

Dynamic Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 January 2023



Portfolio Managers



William Curtayne
Portfolio Manager



Michael Higgins
Portfolio Manager

January saw a sharp rebound in global markets following China's reopening and the prospect of a soft economic landing in the US. The rally was broad based, with the resource sector leading the charge. The Fund returned 4.9% for the month, behind the S&P/ASX Small Ordinaries index which rallied 6.6%.

Smartpay's (+22.5%) momentum continued, following the release of a trading update in November which showed very strong revenue and earnings growth. KFC restaurant owner Collins Foods (+11.5%) rebounded following a challenging 2022, which saw the company downgrade earnings due to margin pressure. Leading outdoor advertising company oOh!media (+11.7%) continued its recovery from depressed Covid levels.

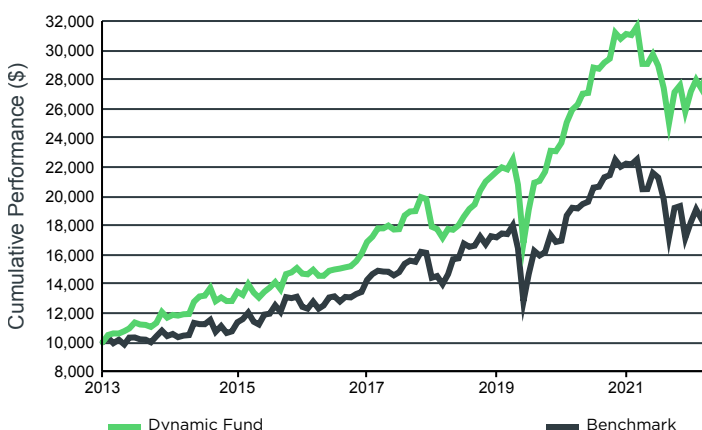
Laggards included diversified telco Macquarie Telecom (-6.1%) and Origin Energy (-3.2%). Early retail trading updates released in January have supported the rebound in equity markets and suggest a relatively robust December quarter. We expect the market may struggle to maintain this optimism as the impact of the Reserve Bank of Australia's monetary tightening reduces spending power progressively over 2023.

As opportunities present themselves, we will look to establish longer term buy and hold positions 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 February 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) \$674.7 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 Benchmark¹, subject to the high watermark.

Total Fund Fees³ 1.35%

Risk Indicator

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

Dynamic Fund as at 31 January 2023

Investment Performance after fees as at 31 January 2023⁴

Unit Price: \$2.8293

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Dynamic Fund (Gross Of Tax)	4.94%	5.60%	-1.27%	8.42%	10.02%	11.95%
After Tax 10.50%	4.95%	5.52%	-1.42%	8.39%	9.97%	11.88%
After Tax 17.50%	4.95%	5.47%	-1.52%	8.38%	9.93%	11.83%
After Tax 28.00%	4.95%	5.39%	-1.67%	8.36%	9.88%	11.75%
Benchmark	6.76%	7.85%	-4.05%	2.97%	5.78%	7.50%

Top Security Holdings

Holdings	% of Fund
Viva Energy Group	4.82%
Contact Energy	3.36%
IPH	3.14%
Collins Foods	3.11%
Resmed	3.03%
Seven Group	2.85%
oOh!media	2.74%
SmartPay	2.71%
Waypoint REIT	2.65%
Origin Energy	2.61%

Current Asset Allocation

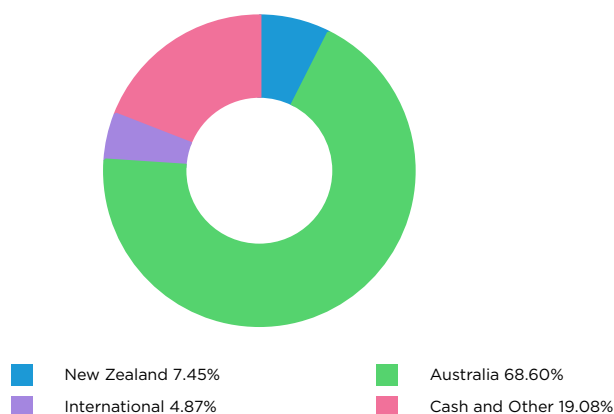
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	19.08%	10%
New Zealand Fixed Interest	0.00%	0.0%
International Fixed Interest	0.00%	0.0%
New Zealand Equities	8.78%	0.0%
Australian Equities	72.14%	90%
International Equities	0.00%	0.0%
Other	0.00%	0.0%

The actual cash held by the Fund is 19.24%. 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	9.55%
Financials	9.41%
Communication Services	8.83%
Industrials	8.20%
Materials	8.03%
Health Care	7.16%
Consumer Discretionary	7.14%
Real Estate	6.81%
Other Sectors	15.79%
Cash and Other	19.08%

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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