

Trans-Tasman Equity Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 October 2021



Portfolio Managers



Sam Trethewey
Portfolio Manager



Wayne Gentle
Co-Portfolio Manager

The Fund fell 0.2% in October moderately ahead of our NZX 50 and ASX 200 benchmark which dropped 0.7%. The past year has been a very strong period of performance for equity markets with the Fund returning 22.4% despite uncertainties with lockdowns, elevated government spending and inflationary pressures.

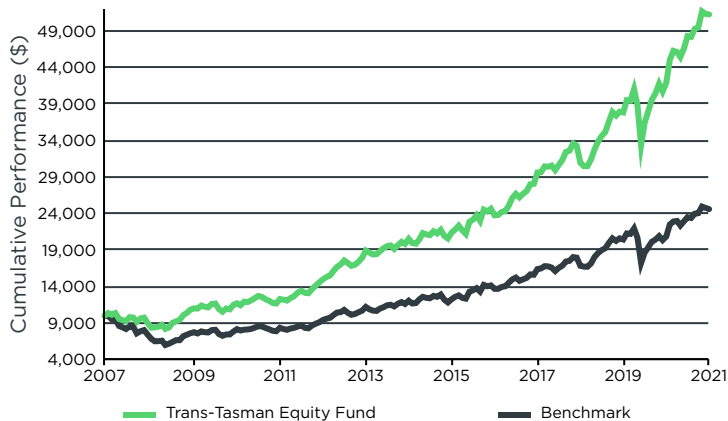
Performance was led by Xero (+7.6%) as the stock bounced back from weakness in September. We retain conviction in Xero's outlook and expect business creations to be strong in the current economic environment. Wealth management platform HUB24 (+9.0%) continued its strong run over the past few months. HUB24 delivered an impressive trading update and acquired self-managed superannuation fund administration software provider Class Limited. Mainfreight (-7.2%) was the largest detractor, the share price saw profit taking after several months of strong performance. We also took the opportunity to add global fund manager GQG Partners to the Fund this month via its IPO. GQG has been highly successful since being founded in 2016 by CIO and 60% shareholder Rajiv Jain. The company manages US\$84bn and inflows look set to continue.

Looking ahead, inflation and associated interest rate movements are likely to create volatility for our local markets. However it is comforting that company earnings remain very robust, outside of the obvious pockets of extreme weakness in tourism and hospitality. 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 November 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) \$1,008.0 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 31 October 2021

Investment Performance after fees as at 31 October 2021⁴

Unit Price: \$4.0908

	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)	-0.17%	3.60%	22.42%	18.31%	16.63%	12.30%
After Tax 10.50%	-0.15%	3.52%	22.16%	18.01%	16.33%	11.88%
After Tax 17.50%	-0.13%	3.47%	21.98%	17.80%	16.12%	11.66%
After Tax 28.00%	-0.11%	3.39%	21.71%	17.50%	15.82%	11.28%
Benchmark	-0.69%	2.28%	18.03%	13.47%	12.45%	6.60%

Top Security Holdings

Holdings	% of Fund
Fisher & Paykel	7.06%
Mainfreight	5.06%
Xero	4.67%
Infratil	3.66%
CSL	3.35%
Summerset	3.26%
NAB	3.18%
Contact Energy	2.95%
Ryman Healthcare	2.33%
Fletcher Building	2.32%

Current Asset Allocation

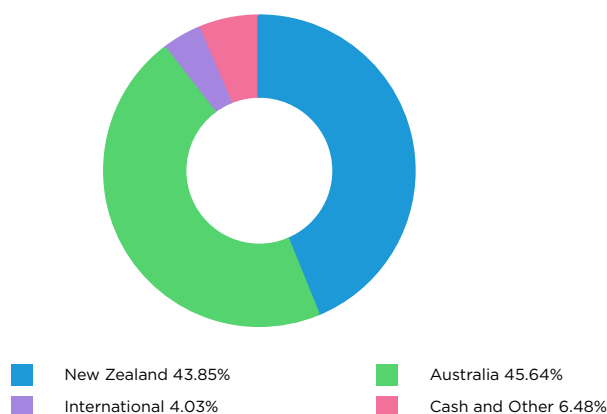
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	6.44%	5%
New Zealand Fixed Interest	0.00%	0%
International Fixed Interest	0.00%	0%
New Zealand Equities	42.26%	47.5%
Australian Equities	51.25%	47.5%
International Equities	0.00%	0%
Other	0.05%	0%

The actual cash held by the Fund is 6.22%. 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	18.48%
Financials	15.16%
Industrials	14.01%
Utilities	9.04%
Materials	8.80%
Consumer Discretionary	8.16%
Information Technology	6.99%
Communication Services	4.95%
Consumer Staples	3.32%
Real Estate	2.52%
Energy	2.09%
Cash and Other	6.48%

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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