

Milford Dynamic Small Companies Fund

September 2024



Portfolio Managers



William Curtayne
Portfolio Manager



Michael Higgins
Portfolio Manager



Roland Houghton
Co-Portfolio Manager

The S&P/ASX Small Ordinaries rallied 5.1% for the month, against the Fund's 3.5%. Equity markets rallied strongly in September, driven by a change in fortune for commodities following China stimulus measures. The surprise policy announcement late in the month sharply reversed recent trends, driving the index higher.

We were pleased to officially lock in a five-year inception performance of 63.3% against the benchmark return of 23.9%. The month also marks the 11-year inception performance of the original strategy which has returned 11.7% p.a. against the benchmark return of 6.3% p.a. The Fund strategy has captured over 110% of the market-upside and approximately 70% of the market-downside since inception.

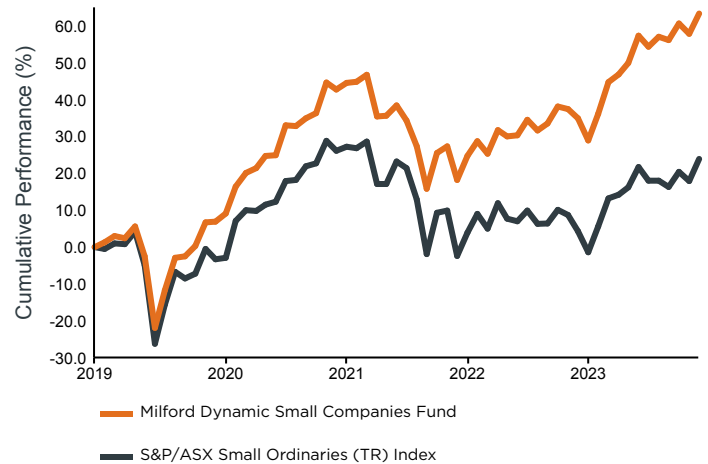
Performance was led by Singapore telco Tuas (+24.7%), which delivered a strong earnings upgrade, supporting our investment thesis. Mobile net additions continued its recent growth profile, while cash and margins beat expectations. We look forward to the next 12 months following the roll out of a competitively priced disruptive broadband offering across its existing client base.

Animal nutrition company Ridley Corporation (+18.0%) continues to operationally deliver. Further growth opportunities around debottlenecking projects coming online, returning poultry volumes and strategic mergers and acquisitions underpin our positive near-term outlook. Valuation remains undemanding for what we consider a steady grower with outstanding management.

Recent addition to the Fund, Aussie Broadband, rallied 16.0%. We are optimistic around near-term catalysts over the next six months, and believe an exceptionally strong balance sheet provides optionality around capital management. Key detractors included hardware and game developer Light & Wonder (-17.6%) following escalating litigation concerns, and terminal provider SmartPay (-18.7%) on domestic regulatory concerns.

Despite the strong returns we've generated over the past 12 months, we're not getting too comfortable. When soft landing optimism is this high, equity markets do have the potential to be at their most vulnerable. Inflation is not cured, geopolitical tensions are escalating, and the US election looms. We are not ignoring the significant shift in central bank policy, but believe now is not the time to be overly aggressive. We are staying focused on our strategy of generating risk-adjusted returns. We remain deliberately well diversified, preferring high quality companies we are confident can weather an unpredictable macro landscape.

Investment Performance to September 2024¹



Key Fund Facts

Objective	The fund targets outperformance of the S&P/ASX Small Ordinaries (TR) Index over the minimum recommended investment timeframe (net of fees)
Description	Primarily invests in small to mid-cap Australian equities
Benchmark	S&P/ASX Small Ordinaries (TR) Index
APIR	ETL6978AU
mFund Code	MFA02
Redemption Price as at 30 Sep	\$1.2951
Fund Size*	\$119.6 Million
Inception Date	October 2019
Minimum Investment	\$1,000
Recommended Investment Timeframe	8 years +
Buy-sell Spread	+/-0.30%
Entry/Exit Fee	Nil
Management Fee	1.23%
Performance Fee	20.5% p.a. of returns above the benchmark subject to achieving the high watermark.
Fund Pricing	Daily
Distribution Frequency	Biannual

*The Fund Size represents the total assets of the fund

Milford Dynamic Small Companies Fund September 2024

Investment Performance to September 2024²

	1 Month	6 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.) ³
Milford Dynamic Small Companies Fund	3.52%	3.80%	21.07%	4.59%	10.30%	-
Milford Dynamic Fund (Strategy) ⁴	3.52%	3.80%	21.07%	4.59%	10.30%	11.65%
Benchmark	5.06%	1.78%	18.79%	-0.57%	4.38%	6.30%
Excess Return	-1.54%	2.02%	2.28%	5.16%	5.92%	5.35%

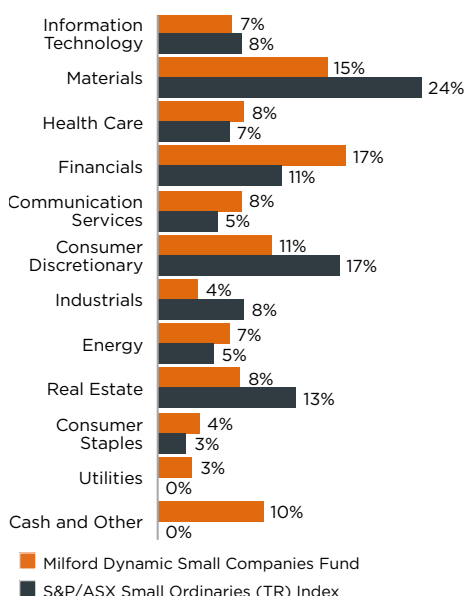
Top Security Holdings

Holdings	% of Fund
Life360	4.21%
Contact Energy	3.18%
Flight Centre	2.84%
Ridley Corporation	2.73%
Viva Energy Group	2.69%
Carsales.Com	2.53%
PSC Insurance Group	2.26%
Universal Store	2.05%
Macquarie Technology	1.99%
Neuren Pharmaceuticals	1.97%

Current Asset Allocation

	Actual	Neutral	Maximum Range
Australian Equities	80.98%	90%	60-100%
New Zealand Equities	9.35%	0%	0-20%
Cash and Other ⁵	9.68%	10%	0-20%

Sector Allocation



Ratings



Morningstar Medalist Rating™
 As at 31-08-2023
 Analyst-Driven % 55
 Data Coverage % 98

Fund Changes

There have been no material changes to the Fund's risk profile or strategy since the last monthly report. There have been no changes to the key service providers or individuals playing a key role in investment since the last monthly report.



Milford Dynamic Small Companies Fund September 2024

Platform Availability

Asgard, BT Panorama, HUB24, IOOF, Macquarie Wrap, Mason Stevens, mFund, MLC, MyNorth, Netwealth, PowerWrap, Praemium, Xplore Wealth Ltd, Dash

1. Cumulative performance since inception, after all fees and expenses, and assumes reinvestment of distributions. 2. Past performance is not a reliable indicator of future performance. Returns greater than one year are annualised. 3. Inception date of the Fund (Strategy) is 01 October 2013. 4. The Milford Dynamic Fund (Strategy) performance combines the performance of the Milford Dynamic Fund (NZ) from 1 October 2013 to 30 September 2019 and the performance of the Milford Dynamic Small Companies Fund thereafter. The performance of the Milford Dynamic Fund (NZ) has been adjusted to reflect the difference in fee structure and neutral currency exposure from the Milford Dynamic Small Companies Fund. 5. Cash and Other reported above is adjusted to reflect the Fund's notional positions.

Disclaimer: Equity Trustees Limited ("Equity Trustees") (ABN 46 004 031 298), AFSL 240975, is the responsible Entity for the Milford Dynamic Small Companies Fund. Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT). This Monthly Fact Sheet has been prepared by Milford Australia Pty Ltd. as the Investment Manager, to provide you with general information only. In preparing this Monthly Fact Sheet, we did not take into account the investment objectives, financial situation or particular needs of any particular person. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. Neither Milford Australia Pty Ltd., Equity Trustees nor any of their related parties, employees or directors, provide any warranty of accuracy or reliability in relation to such information or accepts any liability to any person who relies on it. Past performance is not a reliable indicator of future performance. You should obtain a copy of the Product Disclosure Statement before making a decision about whether to invest in this product.

Milford Dynamic Small Companies Fund's Target Market Determination is available at <https://milfordasset.com.au/documents-and-forms>. The Target Market Determination is a document describing who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed.

ZENITH DISCLAIMER: The Zenith Investment Partners (ABN 27 103 132 672, AFS Licence 226872) ("Zenith") rating (assigned March/2023) referred to in this document is limited to "General Advice" (s766B Corporations Act 2001) for Wholesale clients only. This advice has been prepared without taking into account the objectives, financial situation or needs of any individual and is subject to change at any time without prior notice. It is not a specific recommendation to purchase, sell or hold the relevant product(s). Investors should seek independent financial advice before making an investment decision and should consider the appropriateness of this advice in light of their own objectives, financial situation and needs. Investors should obtain a copy of, and consider the PDS or offer document before making any decision and refer to the full Zenith Product Assessment available on the Zenith website. Past performance is not an indication of future performance. Zenith usually charges the product issuer, fund manager or related party to conduct Product Assessments. Full details regarding Zenith's methodology, ratings definitions and regulatory compliance are available on our Product Assessments and at <http://www.zenithpartners.com.au/RegulatoryGuidelines>

LONSEC DISCLAIMER: The rating issued 10/2022 is published by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445 (Lonsec). Ratings are general advice only, and have been prepared without taking account of your objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and Lonsec assumes no obligation to update. Lonsec uses objective criteria and receives a fee from the Fund Manager. Visit lonsec.com.au for ratings information and to access the full report. © 2022 Lonsec. All rights reserved.

The Morningstar Medalist Rating™ for Milford Dynamic Small Companies Fund is "Gold" as of 31/08/2023.

© 2023 Morningstar, Inc. All rights reserved. Neither Morningstar, its affiliates, nor the content providers guarantee the data or content contained herein to be accurate, complete or timely nor will they have any liability for its use or distribution. This report or data has been prepared for clients of Morningstar Australasia Pty Ltd (ABN: 95 090 665 544, AFSL: 240892) and/or New Zealand wholesale clients of Morningstar Research Ltd, subsidiaries of Morningstar, Inc. Any general advice has been provided without reference to your financial objectives, situation or needs. For more information refer to our Financial Services Guide at www.morningstar.com.au/s/fsg.pdf. You should consider the advice in light of these matters and if applicable, the relevant Product Disclosure Statement before making any decision to invest. Morningstar's publications, ratings and products should be viewed as an additional investment resource, not as your sole source of information. Morningstar's full research reports are the source of any Morningstar Ratings and are available from Morningstar or your adviser. Past performance does not necessarily indicate a financial product's future performance. To obtain advice tailored to your situation, contact a financial adviser.