Smart Australian Financials ETF

Fund update for the quarter ended 31 December 2025
This fund update was first made publicly available on 12 February 2026.

What is the purpose of this update?

This document tells you how the Smart Australian Financials ETF 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 Smart Australian Financials ETF is designed to track the return (before tax, fees and other expenses) of the S&P/ASX 200 Financials Ex-A-REIT Index. The Index is comprised of financial sector companies from the S&P/ASX 200 Index, but excludes Australian real estate investments trusts.

Total value of the fund	$66,753,819
The date the fund started	7 April 2015

What are the risks of investing?

Risk indicator for the Smart Australian Financials ETF

Lower risk — Higher risk

1	2	3	4	5	**6**	7

Potentially lower return — Potentially higher return

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 31 December 2025. 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.

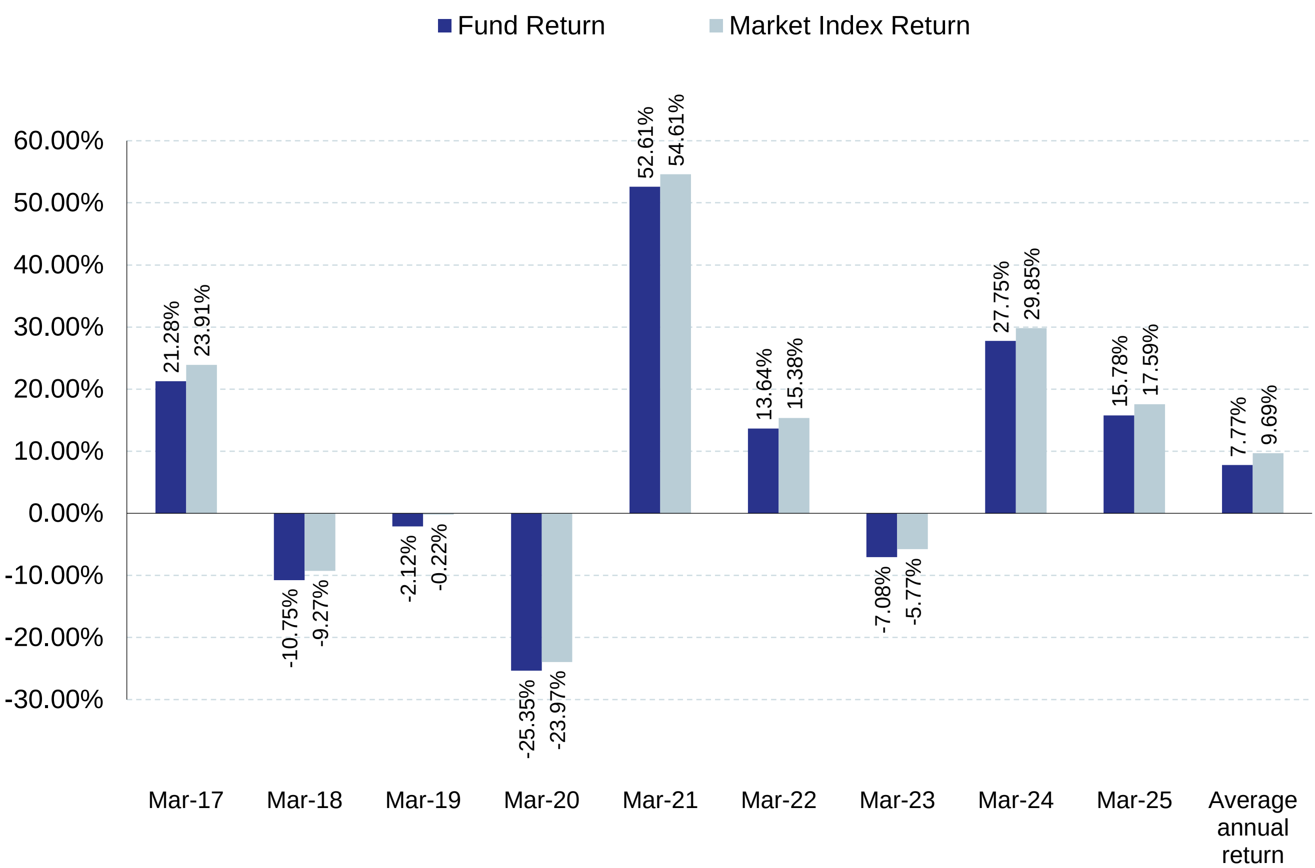
See the Product Disclosure Statement for the Smart Exchange Traded Funds – Australasia Series for more information about the risks associated with investing in this fund.

How has the fund performed?

	Average over past 5 years	Past year
Annual return (after deductions for charges and tax)	16.31%	15.70%
Annual return (after deductions for charges but before tax)	17.66%	17.00%
Market index annual return (reflects no deduction for charges and tax)	18.05%	17.30%

The market index annual return is based on the annual return of the S&P/ASX 200 Financials Ex-A-REIT 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 year ending 31 March since the fund started. The last bar shows the average annual return since the fund started, up to 31 December 2025.

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 Smart Australian Financials ETF are charged fund charges. In the year to 31 March 2025 these were:

	% per annum of fund's net asset value
Total fund charges	0.54%
Which are made up of:	
Total management and administration charges	0.54%
Including:	
Manager's basic fee	0.51%
Other management and administration charges	0.03%[1]

Investors may also be charged individual action fees for specific actions or decisions (for example, withdrawing from or switching funds). See the Product Disclosure Statement for the Smart Exchange Traded Funds – Australasia Series for more information about those fees.

The fees set out above include GST where applicable.

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

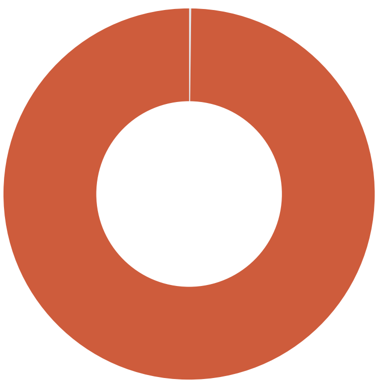
Example of how this applies to an investor

Tara 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, Tara received a return after fund charges were deducted but before tax of $1,700 (that is 17.00% of Tara's initial $10,000). This gives Tara a total return after tax of $1,570 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	-
New Zealand fixed interest	-
International fixed interest	-
Australasian equities	100.00%
International equities	-
Listed property	-
Unlisted property	-
Commodities	-
Other	-

Top 10 investments

Name	% of fund's net asset value	Type	Country	Credit rating (if applicable)
COMMONWEALTH BANK OF AUSTRALIA	30.29%	Australasian equities	Australia	
WESTPAC BANKING CORP	14.88%	Australasian equities	Australia	
NATIONAL AUSTRALIA BANK LTD	14.61%	Australasian equities	Australia	
ANZ GROUP HOLDINGS LTD	12.23%	Australasian equities	Australia	
MACQUARIE GROUP LTD	8.12%	Australasian equities	Australia	
QBE INSURANCE GROUP LTD	3.39%	Australasian equities	Australia	
SUNCORP GROUP LTD	2.15%	Australasian equities	Australia	
INSURANCE AUSTRALIA GROUP LTD	2.13%	Australasian equities	Australia	
WASHINGTON H SOUL PATTINSON & CO LTD	1.50%	Australasian equities	Australia	
MEDIBANK PVT LTD	1.49%	Australasian equities	Australia	

The top 10 investments make up 90.79% of the fund's net asset value.

Currency hedging

The fund's foreign currency exposure is not hedged.

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
Guy Roulston Elliffe	Director	10 years and 1 month	Corporate Governance Manager - ACC (current position)	10 years and 8 months
Stuart Kenneth Reginald Millar	Chief Investment Officer - Smart	6 years and 7 months	Head of Portfolio Management - ANZ Investments	6 years and 4 months
Alister John Williams	Director	10 years and 1 month	Investment Manager - Trust Management	5 years and 4 months
Jon Raby	Director	2 months	Chief Financial Officer - ASB Bank	11 years
Lisa Turnbull	Chief Executive Officer - Smart	2 months	Chief Executive Officer - NZX Wealth Technologies	8 years and 11 months

Further information

You can also obtain this information, the Product Disclosure Statement for the Smart Exchange Traded Funds – Australasia Series, and some additional information from the offer register at disclose-register.companiesoffice.govt.nz.

Notes

1 We charge fixed fund charges that cover normal fund operating costs. For disclosure purposes, supervisor, audit and legal costs are not included in the manager's basic fee, but are included in the other management and administration charges. This may be shown as 0.00% due to rounding.

2 John Raby was appointed as a director with effect from 1 October 2025, replacing Guy Elliffe who ceased to be a director on 31 December 2025. Lisa Turnbull was appointed as Chief Executive Officer of Smart with effect from 16 October 2025