

Conservative Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 January 2025



Portfolio Managers



Mark Riggall
Portfolio Manager



Paul Morris
Co-Portfolio Manager

The Fund delivered 0.7% last month, bringing the one-year return to 8.9%. The Fund continues to deliver solid returns despite some choppy bond and share markets last month. The Fund's small (20%) allocation to shares helped last month due to some strong performance from our global shares. The balance of performance came from the interest income we are earning on our bond investments.

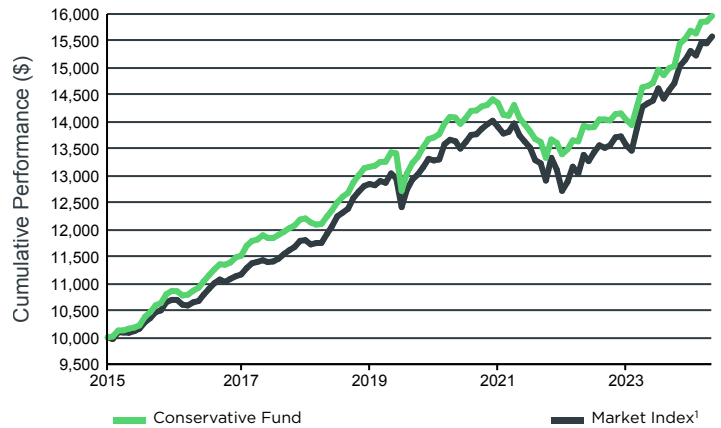
With bond yields moderately elevated, this has two implications for future returns. Firstly, interest income underpins returns. Secondly, any unexpected growth shocks will see bond prices rally as future interest rate cuts are priced. These factors offer increased utility of bonds for the Conservative Fund. As a result, the Fund remains fully invested in bonds. Increased uncertainty around US tariffs has the potential to create more volatility in share prices. The Fund's minimal exposure to shares and flexibility to manage exposures should help cushion the Fund should we see this volatility.

To view Milford's January 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
- Description** Diversified fund that primarily invests in fixed interest securities, with a moderate allocation to equities. 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)	\$609.3 M
Yield³	3.86%
Average Credit Rating	BBB+
Duration	2.96 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	Lower risk	1	2	3	4	5	6	7	Higher risk
				Potentially lower returns				Potentially higher returns	

Conservative Fund as at 31 January 2025

Investment Performance after fees as at 31 January 2025⁶

Unit Price: \$1.2717

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Conservative Fund (Gross Of Tax)	0.67%	2.09%	8.86%	4.30%	3.51%	5.09%
After Tax 10.50%	0.64%	1.98%	8.19%	3.94%	3.25%	4.68%
After Tax 17.50%	0.63%	1.91%	7.75%	3.71%	3.07%	4.40%
After Tax 28.00%	0.61%	1.81%	7.10%	3.35%	2.80%	3.99%
Market Index ¹	0.82%	2.32%	8.64%	4.27%	3.62%	4.82%

Top Equity Holdings

Holdings	% of Fund
Contact Energy	1.02%
Microsoft	0.83%
Bank of America	0.73%
Natwest	0.72%
Spark	0.70%
Infratil	0.57%
Shell	0.56%
Telstra	0.52%
Aena SME	0.52%
CRH	0.49%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash [#]	21.96%	7%
New Zealand Fixed Interest	20.60%	25%
International Fixed Interest	40.80%	50.0%
New Zealand Equities	2.90%	1%
Australian Equities	3.84%	3%
International Equities	6.98%	9%
Listed Property	2.92%	5%
Other	0.00%	0.0%

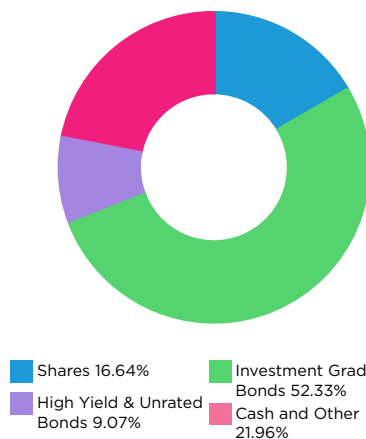
[#] The actual cash held by the Fund is 12.79%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

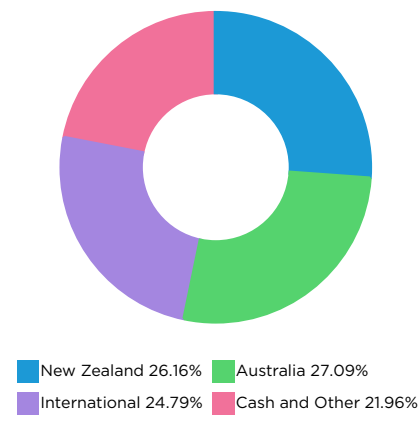
Holdings	% of Fund
Westpac 5.618% 2035	1.84%
NZLGFA 4.5% 2030	1.71%
NZGBI 2% 2025	1.42%
Origin Energy 5.35% 2031	1.32%
EnBW International Finance 6.048% 2034	1.06%
NZLGFA 1.5% 2026	1.03%
Progress Trust 5.29% 2050	0.97%
Housing NZ 3.42% 2028	0.97%
Iberdrola 5.87% 2034	0.95%
NZLGFA 1.5% 2029	0.94%

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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