

KiwiSaver Active Growth Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 April 2020



Portfolio Managers



Jonathan Windust
Portfolio Manager



William Curtayne
Co-Portfolio Manager

The Fund rose 6.1% in April and benefitted from the rebound in share and fixed income markets. The NZ, Australian and global share markets ending up 7.5%, 8.8% and 10.5% respectively. Share markets reacted positively to enormous stimulus measures from governments and central banks aimed to help cushion the negative impacts from the coronavirus. We were pleased to largely keep up with the markets' performance during the month despite being defensively positioned with higher levels of cash. Performance was aided by good company selection.

Key positives during the month included companies which rebounded from sharp falls last month including NZ retirement company Summerset (+11.9%), US home builder DR Horton (+38.9%) and Australian real estate company Scentre Group (+48.9%). The Fund's US technology investments also continued to perform strongly including Google (+16.0%), Microsoft (+13.6%) and Apple (+15.5%). We believe these large cap technology companies are structural winners given their strong market positions in attractive and growing markets. In particular we believe the cloud infrastructure and related services is likely to continue to grow strongly with growth potentially accelerated by work from home trends. Gold companies also performed strongly during the month.

The Fund was very active during the month with opportunities created by market movements and new issues. Generally, we added to structural winners and more defensive companies whilst taking profits on some of the companies which had rebounded strongly towards the end of the month. The Fund participated in the discounted issues of companies looking to shore up their balance sheets including Auckland Airport, Kathmandu, Flight Centre and National Australia Bank. These rose strongly with Kathmandu ending up 58% from its issue price.

In the short-term markets are likely to remain volatile given the very uncertain impact of the coronavirus on economies, company earnings and valuations. However, the medium-term impact on company earnings and valuations is lower with many companies' earnings likely to rebound strongly and some even benefiting. The Fund contains a mix of company investments including structural winners, defensive companies and those which have been oversold on short-term issues. In aggregate, however, the Fund remains cautious given the uncertain environment with a lower allocation to shares and higher allocation to cash than typical. We remain excited that this market will provide great opportunities for active management.

To view Milford's May 2020 Market and Economic Review please see milfordasset.com/fact-sheet.

External Ratings



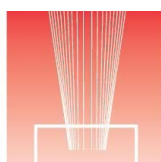
Milford KiwiSaver Active Growth Fund received a Morningstar Analyst Rating™ of 'Silver' on 29-05-2018



Consumer NZ People's Choice Award – KiwiSaver



Morningstar Fund Manager of the Year -
KiwiSaver Category, NZ



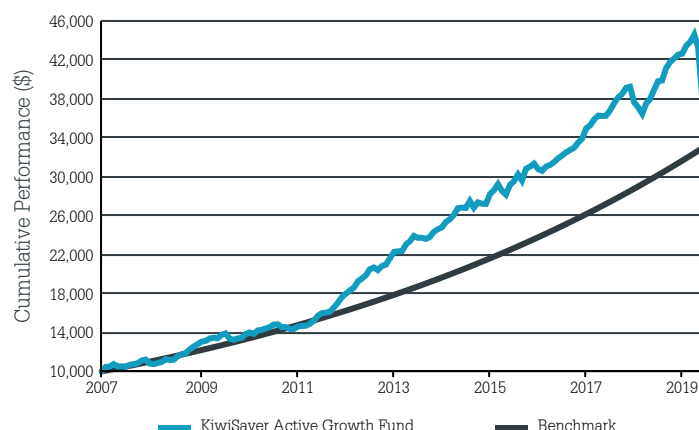
Awards
2019™



Zenith FundSource - Fund Manager of the Year 2019

Cumulative Fund Performance

(after fees and before tax)



Assumes the growth of \$10,000 invested at the Fund's inception date.

Key Fund Facts

Objective ¹	Annual returns of 10% over a minimum of five years
Description	Diversified fund that primarily invests in equities, with a moderate allocation to fixed interest securities
Target Allocation	22% Income Assets / 78% Growth Assets
Neutral FX Exposure	16.0%
Net Asset Value (NAV)	\$1,474.2 M
Buy-sell Spread	None
Inception Date	1 October 2007
Benchmark	10% p.a.
Base Fund Fee ²	1.06%
Performance Fee	15% of the Fund's returns above the Benchmark ¹ , subject to the high watermark.
Total Fund Fees ³	1.28% (includes an est. performance fee)
Risk Indicator	<div> <div>Lower risk</div> <div>Higher risk</div> <div> <div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> </div> <div>Potentially lower returns</div> <div>Potentially higher returns</div> </div>

Investment Performance after fees as at 30 April 2020⁴

Unit Price: \$3.7718

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford KiwiSaver Active Growth Fund (Gross Of Tax)	6.12%	-9.30%	1.60%	7.92%	8.57%	11.74%
After Tax 10.50%	6.24%	-9.25%	1.46%	7.63%	8.25%	11.21%
After Tax 17.50%	6.32%	-9.21%	1.36%	7.43%	8.04%	11.01%
After Tax 28.00%	6.44%	-9.16%	1.21%	7.13%	7.71%	10.59%
Benchmark	0.79%	2.38%	10.00%	10.00%	10.00%	10.00%

Top Equity Holdings

Holdings	% of Fund's NAV
a2 Milk Company	4.11%
Spark New Zealand	3.40%
Fisher & Paykel Healthcare	3.35%
Contact Energy	2.98%
Alphabet	1.75%
Microsoft Corp	1.74%
Alibaba Group	1.59%
Summerset Group Holdings	1.52%
Charter Hall Retail	1.25%
EBOS Group	1.24%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash [#]	26.14%	6.00%
New Zealand Fixed Interest	1.78%	4.00%
International Fixed Interest	12.98%	12.00%
New Zealand Equities	22.80%	26.00%
Australian Equities	13.08%	20.00%
International Equities	23.22%	32.00%
Other	0.00%	0%

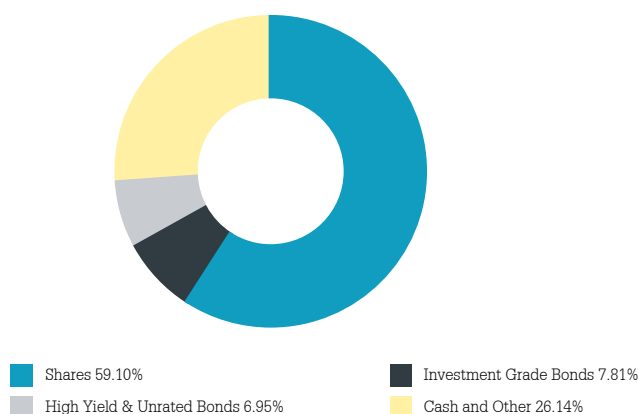
[#] The actual cash held by the Fund is 8.37%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

Holdings	% of Fund's NAV
Commonwealth of Australia 5.5% 2023	2.26%
CYBG 8% 2049	1.00%
Vodafone Group 6.25% 2078	0.73%
Crown Resorts 5.795% 2075	0.72%
Lloyds Bank 5.125% Perpetual	0.68%
CYBG 7.875% 2028	0.62%
ASB Bank 5.25% 2026	0.57%
QBE 6.75% 2044	0.54%
Barclays 5.875% 2024	0.53%
IAG Float 2045	0.51%

Note: Fixed interest securities are reported in the following format: Issuer name, interest (coupon rate), maturity year.

Fund Portfolio Mix



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.** This is based on the performance of the AonSaver AMT Milford Aggressive Fund until 31 March 2010 and the Milford KiwiSaver Active Growth Fund from 1 April 2010. 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-ks for more information about the data published within this document.

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