
Antares Fixed Income Funds

Annual Report for the financial year ended 30 June 2024

| Name | ARSN |
|--|-------------|
| 1. Antares Cash Fund | 168 028 831 |
| 2. Antares Diversified Fixed Income Fund | 620 659 949 |
| 3. Antares Enhanced Cash Trust | 123 245 429 |
| 4. Antares Income Fund | 165 643 756 |
| 5. Antares Inflation Linked Bond Fund | 149 088 380 |

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Directors' Report for the financial year ended 30 June 2024

The Directors of MLC Investments Limited (MLCI), the Responsible Entity of the following Managed Investment Schemes (the 'Schemes'), present their report together with the financial report of the Schemes for the financial year ended 30 June 2024, and the report of the auditor of the Schemes.

1. Antares Cash Fund
2. Antares Diversified Fixed Income Fund
3. Antares Enhanced Cash Trust
4. Antares Income Fund
5. Antares Inflation Linked Bond Fund

Responsible Entity

The Responsible Entity of the Schemes is MLC Investments Limited. As at reporting date, the registered office and principal place of business of the Responsible Entity and the Schemes is '30 The Bond' Level 3, 30 Hickson Road, Millers Point NSW 2000.

The Directors of MLC Investments Limited during or since the end of the financial year are:

| Name | Position Held | Date Appointed |
|-------------|---|----------------------|
| K A Watt | Independent Non-Executive Director, Chair | Appointed 05/12/2016 |
| J Selak | Independent Non-Executive Director | Appointed 31/05/2021 |
| M A Joiner | Independent Non-Executive Director | Appointed 01/01/2021 |
| G J Mulcahy | Executive Director | Appointed 07/07/2014 |

Principal activities

The Schemes are registered managed investment schemes domiciled in Australia.

The Schemes invest in accordance with the investment policy of the Schemes as set out in their respective Product Disclosure Statements (PDSs) or investment mandates and in accordance with the Schemes' Constitutions. The key asset categories are interest bearing securities, unlisted unit trusts and derivatives.

The Schemes did not have any employees during the year (2023: Nil).

Review of operations and results

The Schemes continue to invest in accordance with target asset allocations as set out in the governing documents of the Schemes and in accordance with the provisions of each Scheme's Constitution.

The results of operations of the Schemes are disclosed in the Statements of Comprehensive Income.

The income distributions payable by each of the Schemes are disclosed in the Statements of Financial Position.

The distributions to unitholders by each of the Schemes are disclosed in the Statements of Changes in Equity.

For details in relation to the performance of the Schemes, information can be obtained from the website at <https://www.antarescapital.com.au/home/prices-and-performance/fixed-income-performance>.

Significant changes in the state of affairs

Responsible Entity change:

On 29 June 2023, the Directors of Antares Capital Partners Limited (ACP) resolved to retire as Responsible Entity, and appoint MLC Investments Limited (MLCI) as the new Responsible Entity for the Antares Cash Fund, Antares Diversified Fixed Income Fund, Antares Income Fund and Antares Inflation Linked Bond Fund. The change of Responsible Entity was effective on 3 October 2023.

In the opinion of the Responsible Entity, there were no other significant changes in the state of affairs of the Schemes that occurred during the year.

Events subsequent to balance date

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

Likely developments and expected results of operations

The Schemes will continue to pursue their investment policies as outlined in the PDSs or investment mandates. The results of the Schemes will be affected by a number of factors, including the performance of investment markets in which the Schemes invest. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

Further information has not been included in this report to avoid the disclosure of information that may result in unreasonable prejudice to the Schemes.

Indemnification and insurance of officers and auditor

The Schemes have not indemnified or made a relevant agreement for indemnifying against a liability for any person who is or has been an officer of the Responsible Entity or an auditor of the Schemes during the year. Subject to the relevant Scheme's constitution and relevant law, the Responsible Entity is entitled to be indemnified out of the assets of the Schemes for any liability incurred by it in properly performing or exercising any of its powers or duties in relation to the Schemes. The auditor of the Schemes is in no way indemnified out of the assets of the Schemes.

The ultimate parent company of the Responsible Entity, Insignia Financial Ltd, has paid or agreed to pay insurance premiums in respect of the Responsible Entity's officers for liability, legal expenses, insurance contracts, and premiums in respect of such insurance contracts, for the financial year ended 30 June 2024. Such insurance contracts insure against certain liability (subject to specified exclusions) for persons who are or have been the officers of the Responsible Entity. Details of the nature of the liabilities covered or the amount of the premium paid has not been included as such disclosure is prohibited under the terms of the contracts.

Directors' Report for the financial year ended 30 June 2024

Fees paid to and investments held by the Responsible Entities or their associates

Fees paid and payable to the Responsible Entities (MLCI and ACP) and their associates out of the Schemes' property during the year are disclosed in Note 7.4 Responsible Entity fees.

No fees were paid out of the Schemes' property to the Directors of the Responsible Entities during the year. Related party investments held in the Schemes as at the end of the financial year are disclosed in Note 7 Related parties.

Interests in the Schemes

The movements in units on issue in the Schemes during the year are disclosed in the Statements of Changes in Equity.

The value of the Schemes' assets and liabilities are disclosed in the Statements of Financial Position and derived using the basis set out in Note 2 Basis of preparation.

Environmental regulation

The operations of the Schemes are not subject to any significant environmental regulation under Commonwealth, State or Territory law.

Rounding

The Schemes meet the criteria set out in *Corporations Instrument 2016/191* issued by the Australian Securities and Investments Commission (ASIC), and in accordance with that Corporations Instrument, amounts in the financial report and the Directors' report have been rounded off to the nearest thousand dollars unless otherwise stated.

Single set of financial statements

The Schemes are entities of the kind referred to in ASIC *Corporations (Related Scheme Reports) Instrument 2015/839*. In accordance with the legislative instrument, registered schemes with common Responsible Entity (or related Responsible Entities) are permitted to include their financial statements in adjacent columns in a single set of financial statements.

Lead auditor's independence declaration

The lead auditor's independence declaration, as required under section 307C of the *Corporations Act 2001*, is set out on page 36 and forms part of the Directors' Report for the financial year ended 30 June 2024.

Signed in accordance with a resolution of the Directors of MLC Investments Limited.



Kathryn Watt

Director

Melbourne

11 September 2024

Financial Report
Statements of Financial Position
as at 30 June 2024

| | | 1. Antares Cash Fund | | 2. Antares Diversified Fixed Income Fund | | 3. Antares Enhanced Cash Trust | | 4. Antares Income Fund | |
|---|------|---------------------------------------|------------------------|--|------------------------|--------------------------------|------------------------|------------------------|------------------------|
| | Note | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 |
| Assets | | | | | | | | | |
| Cash and cash equivalents | 5.2 | 15 | 18 | 11,807 | 4,779 | 162 | 499 | 3,265 | 5,775 |
| Margin accounts | | - | - | 2,468 | 3,694 | - | - | 1,794 | 2,113 |
| Outstanding settlements | | - | - | - | - | - | - | 2,400 | - |
| Receivables | | 2 | - | 3,570 | 2,761 | 1,503 | 5,684 | 1,293 | 849 |
| Financial assets held at fair value through profit or loss | 4.1 | 15,047 | 17,408 | 353,708 | 354,233 | 92,844 | 385,712 | 184,318 | 170,498 |
| Total assets | | 15,064 | 17,426 | 371,553 | 365,467 | 94,509 | 391,895 | 193,070 | 179,235 |
| Liabilities | | | | | | | | | |
| Distributions payable | | 186 | 158 | - | - | 1,880 | 5,594 | 1,792 | 4,329 |
| Payables | | - | - | 227 | 221 | 14 | 5,263 | 92 | 163 |
| Financial liabilities held at fair value through profit or loss | 4.2 | - | - | 831 | 1,224 | - | - | 197 | 183 |
| Total liabilities | | 186 | 158 | 1,058 | 1,445 | 1,894 | 10,857 | 2,081 | 4,675 |
| Total net assets attributable to unitholders - Equity | | 14,878 | 17,268 | 370,495 | 364,022 | 92,615 | 381,038 | 190,989 | 174,560 |
| | | | | | | | | | |
| | | 5. Antares Inflation Linked Bond Fund | | | | | | | |
| | Note | 30 June 2024 \$'000 | 30 June 2023 \$'000 | | | | | | |
| Assets | | | | | | | | | |
| Cash and cash equivalents | 5.2 | 408 | 3,014 | | | | | | |
| Margin accounts | | 526 | 424 | | | | | | |
| Outstanding settlements | | - | - | | | | | | |
| Receivables | | 48 | 59 | | | | | | |
| Financial assets held at fair value through profit or loss | 4.1 | 29,128 | 37,173 | | | | | | |
| Total assets | | 30,110 | 40,670 | | | | | | |
| Liabilities | | | | | | | | | |
| Distributions payable | | 736 | 793 | | | | | | |
| Payables | | 56 | 9 | | | | | | |
| Financial liabilities held at fair value through profit or loss | 4.2 | 8 | 4 | | | | | | |
| Total liabilities | | 800 | 806 | | | | | | |
| Total net assets attributable to unitholders - Equity | | 29,310 | 39,864 | | | | | | |

The above Statements of Financial Position should be read in conjunction with the accompanying notes.

Financial Report
Statements of Comprehensive Income
for the financial year ended 30 June 2024

| | | 1. Antares Cash Fund† | | 2. Antares Diversified Fixed Income Fund | | 3. Antares Enhanced Cash Trust | | 4. Antares Income Fund | |
|--|------|---------------------------------------|------------------------|--|------------------------|--------------------------------|------------------------|------------------------|------------------------|
| | Note | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 |
| Investment income | | | | | | | | | |
| Interest income | | 1 | 1 | 14,861 | 14,319 | 14 | 29 | 3,143 | 2,274 |
| Dividend and distribution income | | 685 | 413 | - | - | 13,241 | 12,805 | 1,632 | 5,924 |
| Net change in fair value of investments | | (25) | 97 | 4,322 | 1,736 | 1,527 | 127 | 6,854 | 632 |
| Other income | | 5 | 5 | - | - | - | 45 | - | - |
| Total investment income | | 666 | 516 | 19,183 | 16,055 | 14,782 | 13,006 | 11,629 | 8,830 |
| Expenses | | | | | | | | | |
| Responsible Entity fees | 7.4 | - | - | 1,276 | 1,632 | 311 | 253 | 370 | 395 |
| Interest expense | | - | - | 1 | 1 | 6 | 3 | - | - |
| Other expenses | | - | - | 18 | 29 | 32 | 30 | 11 | 6 |
| Total operating expenses | | - | - | 1,295 | 1,662 | 349 | 286 | 381 | 401 |
| Operating profit | | 666 | 516 | 17,888 | 14,393 | 14,433 | 12,720 | 11,248 | 8,429 |
| Other comprehensive income | | - | - | - | - | - | - | - | - |
| Total comprehensive income for the financial year | | 666 | 516 | 17,888 | 14,393 | 14,433 | 12,720 | 11,248 | 8,429 |
| | | | | | | | | | |
| | | 5. Antares Inflation Linked Bond Fund | | | | | | | |
| | Note | 30 June 2024 \$'000 | 30 June 2023 \$'000 | | | | | | |
| Investment income | | | | | | | | | |
| Interest income | | 669 | 1,028 | | | | | | |
| Dividend and distribution income | | - | - | | | | | | |
| Net change in fair value of investments | | 769 | 2,067 | | | | | | |
| Other income | | - | - | | | | | | |
| Total investment income | | 1,438 | 3,095 | | | | | | |
| Expenses | | | | | | | | | |
| Responsible Entity fees | 7.4 | 102 | 170 | | | | | | |
| Interest expense | | - | - | | | | | | |
| Other expenses | | 2 | 2 | | | | | | |
| Total operating expenses | | 104 | 172 | | | | | | |
| Operating profit | | 1,334 | 2,923 | | | | | | |
| Other comprehensive income | | - | - | | | | | | |
| Total comprehensive income for the financial year | | 1,334 | 2,923 | | | | | | |

The above Statements of Comprehensive Income should be read in conjunction with the accompanying notes.

† The Scheme received a rebate from the Responsible Entity to reduce the effect of management fees paid. Net rebates are reflected as "Other income". Refer to Note 7.4 Responsible Entity fees for additional disclosures.

Financial Report

Statements of Changes in Equity

for the financial year ended 30 June 2024

| | | 1. Antares Cash Fund | | 2. Antares Diversified Fixed Income Fund | | 3. Antares Enhanced Cash Trust | | 4. Antares Income Fund | |
|--|------|---------------------------------------|----------------------------|--|----------------------------|--------------------------------|----------------------------|----------------------------|----------------------------|
| | Note | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 |
| Total equity at the beginning of the financial year | | 17,268 | 17,718 | 364,022 | 473,955 | 381,038 | 382,834 | 174,560 | 187,191 |
| Total comprehensive income for the financial year | | 666 | 516 | 17,888 | 14,393 | 14,433 | 12,720 | 11,248 | 8,429 |
| Transactions with unitholders | | | | | | | | | |
| Applications | | 1,067 | 2,123 | 80,001 | 65,275 | 294,609 | 439,092 | 83,689 | 98,552 |
| Redemptions | | (3,428) | (2,670) | (91,416) | (189,601) | (584,333) | (441,146) | (73,264) | (111,533) |
| Distributions paid and payable | | (695) | (419) | - | - | (13,132) | (12,462) | (5,244) | (8,079) |
| Total transactions with unitholders | | (3,056) | (966) | (11,415) | (124,326) | (302,856) | (14,516) | 5,181 | (21,060) |
| Total equity at the end of the financial year | | 14,878 | 17,268 | 370,495 | 364,022 | 92,615 | 381,038 | 190,989 | 174,560 |
| | Note | 30 June 2024 Units '000 | 30 June 2023 Units '000 | 30 June 2024 Units '000 | 30 June 2023 Units '000 | 30 June 2024 Units '000 | 30 June 2023 Units '000 | 30 June 2024 Units '000 | 30 June 2023 Units '000 |
| Opening balance | | 17,389 | 17,936 | 392,962 | 522,683 | 375,447 | 377,503 | 182,657 | 195,623 |
| Applications | | 1,072 | 2,137 | 83,728 | 70,788 | 287,767 | 429,854 | 85,584 | 102,046 |
| Redemptions | | (3,435) | (2,684) | (95,867) | (200,509) | (571,946) | (431,910) | (75,546) | (115,012) |
| Closing balance | | 15,026 | 17,389 | 380,823 | 392,962 | 91,268 | 375,447 | 192,695 | 182,657 |
| Distribution Cents per Unit (CPU) | | 4.44 | 2.28 | - | - | 4.87 | 3.35 | 2.93 | 4.08 |
| | | 5. Antares Inflation Linked Bond Fund | | | | | | | |
| | Note | 30 June 2024 \$'000 | 30 June 2023 \$'000 | | | | | | |
| Total equity at the beginning of the financial year | | 39,864 | 59,460 | | | | | | |
| Total comprehensive income for the financial year | | 1,334 | 2,923 | | | | | | |
| Transactions with unitholders | | | | | | | | | |
| Applications | | 3,348 | 5,876 | | | | | | |
| Redemptions | | (14,055) | (27,362) | | | | | | |
| Distributions paid and payable | | (1,181) | (1,033) | | | | | | |
| Total transactions with unitholders | | (11,888) | (22,519) | | | | | | |
| Total equity at the end of the financial year | | 29,310 | 39,864 | | | | | | |
| | Note | 30 June 2024 Units '000 | 30 June 2023 Units '000 | | | | | | |
| Opening balance | | 38,492 | 58,847 | | | | | | |
| Applications | | 3,160 | 5,695 | | | | | | |
| Redemptions | | (13,448) | (26,050) | | | | | | |
| Closing balance | | 28,204 | 38,492 | | | | | | |
| Distribution Cents per Unit (CPU) | | 4.01 | 2.52 | | | | | | |

The above Statements of Changes in Equity should be read in conjunction with the accompanying notes.

Financial Report

Statements of Cash Flows

for the financial year ended 30 June 2024

| | | 1. Antares Cash Fund | | 2. Antares Diversified Fixed Income Fund | | 3. Antares Enhanced Cash Trust | | 4. Antares Income Fund | |
|---|------------|---------------------------------------|------------------------|--|------------------------|--------------------------------|------------------------|------------------------|------------------------|
| | Note | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 |
| Cash flows from operating activities: | | | | | | | | | |
| Interest received | | 1 | 1 | 13,932 | 14,274 | 17 | 59 | 2,822 | 2,043 |
| Other income received | | 5 | 5 | - | - | - | 45 | - | - |
| Realised foreign exchange (losses)/gains | | - | - | 62 | 71 | - | (15) | 17 | 20 |
| Net movement in margin accounts | | - | - | 1,227 | 686 | - | - | 319 | (316) |
| Interest expense | | - | - | (1) | (1) | (19) | - | - | - |
| Operating expenses paid | | (2) | (8) | (1,291) | (1,675) | (380) | (494) | (378) | (395) |
| Proceeds from sale of investments | | 3,377 | 2,577 | 174,107 | 256,724 | 571,080 | 377,900 | 54,000 | 93,917 |
| Purchase of investments | | (356) | (1,770) | (169,653) | (146,216) | (259,265) | (375,750) | (61,716) | (77,685) |
| Net cash inflow/(outflow) from operating activities | 5.1 | 3,025 | 805 | 18,383 | 123,863 | 311,433 | 1,745 | (4,936) | 17,584 |
| Cash flows from financing activities: | | | | | | | | | |
| Proceeds from application of units | | 400 | 1,863 | 80,121 | 65,120 | 279,483 | 432,445 | 82,787 | 96,368 |
| Payments for redemption of units | | (3,428) | (2,671) | (91,413) | (189,507) | (589,533) | (435,949) | (73,337) | (111,678) |
| Distributions paid | | - | - | - | (105) | (1,720) | (221) | (7,000) | (5,222) |
| Net cash (outflow)/inflow from financing activities | | (3,028) | (808) | (11,292) | (124,492) | (311,770) | (3,725) | 2,450 | (20,532) |
| Net increase/(decrease) in cash and cash equivalents | | (3) | (3) | 7,091 | (629) | (337) | (1,980) | (2,486) | (2,948) |
| Effect of exchange rate fluctuations on cash and cash equivalents | | - | - | (63) | (19) | - | 13 | (24) | 13 |
| Cash and cash equivalents at the beginning of the financial year | | 18 | 21 | 4,779 | 5,427 | 499 | 2,466 | 5,775 | 8,710 |
| Cash and cash equivalents at the end of the financial year | 5.2 | 15 | 18 | 11,807 | 4,779 | 162 | 499 | 3,265 | 5,775 |
| | | | | | | | | | |
| | | 5. Antares Inflation Linked Bond Fund | | | | | | | |
| | Note | 30 June 2024 \$'000 | 30 June 2023 \$'000 | | | | | | |
| Cash flows from operating activities: | | | | | | | | | |
| Interest received | | 680 | 1,040 | | | | | | |
| Other income received | | - | - | | | | | | |
| Realised foreign exchange (losses)/gains | | - | - | | | | | | |
| Net movement in margin accounts | | (103) | (39) | | | | | | |
| Interest expense | | - | - | | | | | | |
| Operating expenses paid | | (107) | (174) | | | | | | |
| Proceeds from sale of investments | | 9,452 | 30,497 | | | | | | |
| Purchase of investments | | (633) | (7,247) | | | | | | |
| Net cash inflow/(outflow) from operating activities | 5.1 | 9,289 | 24,077 | | | | | | |
| Cash flows from financing activities: | | | | | | | | | |
| Proceeds from application of units | | 2,310 | 5,415 | | | | | | |
| Payments for redemption of units | | (14,005) | (27,363) | | | | | | |
| Distributions paid | | (200) | (191) | | | | | | |
| Net cash (outflow)/inflow from financing activities | | (11,895) | (22,139) | | | | | | |
| Net increase/(decrease) in cash and cash equivalents | | (2,606) | 1,938 | | | | | | |
| Effect of exchange rate fluctuations on cash and cash equivalents | | - | - | | | | | | |
| Cash and cash equivalents at the beginning of the financial year | | 3,014 | 1,076 | | | | | | |
| Cash and cash equivalents at the end of the financial year | 5.2 | 408 | 3,014 | | | | | | |

The above Statements of Cash Flows should be read in conjunction with the accompanying notes.

Financial Report

Notes to the Financial Statements

for the financial year ended 30 June 2024

1. Reporting entity

The Schemes included in these financial statements are registered Managed Investment Schemes under the *Corporations Act 2001*. The financial statements of the Schemes are for the financial year ended 30 June 2024.

The financial statements were authorised for issue in accordance with a resolution of the Directors of the Responsible Entity on 11 September 2024.

2. Basis of preparation

The Statements of Financial Position are prepared on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. Balances are generally expected to be recovered or settled within twelve months, except for financial assets at fair value through profit or loss and net assets attributable to unitholders.

2.1 Statement of compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The financial statements of the Schemes also comply with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

2.2 Basis of consolidation

The Schemes have assessed whether their investments in unlisted related registered managed investment schemes should be classified as structured entities. A structured entity is an entity in which voting or similar rights are not the dominant factor in deciding control. The Schemes have concluded that their investments in unlisted registered managed investment schemes meet the definition of structured entities as the voting rights of these unlisted registered managed investment schemes are not substantive in nature as set out in Note 8 Interests in unconsolidated structured entities. As such, the Schemes do not consolidate any entities.

2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except for:

- financial assets and liabilities held at fair value through profit or loss, which are measured at fair value; and
- other financial liabilities, which are measured at amortised cost using the effective interest rate method.

2.4 Functional and presentation currency

Items included in the Schemes' 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 Schemes compete for funds and are regulated. The Australian dollar is also the Schemes' presentation currency.

2.5 Use of estimates and judgements

The preparation of the financial statements which are in conformity with IFRS, requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent assets and liabilities. The estimates and associated assumptions can refer to historical experience and various other factors that are believed to be reasonable using market participant assumptions in the current market environment based on what is known and knowable at the measurement date. The results of this assessment forms the basis of making the judgement about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Note 6.5 Valuation of financial instruments contains information about the estimation of fair values of financial instruments.

2.6 Going concern

The financial statements have been prepared on a going concern basis.

Financial Report
Notes to the Financial Statements
for the financial year ended 30 June 2024**2.7 Changes in material accounting policies**

There were no material changes in the accounting policies of the Schemes during the financial year. The Schemes have adopted Disclosure of Accounting Policies (*Amendments to AASB 101 and IFRS Practice Statement 2*) from 1 July 2023. The amendments did not result in changes to the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material', rather than 'significant' accounting policies. The amendments provide guidance on the application of materiality to disclose accounting policies, and guidance to provide useful entity-specific accounting policy information that users may require to understand other information in the financial statements. Management reviewed the accounting policies and disclosures in Note 3 Material accounting policies (30 June 2023: Significant accounting policies) and determined no changes to the disclosures were necessary to provide further meaningful information to users.

2.8 New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2024, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Schemes.

3. Material accounting policies

The material accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless otherwise stated. Refer to Note 2.7 Changes in material accounting policies for further details.

3.1 Foreign currency translation

Foreign currency transactions are translated to Australian dollars at the rates of exchange prevailing at the dates of the transactions. Assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at the reporting date. Unrealised foreign exchange gains or losses, arising in translation of assets and liabilities denominated in foreign currencies at reporting date, are recognised as part of the 'Net change in fair value of investments' in the Statements of Comprehensive Income. Realised gains and losses on amounts denominated in foreign currencies are also brought to account as part of 'Net change in fair value of investments' in the Statements of Comprehensive Income and as 'Realised foreign exchange gains/(losses)' in the Statements of Cash Flows.

3.2 Financial instruments**3.2.1 Recognition and initial measurement**

Financial assets and liabilities held at fair value through profit or loss are recognised initially on the trade date at which the Schemes become a party to the contractual provisions of the instrument. Other financial assets and liabilities are recognised on the due date they originated.

Financial assets and financial liabilities held at fair value through profit or loss are measured initially at fair value, with transaction costs recognised in the Statements of Comprehensive Income. Financial assets or liabilities not held at fair value through profit or loss are measured initially at fair value plus transaction costs, that are directly attributable to its acquisition or issue.

3.2.2 Derecognition

The Schemes derecognise financial assets when the contractual rights to the cash flows from the financial assets expire or they transfer the financial assets and the transfer qualifies for derecognition in accordance with AASB 9 *Financial Instruments*.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

When there is objective evidence that the Schemes will not be able to collect all amounts due according to the original terms of the receivable, the Schemes will write off the amount by reducing the carrying amount directly in the Statements of Financial Position and also recognise a loss or other expense in the Statements of Comprehensive Income.

Financial Report

Notes to the Financial Statements

for the financial year ended 30 June 2024

3.2.3 Classification

Financial assets and financial liabilities held at fair value through profit or loss are those that meet the definition of held for trading in AASB 9 *Financial Instruments*. These include investments in interest bearing securities, derivatives and unlisted unit trusts.

Financial assets measured at amortised cost include cash and cash equivalents. Financial liabilities measured at amortised cost include balances due to brokers and accounts payable.

3.2.4 Measurement

Subsequent to initial recognition, all instruments classified at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the Statements of Comprehensive Income.

Financial liabilities other than those at fair value through profit or loss, are measured at amortised cost using the effective interest rate method.

Refer to Note 6.5 Valuation of financial instruments for additional disclosures.

3.2.5 Fair value measurement principles

The Schemes have adopted AASB 13 *Fair Value Measurement* and as a result the Schemes have adopted the definition of fair value as set out below.

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 in the principal, or in its absence, the most advantageous market to which the Schemes have access at that date.

The prices used to value investments include, but are not limited to:

- independent prices obtained for each security;
- quoted 'bid' prices on long securities and quoted 'ask' prices on securities sold short; and
- net asset value prices published by the relevant Responsible Entity, for investments into unlisted unit trusts.

In accordance with the Constitutions, the Schemes are contractually obliged to redeem units at redemption price, which includes an allowance for transaction costs that would be incurred by the Schemes on disposal of assets required to fund the redemptions. Where a transaction cost factor has been incurred, there will be a difference between the carrying amount of the net assets of the Schemes excluding the unitholders' funds classified as equity and the contractual amount payable to unitholders which is based on the redemption price.

When applicable, the Schemes measure the fair value of an instrument using the quoted prices in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

When there is no quoted price in an active market, the Schemes use valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would take into account in pricing a transaction.

3.2.6 Offsetting

Financial assets and liabilities are offset and the net amount presented in the Statements of Financial Position when, and only when, the Schemes have a legal right to offset the amounts and they intend either to settle on a net basis or realise the asset and settle the liability simultaneously.

Refer to Note 6.2.8 Offsetting financial assets and financial liabilities for additional disclosures.

Income and expenses are presented on a net basis only when permitted under AASBs, e.g. for gains and losses arising from a group of similar transactions, such as gains and losses from financial instruments held at fair value through profit or loss.

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for the financial year ended 30 June 2024**3.2.7 Derivative financial instruments**

The Schemes use derivative financial instruments to hedge their exposure to credit, interest rate, foreign exchange and price risks arising from investment activities. In accordance with their investment strategy, the Schemes hold or issue derivative financial instruments for hedging purposes.

Derivative financial instruments are recognised initially at cost. Subsequent to initial recognition, derivative financial instruments are stated at fair value. The gain or loss on remeasurement to fair value is recognised immediately in the Statements of Comprehensive Income. The Schemes do not apply hedge accounting.

Futures contracts

Futures contracts are contractual obligations to buy or sell financial instruments on a future date at a specified price established in an organised market. Futures contracts are collateralised by cash and cash equivalents or by other assets ("initial margin"). Subsequent payments, known as "variation margin", are made or received by the Schemes each day, depending on the daily fluctuations in the fair value of the underlying security. The futures contracts are marked to market daily.

Swaps

Swaps are derivative instruments in which two parties exchange the cash flows or liabilities from two different financial instruments. Swaps are over-the-counter contracts and the most commonly seen swaps may include interest rate swaps, credit default swaps, currency swaps and total return swaps. The Schemes may use the swaps to hedge risk and minimize market uncertainty. Gains or losses are recorded in the relevant period as a change in the fair value of investments in the Statements of Comprehensive Income.

3.3 Cash and cash equivalents

For the purpose of presentation in the Statements of Cash Flows, cash and cash equivalents may include cash at bank, 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 which are subject to an insignificant risk of changes in value.

3.4 Margin accounts

Margin accounts comprise cash held as collateral for derivative transactions. The cash is held by the broker in a custodial capacity.

3.5 Outstanding settlements

Unsettled sales are amounts due from brokers for securities sold that have not been received at reporting date. Trades are recorded on trade date, and normally settle within three business days.

Unsettled purchases are amounts due to brokers for securities purchased that have not been paid at reporting date. Trades are recorded on trade date and normally settle within three business days.

3.6 Receivables

Receivables are measured at transaction price and may include amounts for accrued income and other receivables such as Reduced Input Tax Credits (RITC). RITC is the amount of Goods and Services Tax (GST) recoverable from the Australian Taxation Office (ATO).

Accrued income may include amounts for dividends, trust distributions, interest income and compensation income. Amounts are generally received within 30 days of being recorded as receivables.

3.7 Distributions payable

The distributions payable to unitholders as at the reporting date is recognised separately in the Statements of Financial Position as unitholders are presently entitled to the distributable income as at 30 June 2024 under the Schemes' Constitutions.

3.8 Payables

Payables may include amounts for accrued expenses and other payables such as GST.

Accrued expenses include Responsible Entity fees payable.

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for the financial year ended 30 June 2024

3.9 Net assets attributable to unitholders

The amount of net assets attributable to unitholders can change significantly on a daily basis due to fair value movements, and as the Schemes are subject to daily applications and redemptions at the discretion of unitholders. The Responsible Entity monitors the level of daily applications and redemptions relative to the liquid assets in the Schemes. Under the terms of each Scheme's Constitution, 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.

In order to maintain or adjust the capital structure, the Responsible Entity may return capital to unitholders. The Schemes do not have any externally imposed capital requirements. The units can be put back to the Schemes 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 unitholders exercised their right to redeem units from the Schemes.

Under AASB 132 *Financial Instruments: Presentation*, puttable financial instruments are classified as equity where the following criteria are met:

- the puttable financial instrument entitles the holder to a pro-rata share of net assets in the event of the Schemes' liquidation;
- the puttable financial instrument is in the class of instruments that is subordinate to all other classes of instruments and class features are identical;
- the puttable financial instrument does not include any contractual obligations to deliver cash or another financial asset, or to exchange financial instruments with another entity under potentially unfavourable conditions to the Schemes, and it is not a contract settled in the Schemes' own equity instruments; and
- the total expected cash flows attributable to the puttable financial instrument over the life are based substantially on the profit or loss.

The above criteria are satisfied for the Scheme with a single unit class and net assets attributable to unitholders are classified as equity.

3.10 Terms and conditions of units

The Schemes included in these financial statements have a single unit class.

All units of a class issued by each Scheme will be of an equal value and confer identical interests and rights to, and be subject to the same conditions as, all other units in that class. A unit does not confer any interest in any particular asset or investment of each Scheme. Unitholders have various rights under the Constitutions and the *Corporations Act 2001*, including the right to:

- have their units redeemed;
- accumulate income, which is reflected in the unit price;
- attend and vote at meetings of unitholders; and
- participate in the termination and winding up of the Scheme.

3.11 Interest income

Interest income from financial assets at amortised cost is recognised on a time-proportionate basis using the effective interest method and includes interest from cash and cash equivalents.

Interest income from financial assets at fair value through profit or loss is determined based on the contractual coupon interest rate and includes interest from debt securities.

3.12 Distribution income

Income distributions from unlisted unit trusts are recognised in the Statements of Comprehensive Income on an entitlement basis.

Distributions which are reinvested are disclosed as non-cash transactions within Note 5 Reconciliation of cash flows from operating activities.

3.13 Net change in fair value of investments

Changes in the fair value of investments are net gains or losses recognised in relation to financial assets and liabilities at fair value through profit or loss. Changes are determined as the difference between the fair value at year end or consideration received (if sold during the year) and the fair value as at the prior year end or initial fair value (if the investment was acquired during the year).

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for the financial year ended 30 June 2024**3.14 Expenses**

All expenses, including Responsible Entity fees, are recognised in the Statements of Comprehensive Income on an accrual basis.

Interest expense is interest accrued on overdraft balances held during the financial year, and other expenses relate to brokerage fees from purchasing and selling assets.

3.15 Foreign exchange gains and losses

Foreign exchange gains and losses on financial assets and financial liabilities held at fair value through profit or loss are recognised together with other changes in the fair value. Included in the profit or loss line item are net foreign exchange gains or losses on monetary financial assets and financial liabilities other than those classified at fair value through profit or loss.

3.16 Distributions to unitholders

Distributions are payable as set out in the Schemes' PDSs. Distributions are determined by the Responsible Entity in accordance with each Scheme's Constitution and applicable tax legislation.

Financial instruments held at fair value may include unrealised capital gains or losses. Unrealised gains or losses that are recognised as 'profit or loss from operating activities' are transferred to net assets attributable to unitholders and are not assessable and do not impact distributions until realised.

Under AASB 132 *Financial Instruments: Presentation*, the Schemes that have a single unit class disclose distributions paid and payable in the Statements of Changes in Equity.

Distributions paid are included in cash flows from financing activities in the Statements of Cash Flows.

3.17 Taxation

Under the Attribution Managed Investment Trust ("AMIT") tax regime, the AMIT Schemes are not subject to income tax as taxable income (including assessable realised capital gains) is attributed in full to the unitholders. The AMIT Schemes fully attribute their taxable income which is calculated in accordance with the Schemes' Constitutions and applicable taxation legislation, to the unitholders on a fair and reasonable basis consistent with their rights.

Net realised capital losses are not distributed to unitholders, but are retained to be offset against any future realised capital gains. Where realised assessable capital gains exceed realised capital losses, the excess will be distributed and attributed to unitholders as assessable income for taxation purposes.

The benefits of imputation credits and foreign taxes paid are passed on to unitholders.

3.18 Goods and services tax

Expenses incurred by the Schemes are recognised net of the amount of GST recoverable from the ATO as RITC.

Payables are stated with the amount of GST included. The net amount of GST recoverable from the ATO is included in receivables in the Statements of Financial Position. GST is included in the Statements of Cash Flows on a gross basis.

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for the financial year ended 30 June 2024

4. Financial assets and liabilities

The tables below detail the categories of the financial assets and liabilities held by the Schemes at the reporting date:

| | 1. Antares Cash Fund | | 2. Antares Diversified Fixed Income Fund | | 3. Antares Enhanced Cash Trust | | 4. Antares Income Fund | |
|--|---------------------------------------|------------------------|--|------------------------|--------------------------------|------------------------|------------------------|------------------------|
| | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 |
| 4.1 Financial assets held at fair value through profit or loss | | | | | | | | |
| Interest bearing securities | - | - | 353,692 | 354,210 | - | - | 89,479 | 61,124 |
| Unlisted unit trusts | 15,047 | 17,408 | - | - | 92,844 | 385,712 | 94,430 | 109,124 |
| Derivative assets | - | - | 16 | 23 | - | - | 409 | 250 |
| Total financial assets held at fair value through profit or loss | 15,047 | 17,408 | 353,708 | 354,233 | 92,844 | 385,712 | 184,318 | 170,498 |
| 4.2 Financial liabilities held at fair value through profit or loss | | | | | | | | |
| Derivative liabilities | - | - | 831 | 1,224 | - | - | 197 | 183 |
| Total financial liabilities held at fair value through profit or loss | - | - | 831 | 1,224 | - | - | 197 | 183 |
| | 5. Antares Inflation Linked Bond Fund | | | | | | | |
| | 30 June 2024 \$'000 | 30 June 2023 \$'000 | | | | | | |
| 4.1 Financial assets held at fair value through profit or loss | | | | | | | | |
| Interest bearing securities | 29,125 | 37,170 | | | | | | |
| Unlisted unit trusts | - | - | | | | | | |
| Derivative assets | 3 | 3 | | | | | | |
| Total financial assets held at fair value through profit or loss | 29,128 | 37,173 | | | | | | |
| 4.2 Financial liabilities held at fair value through profit or loss | | | | | | | | |
| Derivative liabilities | 8 | 4 | | | | | | |
| Total financial liabilities held at fair value through profit or loss | 8 | 4 | | | | | | |

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for the financial year ended 30 June 2024

5. Reconciliation of cash flows from operating activities

The tables below detail the reconciliation of cash flows from operating activities for the year. For the purposes of the Statements of Cash Flows, cash and cash equivalents may include cash at bank, 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 which are subject to an insignificant risk of changes in value, and bank overdrafts. Cash at the end of the financial year as shown in the Statements of Cash Flows is reconciled to the related items in the Statements of Financial Position.

| | 1. Antares Cash Fund | | 2. Antares Diversified Fixed Income Fund | | 3. Antares Enhanced Cash Trust | | 4. Antares Income Fund | |
|---|------------------------|------------------------|--|------------------------|--------------------------------|------------------------|------------------------|------------------------|
| | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 |
| 5.1 Operating profit/(loss) for the financial year | 666 | 516 | 17,888 | 14,393 | 14,433 | 12,720 | 11,248 | 8,429 |
| Adjustments for net realised and unrealised (gains)/losses on: | | | | | | | | |
| Change in fair value of investments | 25 | (97) | (4,322) | (1,736) | (1,527) | (127) | (6,854) | (632) |
| Realised foreign exchange (losses)/gains | - | - | 62 | 71 | - | (15) | 17 | 20 |
| Changes in operating assets and liabilities: | | | | | | | | |
| Proceeds from sale of investments | 3,377 | 2,577 | 174,107 | 256,724 | 571,080 | 377,900 | 54,000 | 93,917 |
| Purchase of investments | (356) | (1,770) | (169,653) | (146,216) | (259,265) | (375,750) | (61,716) | (77,685) |
| Net movement in margin accounts | - | - | 1,227 | 686 | - | - | 319 | (316) |
| Decrease/(increase) in receivables | (2) | - | (929) | (44) | 4,181 | (4,927) | (323) | (236) |
| Increase/(Decrease) in payables | - | (8) | 3 | (15) | (50) | (208) | 3 | 6 |
| Income reinvested | (685) | (413) | - | - | (17,419) | (7,848) | (1,630) | (5,919) |
| Net cash inflow/(outflow) from operating activities | 3,025 | 805 | 18,383 | 123,863 | 311,433 | 1,745 | (4,936) | 17,584 |
| 5.2 Cash and cash equivalents | | | | | | | | |
| Cash at bank | 15 | 18 | 320 | 470 | 159 | 496 | 1,080 | 3,700 |
| Deposits at call | - | - | 11,487 | 4,309 | 3 | 3 | 2,185 | 2,075 |
| Cash and cash equivalents at the end of the financial year | 15 | 18 | 11,807 | 4,779 | 162 | 499 | 3,265 | 5,775 |
| 5.3 Non-cash operating and financing activities | | | | | | | | |
| Distributions reinvested by unitholders in additional scheme units | 667 | 260 | - | - | 15,126 | 6,647 | 781 | 2,068 |
| Trust income reinvested | 685 | 413 | - | - | 17,419 | 7,848 | 1,630 | 5,919 |

| | 5. Antares Inflation Linked Bond Fund | |
|---|---------------------------------------|------------------------|
| | 30 June 2024 \$'000 | 30 June 2023 \$'000 |
| 5.1 Operating profit/(loss) for the financial year | 1,334 | 2,923 |
| Adjustments for net realised and unrealised (gains)/losses on: | | |
| Change in fair value of investments | (769) | (2,067) |
| Realised foreign exchange (losses)/gains | - | - |
| Changes in operating assets and liabilities: | | |
| Proceeds from sale of investments | 9,452 | 30,497 |
| Purchase of investments | (633) | (7,247) |
| Net movement in margin accounts | (103) | (39) |
| Decrease/(increase) in receivables | 11 | 12 |
| Increase/(Decrease) in payables | (3) | (2) |
| Income reinvested | - | - |
| Net cash inflow/(outflow) from operating activities | 9,289 | 24,077 |
| 5.2 Cash and cash equivalents | | |
| Cash at bank | 228 | 329 |
| Deposits at call | 180 | 2,685 |
| Cash and cash equivalents at the end of the financial year | 408 | 3,014 |
| 5.3 Non-cash operating and financing activities | | |
| Distributions reinvested by unitholders in additional scheme units | 1,038 | 461 |
| Trust income reinvested | - | - |

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for the financial year ended 30 June 2024**6. Financial risk management****6.1 Introduction and overview**

The Schemes are exposed to a variety of financial risks from investments in financial instruments. These risks include:

- credit risk
- liquidity risk
- market risk

This note presents information about the Schemes' exposure to each of the above risks, the Schemes' objectives, policies and processes for measuring and managing risks, and the Schemes' management of unitholder funds.

6.1.1 Risk management framework

The Schemes' activities expose them to a variety of financial risks: credit risk, liquidity risk, and market risk (including currency risk, interest rate risk, equity price risk). The Schemes' overall risk management programme is aligned to the investment strategy of each Scheme as detailed in their Constitutions and PDSs. It focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Schemes' financial performance.

The Responsible Entity monitors the risk management framework, which is performed internally and reported on a quarterly basis. Certain Schemes may use derivative financial instruments to moderate certain risk exposures.

6.1.2 Environmental, Social and Governance risks

The Schemes' risk to Environmental, Social and Governance (ESG) issues are managed in accordance with the 'Responsible Investing Policy' and 'Proxy Voting Standard' covering MLC Investments Limited. This involves undertaking formal assessment of the investment manager's ESG practices when assessing, selecting and monitoring investment managers to protect investments and manage the risk profile for long-term returns.

6.2 Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Schemes, resulting in a financial loss to the Schemes. It arises principally from interest bearing securities held, derivative instruments and cash and cash equivalents.

6.2.1 Management of credit risk

The Schemes' policy over credit risk is to minimise its exposure to counterparties with higher risk of default by dealing only with counterparties meeting the credit standards set out in the Schemes' PDSs and by taking collateral. Credit risk is further minimised by managing the assets of the Schemes within credit rating limits.

Credit risk is monitored by the investment managers in accordance with the policies and procedures in place, including assessing the credit rating and quality of interest bearing instruments relative to their price and yield.

6.2.2 Investments in interest bearing securities

Credit risk on interest bearing securities is mitigated by investing primarily in investment grade rated instruments as determined by Standard & Poor's or Moody's. The investment managers review monthly rating updates from the rating agencies and rebalance the portfolio where necessary.

Investments in interest bearing securities that are non investment grade rated are either in accordance with the Schemes' mandates or a result of a decline in the credit quality of the security. To manage credit risk of non investment grade rated securities, an active process of monitoring the investment is in place to ensure the security performs in line with expectations and meets portfolio requirements.

The credit quality of the interest bearing securities invested into by the Schemes, if any, is disclosed in Note 6.2.7 Credit risk exposure.

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for the financial year ended 30 June 2024

6.2.3 Derivative financial instruments

The Schemes may enter into two types of derivative transactions: exchange-traded derivatives (ETD) and over-the-counter (OTC) derivatives. Credit risk arising from ETD is mitigated by margin requirements. OTC derivatives expose the Schemes to risk that the counterparties to the derivative financial instruments might default on their obligations to the Schemes.

Derivative financial instruments are transacted with counterparties on arm's length basis.

The fair value of the derivatives assets held by the Schemes is disclosed in Note 6.2.7 Credit risk exposure.

6.2.4 Cash and cash equivalents

The Schemes' cash and cash equivalents are held mainly by National Australia Bank Limited (NAB). The short term credit rating of NAB determined by Standard & Poor's is A-1+ (2023: A-1+), as at reporting date. Maximum credit risk exposure from cash and cash equivalents is represented by the carrying amount in the Statements of Financial Position.

6.2.5 Settlement risk

The Schemes' activities may give rise to risk at the time of settlement of transactions. Settlement risk is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed.

For the majority of transactions, the Schemes mitigate this risk by conducting settlements through a broker to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations. Settlement limits form part of the credit approval and monitoring processes described in Note 6.2.1 Management of credit risk.

6.2.6 Past due and impaired assets

No financial assets carried at amortised cost were past due or impaired either at 30 June 2024 or 30 June 2023.

6.2.7 Credit risk exposure

The Schemes' maximum credit risk exposure (without taking into account collateral and other credit enhancements) is represented by the respective carrying amounts of the relevant financial securities in the Statements of Financial Position at reporting date.

The tables below detail the maximum exposure to credit risk for the assets held by the Schemes.

| | 2. Antares Diversified Fixed Income Fund | | 4. Antares Income Fund | | 5. Antares Inflation Linked Bond Fund | |
|--|--|------------------------|------------------------|------------------------|---------------------------------------|------------------------|
| | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 |
| Fixed interest securities | 304,427 | 267,688 | 66,476 | 42,576 | 29,125 | 37,170 |
| Floating interest securities | 49,265 | 86,522 | 23,003 | 18,548 | - | - |
| Derivatives | 16 | 21 | 5 | 4 | - | - |
| Total | 353,708 | 354,231 | 89,484 | 61,128 | 29,125 | 37,170 |
| Credit quality of interest bearing securities | | | | | | |
| | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 |
| AAA to AA- | 196,060 | 188,567 | 29,593 | 29,228 | 29,125 | 37,170 |
| A+ to A- | 81,483 | 53,261 | 25,797 | 3,517 | - | - |
| BBB to BB- | 76,149 | 112,382 | 34,088 | 28,379 | - | - |

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for the financial year ended 30 June 2024

6.2.8 Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the Statements of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

The gross and net positions of foreign currency forward contracts and swaps that have been offset in the Statements of Financial Position are disclosed in the following tables:

| | 2. Antares Diversified Fixed Income Fund | | | | | |
|----------------------------------|--|--|---|---|---|-------------------|
| | Amounts offset in the Statement of Financial Position | | | Related amounts not offset in the Statement of Financial Position | | |
| | Gross amounts of recognised financial instruments \$'000 | Gross amounts of recognised financial instruments offset in the Statement of Financial Position \$'000 | Net amount of financial instruments presented in the Statement of Financial Position \$'000 | Financial instruments (including non-cash collateral) \$'000 | Cash Collateral received/pledged \$'000 | Net amount \$'000 |
| 30 June 2024 | | | | | | |
| Financial assets | | | | | | |
| Derivative financial instruments | 16 | - | 16 | (16) | - | - |
| Financial liabilities | | | | | | |
| Derivative financial instruments | (437) | - | (437) | 16 | 421 | - |
| Total | (421) | - | (421) | - | 421 | - |
| 30 June 2023 | | | | | | |
| Financial assets | | | | | | |
| Derivative financial instruments | 21 | - | 21 | (21) | - | - |
| Financial liabilities | | | | | | |
| Derivative financial instruments | (689) | - | (689) | 21 | 668 | - |
| Total | (668) | - | (668) | - | 668 | - |
| | 4. Antares Income Fund | | | | | |
| | Amounts offset in the Statement of Financial Position | | | Related amounts not offset in the Statement of Financial Position | | |
| | Gross amounts of recognised financial instruments \$'000 | Gross amounts of recognised financial instruments offset in the Statement of Financial Position \$'000 | Net amount of financial instruments presented in the Statement of Financial Position \$'000 | Financial instruments (including non-cash collateral) \$'000 | Cash Collateral received/pledged \$'000 | Net amount \$'000 |
| 30 June 2024 | | | | | | |
| Financial assets | | | | | | |
| Derivative financial instruments | 5 | - | 5 | (5) | - | - |
| Financial liabilities | | | | | | |
| Derivative financial instruments | (197) | - | (197) | 5 | 192 | - |
| Total | (192) | - | (192) | - | 192 | - |
| 30 June 2023 | | | | | | |
| Financial assets | | | | | | |
| Derivative financial instruments | 4 | - | 4 | (4) | - | - |
| Financial liabilities | | | | | | |
| Derivative financial instruments | (183) | - | (183) | 4 | 179 | - |
| Total | (179) | - | (179) | - | 179 | - |

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6.3 Liquidity risk

Liquidity risk is the risk that the Schemes will encounter difficulty in meeting obligations arising from their financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner disadvantageous to the Schemes.

6.3.1 Management of liquidity risk

The Schemes' policy and the investment managers' approaches to managing liquidity is to have sufficient liquidity to meet their liabilities, including estimated redemptions of units, as and when they fall due, without incurring undue losses.

The Schemes' PDSs allow for the daily creation and cancellation of units and they are therefore exposed to the liquidity risk of meeting unitholder redemptions at each redemption date. The amounts attributable to unitholders are considered to be on call.

The Schemes' payables are expected to be settled within less than one month.

The Schemes hold investments in unlisted unit trusts, which may be subject to redemption restrictions. As a result, the Schemes may not be able to liquidate some of their investments in these instruments in due time in order to meet their liquidity requirements. If the Schemes are unable to meet liquidity requirements this may impact on unitholder redemptions. If the Schemes are unable to meet liquidity requirements, the Responsible Entity has the power to suspend redemptions in certain circumstance, or may delay the timing of unitholder redemption payments.

The Schemes' liquidity risk is managed on a daily basis and the investment managers' approaches are in accordance with their investment mandates. Daily monitoring of cash flow and liquidity levels is conducted to ensure appropriate and timely action which is in the best interests of the unitholders. In addition to monitoring daily cash flows, the Schemes' portfolio of assets are maintained within defined mandate limits and monitoring these positions is part of liquidity risk management.

6.3.2 Liquidity risk exposure

The tables below detail the financial instruments that give rise to liquidity exposure. Information is provided on a contractual basis.

| | 1. Antares Cash Fund | | 2. Antares Diversified Fixed Income Fund | | 3. Antares Enhanced Cash Trust | | 4. Antares Income Fund | |
|---|---------------------------------------|------------------------|--|------------------------|--------------------------------|------------------------|------------------------|------------------------|
| | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 |
| Net assets attributable to unitholders | | | | | | | | |
| On call amounts | 14,878 | 17,268 | 370,495 | 364,022 | 92,615 | 381,038 | 190,989 | 174,560 |
| Total net assets attributable to unitholders | 14,878 | 17,268 | 370,495 | 364,022 | 92,615 | 381,038 | 190,989 | 174,560 |
| Derivative financial liabilities | | | | | | | | |
| ≥ 1 month but < 6 months | - | - | 494 | 603 | - | - | - | - |
| ≥ 6 months but < 12 months | - | - | 47 | 55 | - | - | 47 | 16 |
| ≥ 1 year | - | - | 290 | 566 | - | - | 150 | 167 |
| Total derivative financial liabilities | - | - | 831 | 1,224 | - | - | 197 | 183 |
| | | | | | | | | |
| | 5. Antares Inflation Linked Bond Fund | | | | | | | |
| | 30 June 2024 \$'000 | 30 June 2023 \$'000 | | | | | | |
| Net assets attributable to unitholders | | | | | | | | |
| On call amounts | 29,310 | 39,864 | | | | | | |
| Total net assets attributable to unitholders | 29,310 | 39,864 | | | | | | |
| Derivative financial liabilities | | | | | | | | |
| ≥ 1 month but < 6 months | 8 | 4 | | | | | | |
| ≥ 6 months but < 12 months | - | - | | | | | | |
| ≥ 1 year | - | - | | | | | | |
| Total derivative financial liabilities | 8 | 4 | | | | | | |

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for the financial year ended 30 June 2024**6.4 Market risk**

Market risk is the risk that changes in market prices, such as interest rates, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's/issuer's credit standing), will affect the Schemes' income or the fair value of their holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

6.4.1 Management of market risk

The Schemes' strategy for the management of market risk is driven by each Scheme's investment objectives. The Schemes' market risk is managed on a daily basis by the investment managers in accordance with the investment guidelines of each Scheme's investment mandates.

The Schemes use derivatives to manage their exposure to foreign currency, interest rate and other price risks. The instruments used include interest rate swaps, forward contracts, futures and options. The Schemes do not apply hedge accounting.

6.4.2 Interest rate risk

The Schemes are exposed to the risk that the fair value or future cash flows of their financial instruments will fluctuate as a result of changes in market interest rates. Financial instruments that would be impacted by changes in market interest rates include cash and cash equivalents, interest bearing securities, derivatives (such as swaps and futures) and deposits with brokers.

The Schemes' interest rate risk is actively managed in accordance with the defined investment process and within the guidelines and restrictions outlined in the Schemes' PDSs. The investment process actively assesses the level of interest rate risk and seeks to manage the interest rate exposure accordingly.

6.4.3 Exposure and sensitivity analysis - interest rate risk

The Schemes which have direct interest rate risk exposure at the reporting date are disclosed in Note 6.4.4 Interest rate risk exposure and sensitivity analysis.

A sensitivity analysis reflects how 'Net assets attributable to unitholders' and Profit/(loss) for the financial year/Total comprehensive income would have been affected by changes in the relevant risk at the end of the reporting period. Management have determined that an increase of 25 basis points or a reduction of 50 basis points at 30 June 2024 is reasonably possible, considering the economic environment in which the Schemes operate (2023: an increase of 50 basis points or a reduction of 25 basis points).

Interest rate risk is not considered to be significant to the Schemes except in relation to investments in interest bearing securities. The interest rate risk disclosures have been prepared on the basis of the Schemes' direct investments and not on a look through basis for investments held indirectly through unit trusts.

The tables at Note 6.4.4 Interest rate risk exposure and sensitivity analysis set out the effect on the Schemes' Net assets attributable to unitholders' and 'Change in net assets attributable to unitholders/Total comprehensive income'.

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6.4.4 Interest rate risk exposure and sensitivity analysis

Other than the Schemes listed below, interest rate risk is not considered to be significant to the Schemes except in relation to investments in interest bearing securities. However, the Schemes hold cash or margins for liquidity or transactional purposes which are held at floating rates of interest.

The tables below detail the assets and liabilities exposed to, and sensitivity analysis on, interest rate risk.

| | 2. Antares Diversified Fixed Income Fund | | | 4. Antares Income Fund | | | 5. Antares Inflation Linked Bond Fund | | |
|---|--|----------------------------------|-----------------|-------------------------------|----------------------------------|-----------------|---------------------------------------|----------------------------------|-----------------|
| | Fixed interest rate \$'000 | Floating interest rate \$'000 | Total \$'000 | Fixed interest rate \$'000 | Floating interest rate \$'000 | Total \$'000 | Fixed interest rate \$'000 | Floating interest rate \$'000 | Total \$'000 |
| 30 June 2024 | | | | | | | | | |
| Financial investments held at fair value through profit or loss | 304,443 | 48,434 | 352,877 | 66,482 | 23,210 | 89,692 | 29,125 | (5) | 29,120 |
| Total financial investment exposure | 304,443 | 48,434 | 352,877 | 66,482 | 23,210 | 89,692 | 29,125 | (5) | 29,120 |
| 30 June 2023 | | | | | | | | | |
| Financial investments held at fair value through profit or loss | 267,708 | 85,301 | 353,009 | 42,580 | 18,610 | 61,190 | 37,170 | (1) | 37,169 |
| Total financial investment exposure | 267,708 | 85,301 | 353,009 | 42,580 | 18,610 | 61,190 | 37,170 | (1) | 37,169 |
| Sensitivity analysis | 2024 \$'000 | 2023 \$'000 | | 2024 \$'000 | 2023 \$'000 | | 2024 \$'000 | 2023 \$'000 | |
| Impact on Profit/loss from operating activities and Net assets attributable to unitholders / Other comprehensive | | | | | | | | | |
| Interest rate risk - increase of 25bps (2023: 50bps) | (4,675) | (8,949) | | (10) | - | | (294) | (920) | |
| Interest rate risk - decrease of 50bps (2023: 25bps) | 9,353 | 4,476 | | 21 | - | | 587 | 460 | |

* The impact of interest rate risk has been rounded to the nearest thousand dollars.

6.4.5 Currency risk

The Schemes invest in financial instruments and may enter into transactions that are denominated in currencies other than their functional currency. Consequently, the Schemes are exposed to risk that the exchange rate of their currency relative to other foreign currencies may change in a manner that has an adverse effect on the fair value or future cash flows of that portion of the Schemes' financial assets or liabilities denominated in currencies other than the Australian dollar.

The Schemes' currency risk is actively managed on a regular basis by the investment managers in accordance with their defined currency management process, and within the guidelines and constraints of the Schemes' investment mandates in order to enhance total returns. The investment managers may use derivative contracts such as options, futures, swaps and forward contracts as permitted by the mandates in managing currency risk.

6.4.6 Exposure and sensitivity analysis - currency risk

The Schemes' total net direct exposure to fluctuations in foreign currency exchange rates as at the reporting date is shown in Note 6.4.7 Currency risk exposure and sensitivity analysis.

A sensitivity analysis reflects how 'Net assets attributable to unitholders' and Profit/(loss) for the financial year/Total comprehensive income would have been affected by changes in the relevant risk at the end of the reporting period. Management has determined that a movement in the Australian dollar of 10% is reasonably possible, considering the current economic environment in which the Schemes operate.

The tables at Note 6.4.7 Currency risk exposure and sensitivity analysis set out the effect on the Schemes' Net assets attributable to unitholders' and the 'Change in net assets attributable to unitholders/Total comprehensive income' of a possible strengthening or weakening of the Australian dollar of 10% as at 30 June 2024 (2023: 10%).

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6.4.7 Currency risk exposure and sensitivity analysis

At reporting date the value of the Schemes' net foreign currency exposure expressed in Australian dollars and the currency risk sensitivity analysis is detailed in the tables below.

| | 2. Antares Diversified Fixed Income Fund | | 4. Antares Income Fund | |
|--|--|-----------------------------------|-----------------------------------|-----------------------------------|
| | 30 June 2024 Fair value \$'000 | 30 June 2023 Fair value \$'000 | 30 June 2024 Fair value \$'000 | 30 June 2023 Fair value \$'000 |
| United States Dollar | 925 | 556 | 616 | 632 |
| Euro | 87 | (29) | 107 | 36 |
| Foreign currency exposure | 1,012 | 527 | 723 | 668 |
| Australian Dollar | - | - | - | - |
| Net foreign currency exposure | 1,012 | 526 | 723 | 668 |
| Sensitivity analysis | 2024 \$'000 | 2023 \$'000 | 2024 \$'000 | 2023 \$'000 |
| Impact on Profit/loss from operating activities and Net assets attributable to unitholders / Other comprehensive income | | | | |
| Currency risk - 10% upward movement in AUD (2023: 10%)* | (101) | (53) | (72) | (67) |

* A decrease will have an equal and opposite effect on the Profit/loss from operating activities and Net assets attributable to unitholders / Other comprehensive income.

6.4.8 Other price risk

At the reporting date, other price risk is the risk that the fair value of the financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or factors affecting all instruments traded in the market. Other price risk is managed by the investment managers by diversifying the portfolio and economically hedging using derivative financial instruments such as options and future contracts, in accordance with the PDSs or information memorandum.

The Schemes' financial instruments which are carried at fair value have any change in the fair value of investments recognised in the Statements of Comprehensive Income in the line item 'Net change in fair value of investments'.

6.4.9 Exposure and Sensitivity analysis - other price risk

The other price risk exposure of financial instruments is equal to the fair value of financial instruments as reported in the Statements of Financial Position and in Note 4 Financial assets and liabilities.

A sensitivity analysis reflects how 'Net assets attributable to unitholders' and Profit/(loss) for the financial year/Total comprehensive income would have been affected by changes in the relevant risk at the end of the reporting period.

Changes in price as disclosed in this note set out below are illustrative only and are based on simplified scenarios. These represent what is considered to be a reasonably possible change rather than extreme fluctuations that may occur from time to time. As such, actual future market movement may differ.

Management has determined that a movement in market prices of 10% is possible, considering the economic environment in which the Schemes operate.

The tables at Note 6.4.10 Other price risk and sensitivity analysis set out the effect on the Schemes' Net assets attributable to unitholders' and Profit/(loss) for the financial year/Total comprehensive income of a possible increase or decrease in market prices of 10% (2023: 10%).

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6.4.10 Other price risk and sensitivity analysis

At the reporting date, the Schemes' other price risk sensitivity analysis is detailed in the tables below:

| | 1. Antares Cash Fund | | 2. Antares Diversified Fixed Income Fund | | 3. Antares Enhanced Cash Trust | | 4. Antares Income Fund | |
|--|------------------------|------------------------|--|------------------------|--------------------------------|------------------------|------------------------|------------------------|
| | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 |
| Interest bearing securities | - | - | 353,692 | 354,210 | - | - | 89,479 | 61,124 |
| Unlisted unit trusts | 15,047 | 17,408 | - | - | 92,844 | 385,712 | 94,430 | 109,124 |
| Derivatives | - | - | (815) | (1,201) | - | - | 212 | 67 |
| Total | 15,047 | 17,408 | 352,877 | 353,009 | 92,844 | 385,712 | 184,121 | 170,315 |
| Sensitivity analysis | 2024 \$'000 | 2023 \$'000 | 2024 \$'000 | 2023 \$'000 | 2024 \$'000 | 2023 \$'000 | 2024 \$'000 | 2023 \$'000 |
| Impact on Profit/loss from operating activities and Net assets attributable to unitholders / Other comprehensive income | | | | | | | | |
| Price risk - increase of 10% (2023: 10%)* | 1,505 | 1,741 | 35,288 | 35,301 | 9,284 | 38,571 | 18,412 | 17,032 |

| | 5. Antares Inflation Linked Bond Fund | |
|--|---------------------------------------|------------------------|
| | 30 June 2024 \$'000 | 30 June 2023 \$'000 |
| Interest bearing securities | 29,125 | 37,170 |
| Unlisted unit trusts | - | - |
| Derivatives | (5) | (1) |
| Total | 29,120 | 37,169 |
| Sensitivity analysis | 2024 \$'000 | 2023 \$'000 |
| Impact on Profit/loss from operating activities and Net assets attributable to unitholders / Other comprehensive income | | |
| Price risk - increase of 10% (2023: 10%)* | 2,912 | 3,717 |

* A decrease will have an equal and opposite effect on the Profit/loss from operating activities and Net assets attributable to unitholders / Other comprehensive income.

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6.4.11 Derivative financial instruments

The Schemes' derivative financial instruments are susceptible to market price risk arising from uncertainties about future prices of the instruments. As at 30 June 2024, the overall direct market exposures were as follows:

| | 2. Antares Diversified Fixed Income Fund | | | | 4. Antares Income Fund | | | |
|--|---|---|-----------------------------------|-----------------------------------|---|---|-----------------------------------|-----------------------------------|
| | 30 June 2024 Contract/Notional value \$'000 | 30 June 2023 Contract/Notional value \$'000 | 30 June 2024 Fair value \$'000 | 30 June 2023 Fair value \$'000 | 30 June 2024 Contract/Notional value \$'000 | 30 June 2023 Contract/Notional value \$'000 | 30 June 2024 Fair value \$'000 | 30 June 2023 Fair value \$'000 |
| Derivative financial instruments: | | | | | | | | |
| Futures | 56,805 | 70,481 | (394) | (533) | (64,345) | (41,712) | 404 | 246 |
| Swaps | (422) | (669) | (421) | (668) | (191) | (179) | (192) | (179) |
| Total | 56,383 | 69,812 | (815) | (1,201) | (64,536) | (41,891) | 212 | 67 |

| | 5. Antares Inflation Linked Bond Fund | | | |
|--|---|---|-----------------------------------|-----------------------------------|
| | 30 June 2024 Contract/Notional value \$'000 | 30 June 2023 Contract/Notional value \$'000 | 30 June 2024 Fair value \$'000 | 30 June 2023 Fair value \$'000 |
| Derivative financial instruments: | | | | |
| Futures | (141) | (660) | (5) | (1) |
| Swaps | - | - | - | - |
| Total | (141) | (660) | (5) | (1) |

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6.5 Valuation of financial instruments

The Schemes' accounting policy on fair value measurement is discussed in Note 3.2.5 Fair value measurement principles.

The Schemes measure financial assets and financial liabilities held at fair value through profit or loss using the following fair value hierarchy:

Level 1 - Quoted price (unadjusted) in an active market for an identical instrument.

The quoted market price used for financial assets is the current bid price. The quoted market price used for financial liabilities is the current ask price.

Level 2 - Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

This category includes instruments valued using: quoted prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques for which all significant inputs are directly or indirectly observable from market data.

Level 3 - Valuation techniques using significant unobservable inputs.

This category includes all instruments that use a valuation technique which includes inputs not based on observable data and the unobservable inputs have a significant effect on the instruments valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Responsible Entity. The Responsible Entity considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The Schemes determine Level 2 fair values for corporate bonds using either a price, credit spread or spread basis evaluation as determined by the observed market data including quoted prices for similar assets, benchmark yield curves and market corroborated inputs.

The valuation of managed investment schemes included in Level 2 is based on the daily net asset value of the managed investment schemes provided by the relevant Responsible Entities.

The Schemes recognise transfers between levels of the fair value hierarchy as of the end of the reporting period during which the transfer has occurred. Changes in Level 2 and 3 fair values are analysed at each reporting date and the reasons for the fair value movements are explained. There were no transfers between Level 1, Level 2 and Level 3 of the fair value hierarchy during the financial year ended 30 June 2024.

The carrying value of assets and liabilities not held at fair value such as cash and cash equivalents approximate fair value.

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6.5.1 Financial instruments hierarchy

6.5.1.1 Recurring fair value measurements

The Schemes which solely invests into unlisted unit trusts which are classified as Level 2 are not included in the tables below.

The tables below detail financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

| | | 2. Antares Diversified Fixed Income Fund | | 4. Antares Income Fund | | 5. Antares Inflation Linked Bond Fund | |
|--|------------|--|------------------------|------------------------|------------------------|---------------------------------------|------------------------|
| | Note | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 | 30 June 2024 \$'000 | 30 June 2023 \$'000 |
| Financial assets held at fair value through profit or loss | | | | | | | |
| Interest bearing securities: | | | | | | | |
| Level 1 | | - | - | - | - | - | - |
| Level 2 | | 353,692 | 354,210 | 89,479 | 61,124 | 29,125 | 37,170 |
| Level 3 | | - | - | - | - | - | - |
| Unlisted unit trusts: | | | | | | | |
| Level 1 | | - | - | - | - | - | - |
| Level 2 | | - | - | 94,430 | 109,124 | - | - |
| Level 3 | | - | - | - | - | - | - |
| Derivative assets: | | | | | | | |
| Level 1 | | - | 2 | 404 | 246 | 3 | 3 |
| Level 2 | | 16 | 21 | 5 | 4 | - | - |
| Level 3 | | - | - | - | - | - | - |
| Total financial assets held at fair value through profit or loss | 4.1 | 353,708 | 354,233 | 184,318 | 170,498 | 29,128 | 37,173 |
| Financial liabilities held at fair value through profit or loss | | | | | | | |
| Derivative liabilities: | | | | | | | |
| Level 1 | | 394 | 535 | - | - | 8 | 4 |
| Level 2 | | 437 | 689 | 197 | 183 | - | - |
| Level 3 | | - | - | - | - | - | - |
| Total financial liabilities held at fair value through profit or loss | 4.2 | 831 | 1,224 | 197 | 183 | 8 | 4 |

6.5.1.2 Non - recurring fair value measurements

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

6.5.2 Valuation processes

The Responsible Entity has established a Unit Pricing Forum (UPF) and Valuations Forum (VF) which incorporates the valuation of investments. The purpose of the UPF and VF is to support the Responsible Entity through: identifying, assessing, and managing key risks for activities impacting unit pricing and valuation of investments, endorsing valuation related discretions and matters related to unit pricing and valuation, and facilitating senior management oversight of policies, processes, and systems, by establishing a single point of review while considering implications on stakeholders.

The VF has overall responsibility for the valuation of investments. Specific valuation controls may include: analysis and investigation of significant daily valuation movements, benchmarking Scheme performance, reviewing significant unobservable inputs and valuation adjustments, verification of observable pricing inputs, reviewing methodologies to value assets for which market quotes are not readily available, and determining where escalation is warranted for assets which have been stale for an extended period.

When third party information, such as custodian valuations or pricing services, is used to measure fair value, the UPF and VF assess the evidence from these third parties to support the conclusion that these valuations meet the fair value requirements. This may include: information and inputs from the Responsible Entity, verifying that the custodian valuation, broker or pricing service, is appropriate to use in pricing the relevant type of financial instruments, understanding how the fair value has been arrived and the extent at which it represents actual market transactions, and whether it represents a quoted price in an active market for an identical asset.

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for the financial year ended 30 June 2024**7. Related parties****7.1 Responsible Entities**

The Responsible Entity of the Schemes is MLC Investments Limited (ABN 30 002 641 661) (2023: Antares Capital Partners Limited ABN 85 066 081 114) which is a subsidiary of Insignia Financial Ltd (Insignia).

7.2 Key management personnel

The Schemes do not employ personnel in their own right. However, the Schemes are required to have an incorporated Responsible Entity to manage the activities and the directors are considered to be key management personnel. The directors of the Responsible Entity, which are key management personnel, during or since the end of the financial year are:

| Name | Position Held | Date Appointed |
|-------------|---|----------------------|
| K A Watt | Independent Non-Executive Director, Chair | Appointed 05/12/2016 |
| J Selak | Independent Non-Executive Director | Appointed 31/05/2021 |
| M A Joiner | Independent Non-Executive Director | Appointed 01/01/2021 |
| G J Mulcahy | Executive Director | Appointed 07/07/2014 |

The Schemes have not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel at any time during the reporting period.

No director has entered into a material contract with the Schemes since the end of the previous financial year and there were no material contracts involving directors' interests existing at financial year end.

7.3 Related party transactions

All related party transactions are conducted on commercial terms and conditions.

The Directors of the Responsible Entity may also be employees and/or directors of other companies owned by Insignia. The Responsible Entity may also be involved in activities other than the business of managed investment schemes.

The Schemes have not made, guaranteed or secured, directly or indirectly, any loans to the Responsible Entity at any time during the reporting period.

During the financial period, there was no compensation paid directly by the Schemes to the Directors of the Responsible Entity. Directors' compensation was paid by MLC Wealth Ltd (a wholly owned subsidiary of Insignia Financial Ltd, the ultimate parent company of MLCI and ACP).

From time to time the Directors of MLC Investments Limited may invest or withdraw from the Schemes. These investments or withdrawals are on the same terms and conditions as those entered into by other unitholders in the Schemes.

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7.4 Responsible Entity fees

The Responsible Entity is entitled to management fees which are calculated as a proportion of net assets attributable to unitholders. All transactions with related parties are conducted on normal commercial terms and conditions. Management fees are reflected as 'Responsible Entity fees' in the Statements of Comprehensive Income. Fees received and receivable by the Responsible Entity at unit class level for the year ended 30 June 2024 are as follows:

| | Total management fees paid and payable to the RE during the financial year | |
|--|--|-----------|
| | 2024 | 2023 |
| | \$ | \$ |
| 1. Antares Cash Fund† | (4,741) | (5,060) |
| 2. Antares Diversified Fixed Income Fund | 1,276,316 | 1,631,678 |
| 3. Antares Enhanced Cash Trust | 311,306 | 253,332 |
| 4. Antares Income Fund† | 369,543 | 394,826 |
| 5. Antares Inflation Linked Bond Fund | 102,077 | 170,423 |

† The Scheme received a rebate from the Responsible Entity to reduce the effect of management fee paid.

7.5 Related party investments held by the Schemes

The Schemes may purchase and sell units in other schemes managed by the responsible entity MLC Investment Limited (MLCI) in the ordinary course of business at application and redemption prices calculated in accordance with the Constitutions of the Schemes. MLCI is a wholly owned subsidiaries of Insignia Financial Ltd, the ultimate parent company.

Details of the Schemes' investments in other schemes operated by MLCI are set out in the table below:

| Name of Scheme Name of related entity | Fair value of investment | | % Interest held | | Distributions paid/payable | | Number of units held | |
|--|--------------------------|-------------|-----------------|-----------|----------------------------|------------|----------------------|-------------|
| | 2024 \$ | 2023 \$ | 2024 % | 2023 % | 2024 \$ | 2023 \$ | 2024 | 2023 |
| 1. Antares Cash Fund | | | | | | | | |
| WM Pool - Fixed Interest No.11 | 15,047,038 | 17,407,999 | 87.64 | 26.27 | 685,170 | 413,008 | 15,251,624 | 17,607,973 |
| 3. Antares Enhanced Cash Trust | | | | | | | | |
| WM Pool - Fixed Interest Trust No. 25 | 92,843,902 | 385,712,409 | 2.16 | 7.75 | 13,241,304 | 12,805,463 | 92,777,751 | 386,451,691 |
| 4. Antares Income Fund | | | | | | | | |
| Antares Enhanced Cash Trust | 297,403 | 285,195 | 0.32 | 0.07 | 14,122 | 9,349 | 293,077 | 281,008 |
| WM Pool - Fixed Interest Trust No. 17 | 94,132,075 | 108,839,279 | 100.00 | 52.10 | 1,618,284 | 5,914,437 | 903,839 | 1,099,388 |

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7.6 Units in the Schemes held by related parties

As at the reporting date, details of the unit holdings in the Schemes by related parties are set out in the table below. The below related parties are wholly owned subsidiaries of Insignia Financial Ltd, the ultimate parent company:

- IOOF Investment Management Limited (the Trustee for IOOF Portfolio Service Superannuation Fund and AvWrap Retirement Service);
- NULIS Nominees (Australia) Limited (Trustee for MLC Super Fund and the Trustee for MLC Superannuation Fund which is invested through the MLC Pooled Superannuation Trust);
- OnePath Custodians Pty Limited (the Trustee for Retirement Portfolio Service); and
- Other schemes operated by MLC Investments Limited.

| Name of Scheme Name of related party | Fair value of unit holdings | | % Interest held | | Distributions paid/payable | | Number of units held | |
|--|-----------------------------|------------|-----------------|-----------|----------------------------|------------|----------------------|-------------|
| | 2024 \$ | 2023 \$ | 2024 % | 2023 % | 2024 \$ | 2023 \$ | 2024 | 2023 |
| 3. Antares Enhanced Cash Trust | | | | | | | | |
| Antares Income Fund | 297,403 | 285,195 | 0.32 | 0.07 | 14,122 | 9,349 | 293,077 | 281,008 |
| Pre Select Balanced Fund | 2,297,362 | 2,613,265 | 2.48 | 0.69 | 110,225 | 90,657 | 2,263,946 | 2,574,889 |
| Pre Select Conservative Fund | 1,002,267 | 1,192,886 | 1.08 | 0.31 | 50,225 | 40,178 | 987,689 | 1,175,368 |
| Pre Select Growth Fund | 2,966,321 | 2,409,200 | 3.20 | 0.65 | 124,184 | 84,176 | 2,923,175 | 2,435,719 |
| Pre Select High Growth Fund | 340,274 | 233,896 | 0.37 | 0.06 | 12,146 | 6,775 | 335,325 | 230,461 |
| 4. Antares Income Fund | | | | | | | | |
| AvWrap Retirement Service | 1,333,017 | 247,647 | 0.70 | 0.14 | 29,828 | 6,456 | 1,345,123 | 259,154 |
| IOOF Portfolio Service Superannuation Fund | 65,806,576 | 87,169 | 34.46 | 0.05 | 621,757 | 2,162 | 66,394,356 | 91,211 |
| MLC Pooled Superannuation Trust† | - | 99,660,658 | - | 57.09 | 970,231 | 2,308,351 | - | 104,285,827 |
| MLC Super Fund | - | 31,209,111 | - | 17.88 | - | 1,626,141 | - | 32,657,500 |
| Oasis Superannuation Master Trust | 13,360 | - | 0.01 | - | 391 | - | 13,354 | - |
| Retirement Portfolio Service | 158,048 | 107,173 | 0.08 | 0.06 | 3,669 | 2,593 | 157,985 | 109,427 |
| 5. Antares Inflation Linked Bond Fund | | | | | | | | |
| MLC Super Fund | 25,542,295 | 33,217,229 | 87.15 | 83.33 | 1,018,375 | 807,308 | 24,578,805 | 32,073,767 |

† Units in the Schemes held by MLC Pooled Superannuation Trust transferred to IOOF Portfolio Service Superannuation Fund via a Successor Fund Transfer during financial year 2024.

8. Interests in unconsolidated structured entities

The Schemes' maximum exposure to loss from their investments in unlisted managed investment schemes, which have been assessed to be structured entities, is restricted to their fair value which are disclosed in 7.5 Related party investments held by the Schemes. The Schemes have not sponsored or provided support and have no intention of providing support, financial or otherwise to the unlisted managed investment schemes they hold.

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9. Auditor's remuneration

During the year, the following Auditor's remuneration fees were paid or payable by the Responsible Entity for services provided by KPMG as the auditor of the Schemes:

| | 1. Antares Cash Fund | | 2. Antares Diversified Fixed Income Fund | | 3. Antares Enhanced Cash Trust | | 4. Antares Income Fund | |
|--|---------------------------------------|--------------------|--|--------------------|--------------------------------|--------------------|------------------------|--------------------|
| | 30 June 2024 \$ | 30 June 2023 \$ | 30 June 2024 \$ | 30 June 2023 \$ | 30 June 2024 \$ | 30 June 2023 \$ | 30 June 2024 \$ | 30 June 2023 \$ |
| KPMG | | | | | | | | |
| - Audit Services | | | | | | | | |
| Audit & Review of financial reports | 6,637 | 6,637 | 6,637 | 6,637 | 6,637 | 6,637 | 6,637 | 6,637 |
| - Other assurance services | | | | | | | | |
| Other compliance & regulatory audit services | 2,793 | 2,793 | 2,793 | 2,793 | 2,793 | 2,793 | 2,793 | 2,793 |
| Total audit fees paid | 9,430 | 9,430 | 9,430 | 9,430 | 9,430 | 9,430 | 9,430 | 9,430 |
| | 5. Antares Inflation Linked Bond Fund | | | | | | | |
| | 30 June 2024 \$ | 30 June 2023 \$ | | | | | | |
| KPMG | | | | | | | | |
| - Audit Services | | | | | | | | |
| Audit & Review of financial reports | 6,637 | 6,637 | | | | | | |
| - Other assurance services | | | | | | | | |
| Other compliance & regulatory audit services | 2,793 | 2,793 | | | | | | |
| Total audit fees paid | 9,430 | 9,430 | | | | | | |

10. Commitments and contingencies

There were no commitments or contingencies for the Schemes as at the reporting date (30 June 2023: Nil).

11. Events subsequent to reporting date

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

Financial Report
Directors' Declaration
for the financial year ended 30 June 2024

MLC Investments Limited presents the Directors' Declaration in respect of the following Schemes:

1. Antares Cash Fund
2. Antares Diversified Fixed Income Fund
3. Antares Enhanced Cash Trust
4. Antares Income Fund
5. Antares Inflation Linked Bond Fund

In the opinion of the Directors:

1. The financial statements and notes to the financial statements of the Schemes, set out on pages 5 to 31 are in accordance with the *Corporations Act 2001*, including:
 - 1.1 give a true and fair view of the Schemes' financial positions as at 30 June 2024 and their performance for the financial year ended on that date.
 - 1.2 comply with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.
2. The financial statements and notes to the financial statements of the Schemes, set out on pages 5 to 31 comply with International Financial Reporting Standards.
3. There are reasonable grounds to believe that the Schemes will be able to pay their debts as and when they become due and payable.

This Declaration is made in accordance with a resolution of the Directors of MLC Investments Limited.



Kathryn Watt

Director

Melbourne

11 September 2024



Independent Auditor's Report

To the respective unitholders of the following Schemes:

- Antares Diversified Fixed Income Fund
- Antares Income Fund
- Antares Enhanced Cash Trust
- Antares Cash Fund
- Antares Inflation Linked Bond Fund

For the purpose of this report, the terms 'Scheme' and 'Schemes' denote the individual and distinct entity for which the financial information is prepared and upon which our audit is performed. Each is to be read as a singular subject matter.

Opinion

We have audited the **Financial Report** of the Schemes.

In our opinion, the accompanying **Financial Report** of the Schemes gives a true and fair view, including of the Scheme's financial position as at 30 June 2024 and of their financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Statements of financial position as at 30 June 2024;
- Statements of comprehensive income, Statements of changes in equity, and Statements of cash flows for the year then ended;
- Notes, including material accounting policies; and
- Directors' Declaration.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Schemes in accordance with the *Corporations Act 2001* and the relevant ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code). We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other Information

Other Information is financial and non-financial information in the Schemes' annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors of MLC Investments Limited (the Responsible Entity) are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of Directors for the Financial Report

The Directors of MLC Investments Limited (the Responsible Entity) are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Schemes, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*;
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Schemes, and that is free from material misstatement, whether due to fraud or error; and
- assessing the Scheme's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Scheme or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our Auditor's Report.



KPMG



Chris Wooden
Partner
Melbourne
11 September 2024



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of MLC Investments Limited, the Responsible Entity for the following Schemes

- Antares Cash Fund
- Antares Diversified Fixed Income Fund
- Antares Enhanced Cash Trust
- Antares Income Fund
- Antares Inflation Linked Bond Fund

I declare that, to the best of my knowledge and belief, in relation to the audit of the Schemes for the financial year ended 30 June 2024 there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Chris Wooden

Partner

Melbourne

11 September 2024

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