

Smartshares CIP NZ Yield Equity Fund

QuayStreet Funds

Fund update for the quarter ended 30 June 2024

This fund update was first made publicly available on 26 July 2024

What is the purpose of this update?

This document tells you how the Smartshares CIP NZ Yield Equity Fund has performed and what fees were charged. The document will help you to compare the Fund with other funds. Smartshares Limited prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

Description of this Fund

Invests in high dividend-paying companies in New Zealand, as selected by Craigs Investment Partners (CIP) in its capacity as investment manager of the fund.

The fund aims to provide investors with a higher-than-market dividend yield, whilst remaining aligned to CIP's investment philosophy. The fund will be primarily suited to those investors with a greater income bias.

Companies that can deliver sustainable, growing dividends over time are the focus.

Total value of the fund	\$5,954,323
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Date the fund started	19 April 2024
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What are the risks of investing?

Risk indicator for the Smartshares CIP NZ Yield Equity Fund¹



The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the fund's assets goes up and down. A higher risk generally means higher potential returns over time, but more ups and downs along the way.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at sorted.org.nz/tools/investor-profiler.

Note that even the lowest category does not mean a risk-free investment, and there are other risks that are not captured by this rating.

This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for 5 years to 30 June 2024. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.

See the Smartshares CIP Funds Product Disclosure Statement (PDS) for more information about the risks associated with investing in this fund.

How has the fund performed?

	Past year
Annual return (after deductions for charges and tax)	Not applicable
Annual return (after deductions for charges but before tax)	Not applicable
Market index annual return (reflects no deduction for charges and tax)	-0.83%

The market index is the S&P/NZX 50 Gross with Imputation Index. Additional information about the market index is available in the 'Other Material Information' document on the offer register at disclose-register.companiesoffice.govt.nz.

What fees are investors charged?

Investors in the Smartshares CIP NZ Yield Equity Fund are charged fund charges. Based on the Product Disclosure Statement dated 19 April 2024, these are expected to be:

	% per annum of fund's net asset value
Total fund charges (estimate)	0.25% ²
Which are made up of:	
Total management and administration charge (estimate)	0.25% ²
Including:	
Manager's basic fee	0.21%
Other management and administration charges (estimate)	0.04%
Other charges	Dollar amount per investor
Administration fee	Nil

Investors may also be charged individual action fees for specific actions or decisions (for example, withdrawing from or switching funds). See the PDS for more information about those fees.

All fees are disclosed on a before-tax basis. GST will be added to fees and may be included in some expenses, where applicable.

Small differences in fees and charges can have a big impact on your investment over the long term.

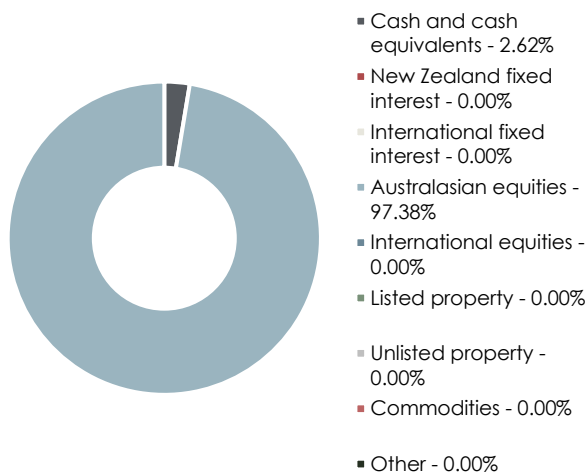
Example of how this applies to an investor

Nelson had \$10,000 in the fund on 1 May 2024 and did not make any further contributions. On 30 June 2024, Nelson incurred a loss after fund charges were deducted but before tax of \$-461 (that is -4.61% of Nelson's initial \$10,000). This gives Nelson a total loss after tax of \$-463 for the period.

What does the Fund invest in?

Actual Investment Mix

This shows the types of assets that the Fund invests in.



Target Investment Mix

This shows the mix of assets that the Fund generally intends to invest in.

Asset Category	Target Asset Mix
Cash and cash equivalents	0.00%
New Zealand fixed interest	0.00%
International fixed interest	0.00%
Australasian equities	100.00%
International equities	0.00%
Listed property	0.00%
Unlisted Property	0.00%
Commodities	0.00%
Other	0.00%

Top 10 Investments

Name	% of fund's net asset value	Type	Country	Credit rating (if applicable)
SPARK NEW ZEALAND LTD	16.15%	Australasian equities	New Zealand	
CHORUS LTD	11.77%	Australasian equities	New Zealand	
GENESIS ENERGY LTD	11.56%	Australasian equities	New Zealand	
CONTACT ENERGY LTD	11.47%	Australasian equities	New Zealand	
CHANNEL INFRASTRUCTURE NZ LIMITED	8.26%	Australasian equities	New Zealand	
KIWI PROPERTY GROUP LTD	5.92%	Australasian equities	New Zealand	
PROPERTY FOR INDUSTRY LTD	5.77%	Australasian equities	New Zealand	
VECTOR LTD	5.76%	Australasian equities	New Zealand	
SKY NETWORK TELEVISION LTD	5.68%	Australasian equities	New Zealand	
PRECINCT PROPERTIES NZ LTD	5.61%	Australasian equities	New Zealand	

The top 10 investments make up 87.95% of the Fund's net asset value.

Currency Hedging

The fund has no foreign currency exposure

Key personnel

This shows the directors and employees who have the most influence on the investment decisions of the fund:

Name	Current position	Time in current position	Previous or other current position	Time in previous or other current position
Mohandeep Singh	Portfolio Manager	5 months	Senior Research Analyst, Craigs Investment Partners	6 years and 3 months
Hamish Don	Head of Private Wealth Research	1 year and 3 months	Senior Research Analyst, Craigs Investment Partners	1 year

Further information

You can also obtain this information, the Smartshares CIP Funds Product Disclosure Statement, and some additional information, from the offer register at disclose-register.companiesoffice.govt.nz.

Notes

- 1 Market index returns (as well as actual returns) have been used to complete the risk indicator, as the fund has not been in existence for 5 years. As a result, the risk indicator may provide a less reliable indicator of the potential future volatility of the fund. The risk indicator for the fund uses 4 years and 10 months of market index returns.
- 2 The total annual fund charges include an estimated amount of costs and expenses to operate and manage the fund (to the extent they are not otherwise met out of the manager's basic fee), including bank fees, custodial transactional fees, audit and legal fees. The estimates have been based on the total amount of costs incurred during the QuayStreet Funds' previous financial year. The actual expenses incurred will vary from time to time.