

13 March 2023

ASX Limited
Market Announcements Office

HALF-YEAR FINANCIAL REPORT

[FOR RELEASE UNDER EACH ASX CODE LISTED BELOW]

VanEck Investments Limited announces the attached interim report for the half-year ended 31 December 2022 which covers the following exchange traded funds listed in the table below in the order of the cover page of the report:

Code	Fund
DVDY	VanEck Morningstar Australian Moat Income ETF
GRNV	VanEck MSCI Australian Sustainable Equity ETF
MVA	VanEck Australian Property ETF
MVB	VanEck Australian Banks ETF
MVE	VanEck S&P/ASX MidCap ETF
MVR	VanEck Australian Resources ETF
MVS	VanEck Small Companies Masters ETF
MVW	VanEck Australian Equal Weight 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 Equity Funds

Interim report

For the half-year ended 31 December 2022

This interim financial report covers the following VanEck Australian Equity Funds:

VanEck MSCI Australian Sustainable Equity ETF

ARSN 611 368 499

VanEck Australian Property ETF

ARSN 165 151 771

VanEck Australian Banks ETF

ARSN 165 150 854

VanEck S&P/ASX MidCap ETF

ARSN 165 153 944

VanEck Australian Resources ETF

ARSN 165 153 695

VanEck Small Companies Masters ETF

ARSN 605 328 087

VanEck Australian Equal Weight ETF

ARSN 167 523 211

VanEck Morningstar Australian Moat Income ETF

ARSN 642 722 594

VanEck Australian Equity Funds

Interim report

For the half-year ended 31 December 2022

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These financial statements cover the VanEck MSCI Australian Sustainable Equity ETF, VanEck Australian Property ETF, VanEck Australian Banks ETF, VanEck S&P/ASX MidCap ETF, VanEck Australian Resources ETF, VanEck Small Companies Masters ETF, VanEck Australian Equal Weight ETF and VanEck Morningstar Australian Moat Income 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 MSCI Australian Sustainable Equity ETF, VanEck Australian Property ETF, VanEck Australian Banks ETF, VanEck S&P/ASX MidCap ETF, VanEck Australian Resources ETF, VanEck Small Companies Masters ETF, VanEck Australian Equal Weight ETF and VanEck Morningstar Australia Moat Income ETF (collectively the "Funds" and individually the "Fund"), present their report together with the financial statements of the Funds for the half-year ended 31 December 2022.

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.

VanEck MSCI Australian Sustainable Equity ETF generally invests in a diversified portfolio of Australian companies that have high Environmental, Social and Governance (ESG) performance in accordance with the provisions of the Fund's Constitution and Product Disclosure Statement ("PDS").

VanEck Australian Property ETF generally invests in the largest and most liquid Australian Real Estate Investment Trusts (A-REITs) securities including industrial, commercial, retail and residential property segments in accordance with the provisions of the Fund's Constitution and PDS.

VanEck Australian Banks ETF generally invests in the largest and most liquid ASX-listed banks that generate revenues from the Australian banking sector in accordance with the provisions of the Fund's Constitution and PDS.

VanEck S&P/ASX MidCap ETF generally invests in Australian listed equity securities and listed unit trusts to capture the performance of the market capitalisation ranking of 51-100 MidCap ASX-listed companies in accordance with the provisions of the Fund's Constitution and PDS.

VanEck Australian Resources ETF generally invests in the largest and most liquid ASX-listed companies that generate revenues from the Australian resources sector in accordance with the provisions of the Fund's Constitution and PDS.

VanEck Small Companies Masters ETF generally invests in the most liquid small-cap ASX-listed companies that generate revenues in Australia and did not omit their latest dividend payment in accordance with the provisions of the Fund's Constitution and PDS.

VanEck Australian Equal Weight ETF generally invests in the largest and most liquid ASX-listed companies all equally weighted with diversification across both securities and sectors in accordance with the provisions of the Fund's Constitution and PDS.

VanEck Morningstar Australia Moat Income ETF generally invests in a diversified portfolio of dividend paying quality ASX-listed companies selected by Morningstar in accordance with the provisions of the Fund's Constitution and PDS.

The Funds did not have any employees during the half-year.

There were no significant changes in the nature of the Funds' activities during the half-year.

Directors' report (continued)

Directors

The following persons held office as Directors of the Responsible Entity during the half-year and up to the date of this report:

Jan van Eck
Bruce Smith
Arian Neiron
Michael Brown
Jonathan Simon

Review and results of operations

The Funds continued to invest in accordance with the Funds' PDS and the provisions of the Funds' Constitutions.

VanEck MSCI Australian Sustainable Equity ETF generally invests in the securities that are constituents of the MSCI Australia IMI Select SRI Screened Index and aims to track the performance of the Index (with net dividends reinvested) in Australian dollars, before taking into account fees, expenses and tax.

VanEck Australian Property ETF generally invests in the securities that are constituents of the MVIS Australia A-REITs Index and aims to track the performance of the Index (with net dividends reinvested) in Australian dollars, before taking into account fees, expenses and tax.

VanEck Australian Banks ETF generally invests in the securities that are constituents of the MVIS Australia Banks Index and aims to track the performance of the Index (with net dividends reinvested) in Australian dollars, before taking into account fees, expenses and tax.

VanEck S&P/ASX MidCap ETF generally invests in the securities that are constituents of the S&P/ASX MidCap 50 Index and aims to track the performance of the Index (with net dividends reinvested) in Australian dollars, before taking into account fees, expenses and tax.

VanEck Australian Resources ETF generally invests in the securities that are constituents of the MVIS Australia Resources Index and aims to track the performance of the Index (with net dividends reinvested) in Australian dollars, before taking into account fees, expenses and tax.

VanEck Small Companies Masters ETF generally invests in the securities that are constituents of the MVIS Australia Small-Cap Dividend Payers Index and aims to track the performance of the Index (with net dividends reinvested) in Australian dollars, before taking into account fees, expenses and tax.

VanEck Australian Equal Weight ETF generally invests in the securities that are constituents of the MVIS Australia Equal Weight Index and aims to track the performance of the Index (with net dividends reinvested) in Australian dollars, before taking into account fees, expenses and tax.

VanEck Morningstar Australian Moat Income ETF generally invests in the securities that are constituents of the Morningstar® Australia Dividend Yield Focus Equal Weighted Index™ and aims to track the performance of the Index (with net dividends reinvested) in Australian dollars, before taking into account fees, expenses and tax. Up until 6 July 2022, the Fund's Index was the Morningstar Australia Dividend Yield Focus Index.

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 MSCI Australian Sustainable Equity ETF		VanEck Australian Property ETF	
	Half-year ended		Half-year ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Operating profit/(loss) attributable to unitholders (\$'000)	<u>6,211</u>	5,479	<u>32,879</u>	73,884
Distribution to unitholders (\$'000)	<u>1,693</u>	2,657	<u>16,275</u>	13,112
Distribution (cents per unit - CPU)	<u>43.00</u>	77.00	<u>54.00</u>	52.00
	VanEck Australian Banks ETF		VanEck S&P/ASX MidCap ETF	
	Half-year ended		Half-year ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Operating profit/(loss) attributable to unitholders (\$'000)	<u>24,016</u>	7,380	<u>18,830</u>	16,976
Distribution to unitholders (\$'000)	<u>7,720</u>	6,552	<u>2,623</u>	2,085
Distribution (cents per unit - CPU)	<u>116.00</u>	107.00	<u>52.00</u>	44.00
	VanEck Australian Resources ETF		VanEck Small Companies Masters ETF	
	Half-year ended		Half-year ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Operating profit/(loss) attributable to unitholders (\$'000)	<u>49,986</u>	7,366	<u>2,454</u>	4,581
Distribution to unitholders (\$'000)	<u>7,666</u>	3,175	<u>966</u>	803
Distribution (cents per unit - CPU)	<u>91.00</u>	72.00	<u>40.00</u>	37.00

Directors' report (continued)

Review and results of operations (continued)

	VanEck Australian Equal Weight ETF		VanEck Morningstar Australian Moat Income ETF	
	Half-year ended 31 December 2022	31 December 2021	Half-year ended 31 December 2022	31 December 2021
Operating profit/(loss) attributable to unitholders (\$'000)	<u>176,167</u>	<u>103,557</u>	<u>240</u>	<u>966</u>
Distribution to unitholders (\$'000)	<u>30,705</u>	<u>26,438</u>	<u>1,692</u>	<u>1,546</u>
Distribution (cents per unit - CPU)	<u>59.00</u>	<u>52.00</u>	<u>45.00</u>	<u>50.00</u>

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 half-year.

Matters subsequent to the end of the financial half-year

No matter or circumstance has arisen since 31 December 2022 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.

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.

Directors' report (continued)

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 7.

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



Michael Brown
Director

Sydney
8 March 2023

Auditor's independence declaration to the directors of VanEck Investments Limited, as Responsible Entity for VanEck Australian Equity Funds

For the following VanEck Australian Equity Funds (collectively the "Funds"):

- ▶ VanEck MSCI Australian Sustainable Equity ETF
- ▶ VanEck Australian Property ETF
- ▶ VanEck Australian Banks ETF
- ▶ VanEck S&P/ASX MidCap ETF
- ▶ VanEck Australian Resources ETF
- ▶ VanEck Small Companies Masters ETF
- ▶ VanEck Australian Equal Weight ETF
- ▶ VanEck Morningstar Australian Moat Income ETF

As lead auditor for the review of the half-year financial report of the Funds for the half-year ended 31 December 2022, 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 review;
- b. no contraventions of any applicable code of professional conduct in relation to the review; and
- c. no non-audit services provided that contravene any applicable code of professional conduct in relation to the review.



Ernst & Young



Rita Da Silva
Partner
Sydney
8 March 2023

Statements of comprehensive income

	VanEck MSCI Australian Sustainable Equity ETF		VanEck Australian Property ETF	
	Half-year ended		Half-year ended	
	31 December 2022 \$'000	31 December 2021 \$'000	31 December 2022 \$'000	31 December 2021 \$'000
Investment income				
Interest income from financial assets at amortised cost	-	-	1	-
Dividend and distribution income	1,678	1,469	18,360	12,038
Net gains on financial instruments at fair value through profit or loss	<u>4,712</u>	<u>4,166</u>	<u>15,747</u>	<u>62,986</u>
Total investment income	<u>6,390</u>	<u>5,635</u>	<u>34,108</u>	<u>75,024</u>
Expenses				
Management fees	170	147	1,105	1,053
Transaction costs	-	3	7	6
Other expenses	<u>9</u>	<u>6</u>	<u>117</u>	<u>81</u>
Total operating expenses	<u>179</u>	<u>156</u>	<u>1,229</u>	<u>1,140</u>
Profit for the half-year	<u>6,211</u>	<u>5,479</u>	<u>32,879</u>	<u>73,884</u>
Other comprehensive income for the half-year	-	-	-	-
Total comprehensive income for the half-year	<u>6,211</u>	<u>5,479</u>	<u>32,879</u>	<u>73,884</u>

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

Statements of comprehensive income (continued)

	VanEck Australian Banks ETF		VanEck S&P/ASX MidCap ETF	
	Half-year ended		Half-year ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Investment income				
Dividend and distribution income	4,930	4,189	3,045	2,377
Net gains on financial instruments at fair value through profit or loss	19,403	3,476	16,196	15,034
Other operating income	-	-	3	-
Total investment income	<u>24,333</u>	<u>7,665</u>	<u>19,244</u>	<u>17,411</u>
Expenses				
Management fees	278	256	396	412
Transaction costs	1	2	2	6
Withholding tax	-	-	3	4
Other expenses	38	27	13	13
Total operating expenses	<u>317</u>	<u>285</u>	<u>414</u>	<u>435</u>
Profit for the half-year	<u>24,016</u>	<u>7,380</u>	<u>18,830</u>	<u>16,976</u>
Other comprehensive income for the half-year	-	-	-	-
Total comprehensive income for the half-year	<u>24,016</u>	<u>7,380</u>	<u>18,830</u>	<u>16,976</u>

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

Statements of comprehensive income (continued)

	VanEck Australian Resources ETF		VanEck Small Companies Masters ETF	
	Half-year ended		Half-year ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	\$'000	\$'000	\$'000	\$'000
Investment income				
Dividend and distribution income	7,749	4,237	974	1,072
Net gains on financial instruments at fair value through profit or loss	42,745	3,384	1,582	3,671
Other operating income	4	-	13	-
Total investment income	<u>50,498</u>	<u>7,621</u>	<u>2,569</u>	<u>4,743</u>
Expenses				
Management fees	474	239	110	154
Transaction costs	5	2	1	1
Other expenses	33	14	4	7
Total operating expenses	<u>512</u>	<u>255</u>	<u>115</u>	<u>162</u>
Profit for the half-year	<u>49,986</u>	<u>7,366</u>	<u>2,454</u>	<u>4,581</u>
Other comprehensive income for the half-year	-	-	-	-
Total comprehensive income for the half-year	<u>49,986</u>	<u>7,366</u>	<u>2,454</u>	<u>4,581</u>

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

Statements of comprehensive income (continued)

	VanEck Australian Equal Weight ETF		VanEck Morningstar Australian Moat Income ETF	
	Half-year ended		Half-year ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	\$'000	\$'000	\$'000	\$'000
Investment income				
Interest income from financial assets at amortised cost	3	-	-	-
Dividend and distribution income	31,593	27,673	1,748	1,035
Net gains/(losses) on financial instruments at fair value through profit or loss	147,696	78,978	(1,348)	51
Other operating income	27	-	-	-
Total investment income	<u>179,319</u>	<u>106,651</u>	<u>400</u>	<u>1,086</u>
Expenses				
Management fees	2,962	2,966	139	113
Transaction costs	28	29	11	3
Other expenses	162	99	10	4
Total operating expenses	<u>3,152</u>	<u>3,094</u>	<u>160</u>	<u>120</u>
Profit for the half-year	<u>176,167</u>	<u>103,557</u>	<u>240</u>	<u>966</u>
Other comprehensive income for the half-year	-	-	-	-
Total comprehensive income for the half-year	<u>176,167</u>	<u>103,557</u>	<u>240</u>	<u>966</u>

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

Statements of financial position

	Notes	VanEck MSCI Australian Sustainable Equity ETF		VanEck Australian Property ETF	
		As at		As at	
		31 December 2022	30 June 2022	31 December 2022	30 June 2022
		\$'000	\$'000	\$'000	\$'000
Assets					
Cash and cash equivalents		437	477	108	-
Due from brokers - receivable for securities sold		-	554	-	15,609
Receivables		326	374	11,896	14,260
Financial assets at fair value through profit or loss	4	<u>101,873</u>	<u>87,471</u>	<u>631,580</u>	<u>577,628</u>
Total assets		<u>102,636</u>	<u>88,876</u>	<u>643,584</u>	<u>607,497</u>
Liabilities					
Bank overdraft		317	357	11,613	9,775
Due to brokers - payable for securities purchased		372	420	-	4,285
Payables		75	77	196	181
Distributions payable	6	<u>1,693</u>	<u>579</u>	<u>16,275</u>	<u>15,991</u>
Total liabilities		<u>2,457</u>	<u>1,433</u>	<u>28,084</u>	<u>30,232</u>
Net assets attributable to unitholders - Equity		<u>100,179</u>	<u>87,443</u>	<u>615,500</u>	<u>577,265</u>

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

Statements of financial position (continued)

	Notes	VanEck Australian Banks ETF		VanEck S&P/ASX MidCap ETF	
		As at		As at	
		31 December 2022 \$'000	30 June 2022 \$'000	31 December 2022 \$'000	30 June 2022 \$'000
Assets					
Cash and cash equivalents		119	39	50	880
Due from brokers - receivable for securities sold		470	-	-	2,459
Receivables		34	2,783	214	321
Financial assets at fair value through profit or loss	4	<u>191,183</u>	<u>182,634</u>	<u>179,776</u>	<u>153,611</u>
Total assets		<u>191,806</u>	<u>185,456</u>	<u>180,040</u>	<u>157,271</u>
Liabilities					
Bank overdraft		470	2,715	-	240
Due to brokers - payable for securities purchased		-	-	-	805
Payables		77	74	90	83
Distributions payable	6	<u>-</u>	<u>-</u>	<u>2,623</u>	<u>2,614</u>
Total liabilities		<u>547</u>	<u>2,789</u>	<u>2,713</u>	<u>3,742</u>
Net assets attributable to unitholders - Equity		<u>191,259</u>	<u>182,667</u>	<u>177,327</u>	<u>153,529</u>

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

Statements of financial position (continued)

		VanEck Australian Resources ETF As at		VanEck Small Companies Masters ETF As at	
	Notes	31 December 2022 \$'000	30 June 2022 \$'000	31 December 2022 \$'000	30 June 2022 \$'000
Assets					
Cash and cash equivalents		110	9	19	-
Due from brokers - receivable for securities sold		1,837	6,690	-	3,070
Receivables		11	196	144	197
Financial assets at fair value through profit or loss	4	<u>310,144</u>	<u>232,359</u>	<u>45,211</u>	<u>36,199</u>
Total assets		<u>312,102</u>	<u>239,254</u>	<u>45,374</u>	<u>39,466</u>
Liabilities					
Bank overdraft		-	184	137	166
Payables		1,939	78	24	2,237
Distributions payable	6	<u>7,666</u>	<u>6,976</u>	<u>966</u>	<u>903</u>
Total liabilities		<u>9,605</u>	<u>7,238</u>	<u>1,127</u>	<u>3,306</u>
Net assets attributable to unitholders - Equity		<u>302,497</u>	<u>232,016</u>	<u>44,247</u>	<u>36,160</u>

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

Statements of financial position (continued)

	Notes	VanEck Australian Equal Weight ETF		VanEck Morningstar Australian Moat Income ETF	
		As at		As at	
		31 December 2022	30 June 2022	31 December 2022	30 June 2022
		\$'000	\$'000	\$'000	\$'000
Assets					
Cash and cash equivalents		443	5,084	258	259
Due from brokers - receivable for securities sold		-	29,744	-	879
Receivables		3,977	5,681	164	415
Financial assets at fair value through profit or loss	4	<u>1,729,175</u>	<u>1,539,909</u>	<u>76,611</u>	<u>75,021</u>
Total assets		<u>1,733,595</u>	<u>1,580,418</u>	<u>77,033</u>	<u>76,574</u>
Liabilities					
Bank overdraft		3,914	5,553	132	393
Due to brokers - payable for securities purchased		44	4,428	136	166
Payables		575	522	156	115
Distributions payable	6	<u>30,705</u>	<u>31,496</u>	<u>816</u>	<u>902</u>
Total liabilities		<u>35,238</u>	<u>41,999</u>	<u>1,240</u>	<u>1,576</u>
Net assets attributable to unitholders - Equity		<u>1,698,357</u>	<u>1,538,419</u>	<u>75,793</u>	<u>74,998</u>

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

Statements of changes in equity

	VanEck MSCI Australian Sustainable Equity ETF		VanEck Australian Property ETF	
	Half-year ended		Half-year ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Notes	\$'000	\$'000	\$'000	\$'000
Total equity at the beginning of the half-year	87,443	62,754	577,265	539,002
Issue of redeemable participating units	8,184	34,867	62,579	68,251
Units issued upon reinvestment of distributions	34	36	279	198
Redemption of redeemable participating units	-	-	(41,227)	(15,413)
Comprehensive income for the half-year	6,211	5,479	32,879	73,884
Distributions	(1,693)	(2,657)	(16,275)	(13,112)
Total equity at the end of the half-year	100,179	100,479	615,500	652,810

Movement in units issued are disclosed in note 5 to the financial statements.

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

Statements of changes in equity (continued)

	VanEck Australian Banks ETF		VanEck S&P/ASX MidCap ETF	
	Half-year ended		Half-year ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Notes	\$'000	\$'000	\$'000	\$'000
Total equity at the beginning of the half-year	182,667	170,246	153,529	180,701
Issue of redeemable participating units	3,583	43,380	12,566	-
Units issued upon reinvestment of distributions	431	386	87	32
Redemption of redeemable participating units	(11,718)	(21,714)	(5,062)	(11,311)
Comprehensive income for the half-year	24,016	7,380	18,830	16,976
Distributions	(7,720)	(6,552)	(2,623)	(2,085)
Total equity at the end of the half-year	191,259	193,126	177,327	184,313

Movement in units issued are disclosed in note 5 to the financial statements.

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

Statements of changes in equity (continued)

	VanEck Australian Resources ETF		VanEck Small Companies Masters ETF	
	Half-year ended		Half-year ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Notes	\$'000	\$'000	\$'000	\$'000
Total equity at the beginning of the half-year	232,016	130,820	36,160	76,005
Issue of redeemable participating units	49,505	12,204	6,555	-
Units issued upon reinvestment of distributions	250	103	44	31
Redemption of redeemable participating units	(21,594)	(9,116)	-	(30,198)
Comprehensive income for the half-year	49,986	7,366	2,454	4,581
Distributions	(7,666)	(3,175)	(966)	(803)
Total equity at the end of the half-year	302,497	138,202	44,247	49,616

Movement in units issued are disclosed in note 5 to the financial statements.

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

Statements of changes in equity (continued)

	VanEck Australian Equal Weight ETF		VanEck Morningstar Australian Moat Income ETF	
	Half-year ended		Half-year ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Notes	\$'000	\$'000	\$'000	\$'000
Total equity at the beginning of the half-year	1,538,419	1,590,625	74,998	50,730
Issue of redeemable participating units	55,531	76,319	6,460	28,114
Units issued upon reinvestment of distributions	1,778	800	75	36
Redemption of redeemable participating units	(42,833)	-	(4,288)	-
Comprehensive income for the half-year	176,167	103,557	240	966
Distributions	(30,705)	(26,438)	(1,692)	(1,546)
Total equity at the end of the half-year	1,698,357	1,744,863	75,793	78,300

Movement in units issued are disclosed in note 5 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 MSCI Australian Sustainable Equity ETF		VanEck Australian Property ETF	
	Half-year ended		Half-year ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities				
Proceeds from sale of financial instruments at fair value through profit or loss	8,585	11,701	109,383	86,245
Purchase of financial instruments at fair value through profit or loss	(17,769)	(47,270)	(136,264)	(139,515)
Dividends and distributions received (net of withholding tax)	1,719	1,558	16,436	13,145
Interest received	-	-	1	-
Other income received/(expenses paid)	-	-	3	-
Management fees paid	(166)	(136)	(1,090)	(1,017)
Payment of other expenses	(8)	(7)	(124)	(93)
Net cash outflow from operating activities	<u>(7,639)</u>	<u>(34,154)</u>	<u>(11,655)</u>	<u>(41,235)</u>
Cash flows from financing activities				
Proceeds from applications by unitholders	8,184	34,867	66,864	68,251
Payments for redemptions by unitholders	-	-	(41,227)	(15,413)
Distributions paid	(545)	(571)	(15,712)	(10,630)
Net cash inflow from financing activities	<u>7,639</u>	<u>34,296</u>	<u>9,925</u>	<u>42,208</u>
Net increase/(decrease) in cash and cash equivalents	-	142	(1,730)	973
Cash and cash equivalents at the beginning of the half-year	<u>120</u>	<u>(112)</u>	<u>(9,775)</u>	<u>(8,886)</u>
Cash and cash equivalents at the end of the half-year	<u>120</u>	<u>30</u>	<u>(11,505)</u>	<u>(7,913)</u>

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

Statements of cash flows (continued)

	VanEck Australian Banks ETF		VanEck S&P/ASX MidCap ETF	
	Half-year ended		Half-year ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities				
Proceeds from sale of financial instruments at fair value through profit or loss	26,049	41,373	23,932	64,483
Purchase of financial instruments at fair value through profit or loss	(15,665)	(59,675)	(32,247)	(39,321)
Dividends and distributions received (net of withholding tax)	7,662	6,258	3,136	2,572
Other income received/(expenses paid)	17	-	13	-
Management fees paid	(275)	(250)	(387)	(414)
Payment of other expenses	(39)	(29)	(14)	(18)
Net cash inflow/(outflow) from operating activities	17,749	(12,323)	(5,567)	27,302
Cash flows from financing activities				
Proceeds from applications by unitholders	3,583	43,380	12,566	-
Payments for redemptions by unitholders	(11,718)	(21,714)	(5,062)	(25,687)
Distributions paid	(7,289)	(7,303)	(2,527)	(1,429)
Net cash inflow/(outflow) from financing activities	(15,424)	14,363	4,977	(27,116)
Net increase/(decrease) in cash and cash equivalents	2,325	2,040	(590)	186
Cash and cash equivalents at the beginning of the half-year	(2,676)	(2,023)	640	(25)
Cash and cash equivalents at the end of the half-year	(351)	17	50	161

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

Statements of cash flows (continued)

	VanEck Australian Resources ETF		VanEck Small Companies Masters ETF	
	Half-year ended		Half-year ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities				
Proceeds from sale of financial instruments at fair value through profit or loss	62,162	41,775	11,196	60,983
Purchase of financial instruments at fair value through profit or loss	(92,349)	(46,647)	(15,556)	(14,834)
Dividends and distributions received (net of withholding tax)	7,933	4,258	968	1,363
Other income received/(expenses paid)	5	7	72	-
Management fees paid	(451)	(237)	(107)	(170)
Payment of other expenses	(37)	(14)	(18)	(15)
Net cash inflow/(outflow) from operating activities	<u>(22,737)</u>	<u>(858)</u>	<u>(3,445)</u>	<u>47,327</u>
Cash flows from financing activities				
Proceeds from applications by unitholders	49,505	12,204	6,555	-
Payments for redemptions by unitholders	(19,757)	(9,116)	(2,203)	(46,036)
Distributions paid	(6,726)	(2,223)	(859)	(1,225)
Net cash inflow/(outflow) from financing activities	<u>23,022</u>	<u>865</u>	<u>3,493</u>	<u>(47,261)</u>
Net increase in cash and cash equivalents	285	7	48	66
Cash and cash equivalents at the beginning of the half-year	<u>(175)</u>	<u>61</u>	<u>(166)</u>	<u>(207)</u>
Cash and cash equivalents at the end of the half-year	<u>110</u>	<u>68</u>	<u>(118)</u>	<u>(141)</u>

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

Statements of cash flows (continued)

	VanEck Australian Equal Weight ETF		VanEck Morningstar Australian Moat Income ETF	
	Half-year ended		Half-year ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities				
Proceeds from sale of financial instruments at fair value through profit or loss	307,492	331,733	38,303	26,747
Purchase of financial instruments at fair value through profit or loss	(323,702)	(416,908)	(40,392)	(53,597)
Dividends and distributions received (net of withholding tax)	33,222	29,979	2,009	1,041
Interest received	3	-	-	-
Other income received/(expenses paid)	102	-	8	14
Management fees paid	(2,907)	(2,908)	(137)	(105)
Payment of other expenses	(192)	(137)	-	-
Net cash inflow/(outflow) from operating activities	<u>14,018</u>	<u>(58,241)</u>	<u>(209)</u>	<u>(25,900)</u>
Cash flows from financing activities				
Proceeds from applications by unitholders	55,531	76,319	6,460	28,114
Payments for redemptions by unitholders	(42,833)	-	(4,288)	-
Distributions paid	(29,718)	(15,713)	(1,703)	(1,577)
Net cash inflow/(outflow) from financing activities	<u>(17,020)</u>	<u>60,606</u>	<u>469</u>	<u>26,537</u>
Net increase/(decrease) in cash and cash equivalents	<u>(3,002)</u>	<u>2,365</u>	<u>260</u>	<u>637</u>
Cash and cash equivalents at the beginning of the half-year	<u>(469)</u>	<u>(4,204)</u>	<u>(134)</u>	<u>(585)</u>
Cash and cash equivalents at the end of the half-year	<u>(3,471)</u>	<u>(1,839)</u>	<u>126</u>	<u>52</u>

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

Contents of the notes to the financial statements

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1 General information

These financial statements for the half-year ended 31 December 2022 cover the VanEck MSCI Australian Sustainable Equity ETF, VanEck Australian Property ETF, VanEck Australian Banks ETF, VanEck S&P/ASX MidCap ETF, VanEck Australian Resources ETF, VanEck Small Companies Masters ETF, VanEck Australian Equal Weight ETF and VanEck Morningstar Australian Moat Income ETF (the "Funds") as individual entities.

VanEck MSCI Australian Sustainable Equity ETF was constituted on 16 March 2016 and began trading on ASX on 2 May 2016.

VanEck Australian Property ETF was constituted on 5 August 2013 and began trading on ASX on 16 October 2013.

VanEck Australian Banks ETF was constituted on 5 August 2013 and began trading on ASX on 16 October 2013.

VanEck S&P/ASX MidCap ETF was constituted on 5 August 2013 and began trading on ASX on 16 October 2013.

VanEck Australian Resources ETF was constituted on 5 August 2013 and began trading on ASX on 16 October 2013.

VanEck Small Companies Masters ETF was constituted on 16 April 2015 and began trading on ASX on 28 May 2015.

VanEck Australian Equal Weight ETF was constituted on 23 January 2014 and began trading on ASX on 6 March 2014.

VanEck Morningstar Australian Moat Income ETF was constituted on 28 July 2020 and started trading on ASX on 10 September 2020.

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 8 March 2023. 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 significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied throughout the 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 AASB 134 *Interim Financial Reporting* and Interpretations issued by the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001* in Australia. Compliance with AASB 134 ensures compliance with International Financial Reporting Standards IAS 34 *Interim Financial Reporting*.

The interim financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these condensed financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2022 and any public announcements made in respect of the Funds during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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.

2 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

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 typically retain them for the medium to long term. As such, the amount expected to be settled within twelve months cannot be reliably determined.

(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 has 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 equity securities are mandatorily classified as fair value through profit or loss.

2 Summary of significant accounting policies (continued)

(b) Financial instruments (continued)

(ii) Classification (continued)

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).

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 bank overdraft, 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 uses a variety of methods and makes 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 3.

2 Summary of significant accounting policies (continued)

(b) Financial instruments (continued)

(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, has 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 recognises a loss allowance based on lifetime ECLs at each reporting date.

(c) Significant accounting policies

The significant accounting policies adopted in the preparation of these financial statements are consistent with those applied in the preparation of the Funds' financial statements for the year ended 30 June 2022.

There are no other standards, interpretations or amendments to existing standards that are effective for the first time for the half-year beginning 1 July 2022 that have a material impact on the amounts recognised in the prior periods or will affect the current or future periods.

(d) Significant accounting judgements and estimates

The preparation of the Funds' financial statements requires management to make judgements, estimates and assumptions that affect the amounts recognised in the financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

(e) Redeemable participating units

Units are classified as equity. Notwithstanding the obligation of the Funds to redeem the units at the Authorised Participants' option, as defined in the Funds' PDS, 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.

(f) 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 on a basis 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.

(g) Cash and cash equivalents

For the purpose of presentation in the Statements 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 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.

2 Summary of significant accounting policies (continued)

(g) Cash and cash equivalents (continued)

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.

(h) Investment income

Interest income is recognised in the Statements of comprehensive income 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.

Dividend and distribution income is recognised on the ex-dividend date with any related foreign withholding tax recorded as an expense. 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.

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 year) and the fair value as at the prior balance date or initial fair value (if acquired during the financial year). This includes both realised and unrealised gains and losses, but does not include interest or dividend income.

(i) Expenses

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

(j) Income tax

Under current legislation, the Funds are not subject to income tax as the income tax liability is attributed to unitholders under the 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.

(k) Distributions

In accordance with the Funds' PDS, the Funds usually pay a distribution on a semi-annual or quarterly basis. VanEck Australian Banks ETF may pay three times a year depending on when underlying banks declare dividends. The distributions to unitholders are recognised in the Statements of changes in equity.

(l) 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.

2 Summary of significant accounting policies (continued)

(m) 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 for equities, normally settled within three business days.

(n) Receivables

Receivables may include amounts for dividends, trust distributions, interest and applications received for units in the Funds. Dividends and trust distributions are accrued when the right to receive payment is established. 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.

(o) 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.

(p) Applications and redemptions

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.

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 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.

(q) 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 73%. 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.

(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.

2 Summary of significant accounting policies (continued)

(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 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.

3 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 4)

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 annual financial statements.

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.

3 Fair value measurement (continued)

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

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.

Recognised fair value measurements

The table below presents the Funds' financial assets measured at fair value according to the fair value hierarchy as at 31 December 2022 and 30 June 2022.

VanEck MSCI Australian Sustainable Equity ETF

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
As at 31 December 2022				
Financial assets at fair value through profit or loss				
Listed equities	87,907	-	-	87,907
Listed unit trusts	<u>13,966</u>	<u>-</u>	<u>-</u>	<u>13,966</u>
Total	<u>101,873</u>	<u>-</u>	<u>-</u>	<u>101,873</u>
As at 30 June 2022				
Financial assets at fair value through profit or loss				
Listed equities	74,014	162	-	74,176
Listed unit trusts	<u>13,295</u>	<u>-</u>	<u>-</u>	<u>13,295</u>
Total	<u>87,309</u>	<u>162</u>	<u>-</u>	<u>87,471</u>

3 Fair value measurement (continued)

Recognised fair value measurements (continued)

VanEck Australian Property ETF

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
As at 31 December 2022				
Financial assets at fair value through profit or loss				
Listed unit trusts	<u>631,580</u>	-	-	<u>631,580</u>
Total	<u>631,580</u>	-	-	<u>631,580</u>
As at 30 June 2022				
Financial assets at fair value through profit or loss				
Listed unit trusts	<u>577,628</u>	-	-	<u>577,628</u>
Total	<u>577,628</u>	-	-	<u>577,628</u>

VanEck Australian Banks ETF

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
As at 31 December 2022				
Financial assets at fair value through profit or loss				
Listed equities	<u>191,183</u>	-	-	<u>191,183</u>
Total	<u>191,183</u>	-	-	<u>191,183</u>
As at 30 June 2022				
Financial assets at fair value through profit or loss				
Listed equities	<u>182,634</u>	-	-	<u>182,634</u>
Total	<u>182,634</u>	-	-	<u>182,634</u>

3 Fair value measurement (continued)

Recognised fair value measurements (continued)

VanEck S&P/ASX MidCap ETF

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
As at 31 December 2022				
Financial assets at fair value through profit or loss				
Listed equities	168,241	-	-	168,241
Listed unit trusts	11,535	-	-	11,535
Total	179,776	-	-	179,776
As at 30 June 2022				
Financial assets at fair value through profit or loss				
Listed equities	144,788	834	-	145,622
Listed unit trusts	7,989	-	-	7,989
Total	152,777	834	-	153,611

VanEck Australian Resources ETF

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
As at 31 December 2022				
Financial assets at fair value through profit or loss				
Listed equities	310,144	-	-	310,144
Total	310,144	-	-	310,144
As at 30 June 2022				
Financial assets at fair value through profit or loss				
Listed equities	232,359	-	-	232,359
Total	232,359	-	-	232,359

3 Fair value measurement (continued)

Recognised fair value measurements (continued)

VanEck Small Companies Masters ETF

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
As at 31 December 2022				
Financial assets at fair value through profit or loss				
Listed equities	36,241	-	-	36,241
Listed unit trusts	8,970	-	-	8,970
Total	<u>45,211</u>	<u>-</u>	<u>-</u>	<u>45,211</u>
As at 30 June 2022				
Financial assets at fair value through profit or loss				
Listed equities	28,761	-	-	28,761
Listed unit trusts	7,438	-	-	7,438
Total	<u>36,199</u>	<u>-</u>	<u>-</u>	<u>36,199</u>

VanEck Australian Equal Weight ETF

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
As at 31 December 2022				
Financial assets at fair value through profit or loss				
Listed equities	1,565,154	-	-	1,565,154
Listed unit trusts	164,021	-	-	164,021
Total	<u>1,729,175</u>	<u>-</u>	<u>-</u>	<u>1,729,175</u>
As at 30 June 2022				
Financial assets at fair value through profit or loss				
Listed equities	1,390,626	4,588	-	1,395,214
Listed unit trusts	144,695	-	-	144,695
Total	<u>1,535,321</u>	<u>4,588</u>	<u>-</u>	<u>1,539,909</u>

3 Fair value measurement (continued)

Recognised fair value measurements (continued)

VanEck Morningstar Australian Moat Income ETF

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
As at 31 December 2022				
Financial assets at fair value through profit or loss				
Listed equities	76,611	-	-	76,611
Total	76,611	-	-	76,611
As at 30 June 2022				
Financial assets at fair value through profit or loss				
Listed equities	75,021	-	-	75,021
Total	75,021	-	-	75,021

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 half-year ended 31 December 2022 and year ended 30 June 2022. There were also no changes made to any of the valuation techniques applied as at 31 December 2022.

(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 half-year ended 31 December 2022 or year ended 30 June 2022.

(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.

4 Financial assets at fair value through profit or loss

	VanEck MSCI Australian Sustainable Equity ETF		VanEck Australian Property ETF	
	As at		As at	
	31 December 2022	30 June 2022	31 December 2022	30 June 2022
	\$'000	\$'000	\$'000	\$'000
Financial assets at fair value through profit or loss				
Listed equities	87,907	74,176	-	-
Listed unit trusts	13,966	13,295	631,580	577,628
Total financial assets at fair value through profit or loss	101,873	87,471	631,580	577,628

4 Financial assets at fair value through profit or loss (continued)

	VanEck Australian Banks ETF		VanEck S&P/ASX MidCap ETF	
	As at		As at	
	31 December 2022	30 June 2022	31 December 2022	30 June 2022
	\$'000	\$'000	\$'000	\$'000
Financial assets at fair value through profit or loss				
Listed equities	191,183	182,634	168,241	145,622
Listed unit trusts	-	-	11,535	7,989
Total financial assets at fair value through profit or loss	191,183	182,634	179,776	153,611

	VanEck Australian Resources ETF		VanEck Small Companies Masters ETF	
	As at		As at	
	31 December 2022	30 June 2022	31 December 2022	30 June 2022
	\$'000	\$'000	\$'000	\$'000
Financial assets at fair value through profit or loss				
Listed equities	310,144	232,359	36,241	28,761
Listed unit trusts	-	-	8,970	7,438
Total financial assets at fair value through profit or loss	310,144	232,359	45,211	36,199

	VanEck Australian Equal Weight ETF		VanEck Morningstar Australian Moat Income ETF	
	As at		As at	
	31 December 2022	30 June 2022	31 December 2022	30 June 2022
	\$'000	\$'000	\$'000	\$'000
Financial assets at fair value through profit or loss				
Listed equities	1,565,154	1,395,214	76,611	75,021
Listed unit trusts	164,021	144,695	-	-
Total financial assets at fair value through profit or loss	1,729,175	1,539,909	76,611	75,021

5 Units issued

Movements in the number of units during the half-year were as follows:

	VanEck MSCI Australian Sustainable Equity ETF		VanEck Australian Property ETF	
	Half-year ended		Half-year ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	No.'000	No.'000	No.'000	No.'000
Opening balance	3,616	2,250	29,075	23,037
Applications	320	1,200	3,010	2,800
Redemptions	-	-	(1,960)	(630)
Units issued upon reinvestment of distributions	1	1	14	9
Closing balance	<u>3,937</u>	<u>3,451</u>	<u>30,139</u>	<u>25,216</u>

	VanEck Australian Banks ETF		VanEck S&P/ASX MidCap ETF	
	Half-year ended		Half-year ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	No.'000	No.'000	No.'000	No.'000
Opening balance	6,781	5,686	4,841	5,039
Applications	120	1,400	350	-
Redemptions	(400)	(720)	(150)	(300)
Units issued upon reinvestment of distributions	14	14	3	1
Closing balance	<u>6,515</u>	<u>6,380</u>	<u>5,044</u>	<u>4,740</u>

	VanEck Australian Resources ETF		VanEck Small Companies Masters ETF	
	Half-year ended		Half-year ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	No.'000	No.'000	No.'000	No.'000
Opening balance	7,666	4,307	2,053	3,490
Applications	1,400	400	360	-
Redemptions	(650)	(300)	-	(1,320)
Units issued upon reinvestment of distributions	8	3	2	1
Closing balance	<u>8,424</u>	<u>4,410</u>	<u>2,415</u>	<u>2,171</u>

5 Units issued (continued)

	VanEck Australian Equal Weight ETF Half-year ended		VanEck Morningstar Australian Moat Income ETF Half-year ended	
	31 December 2022 No.'000	31 December 2021 No.'000	31 December 2022 No.'000	31 December 2021 No.'000
Opening balance	51,633	48,568	3,606	2,200
Applications	1,700	2,250	300	1,200
Redemptions	(1,350)	-	(200)	-
Units issued upon reinvestment of distributions	59	24	4	2
Closing balance	<u>52,042</u>	<u>50,842</u>	<u>3,710</u>	<u>3,402</u>

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.

6 Distributions to unitholders

The distributions during the half-year were as follows:

	VanEck MSCI Australian Sustainable Equity ETF Half-year ended			
	31 December 2022 \$'000	31 December 2022 CPU	31 December 2021 \$'000	31 December 2021 CPU
Distributions payable	<u>1,693</u>	<u>43.00</u>	<u>2,657</u>	<u>77.00</u>
Total distributions	<u>1,693</u>	<u>43.00</u>	<u>2,657</u>	<u>77.00</u>

	VanEck Australian Property ETF Half-year ended			
	31 December 2022 \$'000	31 December 2022 CPU	31 December 2021 \$'000	31 December 2021 CPU
Distributions payable	<u>16,275</u>	<u>54.00</u>	<u>13,112</u>	<u>52.00</u>
Total distributions	<u>16,275</u>	<u>54.00</u>	<u>13,112</u>	<u>52.00</u>

6 Distributions to unitholders (continued)

	VanEck Australian Banks ETF			
	Half-year ended			
	31 December 2022	31 December 2022	31 December 2021	31 December 2021
	\$'000	CPU	\$'000	CPU
Distributions paid	<u>7,720</u>	<u>116.00</u>	<u>6,552</u>	<u>107.00</u>
Total distributions	<u>7,720</u>	<u>116.00</u>	<u>6,552</u>	<u>107.00</u>

	VanEck S&P/ASX MidCap ETF			
	Half-year ended			
	31 December 2022	31 December 2022	31 December 2021	31 December 2021
	\$'000	CPU	\$'000	CPU
Distributions payable	<u>2,623</u>	<u>52.00</u>	<u>2,085</u>	<u>44.00</u>
Total distributions	<u>2,623</u>	<u>52.00</u>	<u>2,085</u>	<u>44.00</u>

	VanEck Australian Resources ETF			
	Half-year ended			
	31 December 2022	31 December 2022	31 December 2021	31 December 2021
	\$'000	CPU	\$'000	CPU
Distributions payable	<u>7,666</u>	<u>91.00</u>	<u>3,175</u>	<u>72.00</u>
Total distributions	<u>7,666</u>	<u>91.00</u>	<u>3,175</u>	<u>72.00</u>

	VanEck Small Companies Masters ETF			
	Half-year ended			
	31 December 2022	31 December 2022	31 December 2021	31 December 2021
	\$'000	CPU	\$'000	CPU
Distributions payable	<u>966</u>	<u>40.00</u>	<u>803</u>	<u>37.00</u>
Total distributions	<u>966</u>	<u>40.00</u>	<u>803</u>	<u>37.00</u>

	VanEck Australian Equal Weight ETF			
	Half-year ended			
	31 December 2022	31 December 2022	31 December 2021	31 December 2021
	\$'000	CPU	\$'000	CPU
Distributions payable	<u>30,705</u>	<u>59.00</u>	<u>26,438</u>	<u>52.00</u>
Total distributions	<u>30,705</u>	<u>59.00</u>	<u>26,438</u>	<u>52.00</u>

6 Distributions to unitholders (continued)

	VanEck Morningstar Australian Moat Income ETF			
	Half-year ended			
	31 December 2022	31 December 2022	31 December 2021	31 December 2021
	\$'000	CPU	\$'000	CPU
Distributions paid	876	23.00	900	31.00
Distributions payable	<u>816</u>	<u>22.00</u>	<u>646</u>	<u>19.00</u>
Total distributions	<u>1,692</u>	<u>45.00</u>	<u>1,546</u>	<u>50.00</u>

7 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 31 December 2022 or on the results and cash flows of the Funds for the half-year ended on that date.

8 Contingent assets and liabilities and commitments

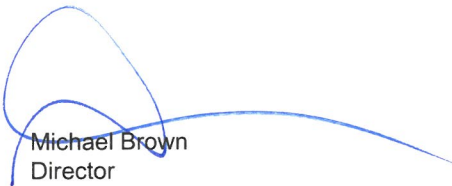
There are no outstanding contingent assets, liabilities or commitments as at 31 December 2022 and 30 June 2022.

Directors' declaration

In the opinion of the Directors of the Responsible Entity:

- (a) there are reasonable grounds to believe that the Funds will be able to pay their debts as and when these debts become due and payable; and
- (b) the interim financial statements and notes are in accordance with the *Corporations Act 2001* and compliance with relevant accounting standards and therefore give a true and fair view of the financial position and performance of the Funds.

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



Michael Brown
Director

Sydney
8 March 2023

Independent auditor's review report

To the Unitholders of the following VanEck Australian Equity Funds (collectively the "Funds")

- ▶ VanEck MSCI Australian Sustainable Equity ETF
- ▶ VanEck Australian Property ETF
- ▶ VanEck Australian Banks ETF
- ▶ VanEck S&P/ASX MidCap ETF
- ▶ VanEck Australian Resources ETF
- ▶ VanEck Small Companies Masters ETF
- ▶ VanEck Australian Equal Weight ETF
- ▶ VanEck Morningstar Australian Moat Income ETF

Conclusion

We have reviewed the accompanying half-year financial report of VanEck Australian Equity Funds (the "Funds"), which comprises the statements of financial position as at 31 December 2022, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Funds does not comply with the *Corporations Act 2001*, including:

- a) Giving a true and fair view of the Funds' financial position as at 31 December 2022 and of their financial performance for the half-year ended on that date; and
- b) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the half-year financial report

The directors of the Responsible Entity of the Funds are responsible for the preparation of the half-year 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 determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Funds' financial position as at 31 December 2022 and their performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in black ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink that reads 'Rita Da Silva'.

Rita Da Silva
Partner
Sydney
8 March 2023