

Dynamic Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 November 2020



Portfolio Managers



William Curtayne
Portfolio Manager



Michael Higgins
Portfolio Manager

Small capitalisation companies rallied strongly in November as the market gained confidence following promising vaccine news combined with favourable policy conditions. The Fund returned 5.9% for the month which lagged the ASX/S&P Small Ordinaries benchmark return of 10.1%.

We were very pleased with our strong absolute performance given the rotation away from the winners from prior months into the laggards. Performance was led by Sealink (+21.9%), video equipment manufacturer Atomos (58.3%) and payments provider EML Payments (+23.9%). Sealinks Marine and Tourism segment is exposed to in-demand island tourist destinations such as Rottneest, Magnet and Fraser Islands. Both anecdotal and industry feedback suggests that tourism volumes have been strengthening despite international borders remaining closed.

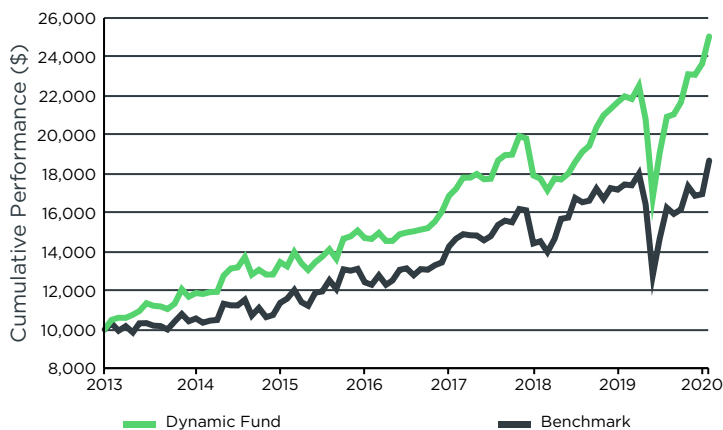
Detractors included gold companies Evolution (-10.3%) and Saracen (-16.5%) as the vaccine developments changed investors' risk appetite.

As a potential vaccine also reduces the tail risk of a severe economic outcome, we took the opportunity to trim some of our gold exposure. We continue to adapt the portfolio by increasing our exposure to recovery stocks where we can identify relative value. Our target is to achieve a better balance given the broad array of economic uncertainties and scenarios in the months ahead.

To view Milford's December 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)	\$459.8 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 30 November 2020

Investment Performance after fees as at 30 November 2020⁴

Unit Price: \$2.476

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Dynamic Fund (Gross Of Tax)	5.90%	8.40%	13.98%	13.30%	13.59%	13.67%
After Tax 10.50%	5.82%	8.29%	14.00%	13.28%	13.51%	13.59%
After Tax 17.50%	5.77%	8.21%	14.02%	13.27%	13.46%	13.54%
After Tax 28.00%	5.70%	8.10%	14.03%	13.24%	13.38%	13.47%
Benchmark	10.17%	7.64%	7.04%	8.39%	10.02%	9.11%

Top Security Holdings

Holdings	% of Fund's NAV
Sealink Travel Group	4.42%
Fisher & Paykel Healthcare	4.28%
EML Payments	3.42%
Collins Foods	3.38%
Seven Group Holdings	3.05%
Bapcor	3.02%
CSR	2.87%
Lifestyle Communities	2.85%
IPH	2.78%
EQT Holdings	2.71%

Current Asset Allocation

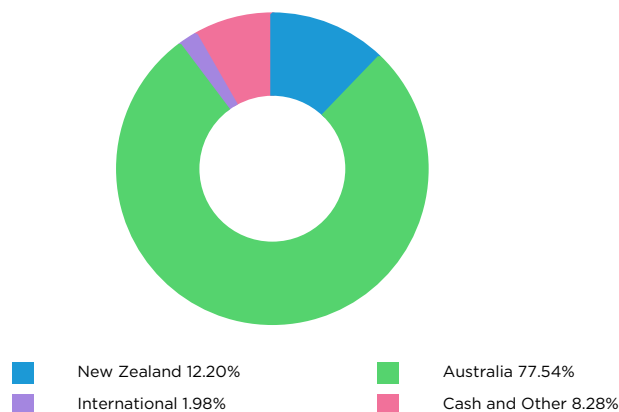
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	6.96%	10.00%
New Zealand Fixed Interest	0.00%	0%
International Fixed Interest	0.00%	0%
New Zealand Equities	12.03%	0%
Australian Equities	79.69%	90.00%
International Equities	0.00%	0%
Other	1.32%	0%

The actual cash held by the Fund is 6.93%. 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 %
Consumer Discretionary	22.01%
Real Estate	14.51%
Financials	12.69%
Information Technology	11.19%
Health Care	9.84%
Materials	9.09%
Industrials	6.41%
Communication Services	3.59%
Consumer Staples	1.19%
Utilities	0.79%
Energy	0.41%
Cash and Other	8.28%

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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