

Portfolio Managers





Wayne Gentle Co-Portfolio Manager

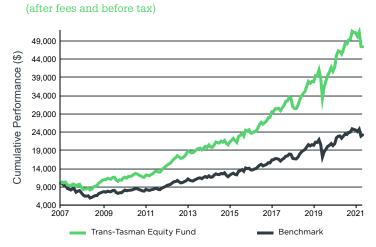
The Fund returned -0.1% in February. Market performance was dominated by global headlines, the Ukraine/Russia situation and monetary policy, with defensive and commodity exposures generally outperforming. Underneath the volatility, the local February earnings season delivered a strong set of financial results from our companies. For us, the earnings season provided a good opportunity to assess pricing power of our companies in the current inflationary environment and we adjusted the Fund accordingly.

Performance was led by steel manufacturer BlueScope (+12.2%) and National Australia Bank (+6.7%). BlueScope is positioned to benefit from tight global steel markets while National Australia Bank delivered a strong result ahead of investor expectations. Mainfreight (-4.9%) was a key source of weakness. Despite declaring a 85% increase in year-on-year profit, Mainfreight was sold on investor concerns that short term profit growth will be difficult as global supply chains normalise in the year ahead. CEO Don Braid purchased stock late in the month. Key changes over the month included adding to our holdings in Meridian Energy and supermarket leader Woolworths, as we believe they are well placed to withstand inflation pressures, and reducing retirement operators Ryman Healthcare and Summerset on concerns around rising cost pressure within their respective businesses.

Looking ahead, we expect the Ukraine situation and tightening monetary policy to continue to create volatility in equity markets. The key offset to tightening monetary policy is company earnings. Economic growth, particularly in Australia, is strong and supports company earnings. In this environment, we expect share prices will overreact on both the upside and downside creating good opportunities for active management. Our strategy is to remain active and position the Fund in companies that can sustain earnings growth at above average rates (like Mainfreight, Xero and Fisher & Paykel Healthcare) and avoid those where we see stretched valuation, balance sheets, earnings or valuation risk. Irrespective of short-term market performance, longterm returns will be influenced by our stock selection.

To view Milford's March 2022 Market and Economic Review please see <u>milfordasset.com/fact-sheet</u>.

Cumulative Fund Performance



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

Key Fund Facts

Objective ¹	To provide capital growth by out-performing a mix of two relevant share market indices over the minimum recommended investment timeframe					
Description	Primarily invests in Australasian equities					
Minimum recommended investment timeframe		8 years +				
Target Allocation		5% Income Assets / 95% Growth Assets				
Neutral FX Exposure		0%				
Net Asset Value (NAV)		\$913.9 M				
Buy-sell Spread		None - swing pricing applies (See PDS for details)				
Inception Date		1 October 2007				
Current Distribution		1.5 cents per unit (Biannually)				
Benchmark		50% x S&P/ASX 200 Total Return Index (100% NZD-hedged) + 50% x S&P/NZX 50 Gross Index				
Base Fund Fee ²		1.05%				
Performance Fee	3	15% of the Fund's returns above the Benchmark ¹ , subject to the high watermark.				
Total Fund Fees	3	1.05%				
	Lo	ower risk Higher risk				
Risk Indicator	Po	1 2 3 4 5 6 7				

External Ratings



Milford Trans-Tasman Equity Fund received a Morningstar Analyst Rating™ of 'Silver' on 19-05-2021



Investment Performance after fees as at 28 February 2022⁴

Unit Price: \$3.7825

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Trans-Tasman Equity Fund (Gross Of Tax)	-0.10%	-5.79%	4.36%	13.12%	13.62%	11.40%
After Tax 10.50%	-0.14%	-5.81%	4.10%	12.91%	13.33%	10.99%
After Tax 17.50%	-0.16%	-5.83%	3.92%	12.77%	13.14%	10.77%
After Tax 28.00%	-0.19%	-5.85%	3.66%	12.56%	12.86%	10.40%
Benchmark	1.47%	-3.71%	4.14%	8.91%	9.94%	6.03%

Top Security Holdings

Holdings	% of Fund
Fisher & Paykel	5.56%
BHP	4.79%
СВА	4.55%
Mainfreight	4.38%
CSL	4.35%
Infratil	3.79%
NAB	3.49%
EBOS Group	3.18%
Contact Energy	3.15%
Summerset	2.64%

Current Asset Allocation

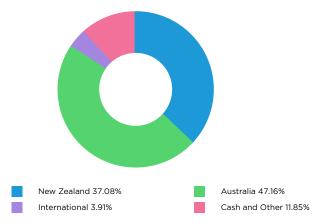
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	11.83%	5.0%
New Zealand Fixed Interest	0.00%	0.0%
International Fixed Interest	0.00%	0.0%
New Zealand Equities	39.67%	47.5%
Australian Equities	48.48%	47.5%
International Equities	0.00%	0.0%
Other	0.02%	0.0%

The actual cash held by the Fund is 10.73%. 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 %
Health Care	16.62%
Financials	15.20%
Industrials	12.78%
Materials	10.12%
Utilities	9.93%
Consumer Discretionary	6.21%
Communication Services	5.25%
Consumer Staples	4.10%
Other Sectors	7.94%
Cash and Other	11.85%

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. Assumes the reinvestment of distributions. 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.

Disclaimer: The Milford Fund Fact Sheet has been prepared by Milford Funds Limited. It is based on information believed to be accurate and reliable although no guarantee can be given that this is the case. No reproduction of any material either in part or in full is permitted without prior permission. For more information about the Fund, please refer to the Production Disclosure Statement or the latest Quarterly Fund Update.