QuayStreet Income Fund

QUARTER ENDED 31 MARCH 2026

This fund update was first made publicly available on 1 May 2026.

WHAT IS THE PURPOSE OF THIS UPDATE?

This document tells you how the QuayStreet Income 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.

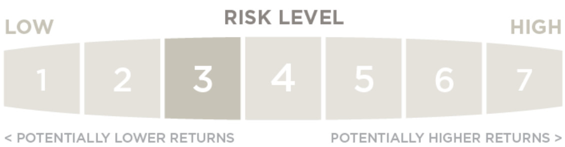
DESCRIPTION OF THIS FUND

The QuayStreet Income Fund will invest in a diversified portfolio with an emphasis on income producing assets such as New Zealand and International fixed interest investments and derivatives. The fund may include an allocation to growth assets. The investment objective is to provide a level of return above the fund's benchmark over the long term. The fund aims to make quarterly distributions.

Total value of the fund	$329,189,940
The date the fund started	30 September 2014

WHAT ARE THE RISKS OF INVESTING?

Risk indicator for the QuayStreet Income Fund



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 quaystreet.com/forms/risk-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 31 March 2026. 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.

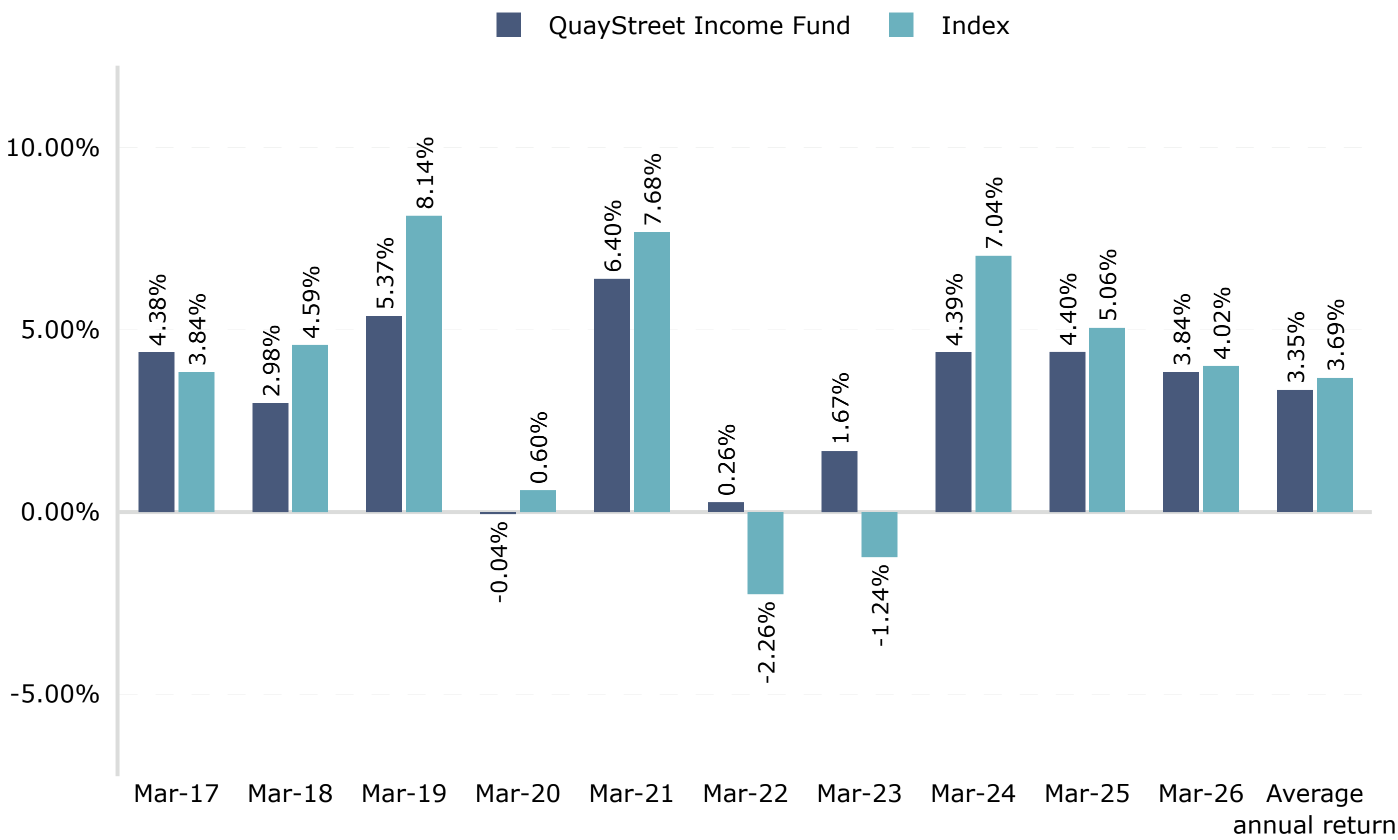
See the Product Disclosure Statement (PDS) for more information about the risks associated with investing in this fund.

HOW HAS THE FUND PERFORMED?

	Average over past 5 years	Past year
Annual return (after deductions for charges and tax)	2.90%	3.84%
Annual return (after deductions for charges but before tax)	4.09%	5.02%
Market index annual return (reflects no deduction for charges and tax)	2.46%	4.02%

The market index is a composite index consisting of 5% S&P/NZX 50 Gross Index, 5% S&P/ASX 200 Total Return Index, 5% S&P/ASX 200 A-REIT Total Return Index, 5% S&P/NZX All Real Estate Index, 70% S&P/NZX Investment Grade Corporate Bond Total Return Index and 10% S&P/NZX Bank Bills 90-Day Total Return 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.

Annual return graph



This shows the return after fund charges and tax for each of the last 10 years ending 31 March. The last bar shows the average annual return for the last 10 years, up to 31 March 2026.

Important: This does not tell you how the fund will perform in the future.

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

WHAT FEES ARE INVESTORS CHARGED?

Investors in the QuayStreet Income Fund are charged fund charges. In the year to 31 March 2025 these were:

	% per annum of fund's net asset value
Total fund charges (estimate)	0.76%[1]
Which are made up of:	
Total management and administration charges (estimate)	0.76% [1]
Including:	
Manager's basic fee	0.64% [1]
Other management and administration charges (estimate)	0.13%
Total performance-based fees	0.00%
Other charges	**Dollar amount per investor**
Administration fee	Nil

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

EXAMPLE OF HOW THIS APPLIES TO AN INVESTOR

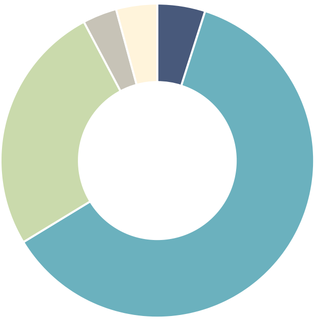
Small differences in fees and charges can have a big impact on your investment over the long term.

Emma had $10,000 in the fund at the start of the year and did not make any further contributions. At the end of the year, Emma received a return after fund charges were deducted but before tax of $502 (that is 5.02% of Emma's initial $10,000). This gives Emma a total return after tax of $384 for the year.

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	10.00%
New Zealand fixed interest	35.00%
International fixed interest	35.00%
Australasian equities	10.00%
International equities	-
Listed property	10.00%
Unlisted property	-
Commodities	-
Other	-

Top 10 investments

Name	% of fund's net asset value	Type	Country	Credit rating (if applicable)
NZ Govt Inflation Linked (Sep 2035)	4.41%	New Zealand fixed interest	New Zealand	AAA
ANZ New Zealand Subordinated Notes (Sep 2031)	3.11%	New Zealand fixed interest	New Zealand	A
Kiwibank AU (Oct 2027)	2.91%	New Zealand fixed interest	New Zealand	A+
Chorus (Dec 2028)	2.63%	New Zealand fixed interest	New Zealand	BBB
NZ Govt Inflation Linked (Sep 2040)	2.60%	New Zealand fixed interest	New Zealand	AAA
Goodman Property Trust (Sep 2028)	2.53%	New Zealand fixed interest	New Zealand	BBB+
Channel Infrastructure NZ (May 2027)	2.47%	New Zealand fixed interest	New Zealand	BBB+
Metlifecare (Sep 2026)	2.30%	New Zealand fixed interest	New Zealand	
NAB Subordinated Notes (Nov 2035)	2.29%	International fixed interest	Australia	A-
Cash ANZNZ (NZD)	2.27%	Cash and cash equivalents	New Zealand	AA-

The top 10 investments make up 27.52% of the fund's net asset value.

Currency hedging

The fund's foreign currency exposure is actively managed in a manner consistent with the investment objectives and the performance benchmark of the fund. As at 31 March 2026, the fund's exposure to assets denominated in foreign currencies was 43.46%, of which 98.92% was hedged. This means the fund's unhedged foreign currency exposure was 0.47% of the net asset value of the fund. See the current SIPO on the offer register at disclose-register.companiesoffice.govt.nz for more information on the fund's currency hedging strategy.

KEY PERSONNEL[2]

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
Alister John Williams	Director - Smart	10 years and 4 months	Investment Manager - Trust Management	5 years and 4 months
Jon Raby	Director - Smart	5 months	Chief Financial Officer - ASB Bank	11 years
Roy Cross	Head of Australasian Equities - QuayStreet	1 month	Senior Analyst - ANZ Investments	2 years and 7 months
Stefan Stevanovic	Head of International Equities - QuayStreet	3 years and 1 month	Head of International Equity, QuayStreet Asset Management Limited	1 year and 7 months
Craig Smith	Portfolio Manager, Fixed Interest - QuayStreet	1 year and 11 months	Senior Investment Analyst, QuayStreet Asset Management Limited	2 years and 8 months

FURTHER INFORMATION

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

NOTES

1. 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.

2. Roy Cross was appointed as Head of Australasian Equities with effect from 1 March 2026 replacing Xavier Waterstone.