



Challenger Investment Partners Limited Managed Trusts

Annual Financial Report for the

Year Ended 30 June 2025

This annual financial report covers the following Challenger Investment Partners Limited managed Trusts as individual entities:

Challenger IM Multi-Sector Private Lending Fund

ARSN 620 882 019

Challenger IM Credit Income Fund

ARSN 620 882 055

The Responsible Entity of the above mentioned Trusts are Fidante Partners Limited (ABN 94 002 835 592) (AFSL 234 668).

The registered office of the Responsible Entity is Level 2, 5 Martin Place, Sydney NSW 2000.

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Directors' report

The Directors of Fidante Partners Limited, the Responsible Entity of the below listed Trusts (the Trusts), present their report together with the annual general purpose financial reports for the Trusts for the year ended 30 June 2025.

- Challenger IM Multi-Sector Private Lending Fund
- Challenger IM Credit Income Fund

The Trusts are Australian Registered Managed Investment Schemes. Fidante Partners Limited, the Responsible Entity of the Trusts, is incorporated and domiciled in Australia. The registered office of the Responsible Entity is Level 2, 5 Martin Place, Sydney NSW 2000.

Directors

The following persons held office as Directors of Fidante Partners Limited during the year and up to the date of this report, unless otherwise stated:

A Bofinger Director
A Judin Director
J O'Keeffe Director (Resigned 31 January 2025)
E Reedman Director (Appointed 31 January 2025)
V Rodriguez Director
T Roxburgh Director

Principal activities and significant changes in the state of affairs

The Asset Manager of the Trusts is Challenger Investment Partners Limited (the Asset Manager).

The principal activity of the Trusts during the year was to invest in accordance with the provisions of the Trusts' governing documents. The individual investment strategies of the above mentioned Trusts are:

Trust name	Investment strategy
Challenger IM Multi-Sector Private Lending Fund	The Trust invests in floating rate private lending opportunities primarily in Australia and New Zealand.
Challenger IM Credit Income Fund	The Trust invests in securities such as annuities, asset-backed securities, collateralised loan obligations, corporate bonds, cash deposits, floating rate notes and mortgage-backed securities. It also may invest in derivatives.

During the year, the Trusts' investment administration function transferred from Artega Investment Administration Pty Ltd to State Street Global Advisors.

Directors' report (continued)

There were no other significant changes in the nature of the Trusts' activities or to the state of affairs of the Trusts during the year.

Operating and financial review

The results of the operations of the Trusts for the year include the distributions paid and payable on a cents per unit (CPU) basis. The CPU represents the distribution paid by the Trusts to unitholders for each individual unit held in the Trusts.

The table below shows historical discrete annual return performance of the Trusts for the past two years. Performance is calculated after all fees, except any entry fees that have been deducted, and assumes that all distributions were reinvested during that year. The total return is the aggregate of capital growth and distribution of income.

The Indirect Cost Ratio (ICRs) represent the annualised percentage of indirect costs incurred by the Trusts over the Trusts' average net assets attributable to unitholders for the year.

The results of the Trusts were as follows:

	Challenger IM Multi-Sector Private Lending Fund		Challenger IM Credit Income Fund	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
For the year ended 30 June				
Net profit/(loss) before finance costs for the year attributable to unitholders	69,918	56,469	56,784	53,375
Distributions paid and payable	72,741	57,297	56,091	44,760

	Challenger IM Multi-Sector Private Lending Fund Class I		Challenger IM Multi-Sector Private Lending Fund Class P		Challenger IM Credit Income Fund Class A		Challenger IM Credit Income Fund Class I	
	2025	2024	2025	2024	2025	2024	2025	2024
For the year ended 30 June								
Capital growth (%)	0.10	0.36	0.10	0.67	0.73	2.58	0.39	1.55
Distribution of income (%)	7.13	8.38	6.93	8.03	6.22	6.27	6.68	7.27
Total return (%)	7.23	8.74	7.03	8.70	6.95	8.85	7.07	8.82
ICR (%)	0.55	0.55	0.75	0.75	0.60	0.60	0.35	0.35
Distributions paid and payable (CPU)	6.93	8.08	6.83	7.83	6.38	6.25	6.70	7.15

Directors' report (continued)

	Challenger IM Credit Income Fund Class P	
For the year ended 30 June	2025	2024
Capital growth (%)	0.26	1.65
Distribution of income (%)	6.66	7.08
Total return (%)	6.92	8.73
ICR (%)	0.45	0.45
Distributions paid and payable (CPU)	6.68	6.95

The indirect costs can include management fees and other costs as indicated in the Trusts' governing documents. Indirect costs may also include performance fees if permitted by the Trusts' governing documents. These costs are typically deducted from the Trusts' assets rather than paid directly by the unitholders of the Trusts.

Significant events after the balance date

At the date of this financial report, no matter or circumstance has arisen that has affected, or may significantly affect the Trusts' operations, the results of those operations or the Trusts' state of affairs in future financial years, which has not already been reflected in this report.

Likely developments and expected results

At the time the Directors approved this report, they were not aware of any developments likely to have a significant effect upon the operations or the result of the Trusts in subsequent financial years, which have not been adequately dealt with in this report or in the financial report.

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

Further information on likely developments in the operations of the Trusts 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 Trusts.

Indemnification and insurance of directors and officers

No insurance premiums are paid for out of the assets of the Trusts in regards to insurance cover provided to the officers of Fidante Partners Limited. So long as the officers of Fidante Partners Limited act in accordance with the Trusts' Constitutions and the Corporations Act 2001, the officers remain indemnified out of the assets of the Trusts against losses incurred while acting on behalf of the Trusts. The auditors of the Trusts are in no way indemnified out of the assets of the Trusts.

Directors' report (continued)

Fees paid to and interests held in the Trusts by the Responsible Entity or its related entities

Fees paid to the Responsible Entity and its related entities out of the Trusts' assets during the year are disclosed in note 12 to the financial statements.

No fees were paid out of Trusts' assets to the Directors of the Responsible Entity during the year.

Interests in the Trusts held by the Responsible Entity or its related entities as at the end of the financial year are disclosed in note 12 to the financial statements.

Interests in the Trusts

The movement in units on issue in the Trusts during the year is disclosed in note 2 to the financial statements.

Value of Trusts' assets

The value of the Trusts' assets and liabilities are disclosed in the statements of financial position and derived using the basis set out in note 1.2 to the financial statements.

Environmental regulation and performance

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

Single set of financial reports

The Trusts are entities of the kind referred to in ASIC Corporations (Related Scheme Reports) Instrument 2015/839 issued by the Australian Securities and Investments Commission (ASIC) and in accordance with that Instrument, Trusts with a common Responsible Entity (or related Responsible Entities) can include their financial reports in adjacent columns in a single financial report.

Rounding of amounts to the nearest thousand dollars

Unless otherwise stated, monetary amounts contained in this report and the financial report have been rounded to the nearest \$1,000 under the option available to the Trusts under ASIC Corporations Instrument 2016/191.

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 8.

Directors' report (continued)

Authorisation

Signed in accordance with a resolution of the Directors of the Responsible Entity.

A handwritten signature in black ink, appearing to be 'A Judin', written over a circular stamp or seal.

A Judin
Director

Sydney
22 September 2025



**Shape the future
with confidence**

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Auditor's independence declaration to the directors of Fidante Partners Limited

For the following Challenger Investment Partners Limited Managed Trusts (the "Trusts"):

- Challenger Investment Partners Credit Income Fund
- Challenger Investment Partners Multi Sector Private Lending Fund

As lead auditor for the audit of the financial report of the above Trusts for the financial year ended 30 June 2025, I declare to the best of my knowledge and belief, there have been:

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

Ernst & Young

Jim Chuang
Partner
22 September 2025

Statements of comprehensive income

For the year ended 30 June

		Challenger IM Multi-Sector Private Lending Fund		Challenger IM Credit Income Fund	
		2025	2024	2025	2024
	Notes	\$'000	\$'000	\$'000	\$'000
Income					
Interest income from financial assets measured at fair value through profit or loss		83,713	57,960	66,434	46,229
Interest income from financial assets measured at amortised cost		5,464	3,462	1,608	1,257
Other operating income		5,916	6,685	1,249	1,258
Net gains/(losses) on financial instruments at fair value through profit or loss		(15,729)	(4,717)	3,121	13,265
Net foreign exchange gains/(losses)		13	(175)	196	(73)
Total net income		79,377	63,215	72,608	61,936
Expenses					
Management fees	12	5,692	3,754	3,082	2,282
Interest expense from financial liabilities measured at fair value through profit of loss		3,602	2,884	12,627	6,164
Transaction costs		—	—	21	18
Other expenses		165	108	94	97
Total expenses		9,459	6,746	15,824	8,561
Net profit/(loss) before finance costs for the year attributable to unitholders					
		69,918	56,469	56,784	53,375
Finance costs attributable to unitholders					
Distributions to unitholders	3	(72,741)	(57,297)	(56,091)	(44,760)
Movements in net assets attributable to unitholders	2	2,823	828	(693)	(8,615)
Net profit/(loss) after finance costs for the year attributable to unitholders		—	—	—	—
Other comprehensive income/(loss) for the year					
		—	—	—	—
Total comprehensive income/(loss) for the year attributable to unitholders		—	—	—	—

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

Statements of financial position

As at 30 June

	Notes	Challenger IM Multi-Sector Private Lending Fund		Challenger IM Credit Income Fund	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Assets					
Cash and cash equivalents	13	77,561	82,392	29,462	15,423
Collateral and margin accounts		1,283	677	10,573	3,192
Receivables	4	8,110	7,733	8,928	6,939
Financial assets at fair value through profit or loss	5	1,079,985	749,695	882,289	677,594
Total assets		1,166,939	840,497	931,252	703,148
Liabilities					
Collateral and margin accounts		440	119	812	5,699
Distributions payable	3	22,641	22,097	16,991	16,660
Payables	8	1,072	452	3,254	1,518
Financial liabilities at fair value through profit or loss	6	1,856	656	7,445	2,137
Total liabilities (excluding net assets attributable to unitholders)		26,009	23,324	28,502	26,014
Net assets attributable to unitholders - Liability	2	1,140,930	817,173	902,750	677,134

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

Statements of changes in unitholder funds

For the year ended 30 June

The following Trusts are multi-class and classify net assets attributable to unitholders as liability. Refer to note 2.

	Note	Challenger IM Multi-Sector Private Lending Fund		Challenger IM Credit Income Fund	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Classification of net assets attributable to unitholders as at 30 June		Liability	Liability	Liability	Liability
As at 1 July - Opening Balance		817,173	504,383	677,134	531,389
Applications for units		283,159	282,197	225,481	119,843
Units issued upon reinvestment of distributions		50,641	34,912	40,650	31,898
Redemptions of units		(7,220)	(3,491)	(41,208)	(14,611)
Movements in net assets attributable to unitholders - Liability		(2,823)	(828)	693	8,615
As at 30 June - Closing Balance	2	1,140,930	817,173	902,750	677,134

The statements of changes in unitholder funds should be read in conjunction with the accompanying notes.

Statements of cash flows

For the year ended 30 June

	Notes	Challenger IM Multi-Sector Private Lending Fund		Challenger IM Credit Income Fund	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Cash flows from operating activities					
Proceeds from sale of financial instruments at fair value through profit or loss		374,786	680,918	334,445	449,697
Purchase of financial instruments at fair value through profit or loss		(719,528)	(982,042)	(543,634)	(591,047)
Interest received		88,544	57,216	65,973	46,071
Other income received		6,294	6,918	1,453	1,406
Interest paid		(3,176)	(2,988)	(10,546)	(6,758)
Management fees paid		(6,068)	(3,967)	(3,295)	(2,457)
Other expenses paid		(3)	—	(26)	(44)
Net cash inflows/(outflows) from operating activities	13	(259,151)	(243,945)	(155,630)	(103,132)
Cash flows from financing activities					
Proceeds from applications by unitholders		283,159	282,197	225,481	119,843
Payments for redemptions by unitholders		(7,220)	(3,491)	(41,208)	(14,611)
Distributions paid		(21,556)	(13,275)	(15,110)	(8,380)
Net cash inflows/(outflows) from financing activities		254,383	265,431	169,163	96,852
Net increase/(decrease) in cash and cash equivalents		(4,768)	21,486	13,533	(6,280)
Cash and cash equivalents at the beginning of the year		82,392	60,801	15,423	21,559
Effects of exchange rate changes on cash and cash equivalents		(63)	105	506	144
Cash and cash equivalents at the end of the year	13	77,561	82,392	29,462	15,423

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

Notes to the financial statements

1. Basis of preparation and overarching material accounting policies

These financial statements cover the below listed Trusts (the Trusts) as individual entities. The Trusts are Australian registered managed investment schemes and were constituted on the below dates. The Trusts will terminate on the below dates unless terminated earlier in accordance with the provisions of the Trusts' Constitutions:

Trust name	Constitution date	Termination date
Challenger IM Multi-Sector Private Lending Fund	28 July 2017	27 July 2097
Challenger IM Credit Income Fund	28 July 2017	27 July 2097

The financial report of the Trusts for the year ended 30 June 2025 was authorised for issue in accordance with a resolution of the Directors on 22 September 2025.

The nature of the operating and principal activities of the Trusts are described in the Directors' report.

1.1. Basis of preparation

Basis of preparation

The 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.

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001 (Cth), Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

Furthermore, the financial statements have been prepared on a going concern basis as the Trusts are expected to generate sufficient funds to enable them to pay their debts as and when they fall due.

The Trusts are for-profit entities for the purposes of preparing financial statements.

The statements of financial position are presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are expected to be recovered or settled within twelve months, except for investments in financial instruments, and in instances where a Trust treats unitholder funds as a liability, net assets attributable to unitholders. The amounts expected to be recovered or settled beyond twelve months after the end of each reporting period cannot be reliably determined.

Unless stated otherwise, the financial report is presented in Australian dollars and has been prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

1. Basis of preparation and overarching material accounting policies (continued)

Statement of compliance

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

New accounting standards and interpretations

All new accounting standards that are applicable to the Trusts for the 30 June 2025 reporting period have been adopted and do not have a material impact on the financial statements.

There are no new accounting standards and interpretations that have been issued, but not yet effective, that are material to the financial statements or have been early adopted for the 30 June 2025 reporting period.

Foreign currency

Both the presentation currency and the functional currency of the Trusts are Australian dollars.

Transactions in foreign currency are translated into the Trusts' functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into Australian dollars at the foreign exchange rate ruling at the statements of financial position date.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the historical exchange rate as at the date of the transaction.

Non-monetary items measured at fair value in a foreign currency are translated to the functional currency using the exchange rate ruling at the date when the fair value was determined.

Comparatives

Where necessary, comparative figures have been reclassified to conform to any changes in presentation made in this financial report.

Rounding of amounts

Unless otherwise stated, monetary amounts contained in this report and the Directors' report have been rounded to the nearest \$1,000 under the option available to the Trusts under Australian Securities and Investments Commission (ASIC) Corporations Instrument 2016/191.

Including different registered scheme financial reports in a single document

The registered schemes have applied ASIC's Corporations Instrument 2015/839, which allows registered schemes with a common, or related, Responsible Entity to include their financial statements in adjacent columns in a single financial report.

1. Basis of preparation and overarching material accounting policies (continued)

1.2. Summary of material accounting policies

Investment income and interest expense

Investment income may include net gains or losses from financial instruments. Where applicable, these net gains include all realised and unrealised fair value changes. Any foreign exchange differences, interest, dividends and distributions are recorded as separate line items in the statements of comprehensive income. Where applicable, interest income and interest expense are recognised using the effective interest method, and dividend and distribution income are recognised when the Trusts' right to receive payment is established.

The Trusts have not applied hedge accounting.

Expenses

Expenses are recognised on an accrual basis at the fair value of the consideration paid or payable for services rendered.

Expenses may include management fees, operation costs and transaction costs. Expenses may also include performance fees if permitted by the Trusts' governing documents. Expenses are recognised in the statements of comprehensive income.

Taxes

Under the current legislation, the Trusts are not subject to income tax as all assessable income, exempt income and non-assessable income will be attributed to unitholders under the AMIT regime.

Financial instruments at fair value may include unrealised capital gains. Should such a gain be realised, the portion of the gain that is subject to capital gains tax will be attributed so that the Trusts are not subject to capital gains tax.

Realised capital losses are not attributed to unitholders but are retained in the Trusts to be offset against any realised capital gains. If realised capital gains exceed realised capital losses, the excess is attributed to unitholders.

The benefit of imputation credits and foreign tax paid are passed on to unitholders.

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

Goods and services (GST)

The Trusts qualify for Reduced Input Tax Credits (RITC) at various applicable rates.

Revenues, expenses and assets are recognised net of the amount of GST, except when the GST incurred on a sale or purchase of assets or services is not payable to or recoverable from the taxation authority, in which case the GST is recognised as part of the revenue or the expense item or as part of the cost of acquisition of the asset, as applicable.

1. Basis of preparation and overarching material accounting policies (continued)

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Cash flows are included in the statements of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

Cash and cash equivalents

Cash and cash equivalents are financial assets with fixed or determinable payments and comprise of cash at bank, cash held with custodian and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Cash and cash equivalents are recognised at fair value. For the purposes of the statements of cash flows, cash and cash equivalents are stated net of any outstanding bank overdrafts.

When derivatives are held, payments and receipts relating to the purchase and sale of derivatives are classified as cash flows from operating activities, as movements in the fair value of these securities form a part of the Trusts' income generating activity.

Payments and receipts relating to the purchase and sale of investment securities at fair value are classified as cash flows from operating activities, as movements in the fair value of these securities form a part of the Trusts' income generating activity.

Collateral and margin accounts

Collateral and margin accounts represent short term investments which are not held for the purpose of meeting short term cash commitments. They may also include restricted deposits for derivative financial instruments and/or for securities sold short. Margin accounts represent cash deposits held by or due to brokers as collateral against open derivative contracts.

Collateral and margin accounts are measured at amortised cost using the effective interest method less any expected credit losses.

Financial instruments

Classification

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Recognition/derecognition

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

Investments are derecognised when the right to receive cash flows from the investments have expired or the Trusts have transferred substantially all risks and rewards of ownership.

1. Basis of preparation and overarching material accounting policies (continued)

Measurement

At initial recognition, the Trusts measure financial assets and financial liabilities at fair value. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in the statements of comprehensive income.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value are presented in the statements of comprehensive income. For further details on how the fair values of financial instruments are determined please refer to note 11.

Offsetting financial instruments

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.

Financial assets at fair value through profit or loss

Financial assets are categorised as financial assets - fair value through profit or loss. The classification depends on the definition and the purpose for which the investments were acquired. The classification of investments is determined at initial recognition and evaluated at each reporting date.

Purchases and sales of financial assets are recognised on the date on which the Trusts commit to purchase or sell the asset. A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Trusts have transferred their rights to receive cash flows from the asset, or have assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Trusts have:

- Transferred substantially all of the risks and rewards of the asset; or
- Neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

Financial assets measured at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Trusts include in this category short-term non-financing receivables including cash collateral posted on derivative contracts, accrued income and other receivables.

Financial liabilities at fair value through profit or loss

Derivative contracts that have a negative fair value are presented as financial liabilities at fair value through profit or loss.

1. Basis of preparation and overarching material accounting policies (continued)

Net assets attributable to unitholders

Units issued by the Trusts are redeemable for cash at the unitholders' option at any time based on the redemption price. The fair value of redeemable units are measured using the redemption unit price at the reporting date if unitholders were to exercise their right to redeem units in the Trusts.

Units are classified as equity when they satisfy the following criteria under AASB 132 Financial Instruments: Presentation (AASB 132):

- the puttable financial instrument entitles the holder to a pro rata share of net assets in the event of the Trusts' 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 Trusts, and it is not a contract settled in the Trusts' 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 and cannot be guaranteed.

At 30 June 2025, unitholder funds have not been classified as equity as they did not satisfy all of the criteria under AASB 132.

Use of estimates

The Trusts may hold financial instruments for which quoted market prices are readily available. The Trusts may also hold certain financial instruments, for example over-the-counter derivatives or unquoted securities, that are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Responsible Entity, independent of the area that created them.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Models are calibrated by back testing to actual transactions to ensure that outputs are reliable.

2. Net assets attributable to unitholders

As stipulated in the Trusts' Constitutions, each unit represents a right to an individual share in the respective Trusts and does not extend to a right to the underlying assets of the Trusts.

The number of separate classes of units in the below listed Trusts are as follows:

Trust	Separate classes of units
Challenger IM Multi-Sector Private Lending Fund	Two
Challenger IM Credit Income Fund	Three

Each unit in the Trust has the same rights, preferences and restrictions attaching to it as all other units of each respective Trust.

2. Net assets attributable to unitholders (continued)

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

Income not distributed is included in net assets attributable to unitholders. Where unitholder funds are classified as a liability, movements in net assets attributable to unitholders are recognised in the statements of comprehensive income as finance costs. Where unitholder funds are classified as equity, movements in net assets attributable to unitholders are recognised in the statements of changes in unitholder funds.

Terms and conditions on units

Each unit issued confers upon the unitholder an equal interest in the Trusts, and is of equal value per class. A unit does not confer any interest in any particular asset or investment of the Trusts. Unitholders have various rights under the Constitution and the Corporations Act 2001, including the right to:

- have their units redeemed;
- receive income distributions;
- attend and vote at meetings of unitholders; and
- participate in the termination and winding up of the Trusts.

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

Net assets attributable to unitholders	Challenger IM Multi-Sector Private Lending Fund Class I		Challenger IM Multi-Sector Private Lending Fund Class P		Challenger IM Credit Income Fund Class A		Challenger IM Credit Income Fund Class I	
	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000
Classification of net assets attributable to unitholders as at 30 June	Liability	Liability	Liability	Liability	Liability	Liability	Liability	Liability
As at 1 July 2024 - Opening Balance	746,151	744,826	71,456	72,347	33,631	35,194	561,815	574,178
Applications for units	254,792	257,945	24,609	25,214	35,192	37,451	173,409	179,699
Units issued upon reinvestment of distributions	50,513	50,471	168	170	39	41	39,463	40,609
Redemptions of units	(248)	(247)	(6,882)	(6,973)	(7,200)	(7,606)	(30,300)	(31,273)
Movements in net assets attributable to unitholders - Liability	—	(2,621)	—	(202)	—	8,803	—	654
As at 30 June 2025 - Closing Balance	1,051,208	1,050,374	89,351	90,556	61,662	73,883	744,387	763,867

2. Net assets attributable to unitholders (continued)

Net assets attributable to unitholders	Challenger IM Credit Income Fund Class P	
	No. '000	\$'000
Classification of net assets attributable to unitholders as at 30 June	Liability	Liability
As at 1 July 2024 - Opening Balance	66,505	67,762
Applications for units	8,074	8,331
Units issued upon reinvestment of distributions	—	—
Redemptions of units	(2,260)	(2,329)
Movements in net assets attributable to unitholders - Liability	—	(8,764)
As at 30 June 2025 - Closing Balance	72,319	65,000

Net assets attributable to unitholders	Challenger IM Multi-Sector Private Lending Fund Class I		Challenger IM Multi-Sector Private Lending Fund Class P		Challenger IM Credit Income Fund Class A		Challenger IM Credit Income Fund Class I	
	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000
Classification of net assets attributable to unitholders as at 30 June	Liability	Liability	Liability	Liability	Liability	Liability	Liability	Liability
As at 1 July 2023 - Opening Balance	469,136	466,484	37,691	37,899	7,256	7,400	466,233	469,084
Applications for units	242,144	244,340	37,034	37,857	27,585	28,904	74,449	75,947
Units issued upon reinvestment of distributions	34,871	34,717	193	195	7	7	30,431	30,993
Redemptions of units	—	—	(3,462)	(3,491)	(1,217)	(1,264)	(9,298)	(9,502)
Movements in net assets attributable to unitholders - Liability	—	(715)	—	(113)	—	147	—	7,656
As at 30 June 2024 - Closing Balance	746,151	744,826	71,456	72,347	33,631	35,194	561,815	574,178

2. Net assets attributable to unitholders (continued)

	Challenger IM Credit Income Fund Class P	
Net assets attributable to unitholders	No. '000	\$'000
Classification of net assets attributable to unitholders as at 30 June	Liability	Liability
As at 1 July 2023 - Opening Balance	54,791	54,905
Applications for units	14,618	14,992
Units issued upon reinvestment of distributions	888	898
Redemptions of units	(3,792)	(3,845)
Movements in net assets attributable to unitholders - Liability	—	812
As at 30 June 2024 - Closing Balance	66,505	67,762

	Challenger IM Multi-Sector Private Lending Fund		Challenger IM Credit Income Fund	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Total net assets attributable to unitholders	1,140,930	817,173	902,750	677,134

Capital risk management

The Trusts consider their unitholder funds as capital. The amount of unitholder funds can change significantly as the Trusts are subject to applications and redemptions at the discretion of unitholders. Applications and redemptions are reviewed relative to the liquidity of the Trusts' underlying assets by the Responsible Entity. Under the terms of the Trusts' Constitutions, the Responsible Entity has the discretion to reject an application for units and to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of unitholders.

3. Distributions to unitholders

In accordance with the Trusts' Constitutions, the Trusts distribute income adjusted for amounts determined by the Responsible Entity to unitholders by cash or reinvestment. Where unitholder funds are classified as a liability, these distributions are recognised in the statements of comprehensive income as finance costs. Where unitholder funds are classified as equity, distributions to unitholders are recognised in the statements of changes in unitholder funds.

The distributions for the year are presented below in dollars (\$'000) and cents per unit (CPU) for each class.

3. Distributions to unitholders (continued)

	Challenger IM Multi-Sector Private Lending Fund Class I		Challenger IM Multi-Sector Private Lending Fund Class P		Challenger IM Credit Income Fund Class A		Challenger IM Credit Income Fund Class I	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions								
Distributions paid - September 2024	16,672	1.97	1,428	1.92	592	1.46	10,022	1.51
Distributions paid - December 2024	12,910	1.34	1,090	1.33	711	1.43	11,100	1.55
Distributions paid - March 2025	16,582	1.63	1,418	1.62	917	1.63	12,385	1.70
Distributions payable - June 2025	20,890	1.99	1,751	1.96	1,146	1.86	14,470	1.94
Total distributions - 30 June 2025	67,054	6.93	5,687	6.83	3,366	6.38	47,977	6.70
Distributions paid - September 2023	10,189	2.00	911	1.81	143	1.08	7,834	1.51
Distributions paid - December 2023	12,463	1.99	1,137	2.01	274	1.26	7,714	1.45
Distributions paid - March 2024	9,639	1.38	861	1.36	427	1.55	9,063	1.66
Distributions payable - June 2024	20,205	2.71	1,892	2.65	793	2.36	14,217	2.53
Total distributions - 30 June 2024	52,496	8.08	4,801	7.83	1,637	6.25	38,828	7.15
							Challenger IM Credit Income Fund Class P	
							\$'000	CPU
Distributions								
Distributions paid - September 2024							1,085	1.58
Distributions paid - December 2024							1,088	1.53
Distributions paid - March 2025							1,200	1.67
Distributions payable - June 2025							1,375	1.90
Total distributions - 30 June 2025							4,748	6.68
Distributions paid - September 2023							823	1.49
Distributions paid - December 2023							812	1.39
Distributions paid - March 2024							1,010	1.59
Distributions payable - June 2024							1,650	2.48
Total distributions - 30 June 2024							4,295	6.95

3. Distributions to unitholders (continued)

	Challenger IM Multi-Sector Private Lending Fund		Challenger IM Credit Income Fund	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Total distributions paid and payable - 30 June	72,741	57,297	56,091	44,760

The component of the final distribution for the year which was unpaid at the reporting date is shown in the statements of financial position.

4. Receivables

Receivables may include GST RITC, application monies, interest, dividends, trust distributions and other income accrued and unsettled trade purchases. They are recognised when the right to receive payment is established and are generally recovered within 30 days. The Trusts measure expected credit losses on a 12-month basis. Given the nature of the Trusts' receivables and the limited exposure of the Trusts to credit risk, no material expected credit losses have been recognised.

Amounts recoverable from related entities have no fixed repayment term and are non-interest-bearing.

All receivables are considered current.

	Challenger IM Multi-Sector Private Lending Fund		Challenger IM Credit Income Fund	
As at 30 June	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
GST receivable	111	81	58	43
Interest receivable	7,999	7,366	8,870	6,801
Outstanding trade settlements	—	286	—	95
Total receivables	8,110	7,733	8,928	6,939

5. Financial assets at fair value through profit or loss

As at 30 June	Challenger IM Multi-Sector Private Lending Fund		Challenger IM Credit Income Fund	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Derivatives				
Cross currency swaps	711	106	2,394	7,552
Forward currency contracts	1,511	501	88	123
Total derivatives	2,222	607	2,482	7,675
Equity securities				
Equity securities	3,728	1,934	—	—
Total equity securities	3,728	1,934	—	—
Debt securities				
Agency bonds	10,282	4,947	20,742	1,979
Asset-backed securities	130,068	129,307	111,730	104,052
Commercial loan	26,083	15,989	5,288	3,844
Corporate bonds	138,025	69,448	280,378	288,435
Floating rate notes	756,397	513,423	442,572	249,099
Mortgage-backed securities	13,180	14,040	19,097	22,510
Total debt securities	1,074,035	747,154	879,807	669,919
Total financial assets at fair value through profit or loss	1,079,985	749,695	882,289	677,594

An overview of the risk exposures and fair value measurements relating to financial assets at fair value through profit or loss is included in notes 10 and 11 respectively.

6. Financial liabilities at fair value through profit or loss

As at 30 June	Challenger IM Multi-Sector Private Lending Fund		Challenger IM Credit Income Fund	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Derivatives				
Cross currency swaps	1,601	592	6,354	2,124
Forward currency contracts	255	64	207	13
Interest rate swaps	—	—	884	—
Total derivatives	1,856	656	7,445	2,137
Total financial liabilities at fair value through profit or loss	1,856	656	7,445	2,137

An overview of the risk exposures and fair value measurements relating to financial liabilities at fair value through profit or loss is included in notes 10 and 11 respectively.

7. Derivative financial instruments

In the normal course of business, the Trusts enter into transactions in various derivative financial instruments which have certain risks. A derivative is a financial instrument or other contract which is settled at a future date and whose value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable.

Derivative financial instruments require no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.

Derivatives are considered to be part of the investment process and the use of derivatives is an essential part of the Trusts' portfolio management. Derivatives are not managed in isolation. Consequently, the use of derivatives is multifaceted and includes:

- hedging to protect an asset or liability of the Trusts against a fluctuation in market values or to reduce volatility;
- a substitution for trading of physical securities; and
- adjusting asset exposures within the parameters set in the investment strategies, and adjusting the duration of fixed interest portfolios or the weighted average maturity of cash portfolios.

While derivatives are used for trading purposes, they are not used to gear a portfolio. Gearing a portfolio would occur if the level of exposure to the markets exceeds the underlying value of the Trusts.

7. Derivative financial instruments (continued)

The Trusts hold the following derivative instruments:

Forward currency contracts

A forward currency contract is primarily used by the Trusts to hedge against foreign currency exchange rate risks on its non-Australian dollar denominated trading securities. The Trusts agree to receive or deliver a fixed quantity of foreign currency for an agreed upon price on an agreed future date. Forward currency contracts are valued at the prevailing market price at the end of each reporting period. The Trusts recognise a gain or loss equal to the change in fair value at the end of each reporting period.

Swaps

Swaps are derivative instruments in which two counter parties agree to exchange one stream of cash flow against another stream. Swaps may include cross currency swaps, equity swaps, FX rate swaps, inflation linked swaps, interest rate swaps, overnight indexed swaps, total return swaps and zero-coupon swaps.

Refer to notes 5 and 6 for further information on derivative assets and liabilities.

An overview of the risk exposures and fair value measurements relating to derivative financial instruments are included in notes 10 and 11 respectively.

8. Payables

Payables represent unsecured non-derivative, non-interest-bearing financial liabilities in respect of goods and services provided to the Trusts prior to the end of the financial year. Payables may include redemptions payable, accrued expenses and unsettled purchases of financial instruments which are unpaid by the Trusts at the reporting date. Amounts are generally paid within 30 days.

Amounts payable to related entities have no fixed repayment term and are non-interest-bearing.

All payables are considered current.

As at 30 June	Note	Challenger IM Multi-Sector Private Lending		Challenger IM Credit Income Fund	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Amounts owing to the Responsible Entity	12	612	418	322	227
Outstanding trade settlements		—	—	—	440
Interest payable		460	34	2,932	851
Total payables		1,072	452	3,254	1,518

9. 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. As at 30 June 2025 there are no financial assets and financial liabilities that have been offset in the statements of financial position (2024: \$Nil). As at 30 June 2025, the Trusts have no netting arrangements which, if applied, would have a material impact on the disclosure of financial assets and liabilities.

Refer to notes 5 and 6 for further details on derivative financial instruments presented on a gross basis.

10. Financial risk management

Overview

The Trusts' activities can expose the Trusts to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The Trusts' overall risk management program focuses on ensuring compliance with the Trusts' governing documents and seeks to maximise the returns derived for the level of risk to which the Trusts are exposed. The Trusts may use derivative financial instruments to alter certain risk exposures. The Responsible Entity is responsible for identifying the financial risks that arise from these financial instruments and for ensuring there are mechanisms in place to manage these risks.

The allocation of assets between the various types of financial instruments are determined by the Trusts' Asset Manager who manages the Trusts' assets to achieve the Trusts' investment objectives.

Divergence from target allocations and the composition of the assets are monitored on a regular basis.

The Responsible Entity has a Risk Management Strategy in place for managing risk and the key elements of the Risk Management Framework (RMF). The risks covered by the RMF include, but are not limited to, financial risks, for example: market, investment, pricing risks, funding, liquidity and counterparty risk; as well as regulatory, strategic and operational risks. The key elements for managing these risks include:

- Documented policies and procedures;
- Post trade investment compliance monitoring by teams not involved in the dealing and investment management activity;
- Segregation of the dealing and investment management function from the investment administration and settlement function;
- Independently sourced valuations for securities;
- A risk and compliance team and Responsible Entity management team with separate reporting lines;
- Clearly defined reporting lines and accountability for managing risks;
- Clearly defined responsibility for maintaining the RMF and monitoring compliance with it; and
- Oversight of risk management activity and the risk profile of the business by the Board of the Responsible Entity and various risk and compliance and committees that the Responsible Entity, and its ultimate parent, have established.

As part of its Risk Management Strategy, the Trusts may use derivatives including exchange traded derivatives, to manage exposures resulting from changes in index prices, equity risks and exposures arising from forecast transactions.

10. Financial risk management (continued)

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 factors. Market risk includes (amongst others) three types of risk: interest rate risk (due to fluctuations in interest rates), currency risk (due to fluctuations in foreign exchange rates), and equity price risk (due to fluctuations in market prices).

The Trusts are exposed to market risks influencing investment valuations. The Trusts may utilise derivatives to manage this risk.

Price risk

Price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

As the majority of the Trusts' investments are debt investments carried at fair value, price risk is not considered to be a significant risk to the Trusts.

Daily monitoring of trade restrictions and derivative exposure against limits is undertaken with any breach of these limit restrictions reported in accordance with the RMF.

Foreign exchange risk

Trusts that invest in international assets are exposed to foreign exchange risk. Foreign exchange risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Asset Manager may enter into derivatives contracts (such as forwards, swaps, options and futures) through approved foreign exchange dealers to minimise risk. However, the use of these contracts must be consistent with the investment strategies and restrictions of the Trusts, and agreed acceptable level of foreign exchange risk.

The Trusts hold both monetary and non monetary assets denominated in currencies other than the Australian dollar. The foreign exchange risk relating to non monetary assets and liabilities is a component of price risk. Foreign exchange risk arises as the value of monetary securities denominated in other currencies will fluctuate due to changes in exchange rates.

The Trusts also enter into forward currency contracts principally to hedge the foreign exchange risk implicit in the value of the portfolio securities denominated in foreign currencies and to secure a particular exchange rate for a planned purchase or sale of securities. The term of these contracts rarely exceeds 12 months and may not necessarily indicate the total effect on the Trusts' net assets attributable to unitholders of future movements in foreign exchange rates.

The Trusts' underlying investments are primarily foreign currency fixed interest securities. To manage foreign exchange risk, the Trusts may be fully or partially hedged back to Australian dollars as outlined in the Trusts' governing documents.

The table below summarises the Trusts' exposure to foreign exchange risk.

10. Financial risk management (continued)

Challenger IM Multi-Sector Private Lending Fund

30 June 2025

	AUD A\$'000	USD A\$'000	EUR A\$'000	NZD A\$'000	Total A\$'000
Assets					
Cash and cash equivalents	72,622	4,308	55	576	77,561
Collateral and margin accounts	1,283	—	—	—	1,283
Receivables	6,756	1,150	—	204	8,110
Financial assets at fair value through profit or loss	958,488	80,027	—	41,470	1,079,985
Total assets	1,039,149	85,485	55	42,250	1,166,939
Liabilities					
Collateral and margin accounts	440	—	—	—	440
Distributions payable	22,641	—	—	—	22,641
Payables	849	223	—	—	1,072
Financial liabilities at fair value through profit or loss	807	894	—	155	1,856
Total liabilities	24,737	1,117	—	155	26,009
Net assets attributable to unitholders	1,014,412	84,368	55	42,095	1,140,930

10. Financial risk management (continued)

Challenger IM Multi-Sector Private Lending Fund

30 June 2024

	AUD A\$'000	USD A\$'000	EUR A\$'000	NZD A\$'000	Total A\$'000
Assets					
Cash and cash equivalents	80,308	46	419	1,619	82,392
Collateral and margin accounts	677	—	—	—	677
Receivables	6,798	889	8	38	7,733
Financial assets at fair value through profit or loss	664,196	51,499	14,186	19,814	749,695
Total assets	751,979	52,434	14,613	21,471	840,497
Liabilities					
Collateral and margin accounts	119	—	—	—	119
Distributions payable	22,097	—	—	—	22,097
Payables	417	35	—	—	452
Financial liabilities at fair value through profit or loss	64	592	—	—	656
Total liabilities	22,697	627	—	—	23,324
Net assets attributable to unitholders	729,282	51,807	14,613	21,471	817,173

10. Financial risk management (continued)

Challenger IM Credit Income Fund

30 June 2025

	AUD A\$'000	USD A\$'000	EUR A\$'000	GBP A\$'000	NZD A\$'000	Total A\$'000
Assets						
Cash and cash equivalents	27,130	1,559	531	79	163	29,462
Collateral and margin accounts	10,573	—	—	—	—	10,573
Receivables	5,931	2,439	154	375	29	8,928
Financial assets at fair value through profit or loss	671,840	161,598	11,365	26,638	10,848	882,289
Total assets	715,474	165,596	12,050	27,092	11,040	931,252
Liabilities						
Collateral and margin accounts	812	—	—	—	—	812
Distributions payable	16,991	—	—	—	—	16,991
Payables	1,638	1,417	44	155	—	3,254
Financial liabilities at fair value through profit or loss	2,122	4,397	128	798	—	7,445
Total liabilities	21,563	5,814	172	953	—	28,502
Net assets attributable to unitholders	693,911	159,782	11,878	26,139	11,040	902,750

10. Financial risk management (continued)

Challenger IM Credit Income Fund

30 June 2024

	AUD A\$'000	USD A\$'000	EUR A\$'000	GBP A\$'000	NZD A\$'000	Total A\$'000
Assets						
Cash and cash equivalents	14,871	201	190	21	140	15,423
Collateral and margin accounts	3,192	—	—	—	—	3,192
Receivables	4,892	1,246	447	342	12	6,939
Financial assets at fair value through profit or loss	520,003	100,790	30,801	22,394	3,606	677,594
Total assets	542,958	102,237	31,438	22,757	3,758	703,148
Liabilities						
Collateral and margin accounts	5,699	—	—	—	—	5,699
Distributions payable	16,660	—	—	—	—	16,660
Payables	733	503	218	64	—	1,518
Financial liabilities at fair value through profit or loss	13	1,538	—	586	—	2,137
Total liabilities	23,105	2,041	218	650	—	26,014
Net assets attributable to unitholders	519,853	100,196	31,220	22,107	3,758	677,134

The table in the summarised sensitivity analysis section of this note summarises the sensitivities of the Trusts' financial instruments to foreign exchange risk. The analysis is based on the assumption that the Australian dollar weakened or strengthened by 10% (2024: 10%) against the material foreign currencies to which the Trusts are exposed.

Cash flow and fair value interest rate risk

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

The Trusts have established limits on the total interest rate exposure, which are monitored on a daily basis. The Trusts may use derivatives to hedge unexpected increases in interest rates.

The summarised sensitivity analysis section of this note demonstrates the sensitivity of the Trusts' net profit to possible changes in interest rates, with all other variables held constant. The analysis is based on the assumptions that interest rates increased by 100 bps (2024: 100 bps) or decreased by 100 bps (2024: 100 bps).

10. Financial risk management (continued)

The sensitivity of the statements of comprehensive income is the effect of the assumed changes in interest rates on:

- the interest income for one year, based on the floating rate financial assets held at 30 June 2025; and
- changes in the fair value of investments for the year based on revaluing fixed rate financial assets at 30 June 2025.

Summarised sensitivity analysis

The following table summarises the sensitivity of the Trusts' net profit and net assets attributable to unitholders to applicable market risks. The possible movements in the risk variables have been determined based on management's best estimate, having regard to a number of factors, including historical levels of changes in interest rates, foreign exchange rates and market prices. 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 Trusts invest. As a result, historic variations in risk variables are not a definitive indicator of future variations in the risk variables.

Challenger IM Multi-Sector Private Lending Fund

	Impact on net profit/Net assets attributable to unitholders									
	Price risk		Interest rate risk		Foreign exchange risk					
	-10%	+10%	-100bps	+100bps	-10%	+10%	-10%	+10%	-10%	+10%
	A\$'000	A\$'000	A\$'000	A\$'000	USD A\$'000	USD A\$'000	EUR A\$'000	EUR A\$'000	NZD A\$'000	NZD A\$'000
30 June 2025	(373)	373	1,616	(1,572)	(53)	53	6	(6)	58	(58)
30 June 2024	(193)	193	1,360	(1,317)	(31)	31	22	(22)	8	(8)

Challenger IM Credit Income Fund

	Impact on net profit/Net assets attributable to unitholders									
	Interest rate risk		Foreign exchange risk							
	-100bps	+100bps	-10%	+10%	-10%	+10%	-10%	+10%	-10%	+10%
	A\$'000	A\$'000	USD A\$'000	USD A\$'000	EUR A\$'000	EUR A\$'000	GBP A\$'000	GBP A\$'000	NZD A\$'000	NZD A\$'000
30 June 2025	1,044	(1,024)	(170)	170	12	(12)	—	—	14	(14)
30 June 2024	1,118	(1,054)	(127)	127	(6)	6	(6)	6	8	(8)

10. Financial risk management (continued)

Credit risk

Credit risk is the risk that one party to a financial instrument will cause financial loss to the other party by failing to discharge an obligation. The Trusts aim to ensure that at all times they have appropriate credit risk management policies and practices in place and that the Board and senior management are appropriately informed of the Trusts' credit risks.

The main concentration of credit risk, to which the Trusts are exposed, arises from the Trusts' investment in debt securities. The Trusts are also exposed to counterparty credit risk on derivative financial instruments, cash and cash equivalents, amounts due from brokers and other receivables. The Trusts' exposure to credit risk is equal to the fair value of these instruments as disclosed in the statements 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 reporting date.

The Trusts manage counterparty risk in relation to over-the-counter derivatives by using only counterparties with an acceptable credit rating in accordance with the provisions of the Trusts' policies. Exposures to counterparties are monitored by the Asset Manager on a regular basis.

The credit quality of financial assets and derivatives are managed by the Trusts in accordance with the Trusts' governing documents, by taking into account any applicable external credit rating or internal credit assessment, prior to trading. The Trusts' exposure in each grade is monitored on a regular basis. This review process allows the Responsible Entity to assess the potential loss as a result of credit risk and take corrective action where required. Internal ratings are expressed on the basis of S&P rating definitions. Where an external rating (which will predominantly be Standard & Poor's, Moody's, Fitch, or another reputable credit rating agency) is available, the internal rating will ordinarily be no greater than the lowest external rating assigned. Assets that have not received any rating reference from external credit rating agency have been internally rated using market accepted method.

If no external rating is available, then they are internally rated by the credit risk team and labelled not rated (NR).

10. Financial risk management (continued)

The following table details the breakdown by credit rating of the underlying investment assets and derivatives held by the Trusts:

As at 30 June	Challenger IM Multi-Sector Private Lending Fund		Challenger IM Credit Income Fund	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Bond and derivative credit ratings				
AAA	22,366	7,969	20,742	11,015
AA+	—	—	2,956	—
AA	—	2,892	7,950	18,526
AA-	67,051	25,244	7,404	15,348
A+	17,541	10,272	13,947	12,256
A	8,026	1,598	30,816	23,879
A-	11,554	50,849	63,235	74,314
BBB+	22,666	11,367	198,946	163,584
BBB	32,298	20,924	254,913	169,164
BBB-	52,096	2,658	124,585	62,398
BB+	121,729	49,782	58,183	33,481
BB	193,540	144,240	45,439	27,146
BB-	179,235	195,998	43,375	54,971
B+	198,164	82,175	7,188	6,712
B	115,091	76,994	—	—
B-	21,465	61,948	—	4,800
CCC+	2,506	—	—	—
CCC	1,763	—	—	—
CCC-	—	2,851	—	—
D	9,166	—	2,610	—
Total bond and derivative credit ratings	1,076,257	747,761	882,289	677,594

10. Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Trusts will encounter difficulty in raising funds to meet cash commitments associated with financial instruments. This may result from either the inability to sell financial assets at their fair values, a counterparty failing on repayment of a contractual obligation, or the inability to generate cash inflows as anticipated.

The Trusts aim to ensure that they have sufficient liquidity to meet their obligations on a short term, medium term and long term basis. In the current and preceding year, all payables have no fixed repayment term. The current balance of amounts payable to related entities will be repaid in full within 1 year of the reporting date.

The Trusts' governing documents allow for redemptions of units. The Trusts are therefore exposed to a liquidity risk of meeting unitholders' redemptions at any time.

This risk is controlled through the Trusts' investment in financial instruments, which under normal market conditions are readily convertible to cash. In addition, the Trusts maintain sufficient cash and cash equivalents to meet normal operating requirements.

The Trusts' investments are considered to be readily realisable.

The investment management process includes the consideration of liquidity, both in terms of market quality and cash flow. In asset construction, securities/investments (including derivatives) are only purchased that meet investment criteria and this includes the assessment of saleability in different market conditions. Before entering into a transaction, consideration is given to (not limited to):

- whether the purpose of the investment is consistent with the investment strategies of the Trusts;
- the ease of selling the security should market conditions change unfavourably;
- whether there are sufficient assets to cover the underlying liabilities of that transaction; and
- the overall liquidity levels for the Trusts.

Under the terms of the Constitutions, the Trusts have the ability to manage liquidity risk by delaying redemptions to unitholders, if necessary, until the funds are available to pay them.

Maturity analysis for financial liabilities

Financial liabilities of the Trusts comprise trade and other payables, distributions payable, collateral and margin accounts and net assets attributable to unitholders. Trade and other payables, distributions payable and collateral and margin accounts have no contractual maturities but are typically settled within 30 days.

The table below analyses the Trusts' derivative financial liabilities based on their contractual maturity. The Trusts may, at their discretion, settle derivative financial liabilities prior to their original contractual settlement date, in accordance with its investment strategy, where permitted by the terms and conditions of the derivative instruments.

10. Financial risk management (continued)

Challenger IM Multi-Sector Private Lending Fund

30 June 2025

	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	Beyond 12 months \$'000	Total \$'000
Cross currency swaps	—	—	—	1,601	1,601
Forward currency contracts	99	84	72	—	255
Total derivative financial liabilities	99	84	72	1,601	1,856

30 June 2024

	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	Beyond 12 months \$'000	Total \$'000
Cross currency swaps	—	—	—	592	592
Forward currency contracts	64	—	—	—	64
Total derivative financial liabilities	64	—	—	592	656

Challenger IM Credit Income Fund

30 June 2025

	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	Beyond 12 months \$'000	Total \$'000
Cross currency swaps	122	—	546	5,686	6,354
Forward currency contracts	158	27	22	—	207
Interest rate swaps	—	—	—	884	884
Total derivative financial liabilities	280	27	568	6,570	7,445

10. Financial risk management (continued)

30 June 2024

	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	Beyond 12 months \$'000	Total \$'000
Cross currency swaps	87	167	332	1,538	2,124
Forward currency contracts	13	—	—	—	13
Interest rate swaps	—	—	—	—	—
Total derivative financial liabilities	100	167	332	1,538	2,137

11. Fair value measurement

All financial assets and financial liabilities included in the statements of financial position are carried at fair value.

In accordance with AASB 13 Fair Value Measurement the Trusts are required to disclose fair value measurements by level using the fair value hierarchy. The fair value hierarchy has the following levels:

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

Fair value in an active market (level 1)

The fair values of financial assets and liabilities traded in active markets are based on their quoted market prices at the reporting date without any deduction for estimated future selling costs. Financial assets are priced at current bid prices at the reporting date, while financial liabilities are priced at current offer prices.

The quoted market price used for financial assets held by the Trusts is the current bid price; the appropriate quoted market price for financial liabilities is the current asking price. When the Trusts hold derivatives with offsetting market risks, they use mid-market prices as a basis for establishing fair value for the offsetting risk positions and apply this bid or asking price to the net open position, as appropriate.

Fair value in an inactive or unquoted market (level 2 and level 3)

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

11. Fair value measurement (continued)

Where debt securities, such as corporate and government bonds and treasury securities are held, and in the absence of a quoted price in an active market, these are valued using observable inputs such as recently executed transaction prices in securities of the issuer or comparable issuers and yield curves. The fair values of investments in asset-backed securities, for which there is currently no active market, are calculated using a valuation model which is accepted in the industry. The model uses discounted cash flow analysis, which incorporates both observable and non-observable data. Observable inputs can include assumptions for current rates of interest. Unobservable inputs can include assumptions for expected future default rates and market liquidity discounts. Adjustments are made to the valuations when necessary to recognise differences in the instrument's terms. To the extent that the significant inputs are observable, these investments are categorised as Level 2.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the reporting date 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.

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

The tables below set out the Trusts' financial assets and liabilities measured at fair value through profit or loss according to the fair value hierarchy.

11. Fair value measurement (continued)

	Challenger IM Multi-Sector Private Lending Fund		Challenger IM Credit Income Fund	
As at 30 June	2025	2024	2025	2024
Financial assets	\$'000	\$'000	\$'000	\$'000
Level 2 financial assets				
Agency bonds	10,282	4,947	20,742	1,979
Asset-backed securities	71,080	67,222	73,856	77,123
Commercial loan	6,696	4,556	579	586
Corporate bonds	73,114	58,137	278,499	286,614
Cross currency swaps	711	106	2,394	7,552
Floating rate notes	230,177	133,148	330,246	164,450
Forward currency contracts	1,511	501	88	123
Mortgage-backed securities	13,180	14,040	17,637	20,885
Total level 2 financial assets	406,751	282,657	724,041	559,312
Level 3 financial assets				
Asset-backed securities	58,988	62,085	37,874	26,929
Commercial loan	19,387	11,433	4,709	3,258
Corporate bonds	64,911	11,311	1,879	1,821
Equity securities	3,728	1,934	—	—
Floating rate notes	526,220	380,275	112,326	84,649
Mortgage-backed securities	—	—	1,460	1,625
Total level 3 financial assets	673,234	467,038	158,248	118,282

11. Fair value measurement (continued)

	Challenger IM Multi-Sector Private Lending Fund		Challenger IM Credit Income Fund	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Financial liabilities				
Level 2 financial liabilities				
Cross currency swaps	1,601	592	6,354	2,124
Forward currency contracts	255	64	207	13
Interest rate swaps	—	—	884	—
Total level 2 financial liabilities	1,856	656	7,445	2,137

Movement in level 3 instruments

The following tables present the movement in level 3 instruments for the Trusts by class of financial instrument.

	Challenger IM Multi-Sector Private Lending Fund	Challenger IM Credit Income Fund
	\$'000	\$'000
Opening balance as at 1 July 2024	467,038	118,282
Purchases	387,708	87,233
Sales	(174,303)	(44,706)
Net losses recognised in profit or loss	(7,209)	(2,561)
Closing balance as at 30 June 2025	673,234	158,248
Total unrealised losses for the year included in the statements of comprehensive income for the financial instruments held during the year	(7,209)	(2,561)
Opening balance as at 1 July 2023	255,678	81,281
Purchases	303,272	76,176
Sales	(89,621)	(38,522)
Net losses recognised in profit or loss	(2,291)	(653)
Closing balance as at 30 June 2024	467,038	118,282
Total unrealised losses for the year included in the statements of comprehensive income for the financial instruments held during the year	(2,291)	(653)

11. Fair value measurement (continued)

The table below summarises the securities that have been transferred into and out of level 3 instruments for the Trusts during the year.

		2025 \$'000	2024 \$'000
Challenger IM Multi-Sector Private Lending Fund	Transfers into level 3	—	—
Challenger IM Credit Income Fund	Transfers into level 3	—	—

Level 3 Valuations

Investments classified within level 3 have significant unobservable inputs as they are infrequently traded.

The Trusts' level 3 instruments include certain fixed income securities that are internally-rated, as the determination of an equivalent credit rating for those securities is a significant non-observable input and readily observable prices are not available.

The Responsible Entity has therefore used valuation methodologies by estimating future cashflows and discounting them using the relevant swap curve plus a valuation margin to determine the fair value in accordance with the Trusts' Securities Pricing Policy. The swap curves are constructed by inputting curve data on a daily basis from Bloomberg and the valuation margin reflects a credit spread and a calibration margin. The credit spread information is gathered from Markit on a monthly basis thereafter, or earlier if some event arises, which may have a material impact on an asset value. As factors change on an exposure (credit rating or spread duration), then the credit spread will be adjusted accordingly.

Level 3 Sensitivity

The fair value of the level 3 fixed income assets would increase/decrease if there was a decrease/increase in the credit spread, which is determined based on the internal credit rating. The effect of a change to reflect a reasonably possible alternative assumption was calculated by moving the credit rating band by one tier up or down. The table below shows the impact on the credit spread for the Trusts when the credit rating band is moved by one tier up and one tier down.

		2025 \$'000	2024 \$'000
CIPAM Multi-Sector Private Lending Fund	One tier up	10	6
	One tier down	(10)	(6)
CIPAM Credit Income Fund	One tier up	4	3
	One tier down	(4)	(3)

The unobservable inputs used in determining the fair value of the level 3 investments vary depending on the nature of each investment. As such, the Responsible Entity considers it impracticable to perform a sensitivity analysis for each of the unobservable inputs.

12. Related party transactions

Responsible Entity

The Responsible Entity of the Trusts is Fidante Partners Limited whose immediate parent company is Challenger Funds Management Holdings Pty Limited and ultimate parent company is Challenger Limited.

Key management personnel

Directors

Key management personnel includes persons who were Directors of Fidante Partners Limited at any time during the financial year and up to the date of the report as follows:

A Bofinger	Director	
A Judin	Director	
J O'Keeffe	Director	(Resigned 31 January 2025)
E Reedman	Director	(Appointed 31 January 2025)
V Rodriguez	Director	
T Roxburgh	Director	

Other key management personnel

The Responsible Entity is considered to be the key management personnel with authority for the strategic direction and management of the Trusts.

The Asset Manager, Challenger Investment Partners Limited, is a related party to the Trusts as it is a member of the same group as the Responsible Entity.

Key management personnel unitholdings

At 30 June 2025 no key management personnel held units in the Trusts (2024: Nil).

Key management personnel compensation

No amount was paid by the Trusts directly to the Directors of the Responsible Entity.

Compensation is paid to the Responsible Entity in the form of fees and is disclosed below.

12. Related party transactions (continued)

Responsible Entity's fees and other transactions

Under the terms of the Trusts' Constitutions the Responsible Entity is entitled to receive management fees, calculated by reference to the average daily net assets (excluding net assets attributable to unitholders). For the year ended 30 June 2025 these rates are as follows:

For the year ended 30 June	Trust name	Class	Fee Rate	
			2025	2024
			%	%
	Challenger IM Multi-Sector Private Lending Fund	Class I	0.55	0.55
		Class P	0.75	0.75
	Challenger IM Credit Income Fund	Class A	0.60	0.60
		Class I	0.35	0.35
		Class P	0.45	0.45

These fees are inclusive of GST, net of RITC available to the Trusts per annum.

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

For the year ended 30 June	Challenger IM Multi-Sector Private Lending Fund		Challenger IM Credit Income Fund	
	2025	2024	2025	2024
	\$	\$	\$	\$
Management fees for the year	5,692,472	3,754,121	3,082,401	2,282,252
Management fees payable	611,999	417,812	322,060	226,666

12. Related party transactions (continued)

Related party unitholdings

Parties related to the Trusts (including Fidante Partners Limited, its related parties and other schemes managed by Fidante Partners Limited), held units in the Trusts as follows:

Challenger IM Multi-Sector Private Lending Fund

For the year ended 30 June 2025

Unitholder	No. of units held opening (Units)	No. of units acquired (Units)	No. of units disposed (Units)	No. of units held closing (Units)	Interest held (%)	Distributions paid/payable by the Trust (\$)
Challenger Life Company Limited	100,000,020	—	—	100,000,020	8.77	—
Total related party unitholdings	100,000,020	—	—	100,000,020	8.77	—

For the year ended 30 June 2024

Unitholder	No. of units held opening (Units)	No. of units acquired (Units)	No. of units disposed (Units)	No. of units held closing (Units)	Interest held (%)	Distributions paid/payable by the Trust (\$)
Challenger Life Company Limited	100,000,020	—	—	100,000,020	12.23	—
Total related party unitholdings	100,000,020	—	—	100,000,020	12.23	—

Challenger IM Credit Income Fund

For the year ended 30 June 2025

Unitholder	No. of units held opening (Units)	No. of units acquired (Units)	No. of units disposed (Units)	No. of units held closing (Units)	Interest held (%)	Distributions paid/payable by the Trust (\$)
Challenger Life Company Limited	—	—	—	—	—	—
Total related party unitholdings	—	—	—	—	—	—

12. Related party transactions (continued)

For the year ended 30 June 2024

Unitholder	No. of units held opening (Units)	No. of units acquired (Units)	No. of units disposed (Units)	No. of units held closing (Units)	Interest held (%)	Distributions paid/payable by the Trust (\$)
Challenger Life Company Limited	20	—	(20)	—	—	—
Total related party unitholdings	20	—	(20)	—	—	—

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

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

For the year ended 30 June	Challenger IM Multi-Sector Private Lending Fund		Challenger IM Credit Income Fund	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Reconciliation of profit/(loss) to operating cash flow				
Net profit/(loss) before finance costs for the year attributable to unitholders	69,918	56,469	56,784	53,375
Net (gains)/losses on financial instruments at fair value through profit or loss	15,729	4,717	(3,121)	(13,265)
Net foreign exchange (gains)/losses	(13)	175	(196)	73
Proceeds from sale of financial instruments at fair value through profit or loss	374,786	680,918	334,445	449,697
Purchase of financial instruments at fair value through profit or loss	(719,528)	(982,042)	(543,634)	(591,047)
Net change in receivables and other assets	(663)	(4,241)	(2,084)	(1,425)
Net change in payables and other liabilities	620	59	2,176	(540)
Net cash inflows/(outflows) from operating activities	(259,151)	(243,945)	(155,630)	(103,132)

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

Components of cash and cash equivalents

	Challenger IM Multi-Sector Private Lending Fund		Challenger IM Credit Income Fund	
As at 30 June	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Cash at bank, on hand and at custodian	77,561	82,392	29,462	15,423
Total cash and cash equivalents	77,561	82,392	29,462	15,423

Non-cash investing and financing activities

	Challenger IM Multi-Sector Private Lending Fund		Challenger IM Credit Income Fund	
For the year ended 30 June	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Reinvestment of unitholder distributions	50,641	34,912	40,650	31,898

14. Remuneration of auditor

	Challenger IM Multi-Sector Private Lending Fund		Challenger IM Credit Income Fund	
For the year ended 30 June	2025	2024	2025	2024
Amounts received or due and receivable by Ernst & Young for:	\$	\$	\$	\$
Audit of the financial report of the Trusts	10,821	10,558	10,821	10,558
Total remuneration of auditor	10,821	10,558	10,821	10,558

The cost incurred for auditing the financial report of the Trusts is paid directly by the Responsible Entity.

15. Events occurring after the reporting period

No significant events have occurred since the reporting date which would impact on the financial position of the Trusts as at 30 June 2025 or on the results and cash flows of the Trusts for the year ended on that date.

16. Contingent assets and liabilities and commitments

At balance date the Trusts have no contingent assets, liabilities or commitments (30 June 2024: Nil).

Directors' declaration

In the opinion of the Directors of the Responsible Entity for the below listed Trusts:

- Challenger IM Multi-Sector Private Lending Fund
- Challenger IM Credit Income Fund
- a. the financial statements and notes set out on pages 9 to 48 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 Trusts' financial position as at 30 June 2025 and of their performance for the financial year ended on that date;
- b. the financial statements and notes comply with International Financial Reporting Standards as disclosed in note 1.1; and
- c. there are reasonable grounds to believe that the Trusts 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 Directors.

On behalf of the Board of Fidante Partners Limited.



A Judin
Director

Sydney
22 September 2025



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Independent auditor's report

To the unitholders of the following Challenger Investment Partners Limited Managed Trusts (the "Trusts")

- Challenger IM Credit Income Fund
- Challenger IM Multi Sector Private Lending Fund

Opinion

We have audited the financial report of Challenger Investment Partners Limited (the Trusts), which comprises the statement of financial position as at 30 June 2025, the statement of comprehensive income, statement of changes in unitholder funds, and statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, and the directors' declaration.

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

- a. Giving a true and fair view of the Trusts' financial position as at 30 June 2025 and of its financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

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



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Information other than the financial report and auditor's report thereon

The directors of Fidante Partners Limited as the Responsible Entity of the Trusts (the "Responsible Entity") are responsible for the other information. The other information is the directors' report accompanying the financial report.

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

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

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

Responsibilities of the directors of the Responsible Entity for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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



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

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



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

Ernst & Young

Ernst & Young

A handwritten signature in black ink, appearing to read 'Jim Chuang', with a stylized flourish at the end.

Jim Chuang
Partner
Sydney
22 September 2025

Directory

Responsible Entity

Fidante Partners Limited
ABN 94 002 835 592
AFSL 234 668

Registered office and principal place of business

Level 2
5 Martin Place
Sydney NSW 2000

Custodian

State Street Global Advisors
Level 14
420 George Street
Sydney NSW 2000

Auditor

For the Responsible Entity and the Trusts
Ernst & Young
200 George Street
Sydney NSW 2000

Asset Manager

Challenger Investment Partners Limited
Level 5
151 Macquarie Street
Sydney NSW 2000