

KiwiSaver Aggressive Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 May 2020



Portfolio Managers



Stephen Johnston
Portfolio Manager



Jonathan Windust
Co-Portfolio Manager

The Fund gained 6.4% in May, as share markets globally continued their upward climb. A gradual easing of lockdown measures in several countries and signs of economic recovery were the main catalysts, but there is a long road ahead.

As in April, our technology holdings were the star performers in May. The key positive contributor was US payments company PayPal that backed up its 28% gain in April, surging another 26% in May. A quite staggering performance given this is a large company with a market capitalisation of around NZ\$290 billion. As I mentioned last month, Covid-19 is accelerating the shift to electronic payments and e-commerce and away from brick-and-mortar retailing and PayPal is a key beneficiary.

Another strong contributor was Japanese business software company Freee (+39.3%) that has a very similar business model to our local champion Xero. Freee primarily offers cloud-based accounting and human resourcing software for small businesses but is now expanding their target market to include medium-sized businesses.

Detractors from performance included emerging market blue chip Taiwan Semiconductor Manufacturing Company (TSMC, -5.3%). This leading global contract manufacturer of high-end computer chips is being impacted by US-China trade tensions. During the month, the US outlined stricter export restrictions on Chinese chip companies, some of which are customers to TSMC.

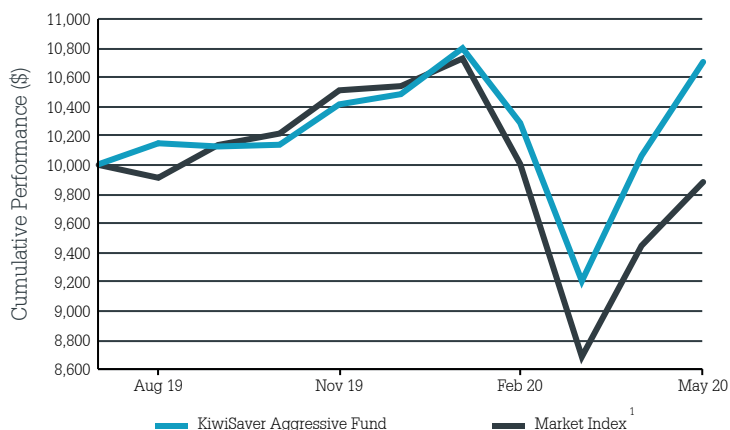
Closer to home, key positive contributors in Australasia included gold companies, Evolution Mining (+19.4%) and Saracen Mineral Holdings (+17.7%). The biggest detractor during May was CSL (-10.7%) on profit taking.

Despite the strong rebound, the outlook remains uncertain and we expect a bumpy road ahead. However, we continue to take an opportunistic approach in this market volatility, by identifying high quality businesses that will emerge from this downturn even stronger.

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

Cumulative Fund Performance

(after fees and before tax)



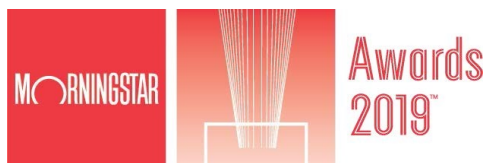
Assumes the growth of \$10,000 invested at the Fund's inception date.

Key Fund Facts

Objective ²	Maximise capital growth over a minimum of fifteen years
Description	Primarily invests in international equities, with a moderate allocation to Australasian equities
Target Allocation	5% Income Assets / 95% Growth Assets
Neutral FX Exposure	24.5%
Net Asset Value (NAV)	\$108.2 M
Buy-sell Spread	None
Inception Date	1 August 2019
Benchmark	Not applicable
Base Fund Fee ³	1.15%
Performance Fee	The Fund may invest into related Milford funds that charge performance fees.
Total Fund Fees ⁴	1.15%
Risk Indicator	<div>Lower risk<div>1234567</div>Higher risk</div> <div>Potentially lower returnsPotentially higher returns</div>



Consumer NZ People's Choice Award – KiwiSaver



Morningstar Fund Manager of the Year -
KiwiSaver Category, NZ



Zenith FundSource - Fund Manager of the Year 2019

Investment Performance after fees as at 31 May 2020⁵

Unit Price: \$1.0691

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since Inception
Milford KiwiSaver Aggressive Fund (Gross Of Tax)	6.39%	4.06%	-	-	-	7.05%
After Tax 10.50%	6.35%	4.10%	-	-	-	7.15%
After Tax 17.50%	6.32%	4.12%	-	-	-	7.22%
After Tax 28.00%	6.28%	4.16%	-	-	-	7.32%
Market Index ¹	4.62%	-1.23%	-	-	-	-1.17%

Top Security Holdings

Holdings	% of Fund's NAV
Microsoft Corp	3.27%
Amazon	3.11%
Alphabet	3.06%
Visa	2.27%
Apple	2.10%
Mastercard	2.06%
ANSYS	1.93%
Alibaba Group	1.82%
Martin Marietta	1.77%
Paypal Holdings	1.75%

Current Asset Allocation

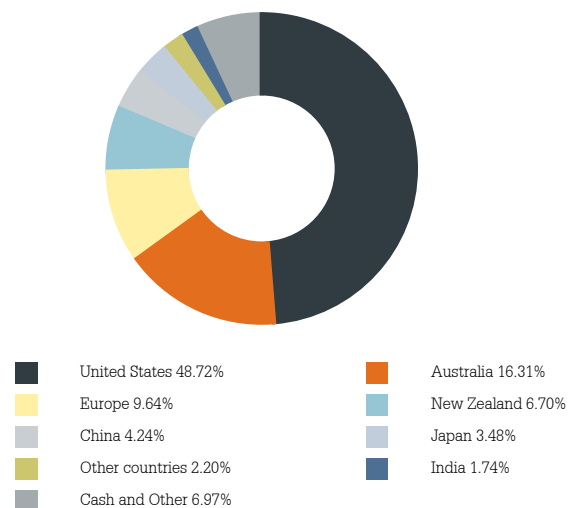
	Actual Investment Mix	Neutral Investment Mix
Effective Cash [#]	6.85%	5.00%
New Zealand Fixed Interest	0.00%	0%
International Fixed Interest	0.00%	0%
New Zealand Equities	6.12%	5.00%
Australian Equities	17.21%	20.00%
International Equities	69.70%	70.00%
Other	0.12%	0%

[#] The actual cash held by the Fund is 7.68%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Sector Exposure

Allocation	Weight %
Information Technology	25.51%
Consumer Discretionary	12.79%
Health Care	12.04%
Financials	8.16%
Communication Services	8.01%
Materials	7.31%
Industrials	6.93%
Consumer Staples	5.99%
Other Sectors	6.29%
Cash and Other	6.97%

Region Exposure



1. The Fund does not have a performance benchmark, hence a market index has been included for comparison purposes. See the Statement of Investment Policy and Objectives for more details on the market index. The market index is a blend of indices that represent the Fund's neutral asset allocation. Note the Fund's investment strategy is designed to achieve its objective, which may mean that at times, the returns of the market index may not be an appropriate measure. **2.** After the base fund fee but before tax and before the performance fee. **3.** Where applicable, the Base Fund Fee includes an estimate of non-related underlying fund charges. **4.** 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. **5.** 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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