

SuperLife workplace savings scheme

Gemino Fund

Fund update for the quarter ended 30 June 2018

This fund update was first made publicly available on 25 July 2018.

What is the purpose of this update?

This document tells you how the Gemino 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 Gemino Fund invests in a concentrated portfolio of investments where each individual investment has the potential to provide a return equivalent to doubling in value over a 3-year period.

| | |
|----------------------------------|-----------------|
| Total value of the fund: | \$1,339,212 |
| Number of investors in the fund: | 130 |
| The date the fund started: | 12 October 2007 |

What are the risks of investing?

Risk indicator for the Gemino 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 www.sorted.org.nz/tools/investor-kickstarter.

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 2018. 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.

Other specific risks

There are other risks that may increase the risk to returns for investors, which are not reflected in the risk indicator. These risks include investment management risk. In particular, while the SuperLife workplace savings scheme's philosophy is that a passive approach to investing will deliver better long-term results, we make some active management decisions. There is a risk that this may result in the fund achieving a return that is lower than its investment objective.

See the 'Other Material Information' document on the offer register at

www.disclose-register.companiesoffice.govt.nz for further information about the risks of investing in the SuperLife workplace savings scheme.

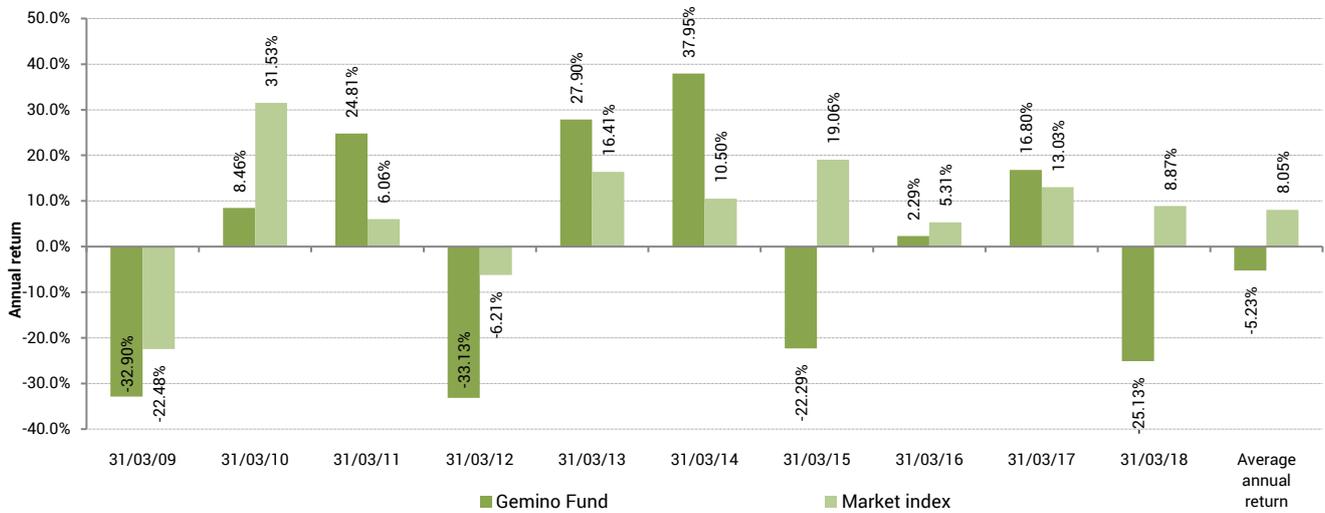
How has the fund performed?

| | Average over past 5 years | Past year |
|--|---------------------------|-----------|
| Annual return (after deductions for charges and tax) | -1.12% | -22.91% |
| Annual return (after deductions for charges but before tax) | -0.88% | -22.98% |
| Market index annual return (reflects no deduction for charges and tax) | 12.58% | 18.42% |

The market index annual return is based on the weighted average annual return of the indices used to assess the performance of the assets that the fund invests in. Additional information about the market index is available in the 'Other Material Information' document on the offer register at www.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 30 June 2018.

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 Gemino Fund are charged fund charges. In the year to 31 March 2018 these were:

| | % per annum of fund's net asset value |
|--|---------------------------------------|
| Total fund charges | 0.79% |
| Which are made up of: | |
| Total management and administration charges | 0.79% |
| Including: | |
| Manager's basic fee | 0.75% |
| Other management and administration charges | 0.04% |
| Other charges | Dollar amount per investor |
| Administration fee | \$12 per annum |

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing money and transferring it to a KiwiSaver scheme other than the SuperLife KiwiSaver scheme). See the Product Disclosure Statement for the SuperLife workplace savings scheme for more information about those fees.

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

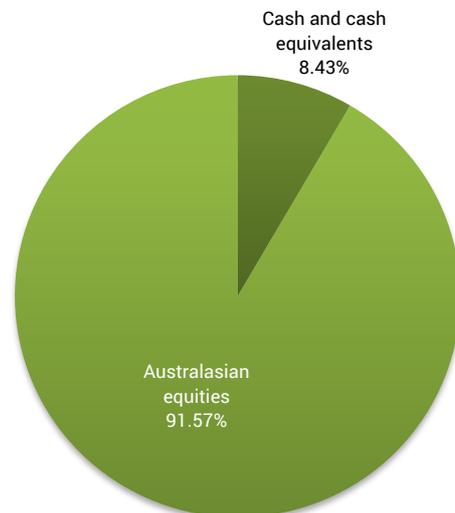
Example of how this applies to an investor

Jess had \$10,000 in the fund and did not make any further contributions. At the end of the year, Jess incurred a loss after fund charges were deducted of -\$2,291 (that is -22.91% of her initial \$10,000). Jess paid other charges of \$12. This gives Jess a total loss after tax of -\$2,303 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 | 2.00% |
| New Zealand fixed interest | - |
| International fixed interest | - |
| Australasian equities | 49.00% |
| International equities | 49.00% |
| Listed property | - |
| Unlisted property | - |
| Commodities | - |
| Other | - |

Top 10 investments

| Name | % of fund's net asset value | Type | Country | Credit rating (if applicable) |
|----------------------------|-----------------------------|---------------------------|-------------|-------------------------------|
| Smartshares NZ Top 50 Fund | 80.20% | Australasian equities | Australia | |
| ASB Current Account | 7.95% | Cash and cash equivalents | New Zealand | AA- |
| BLIS Technologies Ltd | 2.64% | Australasian equities | New Zealand | |
| TruScreen Ltd | 2.23% | Australasian equities | New Zealand | |
| Mercer Group Ltd | 0.93% | Australasian equities | New Zealand | |

The top 10 investments make up 93.95% of the fund's net asset value.¹

Currency hedging

The fund's foreign currency exposure may be hedged to the New Zealand dollar, and hedging levels will vary between 0% and 110%.



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 positions | Time in previous / other position |
|-----------------------|------------------|--------------------------|--|-----------------------------------|
| Paul James Baldwin | Director | 1 year and 6 months | Executive Consultant – NZX Wealth Technologies | 1 year and 9 months |
| Lindsay Megan Wright | Director (new) | 1 month | Director – NZX | 5 months |
| Guy Roulston Elliffe | Director | 2 years and 7 months | Corporate Governance Manager - ACC | 3 years and 2 months |
| Mark John Peterson | Director | 8 months | Chief Executive Officer - NZX | 1 year and 5 months |
| Alister John Williams | Director | 2 years and 7 months | Investment Manager - Trust Management | 3 years and 5 months |

Further information

You can also obtain this information, the Product Disclosure Statement for the SuperLife workplace savings scheme, and some additional information, from the offer register at www.disclose-register.companiesoffice.govt.nz.

Notes

- 1 The top 10 investments listed in the table exclude current assets and current liabilities, and as a result do not sum to 100%.