

Trans-Tasman Equity Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 November 2021



Portfolio Managers



Sam Trethewey
Portfolio Manager



Wayne Gentle
Co-Portfolio Manager

The Fund fell 1.8% in November. Our ASX holdings led performance over the month as interest rate driven weakness in the NZ market and the Omicron variant impacted returns. The ASX 200 index fell 0.5% and the NZX 50 declined 2.9%.

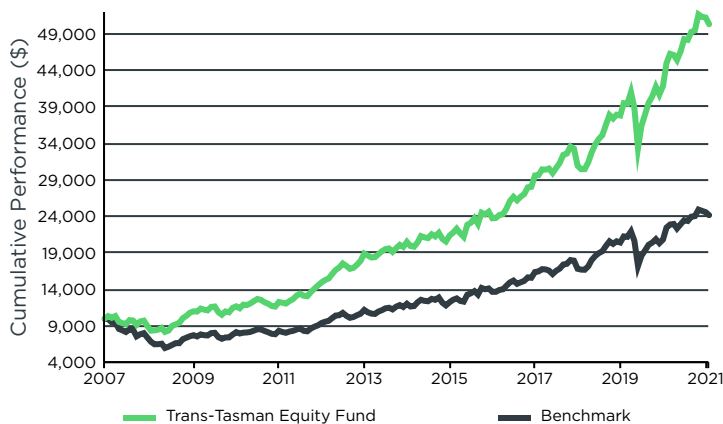
The positive for the month was a clear sign that the underlying earnings of our Fund's holdings remain very strong. The standout was Fisher & Paykel Healthcare (+6.8%) which reported a strong result well ahead of market expectations with earnings up 2% against a prior period which included extraordinary demand from the initial surges of Covid-19. Other highlights included Mainfreight (+1.4%), James Hardie (+8.9%) and Collins Foods (+10.2%) who all delivered results ahead of market expectations and have large market opportunities ahead of them. Key changes included reducing Fletcher Building early in the month to mitigate housing market concerns and adding to Sydney Airport following significant weakness from concern around the Omicron variant.

Looking ahead, interest rate movements are likely to continue to create volatility. The NZ market is now anticipating a series of interest rate rises from the RBNZ, it is now up to our central bank to deliver. In contrast, the RBA is still clearly holding interest rates at very low levels. We are continuing to find plenty of opportunities at the individual stock level and have cash to take advantage of any volatility. Over the medium term, despite what share prices might suggest this month, we expect earnings growth to be the key driver of the Fund's return. We continue 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. Irrespective of short-term market performance, long-term returns will be influenced by our stock selection.

To view Milford's December 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 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) \$988.1 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%

Risk Indicator

Lower risk Higher risk

1 2 3 4 **5** 6 7

Potentially lower returns Potentially higher returns

External Ratings



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

Trans-Tasman Equity Fund as at 30 November 2021

Investment Performance after fees as at 30 November 2021⁴

Unit Price: \$4.0168

	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)	-1.80%	-2.60%	11.83%	18.19%	16.17%	12.08%
After Tax 10.50%	-1.83%	-2.63%	11.65%	17.93%	15.87%	11.66%
After Tax 17.50%	-1.84%	-2.66%	11.54%	17.75%	15.67%	11.44%
After Tax 28.00%	-1.86%	-2.69%	11.36%	17.49%	15.38%	11.06%
Benchmark	-1.69%	-3.06%	7.56%	13.08%	12.07%	6.43%

Top Security Holdings

Holdings	% of Fund
Fisher & Paykel	7.41%
Mainfreight	5.29%
Xero	5.08%
CSL	4.02%
Infratil	3.63%
NAB	3.07%
Contact Energy	3.01%
Summerset	2.88%
BHP	2.49%
Auckland Airport	2.31%

Current Asset Allocation

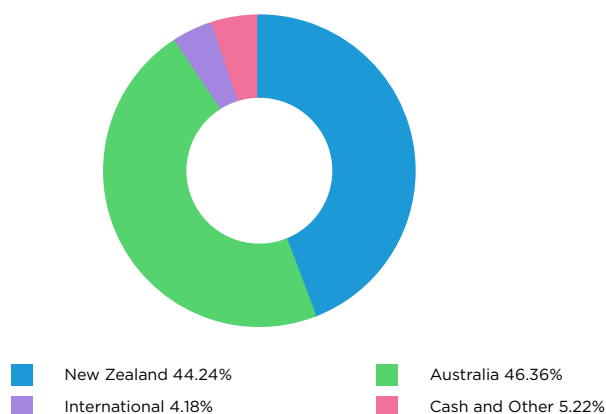
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	4.89%	5%
New Zealand Fixed Interest	0.00%	0%
International Fixed Interest	0.00%	0%
New Zealand Equities	42.21%	47.5%
Australian Equities	52.57%	47.5%
International Equities	0.00%	0%
Other	0.33%	0%

The actual cash held by the Fund is 5.01%. 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	18.98%
Financials	14.88%
Industrials	14.30%
Utilities	8.94%
Materials	8.82%
Consumer Discretionary	7.83%
Information Technology	7.13%
Communication Services	5.10%
Consumer Staples	4.15%
Real Estate	2.70%
Energy	1.95%
Cash and Other	5.22%

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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