

Altius Wholesale Cash Fund

Annual Financial Report
for the year ended 30 June 2025



Altius Wholesale Cash Fund

ARSN 111 933 361

Annual report for the year ended 30 June 2025

Altius Wholesale Cash Fund

ARSN 111 933 361

Annual report for the year ended 30 June 2025

Contents	Page
Directors' report	2
Auditor's independence declaration	5
Statement of comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	10
Directors' declaration	25
Independent auditor's report to the unitholders of Altius Wholesale Cash Fund	26

Directors' report

The directors of Australian Ethical Investment Limited (ABN 47 003 188 930), the "Responsible Entity" of Altius Wholesale Cash Fund ("the Scheme") from 23 September 2024, present their report together with the financial statements of the Scheme for the year ended 30 June 2025, and the report of the auditor thereon.

Directors

The following persons were directors of the Responsible Entity during the year from 22 September 2024 and up to the date of this report (unless otherwise stated):

Steve Gibbs	Chairman
John McMurdo	Managing Director and CEO
Julie Orr	
Kate Greenhill	
Sandra McCullagh	
Richard Brandweiner	(appointed 1 September 2024)
Mara Bun	(resigned 31 October 2024)
Brian Bissaker	(appointed 15 April 2025)

The following persons were directors of the previous Responsible Entity, Australian Unity Funds Management Limited, during the year and up to the date 23 September 2024:

Rohan Mead	Chairman and Group Managing Director
Esther Kerr	Group Executive, Wealth and Capital Markets
Darren Mann	Group Executive Finance & Strategy and Chief Financial Officer

Principal activities

The Scheme invests in accordance with the investment policy of the Scheme as set out in its Product Disclosure Statement (PDS) and in accordance with its Constitution.

Review and results of operations

Year in Review

It was a challenging year for investors as polarisation in the lead up to the US election and the escalating conflict in the Middle East and Eastern Europe fuelled volatility in investment markets. The new US Administration stoked further volatility with seesawing tariffs and other geopolitical plays. The ensuing uncertainty has impacted consumer confidence and hampered many companies' abilities to execute on their growth plans.

Even the technology sector was buffeted, with the "Magnificent 7" getting caught up in the April 2025 "Liberation Day" sell-off. Share prices of the world's largest listed technology companies have since rebounded, with NVIDIA's strong results despite trade restrictions a proof point that the Artificial Intelligence theme and associated capital spending boom is still alive and well.

We are all too aware that planetary boundaries continue to be breached while short-termism and performative politics dominate the headlines. Multiple global climate monitoring agencies¹ agree that 2024 was the hottest on record. In Australia, this played out as severe drought in Victoria and South Australia contrasted with rainfall volumes breaking previous records and repeated, devastating flooding on the mid-north coast of NSW.

A global 'anti-woke' backlash saw many US-based global financial leaders abandoning their previously stated commitments to climate, and to the principles of diversity, equity and inclusion (DEI)². In fact, our investment and ethics teams had to step in to ensure our continued consideration of board diversity in investee companies when our proxy advisor deleted this criterion for the US market.

In Australia, media and regulatory scrutiny of ESG-related claims led many investors to either water down or remain silent on their previous commitments to responsible investing for fear of being named and shamed. But as others have stepped back, we continue to press forward. We remain laser-focussed on the challenges and opportunities represented by the transition to a low-carbon future, technological advancements and equity.

It is estimated that a "massive mobilisation" of capital – more than US\$6 trillion each year by 2030 – is needed to meet the Paris target³. Meanwhile Australia is on track to be the second largest super (pension) market in the world by 2030⁴. With this trajectory and its deep financial expertise, we believe Australia well positioned to leverage this opportunity.

As ethical investors we are determined to play a leading role in this mobilisation. To that end we continued to build out the depth and breadth of our low-carbon, ethically screened product suite; advocate for policy clarity and certainty; and amplify our influence on Australian companies through our stewardship activities.

1 NASA; NOAA; World Meteorological Organisation (WMO)

Directors' report (continued)

- 2 <https://sustainability-news.net/climate-nature/climate-alliance-exodus-banks-abandon-net-zero-pledges/>; <https://esgnews.com/major-banks-reduce-public-dei-commitments>
- 3 <https://www.unsw.edu.au/news/2025/05/can-sharper-financial-tools-give-australia-an-edge-in-the-global-greenrace?>;
<https://www.lse.ac.uk/granthaminstitute/publication/raising-ambition-and-accelerating-delivery-of-climate-finance/>
- 4 www.theactuary.com/news/2025/02/20/global-pension-assets-climb-record-high

Results

For the years ended 30 June 2025 and 30 June 2024, the Scheme posted total returns as follows:

	Total Return	2025 Distribution Return	Growth Return	Total Return	2024 Distribution Return	Growth Return
	%	%	%	%	%	%
Wholesale class	4.48	4.48	-	4.31	4.31	-

Unit prices (ex distribution) as at 30 June 2025 (30 June 2024) are as follows:

Wholesale units \$1.0000 (\$1.0000)*

* The reported performance numbers and reported unit prices (which are not audited) have been derived based on the declared unit prices calculated in accordance with the Responsible Entity's unit pricing policy and are not based on the net assets of these IFRS compliant financial statements.

The performance of the Scheme, as represented by the results of its operations, was as follows:

	2025 \$'000	2024 \$'000
Profit for the year	20,197	16,173
<i>Distributions</i>		
Distributions paid	18,627	14,730
Distributions payable	1,692	1,346
Distributions paid and payable	20,319	16,076

Australian Bond markets posted solid gains over the year, as demonstrated by the Bloomberg Composite index generating a 6.81% return while Bank Bill Indices returned 4.39%. The Altius Wholesale Cash Fund (Wholesale) returned 4.48% net. return outperforming the Bank Bill index.

The Trump administration tariff led economic policy saw volatility in markets in two waves. First, as the likelihood of being elected lifted, so too did the risk premium being priced into bond markets. Second, market movements became idiosyncratic in their reaction to the announcement of tariff measures, shifting deadlines and country specific retaliations, resulting in differing inflation and activity implications.

Unemployment in both Australia and the US remains near 50-year lows, largely on the back of significant government infrastructure and health care spending. The residual impact of the earlier population surge has abated, leading to an easing of housing pressures and private sector wages being contained. Australian inflation eased from approximately 4% to 2.5% allowing the RBA to move from a bias to lift cash rates, to cutting cash rates twice by year end, with more rate cuts likely.

The Australian 10-year yields fell a modest 15 basis points over the year to 4.15%. Conversely, for the US, 100 basis points of rate cuts were delivered by December 2024. The increased possibility of inflation from the new tariff policies announced, led the US Federal Reserve to pause. US short-dated bonds rallied and rates fell from 4.7% to 3.7% over the 12 months.

Credit strongly outperformed government bonds over 12-month period, with credit returning 7.76% versus 6.23%. On a duration adjusted basis credit was close to doubling sovereign performance, displaying the elevated accruals and some spread compression among high grade corporate bonds. Five-year single A and BBB rated corporate yields fell 20 basis points versus the equivalent bond. Semi government bonds compressed by 10 basis points. Largely these spreads were unchanged versus the interbank "swap" curve. Asset backed securities continue to be the standout sector with spreads compressing to "swap" by 10 points.

Significant changes in the state of affairs

With effect from 23 September 2024, the Responsible Entity of the Scheme changed from Australian Unity Funds Management Limited (ABN 60 071 467 115) to Australian Ethical Investment Limited (ABN 47 003 188 930) following the carrying of an extraordinary resolution to this effect during a unitholder meeting on 23 September 2024.

Directors' report (continued)

Events occurring after end of the year

The directors of the Responsible Entity are not aware of any other matters or circumstance arising since 30 June 2025 which have significantly affected or may significantly affect the financial position of the Scheme disclosed in the statement of financial position as at 30 June 2025 or on the results and cash flows of the Scheme for the year ended on that date.

Likely developments and expected results of operations

The Scheme will continue to be managed in accordance with the investment objectives and guidelines as set out in the governing documents of the Scheme and in accordance with the provisions of the Scheme's Constitution.

Further information on likely developments in the operations of the Scheme and the expected results of those operations have not been included in this report because the Responsible Entity believes it would be likely to result in unreasonable prejudice to the Scheme.

Indemnification and insurance of officers and auditors

No insurance premiums are paid for out of the assets of the Scheme in regard to insurance cover provided to either the officers of Australian Ethical Investment Limited or the auditors of the Scheme. Provided that the officers of Australian Ethical Investment Limited act in accordance with the Scheme's Constitution and the *Corporations Act 2001*, the officers remain indemnified out of the assets of the Scheme against losses incurred while acting on behalf of the Scheme. The auditors of the Scheme are in no way indemnified out of the assets of the Scheme.

Fees paid to and interests held in the Scheme by the Responsible Entity or its associates

Fees paid to the Responsible Entity and its associates out of Scheme property during the year are disclosed in Note 12 to the financial statements.

No fees were paid out of Scheme property to the directors of the Responsible Entity during the year.

The number of interests in the Scheme held by the Responsible Entity or its associates as at the end of the year are disclosed in Note 12 to the financial statements.

Units in the Scheme

The movement in units on issue in the Scheme during the year are disclosed in Note 5 to the financial statements.

The value of the Scheme's assets and liabilities is disclosed in the statement of financial position and derived using the basis set out in Note 2 to the financial statements.

Environmental regulation

The Scheme operations are not subject to any material environmental regulations under Australian law.

Rounding of amounts

The Scheme is an entity of the kind referred to in *ASIC Corporations Instrument 2016/191* issued by the Australian Securities and Investments Commission relating to the "rounding off" of amounts in the directors' report. Amounts in the directors' report have been rounded to the nearest thousand dollars, where indicated.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5.

Signed in accordance with a resolution of the directors of Australian Ethical Investment Limited.



Steve Gibbs
Director

23 September 2025



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

To the Directors of Australian Ethical Investment Limited, the Responsible Entity
for the Altius Wholesale Cash Fund:

I declare that, to the best of my knowledge and belief, in relation to the audit of Altius Wholesale Cash Fund for the financial year ended 30 June 2025 there have been:

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

KPMG

Andrew Reeves

Partner

Sydney

23 September 2025

Statement of comprehensive income

	Notes	2025 \$'000	2024 \$'000
Investment income			
Interest income from financial assets at amortised cost	3	10,447	7,217
Interest income from financial assets at fair value through profit or loss	3	11,806	10,661
Net losses on financial instruments at fair value through profit or loss		<u>(1,674)</u>	<u>(508)</u>
Total investment income		<u>20,579</u>	<u>17,370</u>
Expenses			
Management costs	12	360	1,155
Transaction costs and operating expenses		<u>22</u>	<u>42</u>
Total expenses		<u>382</u>	<u>1,197</u>
Profit for the year		<u>20,197</u>	<u>16,173</u>
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income attributable to unitholders		<u>20,197</u>	<u>16,173</u>

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

Statement of financial position

	Notes	2025 \$'000	2024 \$'000
Assets			
Cash and cash equivalents	7	334,554	242,682
Receivables	10	1,230	544
Financial assets at fair value through profit or loss	8	<u>154,575</u>	<u>245,500</u>
Total assets		<u>490,359</u>	<u>488,726</u>
Liabilities			
Distributions payable	6	1,692	1,346
Payables	11	<u>33</u>	<u>44,049</u>
Total liabilities		<u>1,725</u>	<u>45,395</u>
Net assets attributable to unitholders - equity	5	<u>488,634</u>	<u>443,331</u>

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

Statement of changes in equity

	2025 \$'000	2024 \$'000
Balance at the beginning of the year	443,331	306,820
Comprehensive income for the year		
Profit for the year	20,197	16,173
Total comprehensive income	20,197	16,173
Transactions with unitholders		
Applications	2,405,366	2,955,986
Redemptions	(2,379,908)	(2,835,220)
Units issued upon re-investment of distributions	19,967	15,648
Distributions paid and payable	(20,319)	(16,076)
Total transactions with unitholders	25,106	120,338
Balance at the end of the year	488,634	443,331

The above statement of changes in net assets attributable to unitholders - equity should be read in conjunction with the accompanying notes.

Statement of cash flows

	Notes	2025 \$'000	2024 \$'000
<i>Cash flows from operating activities</i>			
Proceeds from sale of financial instruments at fair value through profit or loss		1,569,763	1,319,006
Payments for purchase of financial instruments at fair value through profit or loss		(1,524,529)	(1,333,856)
Interest received		21,552	17,722
GST received		36	71
Management costs paid		(380)	(1,287)
Transaction and operating costs paid		<u>(22)</u>	<u>(42)</u>
Net cash inflows from operating activities	13(a)	<u>66,420</u>	<u>1,614</u>
<i>Cash flows from financing activities</i>			
Proceeds from applications by unitholders		2,405,366	2,955,986
Payments for redemptions by unitholders		(2,379,908)	(2,835,220)
Distributions paid to unitholders		<u>(6)</u>	<u>(8)</u>
Net cash inflows from financing activities		<u>25,452</u>	<u>120,758</u>
Net increase in cash and cash equivalents		<u>91,872</u>	<u>122,372</u>
Cash and cash equivalents at the beginning of the year		<u>242,682</u>	<u>120,310</u>
Cash and cash equivalents at the end of the year		<u>334,554</u>	<u>242,682</u>
Non-cash operating and financing activities	13(b)	<u>19,967</u>	<u>15,648</u>

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

Notes to the financial statements

	Page
1 General information	11
2 Summary of material accounting policies	11
3 Interest Income	15
4 Auditor's remuneration	16
5 Net assets attributable to unitholders	16
6 Distributions to unitholders	17
7 Cash and cash equivalents	17
8 Financial assets at fair value through profit or loss	17
9 Financial risk management	17
10 Receivables	22
11 Payables	23
12 Related party transactions	23
13 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities	24
14 Events occurring after end of year	24
15 Contingent assets and liabilities and commitments	24

1 General information

These financial statements cover Altius Wholesale Cash Fund ("the Scheme") as an individual entity. The Scheme was constituted on 11 April 2006 and will terminate on the 80th anniversary or earlier in accordance with the Scheme's Constitution.

The Responsible Entity of the Scheme is Australian Ethical Investment Limited (ABN 47 003 188 930) (the "Responsible Entity"). The Responsible Entity's registered office is Level 8, 130 Pitt Street, Sydney, NSW 2000.

The Responsible Entity is incorporated and domiciled in Australia.

With effect from 23 September 2024, the Responsible Entity of the Scheme changed from Australian Unity Funds Management Limited (ABN 60 071 467 115) to Australian Ethical Investment Limited (ABN 47 003 188 930) following the carrying of an extraordinary resolution to this effect during a unitholder meeting on 23 September 2024.

These financial statements are for the financial year 1 July 2024 to 30 June 2025.

These financial statements were authorised for issue by the directors of the Responsible Entity on 23 September 2025. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

2 Summary of material accounting policies

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.

The Scheme is a for-profit entity for the purposes of preparing financial statements.

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

The statement of financial position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are generally expected to be recovered or settled within 12 months, except for investments in financial assets and net assets attributable to unitholders.

The Scheme manages financial assets at fair value through profit or loss based on the economic circumstances at any given point in time, as well as to meet any liquidity requirements. As such, it is expected that a portion of the portfolio will be realised within 12 months, however, an estimate of that amount cannot be determined as at balance date.

(i) Compliance with Australian Accounting Standards and International Financial Reporting Standards

The financial statements of the Scheme comply with Australian Accounting Standards as issued by the Australian Accounting Standards Board (AASB) and also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

These financial statements are presented in the local currency being Australian dollars.

(ii) New accounting standards and amendments adopted by the Scheme

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2024 that have a material impact on the amounts recognised in prior periods or will affect the current or future periods.

(iii) New accounting standards, amendments and interpretations not yet adopted

Certain new accounting standards, amendments and interpretations have been published that are not mandatory for 30 June 2025 reporting period and have not yet been applied in the financial statements. None of these are expected to have a material effect on the financial statements of the Scheme.

a. Amendments to the Classification and Measurement of Financial Instruments – Amendments to AASB 9 and AASB 7 (effective for annual periods beginning on or after 1 January 2026)

b. AASB 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)

2 Summary of material accounting policies (continued)

(b) Financial instruments

(i) Classification

- *Financial assets*

The Scheme classifies its investments based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets.

The Scheme's portfolio of financial assets is managed and performance is evaluated on a fair value basis in accordance with the Scheme's documented investment strategy. The Scheme uses fair value information to assess performance of the portfolio and to make decisions to rebalance the portfolio or to realise fair value gains or minimise losses through sales or other trading strategies. The Scheme's policy is for the Responsible Entity to evaluate the information about these financial assets on a fair value basis together with other related financial information.

For debt securities, the contractual cash flows are solely payments of principal and interest, however they are neither held for collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Scheme's business model's objective. Consequently, the debt securities are measured at fair value through profit or loss.

For cash and cash equivalents and receivables, these assets are held in order to collect the contractual cash flows and the contractual terms of these assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Consequently, these are measured at amortised cost.

- *Financial liabilities*

For financial liabilities that are not classified and measured at fair value through profit or loss, these are classified as financial liabilities at amortised cost. This category includes short term payables.

(ii) Recognition/derecognition

The Scheme recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets or financial liabilities from this date.

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the Scheme retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' agreement; or
- the Scheme has transferred its rights to receive cash flows from the asset and either:
 - (a) has transferred substantially all the risks and rewards of the asset; or
 - (b) has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gains or losses arising from derecognition of the asset (calculated as the difference between the disposal proceeds and the carrying amount of the asset) are included in the statement of comprehensive income in the year the asset is derecognised as realised gains or losses on financial instruments.

(iii) Measurement

At initial recognition, the Scheme recognises all financial instruments at fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of comprehensive income.

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

- *Fair value in an active market*

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the year without any deduction for estimated future selling costs. Financial assets are priced at current bid prices, while financial liabilities are priced at current asking prices.

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

The Scheme's financial instruments that are valued based on active markets generally include listed instruments, ranging from listed equities to listed unit trusts, where applicable.

2 Summary of material accounting policies (continued)

(b) Financial instruments (continued)

(iii) Measurement (continued)

- *Fair value in an inactive or unquoted market*

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

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

For other pricing models, inputs are based on market data at the end of the reporting period.

There may be a difference between the fair value at initial recognition and amounts determined using a valuation technique. If such a difference exists, the Scheme recognises the difference in the statement of comprehensive income to reflect a change in factors, including time, that market participants would consider in setting a price. This difference is recognised over time and only after initial recognition.

The Scheme's financial instruments that are valued based on inactive or unquoted markets generally include unlisted instruments, ranging from investments in unlisted unit trusts, unlisted equity and/or debt securities to over the counter derivatives, where applicable.

(iv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when and only when, there is currently 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.

As at the end of the year, there are no financial assets or liabilities offset or with the right to offset in the statement of financial position.

(c) Net assets attributable to unitholders

Units are redeemable at the unitholders' option, however, applications and redemptions may be suspended by the Responsible Entity if it is in the best interests of the unitholders.

The units can be put back to the Scheme at any time for cash based on the redemption price, which is equal to a proportionate share of the Scheme's net asset value attributable to the unitholders.

The units are carried at the redemption amount that is payable at balance sheet date if the holder exercises the right to put the units back to the Scheme. This amount represents the expected cash flows on redemption of these units.

The Scheme classifies the net assets attributable to unitholders as equity as they satisfy the following criteria under AASB 132 *Financial instruments: Presentation*:

- the puttable financial instrument entitles the holder to a pro-rata share of net assets in the event of the Scheme's 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 unfavorable conditions to the Scheme, and it is not a contract settled in the Scheme's 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.

(d) Cash and cash equivalents

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

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

2 Summary of material accounting policies (continued)

(e) Investment income

Interest income and interest expenses are recognised in the statement of comprehensive income for all financial instruments on an accruals basis. Other changes in fair value for such instruments are recorded in accordance with the policies described in Note 2(b).

Net gains/(losses) on financial assets and financial liabilities at fair value through profit or loss arising on a change in fair value are calculated as the difference between the fair value at the end of the year and the fair value at the previous valuation point. Net gains/(losses) do not include interest, dividend or distribution income. Realised and unrealised gains/(losses) are shown in the notes to the financial statements.

(f) Expenses

All expenses, including management costs, are recognised in the statement of comprehensive income on an accrual basis.

(g) Income tax

Under current legislation, the Scheme is not subject to income tax provided it attributes the entirety of its taxable income to its unitholders.

(h) Distributions

The Scheme distributes its distributable income, in accordance with the Scheme's Constitution, to unitholders by cash or reinvestment.

Income not distributed is included in net assets attributable to unitholders. Where the Scheme's units are classified as liabilities, movements in net assets attributable to unitholders are recognised in the statement of comprehensive income as finance costs.

(i) Functional and presentation currency

Balances included in the Scheme's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). This is the Australian dollar, which reflects the currency of the economy in which the Scheme competes for funds and is regulated. The Australian dollar is also the Scheme's presentation currency.

(j) Receivables

Receivables are recognised for amounts where settlement has not yet occurred. Receivables are measured at amortised cost and are generally received within 30 days of being recognised as receivables. Given the short-term nature of most receivables, their carrying amounts approximate their face values.

The amount of the impairment loss is recognised in profit or loss within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(k) Payables

Payables include liabilities and accrued expenses owing by the Scheme which are unpaid as at the end of the year.

Trades are recorded on trade date and normally settled within three business days. Purchases of financial instruments that are unsettled at the end of each year are included in payables.

The distribution amount payable to unitholders at the end of each year is recognised separately in the statement of financial position when unitholders are presently entitled to the distributable income under the Scheme's Constitution.

(l) Applications and redemptions

Applications received for units in the Scheme are recorded net of any entry fees payable prior to the issue of units in the Scheme. Redemptions from the Scheme are recorded gross of any exit fees payable after the cancellation of units redeemed.

Unit redemption prices are determined in accordance with the Scheme's Constitution by reference to the net assets of the Scheme divided by the number of units on issue.

2 Summary of material accounting policies (continued)

(m) Goods and services tax (GST)

Expenses of various services provided to the Scheme by third parties such as custodial services and investment management fees etc. are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case, it is recognised as part of the related expense or cost item. The Scheme qualifies for Reduced Input Tax Credits (RITC) at a rate of 55% or 75%.

Accounts payable and receivable are stated inclusive of the GST receivable and payable. The net amount of GST recoverable from, or payable to, the taxation authority is included in receivables or payables in the statement of financial position.

Cash flows relating to GST are included in the statement of cash flows on a gross basis.

(n) Use of judgement and estimates

The preparation of the Scheme's financial statements requires it to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future. However, estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Scheme's financial instruments are valued primarily based on the prices provided by independent pricing services.

When the fair values of the reported financial instruments cannot be derived from active markets, they are determined using prices obtained from inactive or unquoted markets and/or other valuation techniques. The inputs to these valuation techniques (if applicable) are taken from observable markets to the extent practicable. Where observable inputs are not available, the inputs may be estimated based on a degree of judgements and assumptions in establishing fair values.

Where appropriate, the outcomes of the valuation techniques that are used in establishing fair values are validated using prices from observable current market transactions for similar instruments (without modification or repackaging) or based on relevant available observable market data.

The determination of what constitutes 'observable' requires significant judgement by the Scheme. The Scheme 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.

In addition, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates and judgements. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

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

(o) Structured entities

The Scheme has assessed whether the funds in which it invests should be classified as structured entities. The Scheme has considered the voting rights and other similar rights afforded to investors in these funds, including the rights to remove the fund manager or redeem holdings. The Scheme has also considered whether these rights are the dominant factor in controlling the funds, or whether the contractual agreement with the fund manager is the dominant factor in controlling these funds. The Scheme has concluded that the funds in which it invests in are structured entities, and are therefore not consolidated.

Rounding of amounts

The Scheme is an entity of the kind referred to in *ASIC Corporations Instrument 2016/191* issued by the Australian Securities and Investments Commission relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded to the nearest thousand dollars, where indicated.

3 Interest income

	2025	2024
	\$'000	\$'000
Fixed interest securities	11,806	10,661
Cash and deposits	10,447	7,217
Total interest income	22,253	17,878

4 Auditor's remuneration

The auditor's remuneration is paid directly by the Responsible Entity.

During the year the following fees were paid or payable for services provided by the auditor of the Scheme:

	2025 \$	2024 \$
Audit services - KPMG		
Audit and review of financial statements	12,756	16,889
Audit of compliance plan	<u>3,000</u>	<u>3,000</u>
Total auditor's remuneration	<u>15,756</u>	<u>19,889</u>

5 Net assets attributable to unitholders

Movements in the number of units and net assets attributable to unitholders during the year were as follows:

	2025 No. '000	2024 No. '000	2025 \$'000	2024 \$'000
Opening balance	443,225	306,811	443,331	306,820
Applications	2,405,366	2,955,986	2,405,366	2,955,986
Redemptions	(2,379,910)	(2,835,220)	(2,379,908)	(2,835,220)
Units issued upon reinvestment of distributions	19,967	15,648	19,967	15,648
Distributions to unitholders	-	-	(20,319)	(16,076)
Profit for the year	<u>-</u>	<u>-</u>	<u>20,197</u>	<u>16,173</u>
Closing Balance	<u>488,648</u>	<u>443,225</u>	<u>488,634</u>	<u>443,331</u>

As stipulated within the Scheme's Constitution, each unit represents a right to an individual share in the Scheme and does not extend to a right in the underlying assets of the Scheme. There are no separate classes of units and each unit has the same rights attaching to it as all other units in the Scheme.

Units are redeemed on demand at the unitholders' option. However, holders of these instruments typically retain them for the medium to long term. As such, the amount expected to be settled within twelve months after the end of the reporting period cannot be reliably determined.

Capital risk management

The Scheme considers its net assets attributable to unitholders as capital. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Scheme is subject to daily applications and redemptions at the discretion of unitholders. Net assets attributable to unitholders are representative of the expected cash outflows on redemption.

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

6 Distributions to unitholders

The distributions for the year were as follows:

	2025 \$'000	2025 CPU	2024 \$'000	2024 CPU
Distributions				
31 July	1,837	0.4106	1,100	0.3623
31 August	1,598	0.3828	1,315	0.3802
30 September	1,536	0.3644	1,160	0.3005
31 October	1,668	0.3870	1,266	0.3706
30 November	1,702	0.3690	1,127	0.3368
31 December	1,849	0.3803	1,642	0.3684
31 January	1,946	0.3918	1,547	0.3634
29 February	1,666	0.3486	1,392	0.3418
31 March	1,637	0.3553	1,450	0.3421
30 April	1,629	0.3606	1,323	0.3520
31 May	1,559	0.3444	1,408	0.3676
30 June (payable)	<u>1,692</u>	<u>0.3436</u>	<u>1,346</u>	<u>0.3435</u>
Total distributions	<u>20,319</u>		<u>16,076</u>	

CPU - Cents Per Unit

7 Cash and cash equivalents

	2025 \$'000	2024 \$'000
Cash at bank	170,591	142,319
Short-term discounted securities	<u>163,963</u>	<u>100,363</u>
Total cash and cash equivalents	<u>334,554</u>	<u>242,682</u>

8 Financial assets at fair value through profit or loss

	2025 \$'000	2024 \$'000
Fixed interest bonds	-	31,488
Floating rate notes	16,915	87,009
Discount securities	<u>137,660</u>	<u>127,003</u>
Total financial assets at fair value through profit or loss	<u>154,575</u>	<u>245,500</u>

An overview of the risk exposures relating to financial assets at fair value through profit or loss is included in Note 9.

9 Financial risk management

(a) Objectives, strategies, policies and processes

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

The Scheme's overall risk management program focuses on ensuring compliance with the Scheme's disclosure documents and seeks to maximise the returns derived for the level of risk to which the Scheme is exposed. Financial risk management is carried out by an Investment Manager under policies approved by the Board of Directors of the Responsible Entity ("the Board").

The Scheme uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ratings analysis for credit risk.

As part of its risk management strategy, the Scheme may use derivatives and other investments, including bond futures, interest rate swaps and forward currency contracts, to manage exposures resulting from changes in interest rates, foreign currencies, equity price risks and exposures arising from forecast transactions.

9 Financial risk management (continued)

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: price risk, foreign currency risk and interest rate risk. Market risk is managed and monitored using sensitivity analysis and minimised through ensuring that all investment activities are undertaken in accordance with established mandates and investment strategies.

The market risk disclosures are prepared on the basis of the Scheme's direct investments and not on a look through basis for investments held in the Scheme.

The sensitivity of the Scheme's net assets attributable to unitholders (and profit/(loss) before finance costs attributable to unitholders) to price risk, foreign exchange risk and interest rate risk is measured by the reasonably possible movements approach. This approach is determined based on management's best estimate, having regard to a number of factors, including historical levels of changes in interest rates and foreign exchange rates, historical correlation of the Scheme's investments with the relevant benchmarks and market volatility. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market shocks resulting from changes in the performance of the economies, markets and securities in which the Scheme invests. As a result, historic variations in the risk variables are not a definitive indicator of future variations in the risk variables.

The overall market exposures at year end were as follows:

	2025	2024
	\$'000	\$'000
Securities at fair value through profit or loss	154,575	245,500

(i) Price risk

There is no significant direct price risk in the Scheme as at 30 June 2025 (2024: Nil).

(ii) Foreign exchange risk

There was no significant direct foreign exchange risk in the Scheme as at 30 June 2025 (2024: Nil).

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Scheme's interest bearing financial assets and financial liabilities expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The Scheme has established limits on investments in interest bearing assets, which are monitored on a daily basis. The Scheme may use derivatives to hedge against unexpected increases in interest rates and/or multiple rollover dates for debt instruments to manage repricing risk. The interest rate risk is measured using sensitivity analysis.

In accordance with the Scheme's policy, the Investment Manager monitors the Scheme's overall interest sensitivity on a regular basis. This information and the compliance with the Scheme's policy are reported to the relevant parties on a regular basis as deemed appropriate such as key management personnel, compliance committees and ultimately the Board.

The Scheme has direct exposure to interest rate changes on the valuation and cash flows of its interest bearing assets and liabilities. However, it may also be indirectly affected by the impact of interest rate changes on the earnings of certain entities in which the Scheme invests and impact on the valuation of certain assets that use interest rates as an input in their valuation model. Therefore, the sensitivity analysis may not fully indicate the total effect on the Scheme's net assets attributable to unitholders of future movements in interest rates.

9 Financial risk management (continued)

(b) Market risk (continued)

(iii) Interest rate risk (continued)

The table below summarises the Scheme's exposure to interest rate risks. It includes the Scheme's assets and liabilities at fair values, categorised by the maturity dates:

	Floating interest rate \$'000	3 months or less \$'000	4 to 12 months \$'000	1 to 5 years \$'000	Over 5 years \$'000	Non-interest bearing \$'000	Total \$'000
2025							
Assets							
Cash and cash equivalents	169,987	164,567	-	-	-	-	334,554
Receivables	-	-	-	-	-	1,230	1,230
Financial assets at fair value through profit or loss							
Floating rate notes	16,915	-	-	-	-	-	16,915
Discount securities	-	137,660	-	-	-	-	137,660
Total assets	186,902	302,227	-	-	-	1,230	490,359
Liabilities							
Distributions payable	-	-	-	-	-	1,692	1,692
Payables	-	-	-	-	-	33	33
Total liabilities	-	-	-	-	-	1,725	1,725
Net assets attributable to unitholders	186,902	302,227	-	-	-	(495)	488,634
	Floating interest rate \$'000	3 months or less \$'000	4 to 12 months \$'000	1 to 5 years \$'000	Over 5 years \$'000	Non-interest bearing \$'000	Total \$'000
2024							
Assets							
Cash and cash equivalents	142,319	100,363	-	-	-	-	242,682
Receivables	-	-	-	-	-	544	544
Financial assets at fair value through profit or loss							
Fixed interest bonds	-	31,488	-	-	-	-	31,488
Floating rate notes	87,009	-	-	-	-	-	87,009
Discount securities	-	127,003	-	-	-	-	127,003
Total assets	229,328	258,854	-	-	-	544	488,726
Liabilities							
Distributions payable	-	-	-	-	-	1,346	1,346
Payables	-	-	-	-	-	44,049	44,049
Total liabilities	-	-	-	-	-	45,395	45,395
Net assets attributable to unitholders	229,328	258,854	-	-	-	(44,851)	443,331

Should interest rates have increased/(decreased) by the basis points indicated below, with all other variables held constant, the net assets attributable to unitholders (and profit/(loss) before finance costs attributable to unitholders) would have changed by the following amounts, approximately and respectively:

	Impact on net assets attributable to unitholders	
	2025 \$'000	2024 \$'000
Interest rates: +1.03% (2024: +0.76%)	(70)	(85)
Interest rates: -1.03% (2024: -0.76%)	70	85

(c) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Credit risk primarily arises from cash and cash equivalents and deposits with banks and other financial institutions.

9 Financial risk management (continued)

(c) Credit risk (continued)

With respect to credit risk arising from the financial assets of the Scheme, other than derivatives, the Scheme's exposure to credit risk arises from default of the counterparty, with the current exposure equal to the fair value of these investments as disclosed in the statement of financial position. This does not represent the maximum risk exposure that could arise in the future as a result of changes in values, but best represents the current maximum exposure at the end of the year.

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values.

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered low, as delivery of securities sold is only made once the broker has received payment. Payment is made once purchase of the securities has been received by the broker. The trade will fail if either party fails to meet its obligations.

The Scheme holds no collateral as security or any other credit enhancements. There are no financial assets that are past due or impaired, or would otherwise be past due or impaired.

Counterparty credit limits and the list of authorised brokers are reviewed by the relevant parties within the Responsible Entity on a regular basis as deemed appropriate.

In accordance with the Scheme's policy, the Investment Manager monitors the Scheme's credit position on a regular basis. This information and the compliance with the Scheme's policy are reported to the relevant parties on a regular basis as deemed appropriate such as key management personnel, compliance committees and ultimately the Board.

Credit quality per class of instrument

The credit quality of financial assets is managed by the Scheme using Standard & Poor's rating categories, in accordance with the investment mandate of the Scheme. The Scheme's exposure in each grade is monitored on a daily basis. This review process allows the Responsible Entity to assess the potential loss as a result of risks and take corrective action. The table below shows the credit quality by class of assets:

	2025 \$'000	2024 \$'000
Australian debt securities rating		
AAA	2,984	9,965
AA+	76,101	58,332
AA-	12,075	46,531
A	4,840	28,506
A-	-	43,905
Unrated	58,575	46,923
Total	<u>154,575</u>	<u>234,162</u>
International debt securities rating		
A	-	11,338
Total	<u>-</u>	<u>11,338</u>

(d) Concentrations of risk

Concentrations of risk arise when a number of financial instruments are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic conditions. These similarities would cause the counterparties' liabilities to meet the contractual obligations to be similarly affected by certain changes in the risk variables.

The concentrations of risk are monitored by the Investment Manager to ensure they are within acceptable limits by reducing the exposures or by other means as deemed appropriate.

The Scheme has disclosed the most significant counterparties by concentration of risk.

Based on the concentrations of risk that are managed by industry sector and/or counterparty, the following investments can be analysed by the industry sector and/or counterparty as at 30 June 2025 and 30 June 2024:

	2025 \$'000	2024 \$'000
Discounted securities	137,660	112,752
Corporate bonds	16,915	102,890
Cash deposits	-	25,938
Composite bonds	-	3,920
Total	<u>154,575</u>	<u>245,500</u>

9 Financial risk management (continued)

(e) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. This risk is controlled through the Scheme's investment in financial instruments which under normal market conditions are readily convertible to cash. In addition, the Scheme maintains sufficient cash and cash equivalents to meet normal operating requirements.

The Scheme may be exposed to daily cash redemptions of redeemable units and daily margin calls on derivatives. It therefore primarily holds investments that are traded in active markets and can be readily disposed of.

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

The Scheme's policy is to hold a significant proportion of its investments in liquid assets.

Under the terms of its Constitution, the Scheme has the ability to manage liquidity risk by delaying redemptions to unitholders, if necessary, until the funds are available to pay them.

Units are redeemed on demand at the unitholders option. However, the Responsible Entity does not envisage that the contractual maturity disclosed in the table below will be representative of the actual cash outflows, as holders of these instruments typically retain them for the medium to long term.

In accordance with the Scheme's policy, the Investment Manager monitors the Scheme's liquidity position on a regular basis. This information and the compliance with the Scheme's policy are reported to the relevant parties on a regular basis as deemed appropriate such as key management personnel, compliance committees and ultimately the Board.

Maturity analysis for financial liabilities

The table below summarises the maturity profile of the Scheme's financial liabilities and redeemable units based on the remaining period at the end of the year to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	Under 1 month \$'000	1-3 months \$'000	3-12 months \$'000	Over 12 months \$'000
2025				
Financial liabilities:				
Distributions payable	1,692	-	-	-
Payables	33	-	-	-
Total financial liabilities	1,725	-	-	-
	Under 1 month \$'000	1-3 months \$'000	3-12 months \$'000	Over 12 months \$'000
2024				
Financial liabilities:				
Distributions payable	1,346	-	-	-
Payables	44,049	-	-	-
Total financial liabilities	45,395	-	-	-

As disclosed above, the Investment Manager manages the Scheme's liquidity risk by investing predominantly in liquid assets that it expects to be able to liquidate within seven days or less. Liquid assets include cash and cash equivalents. As at 30 June 2025, these assets amounted to \$334,554,246 (2024: \$456,694,261).

(f) Estimation of fair values of financial assets and liabilities

The carrying amounts of all the Scheme's financial assets and financial liabilities at the end of the year approximated their fair values.

The Scheme values its investments in accordance with the accounting policies set out in Note 2.

9 Financial risk management (continued)

(g) Fair value hierarchy

The Scheme is required to classify fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

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 the 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 table below sets out the Scheme's financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy at the reporting date.

All fair value measurements disclosed are recurring fair value measurements.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
2025				
Financial assets				
Floating rate notes	16,915	-	-	16,915
Discount securities	-	137,660	-	137,660
Total financial assets	16,915	137,660	-	154,575
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
2024				
Financial assets				
Fixed interest bonds	-	31,488	-	31,488
Floating rate notes	-	87,009	-	87,009
Discount securities	-	127,003	-	127,003
Total financial assets	-	245,500	-	245,500

The pricing for the majority of the Scheme's investments is generally sourced from independent pricing sources, the relevant Investment Managers or reliable brokers' quotes.

Investments whose values are based on quoted market prices in active markets and are therefore classified within level 1, include active listed equities and exchange traded derivatives.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. The observable inputs include prices and/or those derived from prices. The level 2 instruments include but are not limited to investment grade corporate bonds and over the counter derivatives.

The Scheme's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the year. There were no transfers between levels 1, 2 and 3 of the fair value hierarchy during the year (30 June 2024: Nil).

10 Receivables

	2025 \$'000	2024 \$'000
Interest receivable	1,225	524
GST receivable	5	20
Total receivables	1,230	544

11 Payables

	2025 \$'000	2024 \$'000
Management costs payable	33	32
Outstanding settlements payable	-	44,017
Total payables	33	44,049

12 Related party transactions

Responsible Entity

The Responsible Entity of Altius Wholesale Cash Fund is Australian Ethical Investment Limited (ABN 47 003 188 930).

Key management personnel

(a) Directors

Key management personnel include persons who are directors of the Responsible Entity at any time during the year.

The following persons were directors of the Responsible Entity during the year from 22 September 2024 and up to the date of this report (unless otherwise stated):

Steve Gibbs	Chairman
John McMurdo	Managing Director and CEO
Julie Orr	
Kate Greenhill	
Sandra McCullagh	
Richard Brandweiner	(appointed 1 September 2024)
Mara Bun	(resigned 31 October 2024)
Brian Bissaker	(appointed 15 April 2025)

The following persons were directors of the previous Responsible Entity, Australian Unity Funds Management Limited, during the year and up to the date 23 September 2024:

Rohan Mead	Chairman and Group Managing Director
Esther Kerr	Group Executive, Wealth and Capital Markets
Darren Mann	Group Executive Finance & Strategy and Chief Financial Officer

(b) Other key management personnel

There were no other persons with responsibility for planning, directing and controlling the activities of the Scheme, directly or indirectly during the year.

(c) Remuneration

No payments were made from the fund to the directors for the year ended 30 June 2025.

Other transactions within the Scheme

From time to time directors of Australian Ethical Investment Limited, or their director related entities, may invest in or withdraw from the Scheme. These investments or withdrawals are on the same terms and conditions as those entered into by other Scheme investors and are trivial in nature.

Management costs and other transactions

Management costs include management fees and other expenses or reimbursements deducted in relation to the Scheme, but do not include transactional and operational costs such as brokerage. Management costs are not paid directly by the unitholders of the Scheme.

The transactions during the year and amounts payable at year end between the Scheme and the Responsible Entity were as follows:

	2025 \$	2024 \$
Management costs for the year paid by the Scheme to the Responsible Entity - Australian Ethical Investment Limited	<u>277,950</u>	<u>-</u>
Management costs for the year paid by the Scheme to the former Responsible Entity - Australian Unity Funds Management Limited	<u>82,226</u>	<u>1,155,025</u>
Aggregate amounts payable to the Responsible Entity at the end of the year	<u>33,422</u>	<u>32,171</u>

12 Related party transactions (continued)

Related party scheme's unitholdings

Parties related to the Scheme (including the Responsible Entity, its related parties and other schemes managed by the Responsible Entity) held units in the Scheme as follows (2025: Nil):

2024 Unitholder	No. of units held opening	No. of units held closing	Fair value of investment \$*	Interest held %	No. of units acquired	No. of units disposed	Distributions paid/payable \$
Australian Unity Management Fund	40,826,776	133,866,070	133,866,070	30.20	1,130,864,749	(1,037,825,455)	3,345,468
AUCS BNP Risk Liquidity Account	2,968,627	53,020,512	53,020,512	11.96	150,936,300	(100,884,415)	1,350,620
Australian Unity Home Care Service Pty Ltd	67,782,737	46,161,938	46,161,938	10.42	184,400,201	(206,021,000)	4,046,219
Australian Unity Capital Guaranteed Bond	31,165,873	29,870,272	29,870,272	6.74	4,917,888	(6,213,489)	1,281,475
Australian Unity Health Liquid Asset	52,081,547	16,777,890	16,777,890	3.79	584,085,680	(619,389,337)	1,008,133
BNP ANF BNP PARIBAS SEC SERV ACF CASH RESERVE AUL (AULDCR)	1,065,877	137,628	137,628	0.03	1,251,775	(2,180,024)	39,675
BNP PARIBAS NOMINEES PTY LTD ANF BNP Paribas ACF Australian Unity Trustees Ltd (AUTST1)	511,980	12,651,122	12,651,123	2.85	169,484,647	(157,345,505)	138,569
BNP Paribas Nominees Pty Limited ANF BNP Paribas ACF AU Greengate RAD (AUGGRD)	-	17,125,767	17,125,767	3.86	25,820,767	(8,695,000)	190,797
Other Related Parties**	<u>110,407,293</u>	<u>133,613,353</u>	<u>133,613,352</u>	<u>30.15</u>	<u>719,871,677</u>	<u>(696,665,617)</u>	<u>4,674,912</u>
	<u>306,810,710</u>	<u>443,224,552</u>	<u>443,224,552</u>	<u>100.00</u>	<u>2,971,633,684</u>	<u>(2,835,219,842)</u>	<u>16,075,868</u>

The above related parties as at 30 June 2024 are no longer related parties as of 30 June 2025.

* Fair value of investment includes accrued distribution at the end of the year.

** Other related parties consists of investors with holdings of less than 5%.

13 Reconciliation of profit/(loss) to net cash inflows/(outflows) from operating activities

	2025 \$'000	2024 \$'000
(a) Reconciliation of profit/(loss) to net cash inflows/(outflows) from operating activities		
Profit for the year	20,197	16,173
Proceeds from sale of financial instruments at fair value through profit or loss	1,569,763	1,319,006
Payments for purchase of financial instruments at fair value through profit or loss	(1,524,529)	(1,333,856)
Net losses on financial instruments at fair value through profit or loss	1,674	508
Net change in receivables	(686)	(158)
Net change in payables	1	(59)
Net cash inflows from operating activities	<u>66,420</u>	<u>1,614</u>
(b) Non-cash operating and financing activities		
During the year, the following distribution payments to unitholders were satisfied by the issue of units under the distribution reinvestment plan	<u>19,967</u>	<u>15,648</u>

14 Events occurring after end of year

The directors of the Responsible Entity are not aware of any matter or circumstance arising since the end of the year which would impact on the financial position of the Scheme disclosed in the statement of financial position as at 30 June 2025 or on the results and cash flows of the Scheme for the year ended on that date.

15 Contingent assets and liabilities and commitments

The Scheme had no outstanding contingent assets, liabilities or commitments as at 30 June 2025 and 30 June 2024.

Directors' declaration

In the opinion of the directors of the Responsible Entity:

- (a) The financial statements and notes set out on pages 6 to 24 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements and
 - (ii) giving a true and fair view of the Scheme's financial position as at 30 June 2025 and of its performance, as represented by the results of its operations and cash flows, for the year ended on that date.
- (b) There are reasonable grounds to believe that the Scheme will be able to pay its debts as and when they become due and payable
- (c) The financial statements are in accordance with the Scheme's Constitution, and
- (d) Note 2(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

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

A handwritten signature in black ink, appearing to read 'S. P. Gibbs' with a stylized flourish at the end.

Steve Gibbs
Director

23 September 2025



Independent Auditor's Report

To the unitholders of Altius Wholesale Cash Fund

Opinion

We have audited the **Financial Report** of Altius Wholesale Cash Fund (the Scheme).

In our opinion, the accompanying **Financial Report** of Altius Wholesale Cash Fund gives a true and fair view, including of the Scheme's financial position as at 30 June 2025 and of its 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 the:

- Statement of financial position as at 30 June 2025
- Statement of profit or loss and other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended
- Notes, including material accounting policies
- 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 Scheme and Australian Ethical Investment Limited (the Responsible Entity) 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 Altius Wholesale Cash Fund's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors of Australian Ethical Investment Limited (the Responsible Entity) are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Director's report.

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

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. 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 Australian Ethical Investment 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 Scheme, 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 Scheme, and that is free from material misstatement, whether due to fraud or error
- 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: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our Auditor's Report.


KPMG


Andrew Reeves

Partner

Sydney

23 September 2025