

Trans-Tasman Equity Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 March 2021



Portfolio Managers



Sam Trethewey
Portfolio Manager



Wayne Gentile
Co-Portfolio Manager

The Fund returned 2.6% in March. It is now a year since markets hit COVID-19 lows, over the past year the Fund has returned 39.8% and has comfortably reached new highs. March saw 'reopening trades' rally (stocks exposed to the reopening of economies) and the NZ electricity sector remain under passive fund selling pressure.

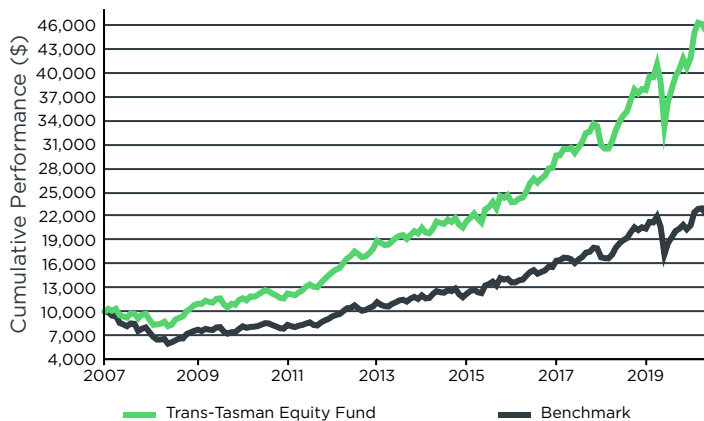
Highlights in March included cinema software developer Vista (+29.4%), steel producer Bluescope (+16.0%), and corporate travel software developer Serko (+22.0%). All companies benefited from the reopening trade. In addition, Serko also provided an update on their partnership with Booking.com, announcing that they had begun the transition of existing Booking.com for business customers to a new platform powered by Serko. This partnership represents a large opportunity for Serko. During the month the NZ government announced the removal of interest tax deductibility from investment properties, this has the potential to impact the retirement village sector. Retirement village unit prices have had a strong relationship with house prices historically, however, increases made by village operators over the past 12 months have been significantly outpaced by the increase in house prices providing a material buffer. Elsewhere, we increased our exposure to the NZ electricity companies into the passive fund selling pressure and we added to Rio Tinto, Wesfarmers and National Australia Bank on share price weakness.

Looking ahead, it is evident that both NZ and Australia have had a shallower economic pullback than many of the major offshore economies and are further into the recovery. Local equity markets appear to be becoming increasingly confident that the impact of COVID-19 is unlikely to extend materially beyond 2021. We are monitoring the vaccine rollout and timing of international travel as key risks to this view and have positioned the Fund accordingly. The Australian equity market has a far larger exposure to international cyclical stocks like iron ore miners Rio Tinto and BHP and is therefore more exposed to the global recovery. Irrespective of short-term market performance, long-term returns will be heavily influenced by our stock selection. That is our ability to 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 balance sheets, earnings or valuation risk.

To view Milford's April 2021 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, and assumes reinvestment of distribution.

Key Fund Facts

Objective¹ Capital growth by out-performing a mix of two relevant share market indices over a minimum of five years

Description Primarily invests in Australasian equities

Target Allocation 5% Income Assets / 95% Growth Assets

Neutral FX Exposure 0%

Net Asset Value (NAV) \$779.9 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 Fee² 1.05%

Performance Fee 15% of the Fund's returns above the Benchmark¹, subject to the high watermark.

Total Fund Fees³ 1.05%



Trans-Tasman Equity Fund as at 31 March 2021

Investment Performance after fees as at 31 March 2021⁴

Unit Price: \$3.7387

	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)	2.60%	0.74%	39.82%	15.90%	15.32%	12.08%
After Tax 10.50%	2.66%	0.75%	39.96%	15.67%	15.03%	11.66%
After Tax 17.50%	2.69%	0.75%	40.05%	15.52%	14.83%	11.44%
After Tax 28.00%	2.74%	0.76%	40.18%	15.30%	14.54%	11.07%
Benchmark	2.60%	0.14%	33.23%	12.49%	11.54%	6.34%

Top Security Holdings

Holdings	% of Fund
Fisher & Paykel	7.65%
Mainfreight	4.28%
Xero	4.26%
CBA	3.78%
CSL	3.42%
Infratil	3.34%
NAB	3.30%
Ryman Healthcare	2.74%
Rio Tinto	2.67%
BHP	2.58%

Current Asset Allocation

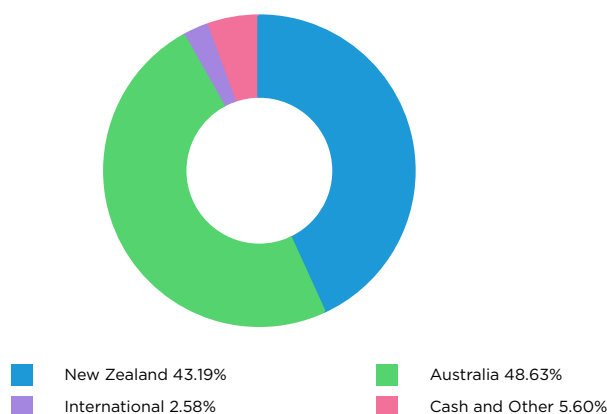
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	5.60%	5.00%
New Zealand Fixed Interest	0.00%	0%
International Fixed Interest	0.00%	0%
New Zealand Equities	41.05%	47.50%
Australian Equities	53.35%	47.50%
International Equities	0.00%	0%
Other	0.00%	0%

The actual cash held by the Fund is 7.21%. 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	18.30%
Financials	15.10%
Materials	14.30%
Industrials	9.79%
Consumer Discretionary	8.10%
Utilities	7.56%
Information Technology	6.85%
Communication Services	5.73%
Consumer Staples	3.86%
Real Estate	2.91%
Energy	1.90%
Cash and Other	5.60%

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.

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