



# Fund Update

## For the quarter ended 30 June 2024

- Vault Digital Funds
- Vault International Bitcoin Fund

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 Vault International Bitcoin Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. FundRock NZ 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

**Objective:** The fund targets a return before fees and tax that broadly tracks the S&P Bitcoin Index in New Zealand dollars.

**Strategy:** The fund is designed to provide investors with exposure to Bitcoin within a PIE compliant fund. This is achieved by investing in one or more listed offshore domiciled funds which invest directly in Bitcoin. This is a highly speculative investment. Bitcoin is a highly volatile asset which means this fund will not be appropriate for all investors.

<b>Total value of the fund</b>	\$13,396,660
<b>The date the fund started</b>	14 September 2021

### What are the risks of investing?<sup>See note 1</sup>

Risk indicator for the Vault International Bitcoin 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 <https://sorted.org.nz/>.



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 Jun 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 product disclosure statement (**PDS**) for more information about the risks associated with investing in this fund.

## How has the fund performed?

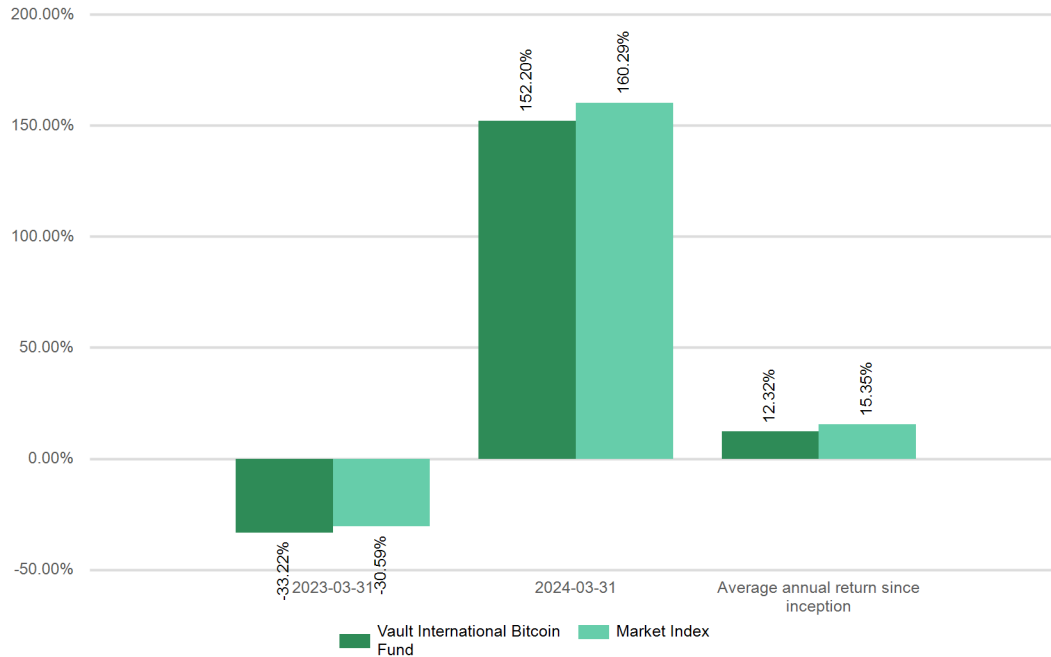
	Past year
Annual return (after deductions for charges and tax)	96.42%
Annual return (after deductions for charges but before tax)	98.60%
Market index annual return (reflects no deduction for charges and tax)	98.53%

The market index return is S&P Bitcoin Index in New Zealand dollars. This has been the market index since the inception of the fund.

Additional information about the market index is available on the offer register at <https://disclose-register.companiesoffice.govt.nz>.



## Annual Return Graph See note 2



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 2024.

**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 Vault International Bitcoin Fund are charged fund charges. In the year to 31 March 2024 these were:

	% of net asset value (inc. GST)
<b>Total fund charges</b>	1.68%
Which are made up of:	
Total manager and admin charges (inc. GST)	1.68%
Including:	
Manager's basic fee (inc. GST)	1.39%
Other management and administration charges	0.28%
Total performance-based fees	0.00%



Fund charges were reduced on 1 March 2024. Hence going forward, we expect total fund charges to be less than in the table above. Estimated total fund charges in the current PDS are 0.95% (including GST). Other management and administration charges includes an estimate of the charges incurred in the underlying fund in which the fund invests. The estimate incorporates information provided by the underlying fund manager as well as information sourced from the underlying fund's disclosure documents.

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 Vault International Bitcoin Fund on the offer register at <https://disclose-register.companiesoffice.govt.nz> for more information about those fees.

## **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.

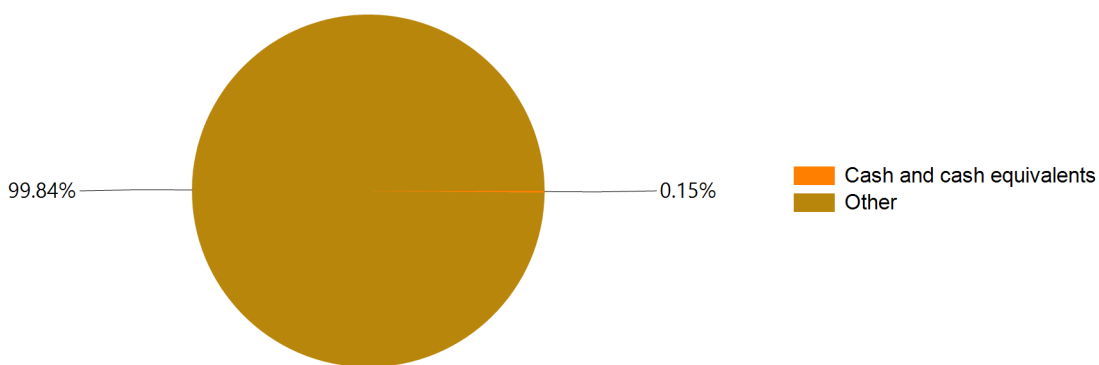
Anthony had \$10,000 in the fund at the start of the year and did not make any further contributions. At the end of the year, Anthony received a return after fund charges were deducted of \$9,860 (that is 98.60% of his initial \$10,000). This gives Anthony a return after tax of \$9,642 for the year.



### What does the fund invest in?

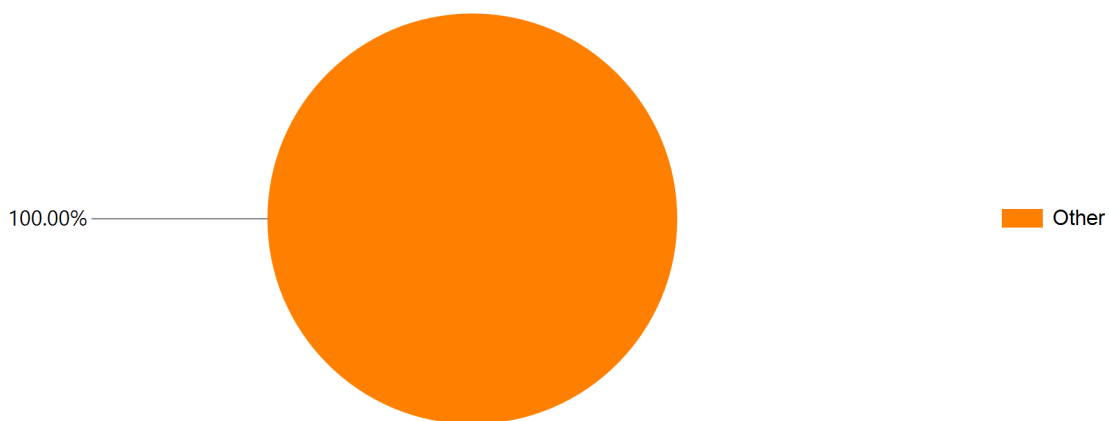
This shows the types of assets that the fund invests in.

Actual Investment Mix



Foreign currency was not hedged to New Zealand dollars as at 30 June 2024

Target Investment Mix



Note: Other represents listed offshore domiciled funds that invest directly in Bitcoin.



## Top 10 investments

	Asset Name	% of Fund net assets		Type	Country	Credit Rating (if applicable)
1	Fidelity Wise Origin Bitcoin Fund	84.69%	Other		US	
2	Franklin Bitcoin ETF	9.48%	Other		US	
3	Bitwise Bitcoin ETF	4.76%	Other		US	
4	CI Galaxy Bitcoin CAD Unhedged ETF	0.73%	Other		CA	
5	VanEck Bitcoin Trust ETF	0.19%	Other		US	
6	Cash at Bank (BNZ)	0.15%	Cash and cash equivalents		NZ	AA-

The top 10 investments make up 100.00% of the net asset value of the fund.

## Key Personnel

Name	Current position	Time in current position	Previous or other current position	Time in previous or other current position
Matthew McPhee	Chief Financial Officer & Chief Operating Officer	3 years 2 months	Head of Capital and Liquidity Management - Asia, Barclays Bank PLC, Singapore	9 years 4 months
Vincent Gardiner	Director and Chief Executive Officer	3 years 4 months	Property Investor/Business Owner	17 years 9 months

## Further information

You can also obtain this information, the PDS for the Vault Digital Funds, and some additional information from the offer register at <https://disclose-register.companiesoffice.govt.nz>.



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## Notes

1. A combination of actual fund returns and market index returns have been used to determine the risk indicator as the fund has not been operating for the required five years. Market index returns have been used until September 2021 and fund returns thereafter. The risk indicator may therefore provide a less reliable indicator of the fund's future volatility.
2. The bar chart shows fund returns after deducting fees and tax. Tax is deducted at the highest Prescribed Investor Rate of 28%. However, the market index returns are shown before deducting fees and tax.