

KiwiSaver Active Growth Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 June 2020



Portfolio Managers



Jonathan Windust
Portfolio Manager



William Curtayne
Co-Portfolio Manager

The Fund rose 1.8% in June benefitting from strong New Zealand, Australian and global share markets which rose 5.3%, 2.6% and 2.4% respectively. Shares benefitting as countries started to re-open their economies, institutional investors became less cautious and retail investors' appetite for shares increased significantly.

The Fund performed in line with its underlying markets despite being relatively defensively positioned with performance aided by good company selection. The key positives during the month were Fisher & Paykel Healthcare (FPH, +18.7%) and US technology companies Amazon (+13.0%) and Microsoft (+11.1%). FPH delivered a strong financial result with profit rising 37% due to strong demand for its hospital products which are used to treat COVID-19 patients. FPH's hospital products have been growing strongly and COVID-19 has highlighted the benefits of its respiratory products - a potentially very large market for FPH. Amazon and Microsoft are beneficiaries of COVID-19 as companies accelerate the move to the Cloud to manage their technology, an area which Amazon and Microsoft are clear leaders. Amazon is also benefiting from an acceleration in the move to online shopping.

The Fund remains active and added to investments in New Zealand and Australia shares. In New Zealand we added to holdings in Fletcher Building, Spark and FPH. Whilst we believe growth for Spark will remain low, its tax paid dividend yield of approximately 5.5% is attractive relative to very low yields on cash and fixed income. Globally we added to our holdings in Spanish Airport operator AENA. On a medium-term basis AENA is attractively valued and significantly cheaper than Auckland Airport.

Looking forward we believe markets are likely to remain volatile given the very uncertain impact of COVID-19 on economies, company earnings and valuations. However, over the medium-term the impact on company earnings and valuations is less meaningful with many companies' earnings likely to rebound strongly and some companies benefiting. On balance the Fund remains cautious given the uncertain environment and recent rise in share market valuations. The Fund has a lower than average allocation to shares of around 70% however, we remain excited that this market will provide great opportunities for active management gains.

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

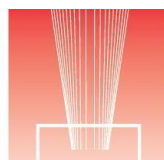
External Ratings



Milford KiwiSaver Active Growth Fund received a Morningstar Analyst Rating™ of 'Silver' on 29-05-2018



Consumer NZ People's Choice Award – KiwiSaver



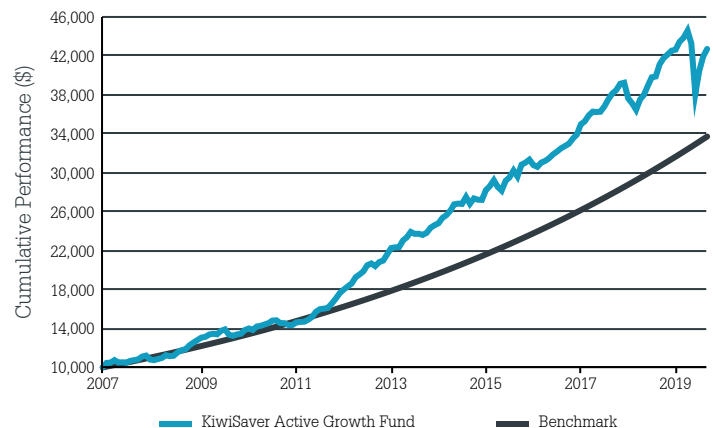
Awards
2019™



Zenith FundSource Fund Manager of the Year

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 ¹	Annual returns of 10% over a minimum of five years
Description	Diversified fund that primarily invests in equities, with a moderate allocation to fixed interest securities
Target Allocation	22% Income Assets / 78% Growth Assets
Neutral FX Exposure	16.0%
Net Asset Value (NAV)	\$1,602.3 M
Buy-sell Spread	None
Inception Date	1 October 2007
Benchmark	10% p.a.
Base Fund Fee ²	1.06%
Performance Fee	15% of the Fund's returns above the Benchmark ¹ , subject to the high watermark.
Total Fund Fees ³	1.28% (includes an est. performance fee)
Risk Indicator	<div> <div>Lower risk</div> <div>1 2 3 4 5 6 7</div> <div>Potentially lower returns Potentially higher returns</div> </div>

Investment Performance after fees as at 30 June 2020⁴

Unit Price: \$3.9836

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford KiwiSaver Active Growth Fund (Gross Of Tax)	1.81%	12.09%	3.84%	9.27%	9.76%	12.06%
After Tax 10.50%	1.78%	12.21%	3.73%	9.02%	9.44%	11.54%
After Tax 17.50%	1.77%	12.29%	3.66%	8.85%	9.22%	11.34%
After Tax 28.00%	1.74%	12.41%	3.54%	8.60%	8.91%	10.92%
Benchmark	0.79%	2.40%	10.00%	10.00%	10.00%	10.00%

Top Equity Holdings

Holdings	% of Fund's NAV
a2 Milk Company	4.00%
Fisher & Paykel Healthcare	3.94%
Spark New Zealand	3.88%
Contact Energy	2.50%
Summerset Group Holdings	1.89%
Microsoft Corp	1.85%
Alphabet	1.76%
Newmont Mining	1.58%
Electronic Arts	1.37%
EBOS Group	1.37%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	16.50%	6.00%
New Zealand Fixed Interest	1.61%	4.00%
International Fixed Interest	11.95%	12.00%
New Zealand Equities	24.52%	26.00%
Australian Equities	17.87%	20.00%
International Equities	26.05%	32.00%
Other	1.50%	0%

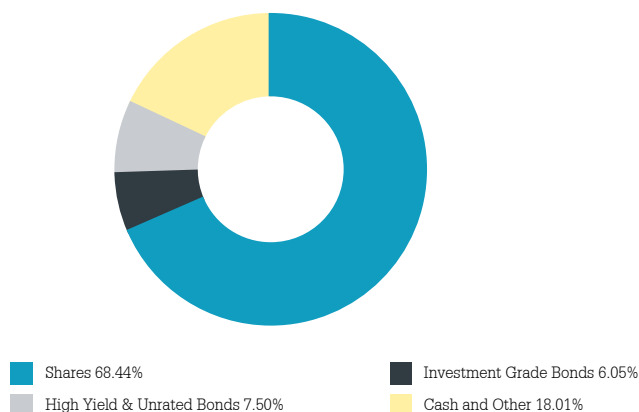
The actual cash held by the Fund is 6.06%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

Holdings	% of Fund's NAV
CYBG 8% 2049	0.95%
Crown Resorts 5.795% 2075	0.67%
Vodafone Group 6.25% 2078	0.67%
LLOY 5.125% PERP	0.60%
RBS 6% PERP	0.59%
Credit Suisse 7.5% 2023	0.57%
CYBG 7.875% 2028	0.56%
ASB Bank 5.25% 2026	0.53%
Woolworths 2.8% 2030	0.52%
IAG Float 2045	0.48%

Note: Fixed interest securities are reported in the following format: Issuer name, interest (coupon rate), maturity year.

Fund Portfolio Mix



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. This is based on the performance of the AonSaver AMT Milford Aggressive Fund until 31 March 2010 and the Milford KiwiSaver Active Growth Fund from 1 April 2010. 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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