

Dynamic Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 April 2020



Portfolio Managers



William Curtayne
Portfolio Manager



Michael Higgins
Portfolio Manager

Global equity markets bounced back in April as COVID-19 optimism provided some relief following last month's sharp correction. The Fund returned 13.6% for the month, behind the S&P/ASX Small Ordinaries Index which rallied 14.7%. While our cautious positioning provided a degree of cash drag, we were very pleased to keep up with the index with a less risky portfolio.

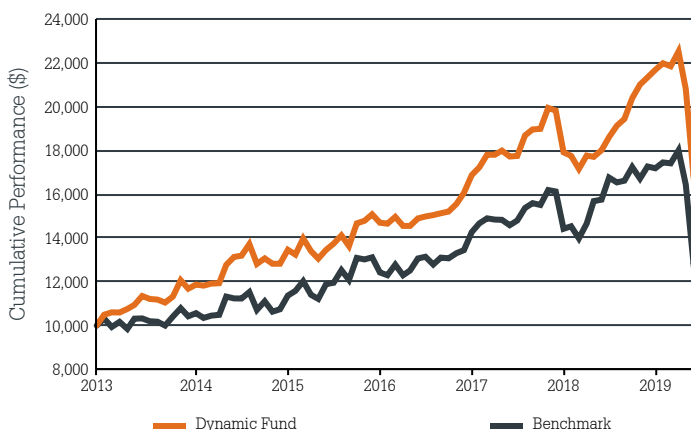
Performance was led by gold miners Evolution and Saracen which rallied 33.8% and 18.3% respectively. KFC restaurant owner Collins Foods also performed well rallying 35.8%. We think KFC restaurant earnings will have some resilience given i) drive-through, takeaway and delivery contribute a clear majority of sales, ii) many SME restaurants remain under pressure and in many cases are closed leading to likely market share gains and iii) people still crave a cheap luxury as we all slowly emerge from isolation. Underperformers included Metcash (-20.9%) which surprised with a recapitalisation equity raise and Fisher & Paykel Healthcare lagged 9.8% following a stellar performance over February/March.

We have entered May with elevated cash in the Fund, believing better opportunities to deploy capital on the long side will present themselves in the coming months ahead. As active stock pickers, we think volatile equity market environments will deliver increased opportunities to generate outperformance.

To view Milford's May 2020 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	Capital growth by out-performing the relevant share market index over a minimum of five years
Description	Primarily invests in small to mid-cap Australasian equities
Target Allocation	10% Income Assets / 90% Growth Assets
Neutral FX Exposure	0%
Net Asset Value (NAV)	\$274.5 M
Buy-sell Spread	None
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%
Risk Indicator	<div style="display: flex; justify-content: space-between; align-items: center;"> Lower risk 1 2 3 4 5 6 7 Higher risk </div> <div style="display: flex; justify-content: space-between; align-items: center; margin-top: 5px;"> Potentially lower returns Potentially higher returns </div>

Investment Performance after fees as at 30 April 2020⁴

Unit Price: \$1.887

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Dynamic Fund (Gross Of Tax)	13.62%	-15.25%	2.56%	8.39%	7.66%	10.31%
After Tax 10.50%	13.64%	-15.20%	2.54%	8.34%	7.56%	10.23%
After Tax 17.50%	13.66%	-15.17%	2.53%	8.30%	7.49%	10.17%
After Tax 28.00%	13.68%	-15.12%	2.51%	8.25%	7.39%	10.09%
Benchmark	14.71%	-18.47%	-12.43%	3.74%	5.48%	6.00%

Top Security Holdings

Holdings	% of Fund's NAV
Saracen Mineral Holdings	4.90%
Evolution Mining	4.34%
Collins Foods	3.32%
Sealink Travel Group	3.20%
IPH	3.14%
EML Payments	2.94%
HUB24	2.89%
EQT Holdings	2.81%
Coles Group	2.51%
Bapcor	2.38%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash [#]	16.79%	10.00%
New Zealand Fixed Interest	0.00%	0%
International Fixed Interest	0.00%	0%
New Zealand Equities	12.77%	0%
Australian Equities	70.44%	90.00%
International Equities	0.00%	0%
Other	0.00%	0%

[#] The actual cash held by the Fund is 16.27%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Sector Exposure

Allocation	Weight %
Consumer Discretionary	14.79%
Materials	11.98%
Information Technology	10.98%
Financials	10.38%
Real Estate	8.29%
Health Care	6.49%
Industrials	6.09%
Communication Services	6.02%
Other Sectors	8.19%
Cash and Other	16.79%

Region Exposure



■ New Zealand 12.46%
 ■ Australia 70.61%
■ International 0.14%
 ■ Cash and Other 16.79%

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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