

Dynamic Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 May 2022



Portfolio Managers



William Curtayne
Portfolio Manager



Michael Higgins
Portfolio Manager

May was a challenging month for equity markets. While we weren't immune from the volatility, our cautious positioning and elevated cash position provided some resistance to the sell-off. The Fund returned -5.3% in May, outperforming the S&P/ASX Small Ordinaries Index which fell -7.0%.

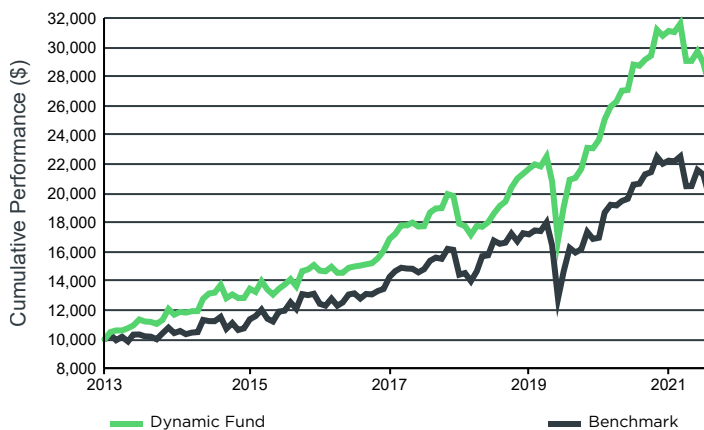
Performance was led by global fund manager GQG (+17.1%) which rallied on continued outperformance against global benchmarks. Much like our approach to investing, GQG is an all-weather manager who should outperform through the cycle. Intellectual Property (IP) services firm IPH (+3.9%) performed resiliently over the month. IPH is a key defensive position in the Fund, with earnings also leveraged to a declining Australian Dollar. Mining service provider Monadelphous (+5.5%) was steady over the month. Monadelphous is winning new contracts across the resources and energy sectors in Australia and PNG. Detractors included Collins Foods (-10.8%) and Metcash (-10.0%).

Our style neutral approach has allowed us to build cash and tilt the portfolio towards defensive and recovery stocks where we can identify relative value. We own very few high valuation multiple companies which are casualties of tight liquidity. As we await more clarity in the economic outlook, we continue to build out a long shopping list of quality businesses to add to the portfolio once they reach more attractive valuation levels.

To view Milford's June 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	To provide capital growth by out-performing the relevant share market index over the minimum recommended investment timeframe
Description	Primarily invests in small to mid-cap Australasian equities
Minimum recommended investment timeframe	8 years +
Target Allocation	10% Income Assets / 90% Growth Assets
Status	Closed to new investment
Neutral FX Exposure	0%
Net Asset Value (NAV)	\$697.7 M
Buy-sell Spread	None - swing pricing applies (See PDS for details)
Inception Date	1 October 2013
Benchmark	S&P/ASX Small Ordinaries (TR) Index (100% NZD-hedged)
Base Fund Fee²	1.35%
Performance Fee	15% of the Fund's returns above the Benchmark ¹ , subject to the high watermark.
Total Fund Fees³	1.35%

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

Dynamic Fund as at 31 May 2022

Investment Performance after fees as at 31 May 2022⁴

Unit Price: \$2.7065

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Dynamic Fund (Gross Of Tax)	-5.27%	-5.67%	-4.59%	12.74%	12.75%	12.34%
After Tax 10.50%	-5.26%	-5.71%	-4.65%	12.72%	12.74%	12.27%
After Tax 17.50%	-5.25%	-5.74%	-4.69%	12.71%	12.73%	12.23%
After Tax 28.00%	-5.24%	-5.77%	-4.75%	12.69%	12.71%	12.16%
Benchmark	-6.99%	-3.40%	-4.15%	6.17%	9.13%	8.20%

Top Security Holdings

Holdings	% of Fund
Metcash	3.99%
Contact Energy	3.98%
IPH	3.52%
Collins Foods	3.27%
Viva Energy Group	3.21%
Evolution Mining	3.10%
oOh!media	2.82%
Santos	2.72%
EBOS Group	2.71%
HUB24	2.54%

Current Asset Allocation

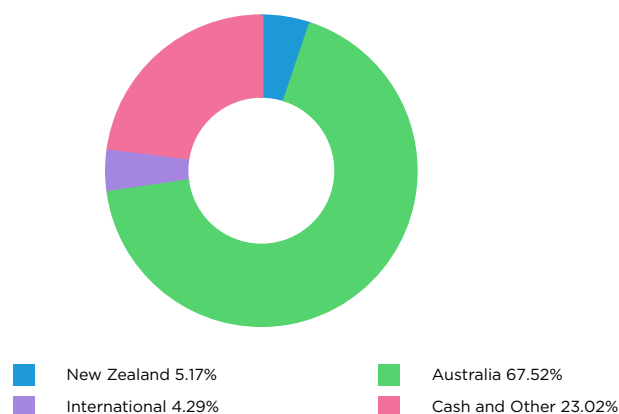
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	23.02%	10.0%
New Zealand Fixed Interest	0.00%	0.0%
International Fixed Interest	0.00%	0.0%
New Zealand Equities	7.75%	0.0%
Australian Equities	69.23%	90.0%
International Equities	0.00%	0.0%
Other	0.00%	0.0%

The actual cash held by the Fund is 24.21%. 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	10.59%
Financials	10.21%
Energy	9.81%
Real Estate	9.01%
Communication Services	8.47%
Consumer Discretionary	6.77%
Industrials	6.70%
Health Care	4.22%
Other Sectors	11.20%
Cash and Other	23.02%

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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