

30 September 2024

ASX Limited
Market Announcements Office

ANNUAL FINANCIAL REPORT

[FOR RELEASE UNDER EACH ASX CODE LISTED BELOW]

VanEck Investments Limited announces the attached financial report for the year ended 30 June 2024 which covers the following exchange traded funds listed in the table below in the order of the cover page of the report:

Code	Fund
1GOV	VanEck 1-5 Year Australian Government Bond ETF
5GOV	VanEck 5-10 Year Australian Government Bond ETF
XGOV	VanEck 10+ Year Australian Government Bond ETF

For more information:

- Call 1300 68 38 37
- Go to vaneck.com.au

It is important for investors to register with the Link Investor Centre as correspondence from VanEck regarding your investments in our funds including statements (such as tax, dividends, periodic and exit) are given here. In addition to reducing the carbon footprint associated with paper-based correspondence, we hope this is more convenient for our investors. Investors can register with the Link Investor Centre via: <https://investorcentre.linkmarketservices.com.au/>.

IMPORTANT NOTICE: Issued by VanEck Investments Limited ABN 22 146 596 116 AFSL 416755 ('VanEck'). VanEck is the responsible entity and product issuer of a range of VanEck exchange traded funds ('Funds'). This information contains general information only about financial products and is not personal advice. It does not take into account any person's individual objectives, financial situation or needs. Before making an investment decision in relation to a VanEck Fund, you should read the relevant Product Disclosure Statement and the relevant Target Market Determination which are available at www.vaneck.com.au or by calling 1300 68 38 37 and with the assistance of a financial adviser consider if it is appropriate for your circumstances. No member of the VanEck group of companies gives any guarantee or assurance as to the repayment of capital, the performance, or any particular rate of return of any VanEck Fund. Past performance is not a reliable indicator of future performance.

VanEck Australian Government Bond Funds
Financial report
For the period from 26 September 2023
(commencement of operations) to 30 June 2024

This financial report covers the following VanEck Australian Government Bond Funds:

VanEck 1-5 Year Australian Government Bond ETF

ARSN 670 407 235

VanEck 5-10 Year Australian Government Bond ETF

ARSN 670 408 545

VanEck 10+ Year Australian Government Bond ETF

ARSN 670 409 079

VanEck Australian Government Bond Funds

Financial report

For the period from 26 September 2023 (commencement of operations) to 30 June 2024

Contents

	Page
Directors' report	2
Auditor's independence declaration	6
Statements of comprehensive income	7
Statements of financial position	8
Statements of changes in equity	9
Statements of cash flows	10
Notes to the financial statements	11
Directors' declaration	33
Independent auditor's report to the unitholders of the VanEck Australian Government Bond Funds	34

These financial statements cover the VanEck 1-5 Year Australian Government Bond ETF, VanEck 5-10 Year Australian Government Bond ETF and VanEck 10+ Year Australian Government Bond ETF as individual entities.

The Responsible Entity of the Funds is VanEck Investments Limited (ACN 146 596 116) (AFSL 416755). The Responsible Entity's registered office is:

VanEck Investments Limited
Level 47, Suite 2
25 Martin Place,
Sydney, NSW, Australia, 2000

Directors' report

The Directors of VanEck Investments Limited (ACN 146 596 116), the Responsible Entity of VanEck 1-5 Year Australian Government Bond ETF, VanEck 5-10 Year Australian Government Bond ETF and VanEck 10+ Year Australian Government Bond ETF (collectively the "Funds" and individually the "Fund"), present their report together with the financial statements of the Funds for the period from 26 September 2023 (commencement of operations) to 30 June 2024. The commencement of operations date is the date when the Funds first held an asset. This is colloquially referred to as the 'seeding' date.

This report is the first audited financial report period for the Funds and as such there are no comparative figures for a prior period. Refer to the Notes to the financial statements 2(u) for further information.

Funds information

The Funds are Australian registered managed investment schemes.

The Responsible Entity's registered office is located at Level 47, Suite 2, 25 Martin Place, Sydney, NSW, Australia, 2000.

Principal activities

The Funds are traded on the Australian Securities Exchange ("ASX") as exchange traded funds.

The Funds generally invest in Australian dollar denominated fixed rate bonds issued by Australian government, state government, territories or semi-government in accordance with the provisions of the Funds' Constitution and Product Disclosure Statement ("PDS").

The Funds did not have any employees during the period.

There were no significant changes in the nature of the Funds' activities during the period.

Directors

The following persons held office as Directors of the Responsible Entity during the period from 26 September 2023 (commencement of operations) to 30 June 2024 and up to the date of this report:

Jan van Eck
Arian Neiron
Michael Brown
Jonathan Simon
Lee Rappaport

Review and results of operations

The Funds invested in accordance with the Funds' PDS and the provisions of the Funds' Constitutions.

VanEck 1-5 Year Australian Government Bond ETF generally invests in the securities that are constituents of the S&P/ASX Government Bond 1-5 Year Index and aims to track the performance of the Index (with net income reinvested) in Australian dollars, before taking into account fees, expenses and tax.

VanEck 5-10 Year Australian Government Bond ETF generally invests in the securities that are constituents of the S&P/ASX Government Bond 5-10 Year Index and aims to track the performance of the Index (with net income reinvested) in Australian dollars, before taking into account fees, expenses and tax.

VanEck 10+ Year Australian Government Bond ETF generally invests in the securities that are constituents of the S&P/ASX Government Bond 10-20 Year Index and aims to track the performance of the Index (with net income reinvested) in Australian dollars, before taking into account fees, expenses and tax.

Directors' report (continued)

Review and results of operations (continued)

Results

The performance of the Funds, as represented by the results of their operations, were as follows:

	VanEck 1-5 Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024	VanEck 5-10 Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024	VanEck 10+ Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024
Profit/(loss) attributable to unitholders (\$'000)	74	238	677
Distribution to unitholders (\$'000)	86	136	322
Distribution (cents per unit - CPU)	100.50	100.50	129.00

Distribution (cents per unit - CPU) in the above tables includes distributions paid during the financial year ended and the distributions that were payable as at 30 June 2024. Refer to the Notes to the financial statements 2(n) and 8 for further information.

Significant changes in the state of affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the Funds that occurred during the financial period.

Matters subsequent to the end of the financial period

The Funds declared a distribution per unit on 30 June 2024 and which were paid to entitled unitholders on 23 July 2024.

These subsequently paid distributions are set out in *Review and results of operations* section under the Director's report and under the *Distributions to unitholders* section in the Notes to the financial statements.

Except as disclosed above, no other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect:

- (i) the operations of the Funds in future financial years;
- (ii) the results of those operations in future financial years; or
- (iii) the state of affairs of the Funds in future financial years.

Likely developments and expected results of operations

The Funds will continue to be managed in accordance with the investment objectives and guidelines as set out in the Funds' PDS and in accordance with the provisions of the Funds' Constitutions.

Directors' report (continued)

Likely developments and expected results of operations (continued)

The results of the Funds' operations will be affected by a number of factors, including the performance of the investment markets in which the Funds invest. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

The future returns are dependent upon the performance of the underlying investments. The Funds' investment objective and strategy remains unchanged which is to track the performance of the underlying investments.

Indemnity and insurance of Officers

No insurance premiums are paid for out of the assets of the Funds in regards to insurance cover provided to either the Directors and Officers (as defined in *Corporations Act 2001 (Cth)*) of the Responsible Entity or the auditors of the Funds. So long as the Officers of the Responsible Entity act in accordance with the Funds' Constitutions and the Law, the Officers remain indemnified out of the assets of the Funds against losses incurred while acting on behalf of the Funds.

During the period ended 30 June 2024, VanEck Australia Pty Ltd (ACN 137 160 528), the parent company of the Responsible Entity paid insurance premiums to insure the Directors and Officers of the Responsible Entity. The terms of the contract prohibit the disclosure of the premiums paid.

Indemnity of auditors

The auditors of the Funds are in no way indemnified out of the assets of the Funds.

Proceedings on behalf of the Funds

No person has applied for leave of court to bring proceedings on behalf of the Funds or intervene in any proceedings to which the Funds are a party for the purpose of taking responsibility on behalf of the Funds for all or any part of those proceedings.

The Funds were not a party to any such proceedings during the period.

Fees paid to and units held in the Funds by the Responsible Entity or its associates

Fees paid to the Responsible Entity and its associates out of Funds' property during the period are disclosed in Note 14 to the financial statements.

No fees were paid out of the Funds' property to the Directors of the Responsible Entity during the period.

The number of units in the Funds held by the Responsible Entity or its associates as at the end of the financial period are disclosed in Note 14 to the financial statements.

Units in the Funds

The movement in units on issue in the Funds during the period is disclosed in Note 7 to the financial statements.

The value of the Funds' assets and liabilities is disclosed on the Statements of financial position and derived using the basis set out in Note 2 to the financial statements.

Environmental regulation

The operations of the Funds are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory law.

Directors' report (continued)

Disclosing entities

The Funds are disclosing entities under the Corporations Act, and accordingly rely on the relief available in ASIC issued class order ASIC Corporations (Disclosing Entities) Instrument 2015/839 in the preparation of this report. This class order permits the Funds, all of which have the same responsible entity to include the financial statements for each Fund in adjacent columns in a single financial report.

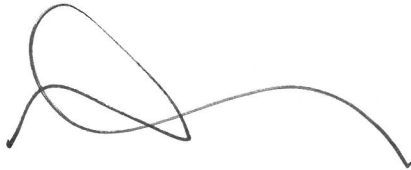
Rounding of amounts to the nearest thousand dollars

The Funds are entities of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission ("ASIC") relating to the "rounding off" of amounts in the Directors' report. Amounts in the Directors' report have been rounded to the nearest thousand dollars in accordance with that ASIC Corporations Instrument, unless otherwise indicated.

Auditor's independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

This report is made in accordance with a resolution of the Directors.



Michael Brown
Director

Sydney
26 September 2024



Building a better
working world

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Auditor's Independence Declaration to the Directors of VanEck Investments Limited, as Responsible Entity for VanEck Australian Government Bond Funds

For the following VanEck Australian Government Bond Funds (collectively the "Funds"):

- ▶ VanEck 1-5 Year Australian Government Bond ETF (1GOV)
- ▶ VanEck 5-10 Year Australian Government Bond ETF (5GOV)
- ▶ VanEck 10+ Year Australian Government Bond ETF (XGOV)

As lead auditor for the audit of the financial report of the Funds for the financial period from 26 September 2023 to 30 June 2024, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- b) no contraventions of any applicable code of professional conduct in relation to the audit; and
- c) no non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

Ernst & Young

Rita Da Silva
Partner
Sydney
26 September 2024

Statements of comprehensive income

		VanEck 1-5 Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 \$'000	VanEck 5-10 Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 \$'000	VanEck 10+ Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 \$'000
	Notes			
Investment income				
Interest income from financial assets at fair value through profit or loss		77	110	330
Net gains on financial instruments at fair value through profit or loss	5	3	137	367
Total investment income/(loss)		<u>80</u>	<u>247</u>	<u>697</u>
Expenses				
Management fees	14	6	9	20
Total operating expenses		<u>6</u>	<u>9</u>	<u>20</u>
Profit/(loss) for the period		<u>74</u>	<u>238</u>	<u>677</u>
Other comprehensive income for the period		-	-	-
Total comprehensive income/(loss) for the period		<u>74</u>	<u>238</u>	<u>677</u>

The above Statements of comprehensive income should be read in conjunction with the accompanying notes.

Statements of financial position

		VanEck 1-5 Year Australian Government Bond ETF As at 30 June 2024 \$'000	VanEck 5-10 Year Australian Government Bond ETF As at 30 June 2024 \$'000	VanEck 10+ Year Australian Government Bond ETF As at 30 June 2024 \$'000
	Notes			
Assets				
Cash and cash equivalents	9	3	18	7
Due from brokers - receivable for securities sold		71	337	170
Receivables	12	80	94	110
Financial assets at fair value through profit or loss	4, 6	<u>12,019</u>	<u>18,231</u>	<u>14,095</u>
Total assets		<u>12,173</u>	<u>18,680</u>	<u>14,382</u>
Liabilities				
Due to brokers - payable for securities purchased		42	310	129
Payables	13	2	5	6
Distributions payable	8	<u>28</u>	<u>41</u>	<u>42</u>
Total liabilities		<u>72</u>	<u>356</u>	<u>177</u>
Net assets attributable to unitholders - Equity		<u>12,101</u>	<u>18,324</u>	<u>14,205</u>

The above Statements of financial position should be read in conjunction with the accompanying notes.

Statements of changes in equity

		VanEck 1-5 Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 \$'000	VanEck 5-10 Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 \$'000	VanEck 10+ Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 \$'000
	Notes			
Total equity at the beginning of the period		-	-	-
Issue of redeemable participating units		13,127	20,244	14,880
Units issued upon reinvestment of distributions	10(b)	-	4	2
Redemption of redeemable participating units		(1,014)	(2,026)	(1,032)
Comprehensive income/(loss) for the period		74	238	677
Distributions	8	(86)	(136)	(322)
Total equity at the end of the period		<u>12,101</u>	<u>18,324</u>	<u>14,205</u>

Movement in units issued are disclosed in Note 7 to the financial statements.

The above Statements of changes in equity should be read in conjunction with the accompanying notes.

Statements of cash flows

		VanEck 1-5 Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 \$'000	VanEck 5-10 Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 \$'000	VanEck 10+ Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 \$'000
	Notes			
Cash flows from operating activities				
Proceeds from sale of financial instruments at fair value through profit or loss		1,675	3,239	5,878
Purchase of financial instruments at fair value through profit or loss		(13,779)	(21,453)	(19,811)
Interest received		56	109	385
Other income received		-	2	-
Management fees paid		(4)	(6)	(15)
Net cash outflow from operating activities	10(a)	<u>(12,052)</u>	<u>(18,109)</u>	<u>(13,563)</u>
Cash flows from financing activities				
Proceeds from applications by unitholders		13,127	20,244	14,880
Payments for redemptions to unitholders		(1,014)	(2,026)	(1,032)
Distributions paid		(58)	(91)	(278)
Net cash inflow from financing activities		<u>12,055</u>	<u>18,127</u>	<u>13,570</u>
Net increase in cash and cash equivalents		3	18	7
Cash and cash equivalents at the beginning of the period		-	-	-
Cash and cash equivalents at the end of the period	9	<u>3</u>	<u>18</u>	<u>7</u>

The above Statements of cash flows should be read in conjunction with the accompanying notes.

Contents of the notes to the financial statements

	Page
1 General information	12
2 Summary of material accounting policy information	12
3 Financial risk management	18
4 Fair value measurement	22
5 Net gains/(losses) on financial instruments at fair value through profit or loss	25
6 Financial assets at fair value through profit or loss	25
7 Units issued	26
8 Distributions to unitholders	26
9 Cash and cash equivalents	27
10 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities	28
11 Remuneration of auditors	29
12 Receivables	29
13 Payables	30
14 Related party transactions	30
15 Events occurring after the reporting period	32
16 Contingent assets and liabilities and commitments	32

1 General information

These financial statements for the period from 26 September 2023 (commencement of operations) to 30 June 2024 cover the VanEck 1-5 Year Australian Government Bond ETF, VanEck 5-10 Year Australian Government Bond ETF and VanEck 10+ Year Australian Government Bond ETF (the "Funds") as individual entities. The commencement of operations date is the date when the Funds first held an asset. This is colloquially referred to as the 'seeding' date. The Funds were registered with ASIC on 21 August 2023 and started trading on ASX on 28 September 2023. The Funds will terminate in accordance with the provisions of the Funds' Constitutions.

The Responsible Entity of the Funds is VanEck Investments Limited. The Responsible Entity's registered office is Level 47, Suite 2, 25 Martin Place, Sydney, NSW, Australia, 2000.

These financial statements are presented in Australian dollars, which is the Funds' functional and presentation currency.

The financial statements were authorised for issue by the Directors on 26 September 2024. The Directors of the Responsible Entity have the power to amend and reissue the financial statements.

The custodian and administrator of the Funds is State Street Australia Limited (the "Custodian"). The ultimate holding company of the Custodian is State Street Corporation (incorporated in the United States of America).

2 Summary of material accounting policy information

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied throughout the period presented, unless otherwise stated in the following text.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001* in Australia.

The Funds are for-profit funds for the purpose of preparing the financial statements.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

The Statements of financial position are presented on a liquidity basis.

Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are expected to be recovered or settled within twelve months, except for investments in financial assets at fair value through profit or loss and net assets attributable to unitholders.

The Funds manage financial assets at fair value through profit or loss based on the economic circumstances at any given point in time, as well as to meet any liquidity requirements. As such, it is expected that a portion of the portfolio will be realised within twelve months, however, an estimate of that amount cannot be determined as at reporting date.

In the case of net assets attributable to unitholders, the units are redeemable on demand at the unitholders' option. However, holders of these instruments are expected to retain them for the medium to long term. As such, the amount expected to be settled within twelve months cannot be reliably determined.

(i) Compliance with International Financial Reporting Standards (IFRS)

The financial statements of the Funds also comply with IFRS as issued by the International Accounting Standards Board (IASB).

2 Summary of material accounting policy information (continued)

(b) Financial instruments

(i) Recognition/derecognition

The Funds recognise financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognise changes in fair value of the financial assets or financial liabilities from this date. Financial assets are derecognised when the right to receive cash flows from the investments have expired or the Funds have transferred substantially all risks and rewards of ownership.

(ii) Classification

The Funds classify their financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities discussed below.

Financial assets

The Funds classify their financial assets as subsequently measured at amortised cost or measured at fair value through profit or loss on the basis of both:

- The entity's business model for managing the financial assets; and
- The contractual cash flow characteristics of the financial asset.

Financial assets measured at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Funds include in this category cash and cash equivalents, due from brokers - receivable for securities sold, and receivables.

Financial assets measured at fair value through profit or loss ("FVPL")

A financial asset is measured at fair value through profit or loss if:

- Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding;
- It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or
- At initial recognition, it is irrevocably designated as measured at FVPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

The debt securities are classified as fair value through profit or loss.

In applying that classification, a financial asset or financial liability is considered to be held for trading if it is:

- acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
- on initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which, there is evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

2 Summary of material accounting policy information (continued)

(b) Financial instruments (continued)

(ii) Classification (continued)

Financial liabilities

Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured at fair value through profit or loss. The Funds include in this category due to brokers - payable for securities purchased, payables and distributions payable.

Financial liabilities measured at FVPL

A financial liability is measured at FVPL if it meets the definition of held for trading. Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Funds that are not designated as hedging instruments in hedge relationships as defined.

The derivatives are mandatorily classified as fair value through profit or loss.

(iii) Measurement

Financial assets and financial liabilities at fair value through profit or loss are recorded in the Statements of financial position initially at fair value. All transaction costs for such instruments are recognised directly in the Statements of comprehensive income. Financial assets and liabilities, other than those classified as FVPL, are initially measured at fair value adjusted by transaction costs and subsequently measured using the effective interest rate method less impairment losses for financial assets, if any.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the Statements of comprehensive income in the period in which they arise.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets is subsequently based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs. The quoted market price used for financial assets and liabilities held by the Funds is the last traded price.

The fair value of financial assets and liabilities that are not traded in an active market are determined using valuation techniques. The Funds use a variety of methods and make assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs. Further details on how the fair values of financial instruments are determined are disclosed in Note 4.

(iv) Impairment of Financial assets

The Funds hold only cash and cash equivalents, receivables and due from brokers with no financing component and which have maturities of less than 12 months at amortised cost and, as such, have chosen to apply the simplified approach for expected credit losses ("ECL") under AASB 9. Therefore, the Funds do not track changes in credit risk, but instead recognise a loss allowance based on lifetime ECLs at each reporting date.

(c) Material accounting policies

All applicable standards and interpretations have been adopted.

2 Summary of material accounting policy information (continued)

(d) Redeemable participating units

Units are classified as equity. Notwithstanding the obligation of the Funds to redeem the units at the Authorised Participants' option, a person who is a ASX trading participant or has engaged a ASX trading participant to act on its behalf to acquire and dispose of units in a Fund, the Responsible Entity considers the units to meet the requirements for equity classification within AASB 132.16A and B. The Funds' Constitutions state that the distributions are at the discretion of the Responsible Entity. The units can be put back in the Funds at any time for cash based on the redemption price. The fair value of redeemable units is measured at the redemption amount that is payable (based on the redemption unit price) at the end of the reporting period if the Authorised Participants exercised their right to redeem the units in the Funds. Refer to the relevant PDS for the explanation of Authorised Participant.

(e) Capital management

The Responsible Entity manages its net assets attributable to unitholders as equity. The amount of the net assets attributable to unitholders can change significantly as the Funds are subject to daily applications and redemptions at the discretion of the Authorised Participants.

The Responsible Entity monitors the level of daily applications and redemptions relative to the liquid assets in the Funds.

In order to maintain or adjust the capital structure, the Responsible Entity may return capital to unitholders. The Funds are not subject to any externally imposed capital requirements.

(f) Cash and cash equivalents

For the purpose of presentation in the Statements of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are classified as liabilities in the Statements of financial position.

Cash and cash equivalents are measured at amortised cost using the effective interest rate method, reduced by impairment losses.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as movements in the fair value of these securities represent the Funds' main income generating activity.

(g) Investment income

Interest income is recognised in the Statements of comprehensive income for all financial instruments not at fair value through profit or loss using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, the Funds estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but do not consider future credit losses. The calculation includes all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

Net changes in fair value of financial assets and liabilities at fair value through profit or loss are recognised as income and are determined as the difference between the fair value at the balance date or consideration received (if sold during the financial period) and the fair value as at the prior balance date or initial fair value (if acquired during the financial period). This includes both realised and unrealised gains and losses, but does not include interest income.

2 Summary of material accounting policy information (continued)

(h) Expenses

All expenses are recognised in the Statements of comprehensive income on an accrual basis.

(i) Income tax

Under current legislation, the Funds are not subject to income tax as the income tax liability is attributed to unitholders under the Attribution Managed Investment Trust ("AMIT") regime.

The benefits of tax credits paid are passed on to unitholders.

The Funds currently incur withholding tax imposed by certain countries on investment income. Such income is recorded gross of withholding tax in the Statements of comprehensive income.

(j) Distributions

In accordance with the Funds' PDS, the Funds usually pay a distribution on a monthly basis. The distributions to unitholders are recognised in the Statements of changes in equity.

(k) Foreign currency translation

(i) Functional and presentation currency

Items included in the Funds' financial statements are measured using the currency of the primary economic environment in which they operate (the "functional currency"). This is the Australian dollar, which reflects the currency of the economy in which the Funds compete for funds and are regulated. The Australian dollar is also the Funds' presentation currency.

(l) Due from/to brokers

Amounts due from/to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered as at period end. Trades are recorded on trade date and normally settled within three business days.

(m) Receivables

Receivables may include amounts for interest and applications received for units in the Funds. Interest is accrued at the end of the reporting period from the time of last payment. Amounts are generally received within 30 days of being recorded as receivables.

(n) Payables

Payables include liabilities and accrued expenses owed by the Funds which are unpaid as at the end of the reporting period.

The distribution amount payable to unitholders as at the end of the reporting period is recognised separately on the Statements of financial position as unitholders are presently entitled to the distributable income under the Funds' Constitutions.

(o) Applications and redemptions

Unitholders can only apply for additional units if they are Authorised Participants. Application amounts can be paid by cash or in the form of a parcel of prescribed securities transferred to the Custodian. The parcel of securities related to in-specie applications generally reflect the characteristics of the Funds' investment objective. Investors may purchase units by trading on ASX.

2 Summary of material accounting policy information (continued)

(o) Applications and redemptions (continued)

Unitholders can only redeem units if they are Authorised Participants. The Funds' PDS sets out the circumstances when the Responsible Entity may delay or suspend the processing of applications (creations) or redemptions. Units can be sold by trading on ASX.

Unit prices are determined by reference to the net assets of the Funds divided by the number of units on issue. For unit pricing purposes, net assets are determined using the last reported trade price for securities. These prices may differ from the market.

(p) Goods and Services Tax (GST)

The GST incurred on the costs of various services provided to the Funds by third parties such as management, administration and custodian services where applicable have been passed onto the Funds. The Funds qualify for Reduced Input Tax Credits (RITC) at a rate of at least 55%. Hence, fees for these services and any other expenses have been recognised in the Statements of comprehensive income net of the amount of GST recoverable from the Australian Taxation Office (ATO). Accounts payable are inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the Statements of financial position. Cash flows relating to GST are included in the Statements of cash flows on a gross basis.

(q) Use of estimates

The Funds may make estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

For certain other financial instruments, including amounts due from/to brokers, accounts payable and accrued expenses, the carrying amounts approximate fair value due to the immediate or short-term nature of these financial instruments.

(r) New accounting standards and interpretations not yet adopted

There are no standards that are not yet effective and that are expected to have a material impact on the Funds in the current or future reporting periods and on foreseeable future transactions.

(s) Rounding of amounts

The Funds are entities of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the ASIC relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded to the nearest thousand dollars in accordance with that ASIC Corporations Instrument, unless otherwise indicated.

(t) Basis of accounting period

Corporations Act 2001 (Corporations Act) requires the first financial year for a company, registered scheme or disclosing entity (an entity) to start on the day of its registration. The first financial year may last for 12 months or a period, no longer than 18 months, determined by the Directors.

(u) Comparative period

The Funds were constituted on 10 August 2023, registered with the Australian Securities and Investments Commission on 21 August 2023 and commenced operations on 26 September 2023. This report is the first audited financial report period for the Funds, hence there is no comparative information.

3 Financial risk management

The Funds' activities expose them to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The Funds' overall risk management programme focuses on ensuring compliance with the Funds' PDS and Constitutions and seeks to maximise the returns derived for the level of risk to which the Funds are exposed. Financial risk management is carried out by the Responsible Entity.

The Funds use different methods to measure different types of risk to which they are exposed. These methods are explained below.

(a) Market risk

(i) Foreign exchange risk

Foreign exchange risk arises as the value of monetary securities denominated in other currencies will fluctuate due to changes in exchange rates.

All assets are in Australian dollars and therefore not subject to foreign exchange risk.

(ii) Interest rate risk

Interest rate risk is the risk that interest rate movements will have a negative impact on investment value or returns. Interest rate risk is managed in accordance with the underlying investment strategy of the Funds.

The tables below summarise the Funds' direct exposure to interest rate risks.

VanEck 1-5 Year Australian Government Bond ETF

	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30 June 2024				
Assets				
Cash and cash equivalents	3	-	-	3
Receivables	-	-	80	80
Due from brokers - receivable for securities sold	-	-	71	71
Financial assets at fair value through profit and loss	-	12,019	-	12,019
Total assets	3	12,019	151	12,173
Liabilities				
Distributions payable	-	-	(28)	(28)
Payables	-	-	(2)	(2)
Due to brokers - payable for securities purchased	-	-	(42)	(42)
Total liabilities	-	-	(72)	(72)
Net exposure	3	12,019	79	12,101

3 Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

VanEck 5-10 Year Australian Government Bond ETF

	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30 June 2024				
Assets				
Cash and cash equivalents	18	-	-	18
Receivables	-	-	94	94
Due from brokers - receivable for securities sold	-	-	337	337
Financial assets at fair value through profit and loss	-	18,231	-	18,231
Total assets	18	18,231	431	18,680
Liabilities				
Distributions payable	-	-	(41)	(41)
Payables	-	-	(5)	(5)
Due to brokers - payable for securities purchased	-	-	(310)	(310)
Total liabilities	-	-	(356)	(356)
Net exposure	18	18,231	75	18,324

VanEck 10+ Year Australian Government Bond ETF

	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30 June 2024				
Assets				
Cash and cash equivalents	7	-	-	7
Receivables	-	-	110	110
Due from brokers - receivable for securities sold	-	-	170	170
Financial assets at fair value through profit and loss	-	14,095	-	14,095
Total assets	7	14,095	280	14,382
Liabilities				
Distributions payable	-	-	(42)	(42)
Payables	-	-	(6)	(6)
Due to brokers - payable for securities purchased	-	-	(129)	(129)
Total liabilities	-	-	(177)	(177)
Net exposure	7	14,095	103	14,205

3 Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

The following tables demonstrate the sensitivity of the Funds' profit or loss for the period to a reasonably possible change in interest rates, with all other variables held constant. The sensitivity of the profit or loss for the period is the effect of the assumed changes in interest rates on:

- The net interest income for one year, based on the floating rate financial assets held at the end of the reporting period
- Changes in fair value of investments for the period, based on revaluing fixed rate financial assets and liabilities at the end of the reporting period

VanEck 1-5 Year Australian Government Bond ETF

	Change in basis points	Sensitivity of interest income increase /(decrease) \$'000	Sensitivity of changes in fair value of investments increase /(decrease) \$'000
30 June 2024	+50/-50	-/(-)	60/(60)

VanEck 5-10 Year Australian Government Bond ETF

	Change in basis points	Sensitivity of interest income increase /(decrease) \$'000	Sensitivity of changes in fair value of investments increase /(decrease) \$'000
30 June 2024	+50/-50	-/(-)	91/(91)

VanEck 10+ Year Australian Government Bond ETF

	Change in basis points	Sensitivity of interest income increase /(decrease) \$'000	Sensitivity of changes in fair value of investments increase /(decrease) \$'000
30 June 2024	+50/-50	-/(-)	70/(70)

An analysis of financial liabilities by maturities is provided in Note 3(c)(i) on page 21.

3 Financial risk management (continued)

(b) Credit risk

Credit risk is the risk that a counterparty will fail to perform contractual obligations, either in whole or part. Credit risk primarily arises from investments in derivative financial instruments. Other credit risk arises from cash and cash equivalents, deposits with banks and other financial institutions and amounts due from brokers. None of these assets are impaired nor past due but not impaired.

The maximum exposure to credit risk at the end of each reporting period is the carrying amount of the financial assets.

Credit ratings for the investments in debt securities are as follows:

VanEck 1-5 Year Australian Government Bond ETF from AA- to AAA

VanEck 5-10 Year Australian Government Bond ETF from AA- to AAA

VanEck 10+ Year Australian Government Bond ETF from AA to AAA

The clearing and depository operations of the Funds' security transactions are mainly concentrated with one counterparty namely State Street Australia Limited. The Standard and Poor's credit rating of the Funds' counterparties as at 30 June 2024 are:

- AA- for State Street Bank & Trust Company

(c) Liquidity risk

Liquidity risk is the risk that the Funds may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Funds may, from time to time, invest in derivative contracts traded over the counter, which are not traded in an organised market and may be illiquid. As a result, the Funds may not be able to quickly liquidate its investments in these instruments at an amount close to their fair value to meet its liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer or counterparty. No such investments were held at the end of the reporting period.

(i) Maturities of non-derivative financial liabilities

The tables below analyse the Funds' non-derivative financial liabilities into relevant maturity groupings based on the remaining period to the earliest possible contractual maturity date at period end. The amounts in the tables are contractual undiscounted cash flows.

VanEck 1-5 Year Australian Government Bond ETF

	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	Over 12 months \$'000	Total \$'000
As at 30 June 2024					
Due to brokers - payable for securities purchased	42	-	-	-	42
Payables	2	-	-	-	2
Distributions payable	28	-	-	-	28
Contractual cash flows	72	-	-	-	72

3 Financial risk management (continued)

(c) Liquidity risk (continued)

(i) Maturities of non-derivative financial liabilities (continued)

VanEck 5-10 Year Australian Government Bond ETF

	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	Over 12 months \$'000	Total \$'000
As at 30 June 2024					
Due to brokers - payable for securities purchased	310	-	-	-	310
Payables	5	-	-	-	5
Distributions payable	41	-	-	-	41
Contractual cash flows	356	-	-	-	356

VanEck 10+ Year Australian Government Bond ETF

	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	Over 12 months \$'000	Total \$'000
As at 30 June 2024					
Due to brokers - payable for securities purchased	129	-	-	-	129
Payables	6	-	-	-	6
Distributions payable	42	-	-	-	42
Contractual cash flows	177	-	-	-	177

4 Fair value measurement

The Funds measure and recognise the following assets and liabilities at fair value on a recurring basis:

- Financial assets at fair value through profit or loss (see Note 6)

The Funds have no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period.

AASB 13 requires disclosure of fair value measurements by level of the following fair value hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

(i) Fair value in an active market (level 1)

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

The Funds value their investments in accordance with the accounting policies set out in Note 2 to the financial statements.

4 Fair value measurement (continued)

(i) Fair value in an active market (level 1) (continued)

The quoted market price used for financial assets held by the Funds are the last traded price; the appropriate quoted market price for financial liabilities is the last traded price. When the Funds hold derivatives with offsetting market risks, they use mid-market prices as a basis for establishing fair values for the offsetting risk positions and apply this last traded price to the net open position, as appropriate.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

(ii) Valuation techniques used to derive level 2 and level 3 fair value

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions.

For other pricing models, inputs are based on market data at the end of the reporting period. Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

The fair value of derivatives that are not exchange traded is estimated at the amount that the Funds would receive or pay to terminate the contract at the end of the reporting period taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties. The fair value of a forward contract is determined as a net present value of estimated future cash flows, discounted at appropriate market rates as at the valuation date.

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Funds hold. Valuations are therefore adjusted, where appropriate, to allow for additional factors including liquidity risk and counterparty risk.

The primary source of pricing of debt securities (Australian Government Bond) is based on market price per S&P/ASX Australian Fixed Interest index, in accordance with the Price Source Agreement between the Custodian and the Responsible Entity.

4 Fair value measurement (continued)

Recognised fair value measurements

The tables below present the Funds' financial assets measured at fair value according to the fair value hierarchy as at 30 June 2024.

VanEck 1-5 Year Australian Government Bond ETF

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
As at 30 June 2024				
Financial assets at fair value through profit or loss				
Debt securities	-	12,019	-	12,019
Total	-	12,019	-	12,019

VanEck 5-10 Year Australian Government Bond ETF

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
As at 30 June 2024				
Financial assets at fair value through profit or loss				
Debt securities	-	18,231	-	18,231
Total	-	18,231	-	18,231

VanEck 10+ Year Australian Government Bond ETF

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
As at 30 June 2024				
Financial assets at fair value through profit or loss				
Debt securities	-	14,095	-	14,095
Total	-	14,095	-	14,095

The Funds' policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(i) Transfers between levels

There were no transfers between the levels in the fair value hierarchy for the period ended 30 June 2024. There were also no changes made to any of the valuation techniques applied as at 30 June 2024.

(ii) Fair value measurements using significant unobservable inputs (level 3)

The Funds did not hold any financial instruments with fair value measurements using significant unobservable inputs during the period ended 30 June 2024.

4 Fair value measurement (continued)

Recognised fair value measurements (continued)

(iii) Fair values of other financial instruments

Due to their short-term nature, the carrying amounts of receivables and payables are assumed to approximate fair value.

5 Net gains/(losses) on financial instruments at fair value through profit or loss

Net gains/(losses) recognised in relation to financial instruments at fair value through profit or loss:

	VanEck 1-5 Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 \$'000	VanEck 5-10 Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 \$'000	VanEck 10+ Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 \$'000
Financial assets			
Net gains/(losses) on financial assets at fair value through profit or loss	3	137	367
Total net gains/(losses) on financial instruments at fair value through profit or loss	3	137	367

6 Financial assets at fair value through profit or loss

	VanEck 1-5 Year Australian Government Bond ETF As at 30 June 2024 \$'000	VanEck 5-10 Year Australian Government Bond ETF As at 30 June 2024 \$'000	VanEck 10+ Year Australian Government Bond ETF As at 30 June 2024 \$'000
Financial assets at fair value through profit or loss			
Debt securities	12,019	18,231	14,095
Total financial assets at fair value through profit or loss	12,019	18,231	14,095

7 Units issued

Movements in the number of units during the period were as follows:

	VanEck 1-5 Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 No.'000	VanEck 5-10 Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 No.'000	VanEck 10+ Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 No.'000
Opening balance	-	-	-
Applications	260	400	300
Redemptions	(20)	(40)	(20)
Closing balance	240	360	280

As stipulated within the Funds' Constitutions, a unit confers an equal undivided, vested, and infeasible interest in the assets as a whole, subject to the liabilities. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Funds.

Capital risk management

The amount of net assets attributable to unitholders can change significantly on a daily basis as the Funds are subject to daily applications and redemptions at the discretion of the Authorised Participants.

Daily applications and redemptions are reviewed relative to the liquidity of the Funds' underlying assets on a daily basis by the Responsible Entity. Under the terms of the Funds' Constitutions, the Responsible Entity has the discretion to reject an application for units and to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of unitholders.

8 Distributions to unitholders

The distributions during the period were as follows:

	VanEck 1-5 Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 \$'000	VanEck 5-10 Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 CPU	VanEck 10+ Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 \$'000	VanEck 10+ Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 CPU
Distributions paid	58	89.00	95	89.00
Distributions payable	28	11.50	41	11.50
Total distributions	86	100.50	136	100.50

8 Distributions to unitholders (continued)

	VanEck 10+ Year Australian Government Bond ETF	
	Period from 26 September 2023 to 30 June 2024 \$'000	Period from 26 September 2023 to 30 June 2024 CPU
Distributions paid	280	114.00
Distributions payable	42	15.00
Total distributions	322	129.00

9 Cash and cash equivalents

	VanEck 1-5 Year Australian Government Bond ETF	VanEck 5-10 Year Australian Government Bond ETF	VanEck 10+ Year Australian Government Bond ETF
	As at 30 June 2024 \$'000	As at 30 June 2024 \$'000	As at 30 June 2024 \$'000
Cash at bank	3	18	7
Total cash and cash equivalents	3	18	7

10 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities

	VanEck 1-5 Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 \$'000	VanEck 5-10 Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 \$'000	VanEck 10+ Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 \$'000
(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities			
Profit/(loss) for the period	74	238	677
Proceeds from sale of financial instruments at fair value through profit or loss	1,675	3,239	5,878
Purchase of financial instruments at fair value through profit or loss	(13,779)	(21,453)	(19,811)
Net (gains)/losses on financial instruments at fair value through profit or loss	(3)	(137)	(367)
Net interest bought/(sold)	59	93	164
Net change in receivables	(80)	(94)	(110)
Net change in payables	2	5	6
Net cash outflow from operating activities	(12,052)	(18,109)	(13,563)
During the period, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plan	-	4	2

11 Remuneration of auditors

During the period, the following fees were paid or payable for services provided by the auditor of the Funds:

	VanEck 1-5 Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 \$	VanEck 5-10 Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 \$	VanEck 10+ Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 \$
Ernst & Young			
<i>Audit services</i>			
Audit and review of financial statements	12,400	12,400	12,400
Total auditor remuneration	12,400	12,400	12,400
<i>Other assurance services</i>			
Audit of compliance plan	1,500	1,500	1,500
Total remuneration for other assurance services	1,500	1,500	1,500
Total remuneration of Ernst & Young	13,900	13,900	13,900

During the period, auditor's remuneration was paid by VanEck Australia Pty Ltd., the direct parent of the Responsible Entity.

12 Receivables

	VanEck 1-5 Year Australian Government Bond ETF As at 30 June 2024 \$'000	VanEck 5-10 Year Australian Government Bond ETF As at 30 June 2024 \$'000	VanEck 10+ Year Australian Government Bond ETF As at 30 June 2024 \$'000
Interest receivable	80	94	109
GST receivables	-	-	1
Total Receivables	80	94	110

13 Payables

	VanEck 1-5 Year Australian Government Bond ETF As at 30 June 2024 \$'000	VanEck 5-10 Year Australian Government Bond ETF As at 30 June 2024 \$'000	VanEck 10+ Year Australian Government Bond ETF As at 30 June 2024 \$'000
Management fees payable	2	3	5
Other payables	-	2	1
Total Payables	2	5	6

14 Related party transactions

Responsible Entity

The Responsible Entity of the Funds is a wholly owned subsidiary of VanEck Australia Pty Ltd. The direct parent of the Responsible Entity is a wholly owned subsidiary of Van Eck Associates Corporation, incorporated in the United States of America. The registered office of the Responsible Entity and the Funds is Level 47, Suite 2, 25 Martin Place, Sydney, NSW, Australia, 2000.

Key management personnel

Key management personnel include the Directors of the Responsible Entity and the Responsible Entity itself.

VanEck Investments Limited

Jan van Eck

Arian Neiron

Michael Brown

Jonathan Simon

Lee Rappaport

(a) Other key management personnel

There were no other key management personnel who had authority and responsibility for planning, directing and controlling activities of the Funds, directly or indirectly during the financial period.

(b) Key management personnel unitholdings

There were no key management personnel who held units in the VanEck 1-5 Year Australian Government Bond ETF and VanEck 5-10 Year Australian Government Bond ETF as at 30 June 2024.

14 Related party transactions (continued)

(b) Key management personnel unitholdings (continued)

The key management personnel of the Responsible Entity held units in the Fund as follows:

VanEck 10+ Year Australian Government Bond ETF 30 June 2024

Unitholder	Number of units held opening (Units)	Number of units held closing (Units)	Fair value of investment (\$)	Interest held (%)	Number of units acquired (Units)	Number of units disposed (Units)	Distributions paid/payable by the (\$)
Arian Neiron	-	150	7,631	0.05	150	-	194

Key management personnel compensation

Key management personnel are paid by VanEck Australia Pty Ltd, the parent company of the Responsible Entity. Payments made from the Funds to the Responsible Entity do not include any amounts attributable to the compensation of key management personnel.

Key management personnel loan disclosures

The Funds have not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel or their personally related entities at any time during the reporting period.

Other transactions within the Funds

Apart from those details disclosed in this note, no key management personnel have entered into a material contract with the Funds during the reporting period and there were no material contracts involving Directors' interests existing at period end.

Related party transactions

The Responsible Entity received all management fees that have been paid by the Funds during the period.

VanEck 1-5 Year Australian Government Bond ETF charges management costs of 0.22% per annum. The Responsible Entity is entitled to receive an annual management fee of the total assets of the Fund under the terms of the Fund's Constitution. The management fee represents 100% of management costs. The management fees are paid on a quarterly basis.

VanEck 5-10 Year Australian Government Bond ETF charges management costs of 0.22% per annum. The Responsible Entity is entitled to receive an annual management fee of the total assets of the Fund under the terms of the Fund's Constitution. The management fee represents 100% of management costs. The management fees are paid on a quarterly basis.

VanEck 10+ Year Australian Government Bond ETF charges management costs of 0.22% per annum. The Responsible Entity is entitled to receive an annual management fee of the total assets of the Fund under the terms of the Fund's Constitution. The management fee represents 100% of management costs. The management fees are paid on a quarterly basis.

All expenses in connection with the preparation of accounting records and maintenance of the register of unitholders for each Fund are fully borne by the Responsible Entity.

14 Related party transactions (continued)

Related party transactions (continued)

All related party transactions are conducted on normal commercial terms and conditions. The transactions during the period and amounts payable/receivable at period end between the Funds and the Responsible Entity were as follows:

	VanEck 1-5 Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 \$	VanEck 5-10 Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 \$	VanEck 10+ Year Australian Government Bond ETF Period from 26 September 2023 to 30 June 2024 \$
Responsible Entity's fees paid and payable for the period	5,797	9,356	19,612
Aggregate amounts payable to the Responsible Entity at the end of the period	2,094	3,091	4,821

Related party unit holdings

No other parties except those disclosed in Note 14(b) related to the Funds held units in the Funds as at 30 June 2024.

Investments

The Funds did not hold any investments in the Responsible Entity or its related parties during the period.

15 Events occurring after the reporting period

No significant events have occurred since the end of the reporting period which would impact on the financial position of the Funds disclosed in the Statements of financial position as at 30 June 2024 or on the results and cash flows of the Funds for the period ended on that date.

16 Contingent assets and liabilities and commitments

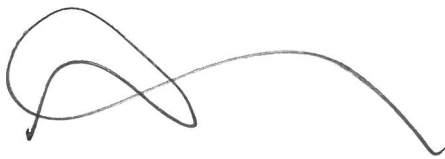
There are no outstanding contingent assets, liabilities or commitments as at 30 June 2024.

Directors' declaration

In the opinion of the Directors of the Responsible Entity:

- (a) the financial statements and notes set out on pages 7 to 32 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Funds' financial position as at 30 June 2024 and of their performance for the reporting period ended on that date; and
- (b) there are reasonable grounds to believe that the Funds will be able to pay their debts as and when they become due and payable.
- (c) Note 2(a) confirms that the financial statements also comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the Directors.



Michael Brown
Director

Sydney
26 September 2024



Building a better
working world

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Independent Auditor's Report

To the unitholders of the following VanEck Australian Government Bond Funds (the "Funds")

- VanEck 1-5 Year Australian Government Bond ETF (1GOV)
- VanEck 5-10 Year Australian Government Bond ETF (5GOV)
- VanEck 10+ Year Australian Government Bond ETF (XGOV)

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of the above Funds, which comprises the statements of financial position as at 30 June 2024, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the period from 26 September 2023 to 30 June 2024, notes to the financial statements, including material accounting policy information and the directors' declaration of VanEck Investments Limited, the Responsible Entity of the Funds.

In our opinion, the accompanying financial report of the Funds is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Funds' financial position as at 30 June 2024 and of their financial performance for the period ended on that date; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Funds in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Investment Existence and Valuation

Why significant

As exchange traded funds, the Funds have significant investment portfolios consisting primarily of fixed rate debt securities. As at 30 June 2024, the value of these financial assets were as follows:

Fund	Value of investments	Investments as a percentage of Total Assets held by the Fund
1GOV	\$ 12,019,000	98.7%
5GOV	\$ 18,231,000	97.6%
XGOV	\$ 14,095,000	98.0%

As disclosed in the Funds' accounting policy, Note 2 to the financial report, these financial assets are recognised at fair value through profit or loss in accordance with the requirements of Australian Accounting Standards.

Pricing and other market drivers can have a significant impact on the value of these financial assets and relevant disclosures in the financial report. Accordingly, valuation of the investment portfolio was considered a key audit matter.

How our audit addressed the key audit matter

Our audit procedures included:

We obtained and assessed the assurance report on the controls of the Funds' administrator and custodian, in relation to the Fund Administration Services and Custody Services it provided for the period ended 30 June 2024 and assessed the auditor's qualifications, competence, objectivity, and the results of their procedures.

We agreed all investment holdings to third party confirmations at 30 June 2024.

We assessed the fair value of all positions in the portfolio held at 30 June 2024. For fixed rate debt securities, we verified the values against independently sourced market prices.

We assessed the adequacy of the disclosures included in Notes 2, 4 and 6 to the financial report.

Information Other than the Financial Report and Auditor's Report Thereon

The directors of the Responsible Entity are responsible for the other information. The other information is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors of the Responsible Entity for the Financial Report

The directors of the Responsible Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors of the Responsible Entity determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors of the Responsible Entity are responsible for assessing each Fund's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors of the Responsible Entity either intend to liquidate the Fund or cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

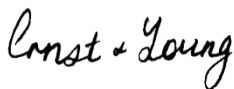
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors of the Responsible Entity.
- Conclude on the appropriateness of the directors of the Responsible Entity of the Funds use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the Funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Funds' to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors of the Responsible Entity regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors of the Responsible Entity with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors of the Responsible Entity, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Ernst & Young



Rita Da Silva
Partner
Sydney
26 September 2024