy is designed to achieve its objective, which may mean that at times, the returns of the market index may not be an appropriate measure. 2. After the Base Fund Fee but before tax. 3. The yield to maturity is not an indicator of future return, but reflects the current yield to maturity of the fund's underlying holdings (before tax and after the base fund fee). 4. Where applicable, the Base Fund Fee includes an estimate of non-related underlying fund charges. 5. 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. 6. Includes the reinvestment of distributions. 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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