

The Praemium SMA Superannuation Fund

ABN: 75 703 857 864

RSE: R1074352

Annual Report
For the Year Ended 30 June 2026

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DIRECTORS' REPORT

The directors of Diversa Trustees Limited (the "Trustee") for Praemium SMA Superannuation Fund (the Fund), present their report together with the financial statements of the Fund for the year ended 30 June 2026.

Directors

The names of the directors in office of the Trustee during the financial year and until the date of this report are set out below. Directors were in office for the entire period unless otherwise stated.

Name	Position	Term as director
V. Plant	Independent chair	appointed 4 May 2017
A. Peterson	Executive director/CEO	appointed 28 June 2019
F. McNabb	Independent director	appointed 28 June 2019
S. Thomas	Non-Executive Director	appointed 15 August 2022
M. Walter	Independent director	appointed 26 June 2023
C. Ketsakidis	Independent director	appointed 26 August 2026

Principal activities

Praemium SMA Superannuation Fund (ABN 75 703 857 864) (the Fund) is a superannuation fund domiciled in Australia. The Fund primarily provides retirement benefits to its members or, in the case of the death of a member, to their beneficiaries. It was constituted by a Trust Deed dated 15 September 2011, as amended.

Review of operations

During the financial year, the Fund recorded net investment income of \$453,181,837 (2025: \$478,579,142) and expenses of \$60,218,739 (2025: \$58,486,230). The net assets available for members benefits equal to \$5,641,159,011 (2025: \$5,183,738,686).

Throughout the financial year, the Fund engaged in investments, with the carrying value of investments amounting to \$5,603,732,688 as at 30 June 2026 (2025: \$5,106,154,511). Details regarding the valuation of the Trust's assets are provided in Note 1 of the financial report.

The Fund operates in a dynamic and evolving environment, subject to a range of risks that may influence its financial outcomes and long-term sustainability. The Trustee adopts a proactive and structured risk management approach, aligned with regulatory expectations and industry best practices, to manage these risks while optimising outcomes for members.

Key risks and developments during the reporting period include:

Regulatory and Legislative Changes

The Fund has completed the implementation of APRA's Prudential Standard CPS 230 – Operational Risk Management, effective from APRA's Prudential Standard CPS 230 Operational Risk Management took effect on 1 July 2025, so the year ended 30 June 2026 was the first full year of operation under the standard. The Trustee's focus moved from implementation to embedding, including maintaining the register of material service providers, setting and testing tolerance levels for disruption to critical operations, and completing scenario analysis and business continuity testing. Transitional arrangements applied to material service provider contracts in place before 1 July 2025, and the Trustee has worked with those providers to bring the arrangements into line with the standard.

The Financial Accountability Regime commenced for RSE licensees on 15 March 2025, so FY26 was the first full year in which the Trustee operated under the regime. Accountability statements and the accountability map have been maintained, accountable persons are registered, and the deferred remuneration obligations have been applied.

Legislation to introduce payday superannuation, requiring superannuation guarantee contributions to be paid at the same time as salary and wages from 1 July 2026, progressed during the year. The Trustee has worked with the Fund's administrator on the systems and process changes required, in particular the shorter timeframe for allocating contributions to member accounts.

Operational Risk

Operational risk remains a significant focus, particularly in the context of the Trustee's oversight of third-party service providers, including the execution of the Successor Fund Transfer during the period. These risks may arise from failures in internal controls, governance processes, or operational execution, and can impact member outcomes if not properly managed. Key areas of risk include investment oversight, compliance management, conflicts of interest, and service provider performance.

To mitigate these risks, the Trustee maintains a comprehensive governance framework, including formal review processes, internal control mechanisms, and performance monitoring protocols. The Fund's approach to operational risk management continues to evolve, informed by CPS 230 and a commitment to continuous improvement in oversight and transparency.

Cyber Security and Member Data

Cyber resilience and the protection of member data have remained a priority for the Trustee and the regulators following the credential stuffing attacks on a number of Australian superannuation funds during 2025. The Trustee maintains its information security capability in line with APRA's Prudential Standard CPS 234 Information Security, and CPS 230 has extended that focus to the resilience of critical operations and the oversight of material service providers.

Climate Change and Sustainability Reporting

The Trustee recognises the importance of environmental, social and governance considerations in investment decisions, and monitors developments that may affect investment returns for members.

Mandatory climate related financial disclosure has been introduced, with reporting prepared under AASB S2 Climate related Disclosures and phased by entity size. Based on the Fund's assets at 30 June 2026, the Trustee expects the Fund will be required to prepare its first sustainability report for the financial year beginning 1 July 2026, and preparatory work on governance, data and scenario analysis has commenced.

Significant changes after the end of the year

There are no other matters or circumstances that have arisen since 30 June 2026 that have significantly affected, or may have a significant effect, on:

- i. The operations of the Fund in future financial years
- ii. The results of those operations in future financial years
- iii. The state of affairs of the Fund in future financial years

Likely developments in the Fund's operations and expected results

The Fund will continue to be managed in accordance with the investment objectives and guidelines as set out in the Trustee's Product Disclosure Statements and the provisions of the Trust Deed.

The results of the Fund's operations will be affected by a number of factors, including the performance of the investment markets in which the Fund invests. 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.

Environmental regulation and performance

The operations of the Fund are not subject to any particular or significant environmental regulations under Commonwealth, State or Territory law. However, the Trustee believes that the Fund has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they may apply to the Fund.

Auditor's independence declaration

The auditor's independence declaration is included on page 6

Audit and non-audit services

Details of amounts paid or payable to the auditor for audit and non-audit services provided during the year by the auditor are disclosed in the table below.

	2026 \$'000	2025 \$'000
Statutory assurance services required by legislation to be provided by the auditor	139	125
Other assurance services	4	4
Total	143	129

The auditor of The Praemium SMA Superannuation Fund is BDO Audit and during the financial year, the auditor did not provide any non-audit services to the Fund. Further details on the compensation paid to the auditor are provided in Note 18 Remuneration of auditors to the financial statements including details of audit-related services provided during the year of \$149,930 (2025: \$129,030).

For the reasons set out above, the Directors are satisfied that the provision of non-audit services by the external audit during the year ended 30 June 2026 is compatible with the general standard of independence for external auditors imposed by the Corporations Act 2001 and did not compromise the audit independence requirements of the Corporation Act 2001.

Further details on the compensation paid to the auditor are provided in Note 18 Remuneration of auditors to the financial statements.

Indemnities and insurance premiums of officers

Under the Trust Deed, the Trustee including its officers and employees, is indemnified out of the Fund's assets for any loss, damage, expense or other liability incurred by it in properly performing or exercising any of its powers, duties or rights in relation to the Fund.

During the financial year the Trustee paid premiums in respect of its officers for professional indemnity insurance contracts for the year ended 30 June 2026. The Trustee has paid or agreed to pay in respect of the Fund, premiums in respect of such insurance contracts for the year ending 30 June 2026. The Fund did not reimburse the Trustee for such costs.

Financial statements presentation

The Fund is an entity of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183 dated 1 April 2026 and, in accordance with that Corporations Instrument, amounts in the Directors' Report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

REMUNERATION REPORT

The Directors of the Trustee present this Remuneration Report for the Fund for the year ended 30 June 2026. This Remuneration Report forms part of the Directors' Report and has been audited in accordance with section 300C of the Corporations Act 2001. This Remuneration Report details the remuneration arrangements for the Directors and other members of Key Management Personnel of the Fund for the year ended 30 June 2026. Members of Key Management Personnel are people who have the authority and responsibility for planning, directing, and controlling the activities of the Fund, directly or indirectly. This Remuneration Report also includes disclosures made for the purpose of complying with the requirements of Prudential Standard CPS 511 Remuneration.

1. Introduction

Information about the governance, design and structure of the Trustee's remuneration framework and about the Trustee's Remuneration Policy is set out in section 7 below under the heading 'CPS 511 Remuneration Disclosure'.

2. Remuneration of Key Management Personnel

The Directors of the Trustee and other members of Key Management Personnel of the Trustee during the year ended 30 June 2026 were:

Directors of the Trustee

Name	Date of appointment	Status
V. Plant	4 May 2017	Independent
A. Peterson	28 Jun 2019	Chief Executive Officer
F. McNabb	28 Jun 2019	Independent
S. Thomas	15 Aug 2022	Non-Executive
M. Walter	26 June 2023	Independent

Other key management personnel

Name	Date of appointment	Position
D. Strachan	1 Jul 2025	General Manager Oversight & Insurance
J. Haymes	15 Feb 2022	General Manager Strategy
R. Griffith	12 Jul 2021	General Manager Investment Oversight & Board Company Secretary
I. Czudek	15 Feb 2022	Head of Financial Oversight and Data
S. Stanistreet	1 Jul 2025	General Counsel
L. Rayner	19 May 2025	General Manager Risk and Compliance

The following section provides remuneration disclosures for the Directors and other members of Key Management Personnel of the Trustee for the year ended 30 June 2026. As the Trustee manages multiple funds, the disclosed remuneration incorporates awards granted across all funds under its management, and as such, the amounts below are not specific to this Fund alone. Directors and other members of Key Management Personnel of the Trustee do not receive remuneration directly from the Fund.

The "Cash Bonus (2025FY)" amounts presented in Table 1: Remuneration of Directors and Key Management Personnel Paid During the 2026 Financial Year below represent performance-based bonus entitlements paid during the year ended 30 June 2026. Although these bonus payments relate to performance for the year ended 30 June 2025, these amounts were paid during the year ended 30 June 2026 (specifically, between July 2025 and December 2025).

The "Cash Bonus (2026FY)" amounts presented in Table 2: Bonuses of Key Management Personnel Awarded for the 2026 Financial Year below represent performance-based bonus entitlements paid during the current financial year. Although these bonuses relate to performance for the year ended 30 June 2026, these amounts were paid during the current financial year (specifically, on 15 September 2026), except to the extent they were required by law to be deferred.

Table 1: Remuneration of Directors and Key Management Personnel Paid During the 2026 Financial Year

Paid During 2026FY	Short-term employee benefits		Post- employment benefits	Short-term employee benefits	Other long-term employee benefits	Termination Benefits	Total
	Cash Salary & Fees	Cash Bonus (2025FY)	Superannuation	Annual Leave*	Long Service Leave**		
	\$	\$	\$	\$	\$	\$	\$
Directors of the Trustee							
V. Plant	\$220,000	\$0	\$26,400	\$0	\$0	\$0	\$246,400
A. Peterson	\$891,000	\$854,932	\$30,000	\$22,046	\$26,570	\$0	\$1,824,548
F. McNabb	\$155,000	\$0	\$18,600	\$0	\$0	\$0	\$173,600
S. Thomas	\$144,999	\$0	\$17,400	\$0	\$0	\$0	\$162,399
M. Walter	\$144,999	\$0	\$17,400	\$0	\$0	\$0	\$162,399
Other Key Management Personnel							
J. Haymes	\$270,112	\$78,862	\$30,000	(\$980)	\$9,300	\$0	\$387,294
R. Griffith	\$499,071	\$193,340	\$30,000	\$24,014	\$14,807	\$0	\$761,232
I. Czudek	\$214,078	\$60,830	\$26,389	\$19,587	\$7,020	\$0	\$327,904
L. Rayner	\$320,000	\$0	\$30,000	\$5,408	\$6,114	\$0	\$361,522
D. Strachan	\$235,043	\$42,500	\$28,247	\$844	\$6,571	\$0	\$313,205
S. Stanistreet	\$347,506	\$137,507	\$30,000	(\$4,489)	\$8,433	\$0	\$518,957

Table 2: Bonuses of Key Management Personnel Awarded for the 2026 Financial Year

Short-term employee benefits awarded for performance during the 2026 Financial Year and paid on 15 September 2026 (\$)			
Key Management Personnel	Cash Bonus (2026FY) (\$)	Deferred (\$)	Total (\$)
A. Peterson	\$331,560	\$221,040	\$552,600
R. Griffith	\$94,777	\$63,184	\$157,961
D. Strachan	\$46,474	-	\$46,474
I. Czudek	\$52,890	-	\$52,890
J. Haymes	\$66,847	-	\$66,847
L. Rayner	\$70,314	-	\$70,314
S. Stanistreet	\$112,032	-	\$112,032

*Annual Leave and Long Service Leave accrued during the year takes into consideration the impact of changes to the Superannuation Guarantee percentage. The amount represents the accrued amount less any time taken during the year and does not represent the amount paid.

**The Corporations Regulation requires KMP remuneration to be disclosed at the individual fund level. However, the Trustee has determined that, due to the unique responsibilities and accountabilities associated with the independent trustee model, which applies across all funds under trusteeship, the total remuneration of the KMP for all funds under trusteeship should be disclosed as the appropriate remuneration in the financial statements of all funds under their trusteeship.

***Remuneration has been disclosed only for the period during which the individual held the role of General Manager – Risk and Compliance, as this role was determined to be a Key Management Personnel (KMP) position for the relevant reporting period.

3. Non Cash Benefits

The Trustee does not provide non-cash benefits to its Directors or other members of Key Management Personnel.

4. Share-based payments, options and take-on payments

The Trustee does not currently offer equity or share-based remuneration to any Director or any other member of Key Management Personnel.

No amounts were paid to any other entity in respect of services provided by a Director or other member of Key Management Personnel.

5. Performance Bonuses

2025FY Performance Bonuses

During the year ended 30 June 2026 Key Management Personnel were paid cash bonuses totalling \$1,367,971 as disclosed in Table 1. No portion of these cash bonuses was deferred.

2026FY Performance Bonuses

Discretionary performance bonuses relating to the year ending 30 June 2026 and totalling \$1,059,118 were approved after 30 June 2026 for certain members of Key Management Personnel. As these bonuses were approved after 30 June 2026 they are disclosed separately in Table 2. They do not form part of the remuneration amounts presented in Table 1, which reflects remuneration paid during the year ending 30 June 2026.

The 2026FY bonuses are subject to the variable remuneration deferral requirements under the Financial Accountability Regime (FAR). Of the total \$1,059,118 awarded for 2026FY, \$284,224 has been deferred in line with FAR requirements. The remaining \$774,894 was paid in cash on 15 September 2026.

6. Contracts for services

During the year ended 30 June 2026, no contracts for services were negotiated between the Trustee and a Director or any other member of Key Management Personnel.

Remuneration arrangements for KMPs are formalised through employment agreements. These agreements outline the terms and conditions of employment, including the structure of remuneration packages and performance criteria.

Individual employment contracts with KMPs provide that remuneration increases are not guaranteed. No employment agreements contain terms that would affect a KMP's remuneration in future reporting periods beyond standard notice, termination, and post-employment restraint provisions.

7. CPS 511 Remuneration Disclosure

The following information comprises disclosures made for the purpose of complying with the requirements of Prudential Standard CPS 511 Remuneration and relates to remuneration for the year ending 30 June 2026.

Remuneration Governance

The Board has ultimate responsibility for the content and application of Diversa's remuneration framework. This includes approving the Remuneration Policy and, where appropriate, delegating authority. The Board is responsible for, amongst other things, approving all variable remuneration outcomes for persons in specified roles.

The Remuneration and Nomination Committee (RNC) has been delegated authority and responsibility by the Board to oversee the application of the Remuneration Policy. In addition, the RNC conducts periodic reviews of, and makes recommendations to the Board regarding, the Remuneration Policy. The RNC also makes annual recommendations to the Board on the remuneration outcomes of persons covered by the Remuneration Policy, including accountable persons, responsible persons and other persons in specified roles. In carrying out its functions, the RNC is to have free and unfettered access to risk and financial control personnel.

The Chief Executive Officer (CEO) has been delegated authority and responsibility by the RNC to make recommendations to the RNC regarding the remuneration of other senior managers, including their variable remuneration. The CEO is also responsible for approving any salary reviews that occur outside of the annual review cycle.

The Risk and Compliance (R&C) team is responsible for monitoring compliance with the Remuneration Policy, and reporting any contraventions to the RNC. The General Manager, Risk and Compliance, provides a report to the RNC in relation to the variable remuneration outcomes proposed to be recommended by the RNC to the Board.

During the 2025-26 financial year, the Board held 8 meetings, the RNC held 2 meetings. Information on how the Board exercises its discretion in determining remuneration outcomes is included below.

Remuneration Design and Structure

At Diversa, remuneration includes fixed and short-term variable components on an individual basis (for senior management) and a cohort basis (for specified roles). Equity based rewards are not currently offered to any role or cohort.

Total fixed remuneration (TFR) outcomes are set to align with the market, Diversa's business strategy and budget. TFR outcomes are reviewed using market data to determine if any adjustments need to be made to individual remuneration year on year.

In addition, the Board may obtain updated market data as necessary to ensure TFR outcomes remain appropriate.

Variable remuneration outcomes are determined by an assessment of individual performance, based on criteria set each year. The current categories of performance criteria applied as part of the assessment process include:

- Strategy
- Governance, Risk and Compliance
- Leadership
- Key Performance measures and indicators (KPIs):
 - Financial KPIs may be based on revenue, profit, shareholder return, return on equity and other defined outcomes.
 - Non-financial KPIs may include risk management objectives, remediation, control effectiveness, risk culture, breaches, complaints, employee engagement or satisfaction and fund performance.

Weightings are applied to each category of criteria based on the role or cohort, having regard to their accountabilities and the types of risk they are responsible for. These weightings are designed to provide an incentive that positively influences behaviour and decision making.

The criteria under each category, and the weightings used, are set so as to align with the strategic and risk objectives set out in Diversa's Strategic and Business Plan (which has been formulated, in turn, in the context of Diversa's risk management framework).

The criteria address both financial and non-financial risks. They are designed to encourage prudent risk-taking, consistent with sustainable performance and long-term soundness outcomes.

The remuneration framework supports the prevention and mitigation of conduct risk through relevant criteria (eg, breaches and complaints). In addition, the Board may make downward adjustments to a person's variable remuneration (to zero if appropriate) where there has been a case of adverse conduct, including significant breaches of applicable compliance obligations and significant failures of risk management.

When the Board reviews remuneration outcomes recommended by the RNC, it considers, among other factors, the best financial interests of beneficiaries, which may result in proposed remuneration outcomes being adjusted to reflect these interests.

Remuneration Policy

The Remuneration Policy applies to all Diversa employees.

The types of positions included in specified roles are:

- Accountable persons within the meaning of the Financial Accountability Regime Act 2023 (Cth) (FAR Act), including directors of the Board, and senior managers who, because of their position, have a responsibility that is prescribed by the Minister Rules made under that Act.
- Responsible persons within the meaning of APRA Prudential Standard SPS 520 Fit and Proper, and responsible managers within the meaning of ASIC Regulatory Guide 105 AFS licensing: Organisational competence.
- All risk and financial control roles, including senior managers who directly report to the CEO and are not accountable persons, responsible persons or responsible managers.

As explained earlier, Diversa aligns variable remuneration outcomes with performance by formulating and adopting performance criteria and then assessing an individual's performance against those criteria.

At Diversa, variable remuneration comprises short-term incentive payments. This form of variable remuneration is intended to align performance with prudent risk-taking and is considered appropriate in Diversa's circumstances including having regard to Diversa's variable remuneration deferral obligations under the FAR Act as described below.

Diversa determines the size of the variable remuneration pool based on its financial performance.

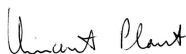
All employee contracts expressly provide for downward adjustments of variable remuneration, allowing the Board to make adjustments in the event of a material breach or misconduct (including a significant failure of risk management). A downward adjustment includes reducing the value of all or part of variable remuneration before it becomes due (malus) and recovering some or all amounts subject to recovery that has been paid or vested (clawback). Where an investigation into an individual is underway, any payments that may vest or become payable are suspended until the investigation is concluded. All assessments and outcomes are recorded and filed by Human Resources to promote consistent decisions over time.

A material breach or misconduct may also result in consequences other than in terms of variable remuneration. For example, a contravention of the Remuneration Policy is a compliance breach and may result in disciplinary action up to and including termination of employment or directorship.

In addition to making downward adjustments to variable remuneration, Diversa defers the variable remuneration of accountable persons, as required by the FAR Act, where an accountable person's variable remuneration exceeds the statutory threshold. During the deferral period (generally four years), Diversa may deduct an accountable person's deferred remuneration to reflect instances of non-performance or where the decisions of the accountable person have had a negative outcome or impact on the business.

8. Director's resolution

This Directors' Report is signed in accordance with a resolution of Directors of the Trustee made pursuant to s.298(2) of the Corporations Act 2001.



V. Plant
Chairperson
Melbourne, 30 September 2026



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**DECLARATION OF INDEPENDENCE BY JAMES DIXON TO THE DIRECTORS OF DIVERSA TRUSTEES
LIMITED AS TRUSTEE OF THE PRAEMIUM SMA SUPERANNUATION FUND**

As lead auditor of the Praemium SMA Superannuation Fund for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'James Dixon', is written over a light blue horizontal line.

James Dixon

Director

BDO Audit Pty Ltd

Melbourne, 30 September 2026

STATEMENT OF FINANCIAL POSITION
As at 30 June 2026

		2026	Restated*
	Notes	\$'000	2025
		\$'000	\$'000
Assets			
Cash and cash equivalents	13	35,314	34,890
Investments held at fair market value	4	5,603,733	5,106,155
Receivables			
Due from Brokers		-	21,830
Distributions and dividends receivable		65,737	65,435
Income tax receivable		-	8,656
Total Assets		5,704,784	5,236,966
Liabilities			
Benefits payable		62	-
Accounts payable and accrued expenses		366	295
Current tax liabilities		20,793	23,534
Deferred tax liabilities	11	34,099	29,398
Due to brokers		8,305	-
Total Liabilities Excluding Member Benefits		63,625	53,227
Net Assets Available For Member Benefits		5,641,159	5,183,739
Defined contribution member liabilities		5,616,817	5,160,370
Contributions not allocated to Members	7	446	2,432
Total Net Assets		23,896	20,937
Equity			
Operational Risk Reserve	10	16,045	13,171
Expense reserve		3,366	2,535
Unallocated (deficit) / surplus		4,485	5,231
Total Equity		23,896	20,937

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

INCOME STATEMENT
For the Year Ended 30 June 2026

	Notes	2026 \$'000	2025 \$'000
Superannuation activities			
Interest revenue		13,760	15,019
Dividend and distributions		222,628	186,347
Net changes in fair value of investments	5	216,794	277,213
Total Net Income		453,182	478,579
Less expenses			
General Administration Expense	12	(60,220)	(58,486)
Total Expenses		(60,220)	(58,486)
Results From Superannuation Activities Before Income Tax Expense		392,962	420,093
Income tax expense	11	(15,239)	(15,360)
Results From Superannuation Activities After Income Tax Expense		377,723	404,733
Net benefits allocated to defined contribution members		(370,607)	(392,326)
Operating Result After Income Tax		7,116	12,407

The above income statement should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN MEMBER BENEFITS
For the Year Ended 30 June 2026

		2026	Restated*
	Notes	\$'000	2025
		\$'000	\$'000
Opening Balance Of Member Benefits (as at 1 July)		5,160,370	4,547,333
Restated adjustment	8	-	(20,200)
Opening Balance Of Member Benefits (as at 1 July)		5,160,370	4,527,133
Contributions:			
- Employer contributions		102,319	95,979
- Member contributions		285,703	255,694
- Government co-contributions		216	238
Transfers in from other superannuation funds		415,998	497,344
Income tax on contributions		(22,767)	(21,741)
Net After Tax Contributions		781,469	827,514
Benefits paid to members		(688,870)	(626,299)
Insurance premiums charged to member accounts		(2,980)	(2,906)
Death & disability benefits credited to member accounts		1,142	751
Income protection benefits credited to member accounts		78	211
Reserve transferred to/(from) members			
- Operational Risk Reserve		(1,522)	(1,376)
- Unallocated surplus		(3,481)	43,014
Compensation claims		4	2
Net benefits allocated comprising:			
- Net investment income		437,320	460,010
- Administration expenses		(62,013)	(58,486)
- Deferred tax expense		(4,700)	(9,198)
Closing Balance Of Member Benefits (as at 30 June)		5,616,817	5,160,370

The above statement of changes in member benefits should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY
For the Year Ended 30 June 2026

			Restated*	Restated*
	Operational Risk Reserve	Expense Reserve	Unallocated (Deficit)/ Surplus	Total Equity
	\$'000	\$'000	\$'000	\$'000
Opening Balance as at 1 July 2024	10,576	-	15,904	26,480
Restated adjustment - (Note 8)	-	-	20,200	20,200
Opening Balance as at 1 July 2024	10,576	-	36,104	46,680
Operating result	1,217	795	10,395	12,407
Net transfers (to)/from member accounts	1,378	1,740	(43,014)	(39,896)
Amounts not yet allocated to members	-	-	1,746	1,746
Closing Balance as at 30 June 2025	<u>13,171</u>	<u>2,535</u>	<u>5,231</u>	<u>20,937</u>
Opening Balance as at 1 July 2025	13,171	2,535	5,231	20,937
Operating result	1,352	(963)	6,727	7,116
Net transfers (to)/from member accounts	1,522	1,794	3,481	6,797
Amounts not yet allocated to members	-	-	(10,954)	(10,954)
Closing Balance as at 30 June 2026	<u>16,045</u>	<u>3,366</u>	<u>4,485</u>	<u>23,896</u>

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

STATEMENT OF CASH FLOWS
For the financial year ended 30 June 2026

		2026	2025
	Notes	\$'000	\$'000
Cash Flows From Operating Activities			
Interest received		13,759	15,019
Dividends and distributions received		222,326	153,514
General administration expenses paid		(25,348)	(26,696)
Death and disability proceeds received from insurer		1,141	751
Income protection proceeds received from insurer		79	211
Insurance premiums paid		(2,909)	(2,840)
Adviser fees paid		(34,872)	(31,791)
Tax (expense)/refund		17,341	3,407
Net Cash Inflow/(Outflow) From Operating Activities	14	191,517	111,575
Cash Flows From Investing Activities			
Sale of financial instruments		2,342,289	2,067,232
Purchases of financial instruments		(2,590,287)	(2,368,852)
Net Cash Inflow/(Outflow) From Investing Activities		(247,998)	(301,620)
Cash Flows From Financing Activities			
Employer contributions received		102,319	95,979
Member contributions received		285,919	255,932
Transfers from/(to) other superannuation activities		415,998	497,344
Members compensation claims received		4	2
Benefit payments to members or beneficiaries		(688,809)	(626,299)
Unallocated contributions		(1,986)	(180)
Tax paid on contributions		(56,540)	(22,933)
Net Cash Inflow/(Outflow) From Financing Activities		56,905	199,845
Net Increase/(Decrease) In Cash And Cash Equivalents		424	9,800
Cash and cash equivalents at the beginning of the financial year		34,890	25,090
Cash And Cash Equivalents At The End Of The Financial Year	13	35,314	34,890

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

NOTES TO THE FINANCIAL STATEMENTS

1. General Information

The Praemium SMA Superannuation Fund (ABN 75 703 857 864) (the "Fund") is a retail superannuation fund domiciled in Australia. The Fund was constituted by a Trust Deed dated 15 September 2011 as amended and is primarily involved in providing retirement benefits to its members.

In accordance with amendments to the *Superannuation Industry (Supervision) Act 1993* the Fund is registered with the Australian Prudential Regulation Authority ("APRA") as a Registrable Superannuation Entity ("RSE") R1074352.

The Fund is a defined contribution fund available only as a choice product. Members are those who have voluntarily elected to invest in the Fund as well as members whose employers make contributions in accordance with the member's choice of fund.

The Trustee of the Fund during the reporting period was Diversa Trustees Limited (ABN 49 006 421 638) (RSE No L0000635). The address of the Fund's registered office is Level 17, IBM Tower, 60 City Road, Southbank Victoria.

Both the Trustee and the Fund are domiciled in Australia and registered with APRA.

These financial statements cover the Fund as an individual entity. The financial statements of the Fund were authorised for issue by the directors of the Trustee on 30 September 2026. The directors of the Trustee have the power to amend and re-issue these financial statements.

2. Summary of material accounting policies

Unless covered in other notes to the financial statements, the principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years 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, the Corporations Act 2001 and Corporations Regulations 2001 and the provisions of the Trust Deed. The financial statements are presented in the Australian currency.

The statement of financial position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All balances are expected to be recovered or settled within twelve months, except for financial investments and net assets available for member benefits.

(b) Financial instruments

(i) Classification

The Fund's investments are classified as at fair value through the income statement. They comprise:

- Financial instruments held for trading.
- Financial instruments designated at fair value through income statement upon initial recognition.

These investments are managed and their performance is evaluated on a fair value basis in accordance with the Fund's investment strategy.

(ii) Recognition/de-recognition

Financial assets and financial liabilities are recognised on the date the Fund becomes party to the contractual agreement (trade date) and changes in the fair value of the financial assets or financial liabilities are recognised from this date.

Investments are de-recognised when the right to receive cash flows from the investments have expired or the Fund has transferred substantially all of the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Fund measures a financial asset or liability at fair value.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through income statement are measured at fair value. Gains and losses are presented in the income statement in the period in which they arise as net changes in fair value of financial instruments.

For further details on how the fair values of financial instruments are determined refer to note 4.

(iv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability at the same time.

(c) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes 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.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from investing activities.

(d) Revenue recognition

Interest revenue is recognised in profit or loss for all financial instruments that are held at fair value through profit or loss using the effective interest method. Income from cash and cash equivalents is presented as interest income. Interest income on assets held at fair value through profit or loss is included in the net changes in fair value of financial instruments. Other changes in fair value for such instruments are recorded in accordance with the policies described in note 2(b) to the financial statements.

Dividend and trust distribution income is recognised gross of withholding tax in the period in which the Fund's right to receive payment is established.

(e) 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 by the end of the year. Trades are recorded on trade date. A provision for impairment is made when the fund will not be able to collect all amounts due from the relevant broker.

(f) Receivables

Receivable amounts (eg. dividends, distributions and interest) are generally received within 30 days of being recorded as receivables.

Collectability of trade receivables is reviewed regularly. Amounts which are known to be uncollectable are written off by reducing the carrying amount.

(g) Payables

Payables include liabilities and accrued expenses owing by the Fund which are unpaid as at the end of the reporting period. These amounts are unsecured and are usually paid within 30 days of recognition.

(h) Benefits paid and payable

Benefits paid and payable are valued at the amounts paid to members during the period or payable to members as at reporting date. Benefits payable comprise pensions accrued at balance date and lump sum benefits of members who are due a benefit but had not been paid at balance date.

(i) Contributions received and transfers from other funds

Contributions received and transfers from other funds are recognised in the statement of changes in member benefits when the control of the contribution or transfer has transferred to the Fund. They are recognised gross of any taxes.

(j) Use of estimates

The Fund makes estimates and assumptions that affect the reported amounts of assets and liabilities. Estimates are evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

For the majority of the Fund's financial instruments, quoted market prices are readily available. However, certain financial instruments, for example unquoted securities, are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel. Refer to note 4 for details.

(k) New accounting standards and interpretations

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Fund for the annual reporting period ended 30 June 2026. The Fund's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Fund, are set out below.

AASB 18 Presentation and Disclosure in Financial Statements

This standard is applicable to annual reporting periods beginning on or after 1 January 2028, and the Fund will adopt it for the reporting period commencing 1 July 2028. The standard replaces AASB 101 Presentation of Financial Statements and introduces significant changes to how information is presented. While there will be no impact on the recognition or measurement of items, the standard will materially affect the structure of the financial statements.

The primary change is the requirement to classify income and expenses into distinct categories in the statement of profit or loss and other comprehensive income, principally operating, investing, and financing activities. This change is intended to clearly separate the Fund's investment performance from its administrative costs. As part of this, the standard introduces two new mandatory subtotals: 'Operating profit' and 'Profit before financing and income taxes', which will provide greater transparency on the net cost of running the Fund.

Amendments to AASB 9 Financial Instruments and AASB 7 Financial Instruments: Disclosures

Amendments dealing with the classification and measurement of financial instruments apply to annual reporting periods beginning on or after 1 January 2026, so the Fund will adopt them for the year ending 30 June 2027. The amendments clarify the date on which a financial asset or financial liability settled through an electronic payment system is derecognised, and the assessment of contractual cash flow characteristics for financial assets with contingent features or non-recourse features. The Trustee does not expect the amendments to have a material impact on the Fund, as the Fund's financial assets are measured at fair value through profit or loss.

There are no other new accounting standards or other authoritative pronouncements that are expected to have a material impact on the Fund.

Climate related and other emerging risk disclosure

The Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Act 2024 received Royal Assent on 17 September 2024 and introduced a mandatory climate related financial disclosure regime. Reporting is being phased in by entity size, with the first group of entities reporting for financial years beginning on or after 1 January 2025. The content of the reports is set by the Australian Sustainability Reporting Standards issued by the Australian Accounting Standards Board, principally AASB S2 Climate related Disclosures, and the related assurance requirements are set by the Auditing and Assurance Standards Board.

The Fund is an asset owner for the purposes of the regime. Based on the value of the Fund's assets at 30 June 2026, the Trustee has assessed the Fund as falling within the second reporting group, so the Fund's first sustainability report will be required for the year ending 30 June 2027.

The Trustee is commencing preparatory work for the first report, including confirming governance and oversight arrangements, identifying the climate related data required from the Fund's investment managers and administrator, and scoping the scenario analysis required by AASB S2.

Other legislative or government developments

The Financial Accountability Regime (FAR) commenced for RSE licensees on 15 March 2025. The implementation of FAR did not result in any material financial impact during the financial year. The Trustee continued to meet its regulatory obligations during the financial year.

(l) Rounding of amounts

Amounts in the financial statements have been rounded off to the nearest thousand dollars, unless otherwise indicated.

3. Financial risk management

The Fund's activities expose it to a variety of financial risks: market risk (including price risk, and interest rate risk), credit risk and liquidity risk.

The Trustee has taken into consideration market conditions prevailing during the year and at the reporting date in preparing these financial statements, including global trade policy measures such as the imposition of tariffs by major economies, continuing geopolitical instability, and the path of inflation and interest rates. Assessing fair value at the reporting date therefore involves increased uncertainty around the assumptions underlying valuations, given the range of potential outcomes for economies, policy responses and asset fundamentals.

During the financial year the Fund utilised the services of custodians to provide services in respect of the majority of the Fund's assets, including physical custody and safekeeping, settlement of trades, collection of dividends, securities lending and accounting for investment transactions. The Fund has implemented processes to obtain assurance over the custodian's internal control frameworks.

The Investment Governance Framework ("IGF") sets out the Trustee's policies and procedures for the selection, management and monitoring of investments for the Fund. For each investment option offered by the Fund, the Trustee seeks to maximise the returns derived for the level of risk to which the Fund is exposed.

(a) Market risk

(i) Price risk

The Fund is exposed to equity securities and unlisted unit trust price risk. These arise from investments held by the Fund for which prices in the future are uncertain.

The Trustee mitigates price risk through diversification and a careful selection of securities. Compliance with the IGF and supporting investment guidelines are monitored by the Trustee on a regular basis.

At 30 June, the fair value of managed investment scheme exposed to price risk were as follows:

	2026	2025
	\$'000	\$'000
Equity securities	1,110,681	1,233,134
Unlisted unit trusts	1,700,089	1,653,247
Exchange traded fund	2,214,446	1,824,797
Net exposure to price risk	<u>5,025,216</u>	<u>4,711,178</u>

(ii) *Cash flow and fair value interest rate risk*

The Fund is exposed to cash flow interest rate risk on financial instruments with variable interest rates.

Financial instruments with fixed interest rates expose the Fund to fair value interest rate risk.

The table below summarises the Fund's direct exposure to interest rate risk.

As at 30 June 2026	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
Financial assets				
Cash and short term deposits	422,867	-	-	422,867
Fixed interest securities	-	190,963	-	190,963
Distributions and dividends receivable	-	-	65,736	65,736
Financial liabilities				
Due to brokers - Payables for securities purchased	-	-	(8,305)	(8,305)
Net exposure interest rate risk	422,867	190,963	57,431	671,261

As at 30 June 2025	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
Financial assets				
Cash and short term deposits	429,866	-	-	429,866
Fixed interest securities	-	252,546	-	252,546
Distributions and dividends receivable	-	-	65,435	65,435
Financial liabilities				
Due to brokers - Payables for securities purchased	-	-	-	-
Net exposure interest rate risk	429,866	252,546	65,435	747,847

(b) **Summarised sensitivity analysis**

The following table summarises the sensitivity of the Fund's operating profit and net assets attributable to members to interest rate risk and price risk. The reasonably possible movements in the risk variables have been based on the Trustee's best estimate, having regard to a number of factors, including historical levels of changes in interest rates and market volatility. Actual movements in the risk variables may be greater or less than anticipated due to a number of factors. As a result, historic variations in risk variables should not be used to predict future variations in the risk variables.

	Price Risk		Interest rate risk	
	Impact on operating profit/Net assets attributable to unitholders			
	-15%	+7.5%	-75 bps	+75 bps
	\$'000	\$'000	\$'000	\$'000
30 June				
2026	(753,782)	376,891	(265)	265
2025	(706,677)	353,338	(262)	262

(c) Credit risk

The Fund is exposed to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when they fall due, causing a financial loss to the Fund.

The main credit risks, to which the Fund is exposed, arises from the Fund's investment in cash and cash equivalents, interest bearing securities, units in unit trusts and other receivables. The Trustee monitors the Fund's credit risk exposure on a regular basis.

(i) Fixed interest securities

The Fund invests in fixed interest securities which are rated by Standard and Poors. For unrated assets the Trustee assess credit risk using an approach similar to that used by rating agencies. An analysis of debt securities by rating is set out in the following table.

Rating	30 June 2026 \$'000	30 June 2025 \$'000
Australian		
AAA	8,231	15,733
AA-	62,633	67,984
A+	3,236	3,156
A-	10,140	10,076
BBB+	3,455	3,752
BBB	334	63,465
BB	392	404
Not Rated	102,542	87,976
Total	190,963	252,546

(ii) Derivative financial instruments

The Fund presently is not directly exposed to or involved in the use of derivative financial instruments. However, some of the Fund's underlying investments may, as part of the respective fund manager's investment strategy, utilise derivative financial instruments to hedge or partially hedge specific exposures. The Fund does not enter in to, hold or issue derivative financial instruments for trading purposes.

(iii) Settlement of securities transactions

All transactions in listed securities are settled for upon delivery using brokers approved by the Trustee. The risk of default is considered low, as delivery of securities sold is only made once the broker has received payment.

(iv) Cash and cash equivalents

The Fund's exposure to credit risk for cash and cash equivalents is considered low as all counterparties have a rating of AA- or higher in 2026 (AA- or higher in 2025) as determined by the Standard and Poors.

(v) Assets in custody

The clearing and depository for the Fund's security transactions are concentrated with two counterparties, namely HSBC Custodian and J.P.Morgan Nominees Australia Limited. HSBC Custodian had a credit rating of A- at 30 June 2026 (30 June 2025: A+). J.P.Morgan Nominees Australia Limited had a credit rating of AA- as at 30 June 2026 (30 June 2025 A-).

(vi) Maximum exposure to credit risk

The Fund's maximum exposure to credit risk is the carrying amount of the financial assets. None of these assets are impaired nor past due but not impaired.

(d) Liquidity risk

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

The Fund is obligated to pay member benefits upon request. The Trustee's policy is therefore to primarily hold investments that are traded in an active market and can be readily disposed. Only a limited proportion of its assets are held in investments not actively traded on a stock exchange or ordinarily redeemable within a short period of time. The Fund's overall liquidity risks are monitored by the Trustee at least annually.

(i) Maturities of financial liabilities

The tables below show the Fund's financial liabilities based on their contractual maturities using undiscounted cash flows. Due to brokers and benefits payable are payable on demand. Liabilities to defined contribution members are payable upon request. The Fund considers it is highly unlikely that all liabilities to members would fall due at the same time.

As at 30 June 2026	Less Than 1 month \$'000	1-3 months \$'000	Greater than 3 months \$'000	Total \$'000
Non-derivatives				
Due to brokers	8,305	-	-	8,305
Benefits payable	62	-	-	62
Other payables	366	-	-	366
Defined contribution member liabilities	5,616,817	-	-	5,616,817
	<u>5,625,550</u>	<u>-</u>	<u>-</u>	<u>5,625,550</u>

As at 30 June 2025	Less Than 1 month \$'000	1-3 months \$'000	Greater than 3 months \$'000	Total \$'000
Non-derivatives				
Other payables	295	-	-	295
Defined contribution member liabilities	5,189,768	-	-	5,189,768
	<u>5,190,063</u>	<u>-</u>	<u>-</u>	<u>5,190,063</u>

The liability for accrued benefits have been included in the less than one month column. This is the earliest date on which the Fund can be required to pay members' vested benefits, however the Trustee does not anticipate that members will call upon amounts vested to them during this time.

4. Fair value measurement

(a) Fair value hierarchy

The Fund classifies fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities. These inputs are readily available in the market and are normally obtainable from multiple sources.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly. The Trustee values debt securities held by the Fund using broker quotes, units in unit trusts using the unit price provided by the underlying fund manager and OTC derivatives using valuation models.
- Level 3: one or more of the significant inputs are not based on observable market data, examples include discount rates and other material unobservable inputs. The Trustee values units in unit trusts classified as level 3 using the unit price provided by the underlying fund manager. These unit trusts hold illiquid investments such as unlisted property and private equity.

Recognised fair value measurements

The table below sets out the Fund's financial assets and liabilities at fair value according to the fair value hierarchy.

As at 30 June 2026	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial Assets				
Cash and short term deposits	387,553	-	-	387,553
Equity securities				
– Australian	906,298	-	-	906,298
– International	204,384	-	-	204,384
Fixed interest securities				
– Australian	190,963	-	-	190,963
Units in unit trusts	-	1,700,089	-	1,700,089
Exchange traded funds	2,214,446	-	-	2,214,446
As at 30 June 2026	3,903,644	1,700,089	-	5,603,733

As at 30 June 2025	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial Assets				
Cash and short term deposits	394,977	-	-	394,977
Equity securities				
– Australian	824,547	-	-	824,547
– International	156,042	-	-	156,042
Fixed interest securities				
– Australian	252,546	-	-	252,546
Units in unit trusts	-	1,653,247	-	1,653,247
Exchange traded funds	1,824,796	-	-	1,824,796
As at 30 June 2025	3,452,908	1,653,247	-	5,106,155

Following a review of the investment portfolio, assets held as at the year ended 30 June 2025 to the value of \$141,119,770.19 have been reclassified from level 2 to level 1 in the above hierarchy. This reflects a number of listed investments that were incorrectly classified as level 2.

Movement in level 3 investments

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

There was no transfer between levels in the fair value hierarchy for the year ended 30 June 2026, with \$2,907,671 transferred for the year ended 30 June 2025.

	2026	2025
	\$'000	\$'000
Opening balance	-	-
Reclassification	-	2,908
Change in fair value	-	(2,908)
Closing balance	-	-

Valuation inputs and relationships to fair value

The Fund holds investments in First Guardian Defensive Strategies, First Guardian Diversified Strategies and First Guardian Growth Strategies managed funds. These assets were reclassified to Level 3 financial assets under AASB 13 Fair Value Measurement in financial year 2025 and continue to be reported as nil value as at the reporting date. The investment remains frozen and under the control of liquidators, FTI Consulting. Reports from the liquidators do not provide a reliable basis to estimate either the timing or the amount of any future recoveries. In the absence of observable market inputs and given the uncertainty of cash flows from the liquidation process, the fair value continues to be determined to be nil at balance date.

Description	Fair value as 30 June \$'000	Unobservable inputs	Relationship of unobservable inputs to fair value
2026 Unlisted unit trusts	-	Redemption price	Higher (lower) redemption price (+/- 10%) would increase/ (decrease) fair value by \$0
2025 Unlisted unit trusts	-	Redemption price	Higher (lower) redemption price (+/- 10%) would increase/ (decrease) fair value by \$0

5. Net changes in fair value of financial instruments

Net changes in financial assets and liabilities measured at fair value:

	2026	2025
	\$'000	\$'000
Designated at fair value through the Income Statement		
Equity securities and Exchange traded funds	176,310	206,024
Debt securities	(1,148)	(9,141)
Unlisted unit trusts	41,632	80,330
Total	216,794	277,213

6. Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, and the relevant activities are directed by means of contractual arrangements.

The Fund considers all investments in unlisted managed investment schemes (funds) to be structured entities. The Fund invests in underlying managed funds for the purpose of capital appreciation and or earning investment income.

The investee funds' objectives are to achieve medium to long term capital growth. The investee funds invest in a number of different financial instruments, including equities debt securities instruments and infrastructure. The investee funds finance their operations by issuing redeemable shares which are puttable at the holder's option and entitle the holder to a proportional stake in the respective fund's net assets.

The exposure to investments in investee funds at fair value, by investment strategy, is disclosed below:

	Fair value of investment 2026 \$'000	Fair value of investment 2025 \$'000
Cash funds	50,756	68,730
Fixed interest funds	643,591	527,841
Australian property funds	56,710	63,094
Australian equity funds	777,439	852,197
International property funds	7,134	6,566
International equity funds	89,162	74,604
Other	75,297	60,215
Total	1,700,089	1,653,247

The fair value of investments in investee funds of \$1,700,088,875 (2025: \$1,653,246,772) is included in financial assets at in the balance sheet.

The Fund's maximum exposure to loss from its interests in investee funds is equal to the total fair value of its investments in the investee funds.

During the year ended 30 June 2026 total gains on investments in investee funds were \$41,631,714 (total gains 2025: \$80,329,667).

During the year the Fund earned fair value gains and distribution income as a result of its interests in other funds.

7. Member liabilities

(a) Recognition and measurement of member liabilities

The entitlements of members to benefit payments are recognised as liabilities. They are measured at the amount of the accrued benefits as at the reporting date, being the benefits that the Fund is presently obliged to transfer to members or their beneficiaries in the future as a result of the membership up to the end of the reporting period.

(b) Defined contribution member liabilities

Defined contribution member account balances are measured using unit prices determined by the Trustee based on the underlying investment option values selected by members or alternatively reflect the fair value of the investments held by the members.

The defined contribution members bear the investment risk relating to the underlying investment options. Unit prices used to measure defined contribution member liabilities are updated each day for movements in investment values.

As at 30 June 2026, the net assets attributable to defined contribution members have been substantially allocated. Unallocated amounts are shown in the statement of financial position as contributions not allocated to members and "Unallocated surplus (deficit)" within equity.

Tax on investment income and capital gains is incurred by the Fund. In accordance with the Product Disclosure Statement, the effect of this tax is passed on to members based on the investments held in their accounts. It is applied through an annual tax adjustment following lodgement of the Fund's income tax return and no later than 30 June of the following financial year.

Deferred tax on unrealised gains is not deducted from member account balances when it arises. However, it is borne by members when the gains are realised, either through the annual tax adjustment or when a member leaves the Fund. Defined contribution member liabilities are therefore measured at members' account balances less the deferred tax attributable to their investments.

8. Prior Period restatement

In prior periods, member liabilities were measured at members' account balances before deferred tax, with the deferred tax liability absorbed within the unallocated (deficit)/surplus in equity.

The error has been corrected retrospectively by restating the comparative amounts. Member liabilities have been reduced by \$20,200k at 1 July 2024 and \$29,398k at 30 June 2025, with the unallocated (deficit)/surplus increased by the same amounts. The correction does not affect net assets available for member benefits, results from superannuation activities after income tax, or cash flows.

The effect of the restatement on each affected line item is shown in the tables below.

Impact on Statement of Financial Position – as at 30 June 2025

	As previously stated 30 June 2025 \$'000	Adjustment \$'000	Restated 30 June 2025 \$'000
Net Assets Available For Member Benefits	5,183,739	-	5,183,739
Defined contribution member liabilities	5,189,768	(29,398)	5,160,370
Contributions not allocated to Members	2,432	-	2,432
Total Net Assets	(8,461)	29,398	20,937
Equity			
Operational Risk Reserve	13,171	-	13,171
Expense reserve	2,535	-	2,535
Unallocated (deficit) / surplus	(24,167)	29,398	5,231
Total Equity	(8,461)	29,398	20,937

Impact on Statement of Income– as at 30 June 2025

	As previously stated 30 June 2025 \$'000	Adjustment \$'000	Restated 30 June 2025 \$'000
Results From Superannuation Activities After Income Tax Expense	404,733	-	404,733
Net benefits allocated to defined contribution members	(401,524)	9,198	(392,326)
Operating Result After Income Tax	3,209	9,198	12,407

Impact on Statement of Changes in Members Benefits – as at 30 June 2025

	As previously stated 30 June 2025 \$'000	Adjustment \$'000	Restated 30 June 2025 \$'000
Opening Balance Of Member Benefits (as at 1 July)	4,547,333	(20,200)	4,527,133
Contributions:			
- Employer contributions	95,979	-	95,979
- Member contributions	255,694	-	255,694
- Government co-contributions	238	-	238
Transfers in from other superannuation funds	497,344	-	497,344
Income tax on contributions	(21,741)	-	(21,741)
Net After Tax Contributions	827,514	-	827,514
Benefits paid to members	(626,299)	-	(626,299)
Insurance premiums charged to member accounts	(2,906)	-	(2,906)
Death & disability benefits credited to member accounts	751	-	751
Income protection benefits credited to member accounts	211	-	211
- Operational Risk Reserve	(1,376)	-	(1,376)
- Unallocated surplus	43,014	-	43,014
Compensation claims	2	-	2
Net benefits allocated comprising:			
- Net investment income	460,010	-	460,010
- Administration expenses	(58,486)	-	(58,486)
- Deferred tax expense	-	(9,198)	(9,198)
Closing Balance Of Member Benefits	5,189,768	(29,398)	5,160,370

9. Insurance arrangements

The Fund provides death and disability benefits to its members. The Trustee has retail policies in place with third party insurance companies to insure these death and disability benefits for the members of the Fund.

The Fund collects premiums from members on behalf of the relevant insurance company. Insurance claim amounts are recognised where the insurer has agreed to pay the claim. Therefore, insurance premiums are not revenues or expenses of the superannuation entity and do not give rise to insurance contract liabilities or reinsurance assets. Insurance premiums charged to members' accounts and reinsurance recoveries allocated are recognised in the statement of changes in members' benefits.

The Trustee determined that the Fund is not exposed to material insurance risk because:

- members (or their beneficiaries) will only receive insurance benefits if the external insurer pays the claim
- insurance premiums are only paid through the Fund for administrative reasons, and
- insurance premiums are effectively set directly by reference to premiums set by an external insurer.

10. Reserves

(a) Operational risk reserve

The operational risk financial reserve (ORR) may be used in certain circumstances to address operational risk events or claims against the Fund arising from certain operational risk events. The ORR is operated in accordance with the Operational Risk Financial Requirement Strategy. The Trustee has assessed an ORR target amount of 0.25% of funds under management as appropriate for the Fund. The Fund achieves its ORR target amount through a mixture of Trustee capital funding and an operational risk reserve in the Fund.

	2026	2025
	\$'000	\$'000
Reserves held within the Fund	16,045	13,171
Trustee Capital	1,776	1,619
Total ORR	17,821	14,790

Changes in the ORR within the Reserves of the Fund are detailed in the Statement of Changes in Equity.

(b) Expense Reserve

During the 2025 financial year, the Trustee established an Expense Reserve to meet the ongoing operational expenses of the Fund. A cost recovery fee is charged to members on a monthly basis and allocated to the Expense Reserve. In addition, interest earned on the Fund's operational bank account is credited to the Expense Reserve for the benefit of members.

The Expense Reserve is used to meet Fund expenses in a fair and equitable manner and assists in ensuring that sufficient funds are available to meet the operational requirements of the Fund as they arise.

(c) Unallocated (deficit)/surplus

The unallocated (deficit)/surplus is utilised by the Fund to maintain the difference between the amounts allocated to members as at the end of the financial year and the net assets of the Fund. It includes, among other items, income receivable to be allocated to members on receipt, and tax expense/benefit arising from the completion of the tax position following the year end. This income or any tax benefit/credit will be allocated in accordance with applicable Funds' policies.

Unallocated surplus which is principally unallocated tax benefits and other miscellaneous items will be allocated to Members and can be transferred to the ORR.

11. Income Tax

This note provides an analysis of the Fund's income tax expense and how the tax expense is affected by non-assessable and non-deductible items.

(i) Accounting policy

Under the Income Tax Assessment Act, the Fund is a complying superannuation fund. As such, a concessional tax rate of 15% is applied on net investment earnings with deductions allowable for administrative and operational expenses. Financial assets held for less than 12 months are taxed at the Fund's rate of 15%. For financial assets held for more than 12 months, the Fund is entitled to a further discount on the tax rate leading to an effective tax rate of 10% on any gains/(losses) arising from the disposal of investments.

Current tax is the expected tax payable on the estimated taxable income for the current year based on the applicable tax rate adjusted for instalment payments made to the ATO during the year.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities in the financial statements and the amounts used for taxation purposes. Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Income tax expense

	2026 \$'000	2025 \$'000
Current tax expense		
Current tax on profits for the year	(13,788)	(10,291)
Adjustments for current tax of prior periods	3,250	4,129
Current tax (expense)/benefit	(10,538)	(6,162)
Deferred tax expense		
Movement in temporary differences	(4,701)	(9,198)
Income tax (expense)/benefit	(15,239)	(15,360)

(iii) Numerical reconciliation of income tax expense to prima facie tax payable

	2026 \$'000	2025 \$'000
Operating result before income tax expense	392,961	420,092
Tax at the Australian rate of 15% (2025 – 15%)	58,944	63,014
Discount on capital gains	(17,080)	(14,435)
Non-taxable investment market value movement	(4,640)	(13,429)
Insurance premiums deductible	(447)	(436)
Non-deductible expenses	3,755	3,517
Other non-assessable income	(15,458)	(12,317)
Imputation and foreign tax credits	(6,585)	(6,425)
Adjustments for current tax of prior periods	(3,250)	(4,130)
Income tax (benefit)/expense	15,239	15,360

In addition to the above \$22,766,836 (2025: \$21,740,981) is recognised in the statement of changes in member benefits relating to tax on contributions deducted from member accounts.

(iv) *Deferred tax balances*

The balance comprises temporary differences attributable to:

	2026	2025
	\$'000	\$'000
Financial assets measured at fair value through profit or loss Australian rate of 15% (2025 – 15%)	(34,161)	(29,577)
Accrued income/(expenses)	62	179
Net deferred tax assets/ (liabilities)	(34,099)	(29,398)

The movements in temporary differences during the year are:

	Beginning of year	Recognised in income	End of year
	\$'000	\$'000	\$'000
30 June 2026			
Changes in accrued income/(expenses)	179	(117)	62
Net changes in fair value of financial instruments	(29,577)	(4,584)	(34,161)
Deferred tax assets/(liabilities)	(29,398)	(4,701)	(34,099)
30 June 2025			
Changes in accrued income/(expenses)	37	142	179
Net changes in fair value of financial instruments	(20,237)	(9,340)	(29,577)
Deferred tax assets/(liabilities)	(20,200)	(9,198)	(29,398)

12. General administration expenses

	2026	2025
	\$'000	\$'000
Portfolio management fee	22,560	24,154
Advice fee	34,872	31,791
Audit fees	139	125
Other operating expenses	2,649	2,416
	60,220	58,486

13. Cash and cash equivalents

	2026	2025
	\$'000	\$'000
Cash at bank	35,314	34,890
	35,314	34,890

14 Reconciliation of profit/(loss) after income tax to net cash inflow/(outflow) from operating activities

(a) **Reconciliation of profit/(loss) after income tax to net cash inflow/(outflow) from operating activities**

	2026	Restated* 2025
	\$'000	\$'000
Operating result after tax	7,116	12,407
Adjustments for:		
Net changes in financial instruments measured at fair value through the profit and loss	(216,794)	(277,213)
Net benefits allocated to defined contribution members	370,607	392,326
Change in operating assets and liabilities		
(Increase)/decrease in receivables	30,184	(36,355)
Increase/(decrease) in payables	2,092	22,288
Death and disability proceeds received from insurer	1,142	751
Income protection proceeds received from insurer	79	211
Insurance premiums paid	(2,909)	(2,840)
Net cash inflow/(outflow) from operating activities	191,517	111,575

(b) **Non-cash financing and investing activities**

There were no non-cash financing activities during the year.

15. Commitments

There are no commitments the Trustee is aware of as at 30 June 2026.

16. Contingent liabilities and contingent assets

There are no outstanding contingent assets or liabilities as at 30 June 2026 and 30 June 2025.

17. 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 Fund as at 30 June 2026 or on the results and cash flows of the Fund for the year ended on that date.

18. Related party transactions

(a) Trustee

The Trustee of The Praemium SMA Superannuation Fund is Diversa Trustees Limited. Trustee fees are partly by the Sponsor and partly through amounts recovered via the Fund. During the financial year the compensation received or due and receivable by the Trustee in connection with the trusteeship was 1,902,739.46 (30 June 2025 \$1,820,576).

(b) Directors

Key management personnel includes persons who were directors of Diversa Trustees Limited at any time during the financial year as follows:

V. Plant (Chairperson), appointed 4 May 2017.

A. Peterson, appointed 28 June 2019

F. McNabb, appointed 28 June 2019

S. Thomas, appointed 15 August 2022

M. Walter, appointed on 26 June 2023

C. Ketsakidis, appointed on 26 August 2026

None of the directors nor the Trustee are or were members of the Fund.

(c) Other key management personnel

There were also key management personnel (KMP) with responsibility for planning, directing, and controlling the activities of the Fund, directly or indirectly during the reporting year as follows:

D. Strachan, appointed 1 July 2025, General Manager Oversight & Insurance

J. Haymes, appointed 15 Feb 2022, General Manager Strategy

R. Griffith, appointed 12 Jul 2021, General Manager Investment Oversight & Board Company Secretary

I. Czudek, appointed 15 Feb 2022, Head of Financial Oversight and Data

S. Stanistreet, appointed 1 July 2025, General Counsel

L. Rayner, appointed 19 May 2025, General Manager Risk and Compliance

Details for key management personnel are disclosed in the Remuneration Report within the Directors' Report. No other related party transactions occurred with key management personnel during the financial year.

(d) Remuneration of directors of the Trustee

The directors of the Trustee do not receive remuneration directly from the Fund.

(e) **Other entities with significant influence over the Fund**

Sponsor

The Sponsor of the Fund is Praemium Australia Limited ABN (92 117 611 784) AFSL (297956).

The Sponsor receives fees for operating the Managed Investment Schemes in which the Fund invests. Fees paid or payable to the Sponsor are included in portfolio management fees amounting to \$22,560,005 (2025: \$24,154,335). Fees are disclosed in the Fund Product Disclosure Statement (PDS) and are reported in the Income Statement.

Investments

The Fund held investments in the scheme which are also managed by the Sponsor. The investments are disclosed on the balance sheet.

Investment held

	2026	2025
	\$'000	\$'000
Praemium Separately Managed Account Service	5,603,733	5,106,155
	<u>5,603,733</u>	<u>5,106,155</u>

There were no other transactions between the Sponsor and the Fund during the year.

19. Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor(s) of the Fund:

Audit Services	2026	2025
	\$'000	\$'000
Auditor of the Fund – BDO Audit		
Audit and review of financial statements and regulatory audit services	139	125
Other Audit Services – Risk Management Framework review - BDO Audit		
Other assurance services	4	4
Total	<u>143</u>	<u>129</u>

Trustees' declaration

In the opinion of the directors of the Trustee of The Praemium SMA Superannuation Fund

- (a) the financial statements and notes set out on pages 10 to 30 are in accordance with the Corporations Act 2001, including:
 - (i) complying with Accounting Standards, the Corporation Regulations 2001 and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the Fund's financial position as at 30 June 2026 and of its performance for the financial year ended on that date, and
- (b) there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable, and

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



Director

Melbourne
30 September 2026

Praemium SMA Superannuation Fund ABN: 75 703 857 864

Report by the Registrable Superannuation Entity's Auditor to the members

Opinion

We have audited the financial report of Praemium SMA Superannuation Fund (the 'RSE') comprising the statement of financial position as at 30 June 2026, the income statement, the statement of changes in members' benefits, the statement of changes in reserves and the statement of cash flows for the year then ended and notes to the financial report, including material accounting policy information and the trustee's declaration.

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

- (i) Giving a true and fair view of the RSE's financial position as at 30 June 2026 and of its financial performance for the year ended on that date; and
- (ii) 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 RSE in accordance with 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the trustee, would be in the same terms if given to the trustee as at the time of this auditor's report.

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

Other information

The trustee is responsible for the other information. The other information comprises the information in the RSE's trustee report for the year ended 30 June 2026 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and 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 trustee for the financial report

The trustee is 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 trustee determine is necessary to enable the preparation and a 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 trustee is responsible for assessing the ability of the RSE to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intend to liquidate the RSE or to cease operations, or has 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 the 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the trustees' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of the RSE, for the year ended 30 June 2026, complies with section 300C of the *Corporations Act 2001*.

Responsibilities

The trustee is responsible for the preparation and presentation of the Remuneration Report in accordance with section 300C of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'James Dixon', is written over the BDO logo.

James Dixon
Director

Melbourne, 30 September 2026