

QuayStreet Funds Quarterly Fund Update

QuayStreet Conservative Fund

QUARTER ENDED 30 JUNE 2021

This fund update was first made publicly available on 28 July 2021.

1. WHAT IS THE PURPOSE OF THIS UPDATE?

This document tells you how the QuayStreet Conservative Fund (Conservative Fund) has performed and what fees were charged. The document will help you to compare the Fund with other funds. QuayStreet Asset Management Limited prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

2. DESCRIPTION OF THIS FUND

The QuayStreet Conservative Fund invests in a diversified portfolio with an emphasis on conservative assets such as fixed interest. The investment objective is to provide a return above the Fund's benchmark over the long term.

Total Value of the Fund	\$137,588,355
The date the Fund started	30 September 2007

3. WHAT ARE THE RISKS OF INVESTING?

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/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 a 5 year period to 30 June 2021. 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.

RISK INDICATOR FOR THE CONSERVATIVE FUND

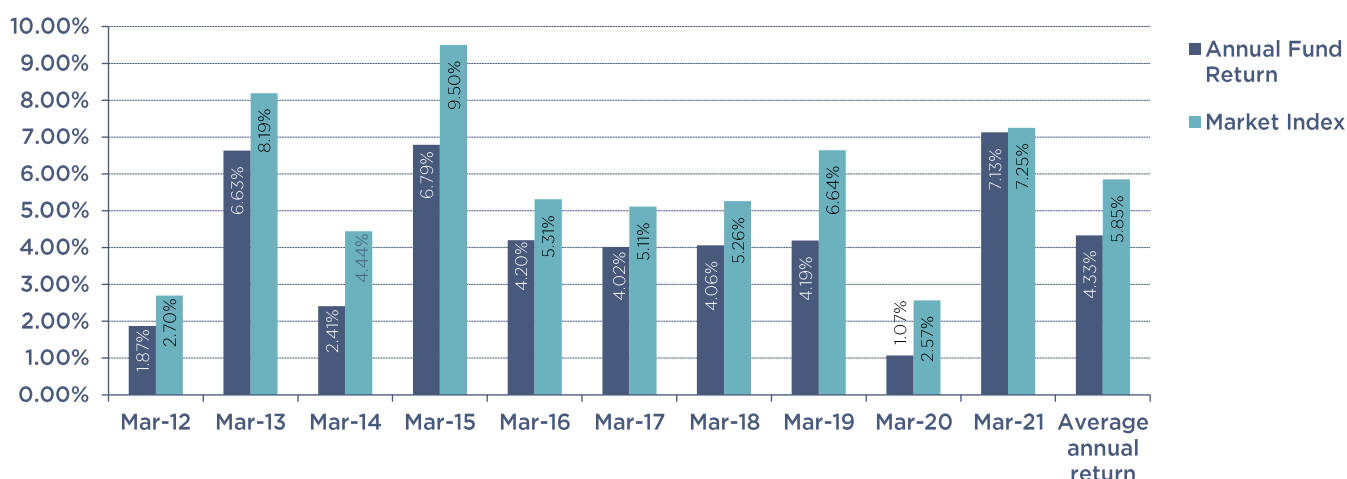


4. HOW HAS THE FUND PERFORMED?

	AVERAGE OVER PAST 5 YEARS	PAST YEAR (TO 30 JUNE 2021)
Annual Return (after deductions for charges and tax)	4.12%	4.89%
Annual Return (after deductions for charges but before tax)	5.14%	5.65%
Market Index Annual Return (reflects no deduction for charges and tax)	5.40%	3.90%

Market Index weighted 10% MSCI World Index Net Total Return (NZD), 5% S&P/NZX 50 Gross Index, 5% S&P/ASX 200 Accumulation Index, 60% S&P/NZX Investment Grade Corporate Bond Index Total Return and 20% NZ 90 day Bank Bill. More information on the market index is available in the Other Material Information available at quaystreet.com or the offer register for the QuayStreet Funds at disclose-register.companiesoffice.govt.nz.

ANNUAL RETURN GRAPH¹



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 30 June 2021.

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) for an individual New Zealand resident. Your tax may be lower.

5. WHAT FEES ARE INVESTORS CHARGED?

Investors in QuayStreet Conservative Fund are charged fund charges. In the year to 31 March 2021 these were:

	% OF NET ASSET VALUE
TOTAL FUND CHARGES² Which are made up of -	0.76%
Total management and administration charges including -	0.76%
Manager's basic fee	0.70%
Other management and administration charges	0.06%
Total performance-based fees	0.00%

OTHER CHARGES	DESCRIPTION OF HOW CHARGE IS CALCULATED
There are no additional charges.	-

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 the QuayStreet Funds for more information about those fees.

6. EXAMPLE OF HOW THIS APPLIES TO AN INVESTOR

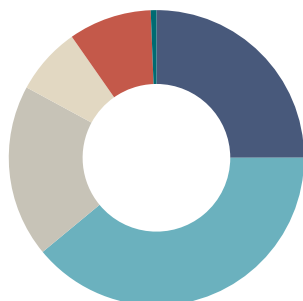
Small differences in fees and charges can have a big impact on your investment over the long term.

Emma had \$50,000 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 of \$2,825.00 (that is 5.65% of her initial \$50,000). Emma did not pay any other charges. This gives Emma a total return after tax of \$2,445.00 for the year.

7. WHAT DOES THE FUND INVEST IN?

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

ACTUAL INVESTMENT MIX (AS AT 30 JUNE 2021)



- Cash and cash equivalents - 24.99%
- New Zealand fixed interest - 39.01%
- International fixed interest - 18.90%
- Australasian equities - 7.39%
- International equities - 9.09%
- Listed property - 0.62%

TARGET INVESTMENT MIX

	TARGET	RANGE
CASH AND CASH EQUIVALENTS	20%	0%-100%
NEW ZEALAND FIXED INTEREST	60%	0%-100%
INTERNATIONAL FIXED INTEREST	0%	0%-100%
AUSTRALASIAN EQUITIES	10%	0%-20%
INTERNATIONAL EQUITIES	10%	0%-20%
LISTED PROPERTY	0%	0%-20%
UNLISTED PROPERTY	0%	0%-20%
COMMODITIES	0%	0%-0%
OTHER	0%	0%-0%

TOP 10 INVESTMENTS

ASSET NAME	% OF FUND NET ASSETS	TYPE	COUNTRY	CREDIT RATING
Cash ANZ (NZD)	23.10%	Cash and cash equivalents	NZ	AA-
iShares Core S&P 500 ETF	4.56%	International equities	US	
MSCI EAFE incl Canada TRS	2.71%	International equities	US	
NZ Govt Inflation Linked (Sep 2025)	2.22%	New Zealand fixed interest	NZ	AAA
NZ Govt Inflation Linked (Sep 2030)	1.81%	New Zealand fixed interest	NZ	AAA
ASB Subordinated Notes (Dec 2026)	1.73%	New Zealand fixed interest	NZ	BBB+
APT Pipelines (March 2025)	1.56%	International fixed interest	AU	BBB
Cash Citibank (USD)	1.44%	Cash and cash equivalents	NZ	BBB+
Australian Gas Infrastructure Group (June 2027)	1.26%	International fixed interest	AU	BBB+
Vector (Oct 2026)	1.25%	New Zealand fixed interest	NZ	BBB

The Top 10 investments make up 41.64% of the net asset value of the Fund.

CURRENCY EXPOSURE - The Fund's foreign currency exposure is actively managed in a manner consistent with the investment objectives and the performance benchmark. The current (after derivatives) exposure to foreign currencies is 10% compared to the benchmark foreign currency exposure of 10%.

8. KEY PERSONNEL

NAME	CURRENT POSITION	TIME IN CURRENT POSITION	PREVIOUS POSITION	TIME IN PREVIOUS POSITION
Andrew South	Chief Investment Officer / Investment Manager Australasian Equities	7 year/s and 0 month/s	Chief Investment Officer, Brook Asset Management Limited	4 year/s and 1 month/s
Roy Cross	Senior Analyst	7 year/s and 0 month/s	Senior Analyst, Brook Asset Management Limited	8 year/s and 7 month/s
Stefan Stevanovic	Senior Analyst	7 year/s and 0 month/s	Research Analyst, Brook Asset Management Limited	6 year/s and 7 month/s
Xavier Waterstone	Senior Analyst	2 year/s and 10 month/s	Senior Analyst, Diogenes Research Pty Limited	1 year/s and 6 month/s

9. FURTHER INFORMATION

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

10. NOTES

¹ Market Index returns do not reflect deductions of any charges or taxes.

² Management fees in the QuayStreet Conservative Fund of 0.75% include Supervisor, Custody and Registry charges which are shown here as other management and administration charges. Other management and administration charges also include expenses incurred within the Fund. This percentage will change from year to year.



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