

Milford KiwiSaver Plan

KiwiSaver Active Growth Fund

Monthly Fact Sheet as at 31 May 2024



Portfolio Managers



Jonathan Windust
Portfolio Manager



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Co-Portfolio Manager

The Fund rose 0.6% in May supported by strong returns from the United States' share market (+4.8%), as investors continue to remain optimistic on technology shares. Returns in Australia (+0.9%) and New Zealand (-0.8%) were more subdued, reflecting a more difficult outlook for economies and company earnings. In the month, the Fund underperformed the markets it invests in, due to a lower exposure to high-flying AI technology shares where we think valuations are less attractive. Over the medium-term, the Fund continues to deliver strong relative and absolute returns. The strong rise in the value of the New Zealand dollar versus the US dollar (+4.3%) was also a headwind to returns, and we believe this does not reflect economic fundamentals.

Key positive company investments during the month included Contact Energy (+6.3%), Gentrack (+17.8%), and Netflix (+16.5%). Contact rose following news that the Tiwai Point Aluminium Smelter, which consumes approximately 13% of NZ's power, would stay open for the long-term. This news reduces a significant risk for the company which, combined with increasing demand for electricity, should support power prices and company cashflows. Gentrack rose following another strong result, with revenue rising 20%. Netflix recovered falls after a strong result in April. We believe that Netflix is well positioned to keep growing subscribers and increase average revenue per user given its strong market position and content. Netflix should also benefit as it starts to roll out its ad supported tier globally.

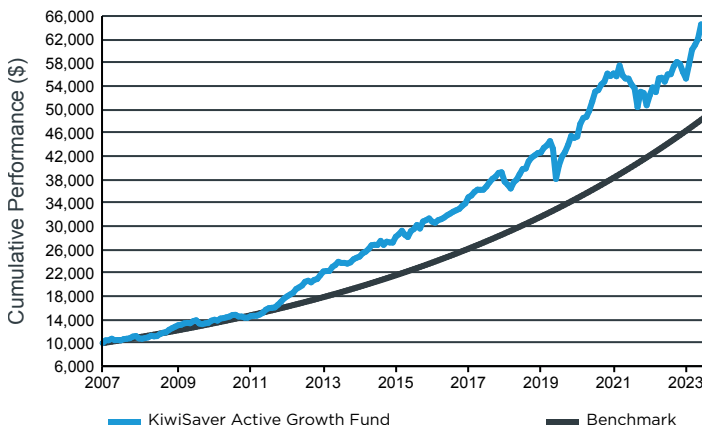
The outlook for share markets is supported by resilient growth in the United States, signs of recovery in other major economies and the prospect that falling inflation will allow central banks to reduce interest rates in 2024. Negatives are some signs of consumer weakness in the United States and the prospect that high government deficits and sticky inflation lead to higher rates for longer. Following the recent market rallies, the valuation of shares has increased with the expected return premium to cash and fixed income relatively low. Investor enthusiasm for shares may lead to further market gains, however, less valuation-cushion increases the risk of a pullback if economies or earnings disappoint. On balance we have a slightly lower than average allocation to shares and increased allocation to the United Kingdom where valuations are more reasonable. Whilst in aggregate the valuations of share markets and company credit are relatively high, we continue to isolate attractive areas of the market, and companies in which to invest.

To view Milford's May 2024 Market and Economic Review please see milfordasset.com/insights.

For previous fund reports see milfordasset.com/fund-reports.

Cumulative Fund Performance

(after fees and before tax)



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

Key Fund Facts

Objective¹	To provide annual returns of 10% over the minimum recommended investment timeframe
Description	Diversified fund that primarily invests in equities, with a moderate allocation to fixed interest securities

Minimum recommended investment timeframe	7 years +
Target Allocation	22% Income Assets / 78% Growth Assets
Neutral FX Exposure	16.0%
Net Asset Value (NAV)	\$5,290.1 M
Buy-sell Spread	None - swing pricing applies (See PDS for details)
Inception Date	1 October 2007
Benchmark	10% p.a.
Base Fund Fee²	1.05%
Performance Fee	15% of the Fund's returns above the Benchmark ¹ , subject to the high watermark.
Total Fund Fees³	1.20% (includes an est. performance fee)

	Lower risk						Higher risk
Risk Indicator	1	2	3	4	5	6	7
	Potentially lower returns				Potentially higher returns		

External Ratings



The Milford KiwiSaver Active Growth Fund has a Morningstar Medalist Rating™ of 'Silver' as of 06-09-2023

KiwiSaver Active Growth Fund as at 31 May 2024

Investment Performance after fees as at 31 May 2024⁴

Unit Price: \$5.9201

	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)	0.62%	3.24%	14.40%	6.33%	9.95%	11.79%
After Tax 10.50%	0.61%	3.15%	13.80%	6.08%	9.64%	11.31%
After Tax 17.50%	0.59%	3.08%	13.40%	5.91%	9.44%	11.10%
After Tax 28.00%	0.58%	2.99%	12.81%	5.65%	9.13%	10.70%
Benchmark	0.81%	2.43%	10.0%	10.0%	10.0%	10.0%

Top Equity Holdings

Holdings	% of Fund
Shell	2.82%
Contact Energy	2.34%
HCA Holdings	2.29%
CRH	2.24%
Coca-Cola Europacific Partners	2.22%
Microsoft	2.21%
Elevance Health	2.17%
Spark	1.76%
JPMorgan	1.75%
Bank of Ireland Group	1.58%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	11.61%	6%
New Zealand Fixed Interest	2.12%	2%
International Fixed Interest	16.55%	14.0%
New Zealand Equities	10.08%	12%
Australian Equities	13.93%	18%
International Equities	45.56%	48%
Other	0.15%	0.0%

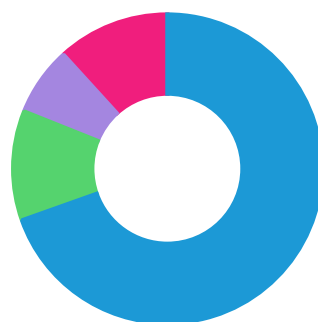
The actual cash held by the Fund is 6.93%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

Holdings	% of Fund
NatWest 5.125% Perpetual	1.16%
Westpac 7.199% 2038	0.71%
Scentre Group 5.125% 2080	0.65%
ING Groep 4.25% Perpetual	0.56%
ANZ 6.405% 2034	0.52%
Lloyds Bank 8.5% Perpetual	0.51%
ANZ 5.888% 2034	0.49%
BNZ 5.87% 2028	0.48%
Barclays 4.375% Perpetual	0.48%
Brisbane Airport 4.5% 2030	0.47%

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

Fund Portfolio Mix



■ Shares 69.57%
 ■ Investment Grade Bonds 11.48%
 ■ High Yield & Unrated Bonds 7.19%
 ■ Cash and Other 11.76%



PROVIDER OF THE YEAR
KIWISAVER 2020 - 2023



OUTSTANDING VALUE
KIWISAVER SCHEME 2020 - 2023

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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