

Dynamic Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 December 2022



Portfolio Managers



William Curtayne
Portfolio Manager



Michael Higgins
Portfolio Manager

While 2022 was a weak year for Australian small cap equities, markets generally held up well in the second half of the year. The Fund returned -2.3% for the month, ahead of the S&P/ASX Small Ordinaries which fell 3.6%. Gold was one of the few sectors which collectively made a positive contribution for the month. Evolution Mining (+10.8%), and Northern Star (+2.9%) were two portfolio companies that performed well. Pharmaceutical distributor EBOS Group (+7.2%) continued its strong form.

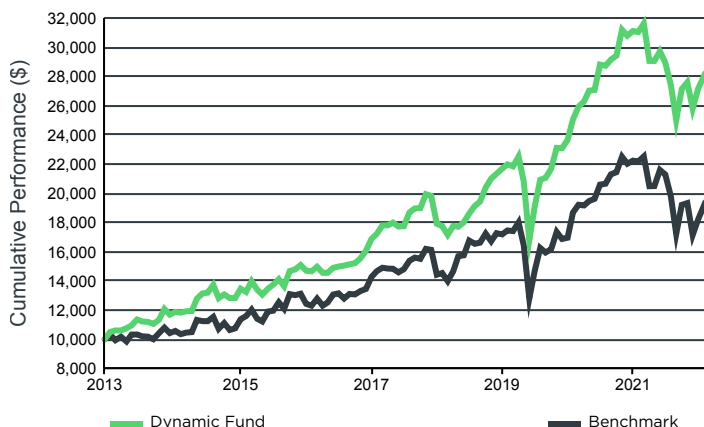
Smartpay's (+4.5%) momentum continued following the release of its first half results last month. Laggards included independent investment platform Netwealth (-12.0%) and sleep apnoea global leader ResMed (-7.4%). We consider both high quality companies trading at reasonable valuations and able to grow earnings outside of the economic cycle. We remain conservatively positioned as we enter the new year. While the property market has responded quickly to the RBA's monetary tightening, the impact on the broader economy will take longer.

As this equity weakness continues, we will look to establish longer term buy and hold opportunities in quality businesses at attractive valuations. We have selectively started this process given our elevated cash position, however only in moderate size.

To view Milford's January 2023 Market and Economic Review please see milfordasset.com/investor-centre.

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)	\$642.5 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 December 2022

Investment Performance after fees as at 31 December 2022⁴

Unit Price: \$2.696

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Dynamic Fund (Gross Of Tax)	-2.26%	5.96%	-13.53%	7.77%	8.96%	11.48%
After Tax 10.50%	-2.27%	5.81%	-13.62%	7.74%	8.92%	11.41%
After Tax 17.50%	-2.27%	5.70%	-13.68%	7.72%	8.89%	11.36%
After Tax 28.00%	-2.28%	5.55%	-13.78%	7.69%	8.85%	11.28%
Benchmark	-3.62%	7.39%	-18.26%	1.88%	4.32%	6.82%

Top Security Holdings

Holdings	% of Fund
Viva Energy Group	4.75%
IPH	3.57%
Contact Energy	3.51%
Origin Energy	3.15%
Resmed	3.00%
Collins Foods	2.86%
Waypoint REIT	2.71%
Seven Group	2.55%
oOh!media	2.53%
Monadelphous	2.26%

Current Asset Allocation

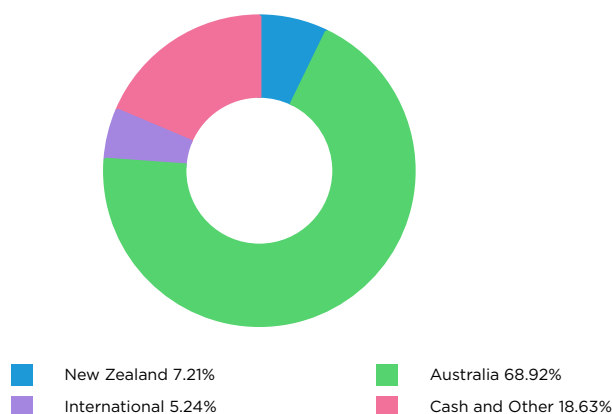
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	15.96%	10%
New Zealand Fixed Interest	0.00%	0.0%
International Fixed Interest	0.00%	0.0%
New Zealand Equities	8.89%	0.0%
Australian Equities	72.48%	90%
International Equities	0.00%	0.0%
Other	2.67%	0.0%

The actual cash held by the Fund is 15.96%. 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 %
Energy	9.98%
Communication Services	8.72%
Materials	8.70%
Financials	8.46%
Industrials	8.38%
Health Care	8.01%
Consumer Discretionary	6.73%
Utilities	6.66%
Other Sectors	15.73%
Cash and Other	18.63%

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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