

dexus

Dexus Global REIT Fund
Annual Report
30 June 2024

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Dexus Global REIT Fund (the Fund) is a registered managed investment scheme domiciled in Australia that invests in a portfolio of listed global Real Estate Investment Trusts (REITs). Dexus Asset Management Limited (DXAM) is the Responsible Entity of the Fund. DXAM oversees the management and strategic direction of the Fund in its role as Responsible Entity.

The registered office of the Responsible Entity of the Fund is Level 30, Quay Quarter Tower, 50 Bridge Street, Sydney NSW 2000 and its principal place of business is Level 5, 80 Collins Street (South Tower), Melbourne, VIC 3000.

Operating and Financial Review

Review of operations

The results of the Fund's operations are disclosed in the Statement of Comprehensive Income. A summary of results for the 12 months to 30 June 2024 is as follows:

Key financial performance metrics:	2024	2023	Change
Net profit/(loss) after tax (\$'000)	663	(252)	915
Distribution per unit (cents)	9.900	9.900	-
Distributions paid/payable (\$'000)	853	765	88
Total assets (\$'000)	19,535	19,379	156
Average NAV (\$'000)	19,931	18,440	1,491

Financial result

The Fund's total comprehensive income was \$663,000 for the year ended 30 June 2024 (2023: \$252,000 loss), up \$915,000, primarily driven by increase in fair value gain of \$929,000 and partially offset by increase in other expenses of \$19,000.

The Fund continued to manage its assets in accordance with its governing documents and Constitution.

Principal activities

The Fund is a registered managed investment scheme domiciled in Australia. The principal activity of the Fund is to invest primarily in real estate investment entities (including REITs and Mortgage REITs) listed on securities exchanges around the world (including Australia) as well as cash and fixed interest investments. There has been no significant change in the activities of the Fund during the financial year. The Fund did not have any employees during the financial year.

Directors' Report

The Directors of Dexus Asset Management Limited (DXAM) as the Responsible Entity of Dexus Global REIT Fund (the Fund) present their Directors' Report together with the Financial Statements for the year ended 30 June 2024.

Directors

The following persons were Directors of DXAM at all times during the year and to the date of this Directors' Report, unless otherwise stated:

Directors	Appointed
Jennifer Horrigan, BBus, GradDipMgt, GradDipAppFin, MAICD	30 April 2012
Melanie Bourke, B.Com, MBA (Exec), CA, GAICD	17 July 2024
Danielle Carter, BA/BCom, Grad DipAppFin, CA, GAICD	17 October 2022
Deborah Coakley, BBus, GAICD ¹	19 August 2021
Emily Smith, BCom, GAICD	19 April 2022
Jonathan Sweeney, BCom, LLB, CFA, GAICD	17 October 2022
Brett Cameron, LLB/BA, GAICD, FGIA – Alternate Director ²	1 March 2022

¹ Resigned from DXAM Board effective from 17 July 2024

² Ceased as Alternate Director for Deborah Coakley on 17 July 2024 and was appointed as Alternative Director for Melanie Bourke on 17 July 2024.

Likely developments and expected results of operations

In the opinion of the Directors, disclosure of any further information regarding business strategies and future developments or results of the Fund, other than the information already outlined in this Directors' Report or the Financial Statements accompanying this Directors' Report would be unreasonably prejudicial to the Fund.

Significant changes in the state of affairs

During the financial period, the Fund had no significant changes in its state of affairs.

Matters subsequent to the end of the financial year

Since the end of the year, the Directors are not aware of any matter or circumstance not otherwise dealt with in their Directors' Report or the Financial Statements that has significantly or may significantly affect the operation of the Fund, the results of those operations, or state of the Fund's affairs in future financial periods.

Distributions

Distributions paid or payable by the Fund for the year ended 30 June 2024 were 9.900 cents per unit which amounted to \$853,000 (2023: 9.900 cents per unit, \$765,000) as outlined in note 2 of the Notes to the Financial Statements.

Interests in the Fund

The movement in units on issue in the Fund during the year and the number of units on issue as at 30 June 2024 are detailed in note 5 of the Notes to the Financial Statements and form part of this Directors' Report.

The number of units in the Fund held by DXAM or its related entities as at the end of the financial year is 5,240,411 (2023: 5,014,892).

The Fund did not have any options on issue as at 30 June 2024 (2023: nil).

Directors' Report (continued)

Environmental regulation

The Responsible Entity, DXAM is part of the Dexus Group (Dexus). The Dexus Risk and Compliance Committee and Dexus Board Sustainability Committee oversee the policies, procedures and systems that have been implemented to ensure the adequacy of its environmental risk management practices. It is the opinion of this Committee that adequate systems are in place for the management of for the management of Dexus's environmental responsibilities and compliance with various licence requirements and regulations. Further, the Committees are not aware of any material breaches of these requirements.

Dexus is subject to the reporting requirements of the National Greenhouse and Energy Reporting Act 2007 (NGER Act). The NGER Act requires Dexus to report its annual greenhouse gas emissions and energy use.

Dexus has implemented systems and processes for the collection and calculation of the data required. Dexus submitted its 2023 report to the Greenhouse and Energy Data Officer on 30 October 2023 and will submit its 2024 report by 31 October 2024. During the 12 month period ending 30 June 2024, Dexus complied with all the relevant requirements as set out by the NGER Act.

Information regarding Dexus's participation in the NGER program is available at: www.dexus.com/sustainability

Indemnification and insurance

The insurance premium for a policy of insurance indemnifying Directors, Officers and others (as defined in the relevant policy of insurance) is paid by DXAM's parent entity, Dexus Holdings Pty Limited (DXH).

Subject to specified exclusions, the liabilities insured are for costs that may be incurred in defending civil or criminal proceedings that may be brought against Directors and Officers in their capacity as Directors and Officers of the Responsible Entity of the Fund, and other payments arising from liabilities incurred by the Directors and Officers in connection with such proceedings.

PricewaterhouseCoopers (PwC or the Auditor), is indemnified out of the assets of the Fund pursuant to the Dexus Specific Terms of Business agreed for all engagements with PwC, to the extent that the Responsible Entity inappropriately uses or discloses a report prepared by PwC. The Auditor is not indemnified for the provision of services where such an indemnification is prohibited by the *Corporations Act 2001*.

Audit

Auditor

PricewaterhouseCoopers continues in office in accordance with section 327 of the *Corporations Act 2001*.

Non-audit services

The Fund may decide to employ the Auditor on assignments, in addition to its statutory audit duties, where the Auditor's expertise and experience with the Fund are important.

Details of the amounts paid or payable to the Auditor for audit and non-audit services provided during the period are set out in note 7 of the Notes to the Financial Statements.

The Audit, Risk and Compliance Committee is satisfied that the provision of non-audit services provided during the year by the Auditor (or by another person or firm on the Auditor's behalf) is compatible with the standard of independence for auditors imposed by the *Corporations Act 2001*.

The reasons for the Directors being satisfied are:

- All non-audit services have been reviewed by the Audit, Risk and Compliance Committee to ensure that they do not impact the impartiality and objectivity of the Auditor
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*

The above Directors' statements are in accordance with the advice received from the Audit, Risk and Compliance Committee.

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 6 and forms part of this Directors' Report.

Rounding of amounts and currency

As the Fund is an entity of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, the Directors have chosen to round amounts in this Directors' Report and the accompanying Financial Report to the nearest thousand dollars, unless otherwise indicated. All figures in this Directors' Report and the Financial Statements, except where otherwise stated, are expressed in Australian dollars.

Directors' Report (continued)

Directors' authorisation

The Directors' Report is made in accordance with a resolution of the Directors. The Financial Statements were authorised for issue by the Directors on 17 September 2024.



Jennifer Horrigan

Chair

17 September 2024



Auditor's Independence Declaration

As lead auditor for the audit of Dexus Global REIT Fund for the year ended 30 June 2024, I declare that 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; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink that reads 'Samantha Johnson'.

Samantha Johnson
Partner
PricewaterhouseCoopers

Sydney
17 September 2024

Statement of Comprehensive Income

For the year ended 30 June 2024

	2024	2023
	\$'000	\$'000
Revenue from ordinary activities		
Distribution income	893	866
Interest revenue	5	4
Total revenue from ordinary activities	898	870
Other income		
Net fair value gain on financial assets at fair value through profit or loss	42	-
Net gain on foreign exchange	-	8
Total other income	42	8
Total income	940	878
Expenses		
Management fee expense	(74)	(73)
Net fair value loss on financial assets at fair value through profit or loss	-	(887)
Net losses on foreign exchange	(14)	-
Other expenses	(189)	(170)
Total expenses	(277)	(1,130)
Profit/(loss) for the year	663	(252)
Other comprehensive income	-	-
Total comprehensive income/(loss) for the year	663	(252)

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

Statement of Financial Position

As at 30 June 2024

	Note	2024 \$'000	2023 \$'000
Current assets			
Cash and cash equivalents	6(a)	191	227
Distribution receivable		178	137
Receivables	6(b)	90	91
Financial assets at fair value through profit or loss		19,076	18,924
Total assets		19,535	19,379
Current liabilities			
Payables	6(c)	278	99
Provisions	6(d)	70	69
Total liabilities		348	168
Net assets		19,187	19,211
Equity			
Contributed equity	5	20,029	19,863
Retained losses		(842)	(652)
Total equity		19,187	19,211

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

Statement of Changes in Equity

For the year ended 30 June 2024

	Note	Contributed equity \$'000	Retained profits/ (losses) \$'000	Total \$'000
Balance at 1 July 2022		14,784	365	15,149
Loss for the year		-	(252)	(252)
Other comprehensive income		-	-	-
Total comprehensive income for the year		-	(252)	(252)
Transactions with owners in their capacity as unitholders:				
Issue of contributed equity net of transaction costs	5	5,610	-	5,610
Unit redemptions including transactions costs	5	(1,064)	-	(1,064)
Units issued under distribution reinvestment plan (DRP)	5	533	-	533
Distributions paid or payable	2	-	(765)	(765)
Total transactions with owners in their capacity as unitholders		5,079	(765)	4,314
Balance at 30 June 2023		19,863	(652)	19,211
Balance at 1 July 2023		19,863	(652)	19,211
Profit for the year		-	663	663
Other comprehensive income		-	-	-
Total comprehensive income for the period		-	663	663
Transactions with owners in their capacity as unitholders:				
Issue of contributed equity net of transaction costs	5	1,639	-	1,639
Unit redemptions including transaction costs	5	(2,055)	-	(2,055)
Units issued under distribution reinvestment plan (DRP)	5	582	-	582
Distributions paid or payable	2	-	(853)	(853)
Total transactions with owners in their capacity as unitholders		166	(853)	(687)
Balance at 30 June 2024		20,029	(842)	19,187

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

Statement of Cash Flows

For the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Cash flows from operating activities			
Receipts in the course of operations (inclusive of GST)		852	817
Payments in the course of operations (inclusive of GST)		(261)	(278)
Interest received		5	4
Net cash inflow from operating activities	8	596	543
Cash flows from investing activities			
Payments for financial assets at fair value through profit or loss		(22,701)	(22,604)
Proceeds from sale of financial assets at fair value through profit or loss		22,591	17,710
Net cash outflow from investing activities		(110)	(4,894)
Cash flows from financing activities			
Proceeds from issue of contributed equity		1,636	5,610
Payments for redemption of units		(1,875)	(1,065)
Distributions paid to unitholders		(270)	(215)
Net cash (outflow)/inflow from financing activities		(509)	4,330
Net decrease in cash and cash equivalents		(23)	(21)
Cash and cash equivalents at the beginning of the year		227	240
Effects of exchange rate changes on the balance of cash held in foreign currencies		(13)	8
Cash and cash equivalents at the end of the year		191	227

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

Notes to the Financial Statements

In this section

This section sets out the basis upon which the Fund's Financial Statements are prepared.

Basis of preparation

These Financial Statements are general purpose financial statements which have been prepared in accordance with the requirements of the Constitution of the Fund, the *Corporations Act 2001*, Australian Accounting Standards issued by the Australian Accounting Standards Board and the International Financial Reporting Standards adopted by the International Accounting Standard Board.

Unless otherwise stated the Financial Statements have been prepared using consistent accounting policies in line with those of the previous financial year and corresponding interim reporting period. Where required, comparative information has been restated for consistency with the current year's presentation.

The Financial Statements are presented in Australian dollars, with all values rounded to the nearest thousand dollars in accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, unless otherwise stated.

The Fund is a for-profit entity.

Going concern

The Directors of the Responsible Entity of the Fund remain of the opinion that the Fund can continue as a going concern considering its underlying investments are fully liquid, diversified and will be able to meet redemption requests as per the Fund's Product Disclosure Statement ("PDS").

The Financial Statements have therefore been prepared on a going concern basis using historical cost conventions, except for investments in listed equities which are stated at their fair value.

Critical accounting estimates

The preparation of the Financial Statements may require the use of certain critical accounting estimates and management to exercise its judgement in the process of applying the Fund's accounting policies.

In the process of applying the Fund's accounting policies, management has considered the current economic environment including the impacts of persistent inflation and elevated interest rates.

There are no key assumptions concerning the future or areas of estimation uncertainty at the end of the reporting period that have a significant risk of causing material adjustments to the Financial Statements.

Notes to the Financial Statements (continued)

Key accounting policies

Financial assets held at fair value through profit or loss

(a) Classification

The Fund's investments comprising listed equities and investment schemes are classified as at fair value through profit or loss as they are managed, and their performance evaluated, on a fair value basis.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Fund takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

(b) Recognition and derecognition

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

Financial assets are derecognised when the right to receive cash flows from the investments has expired or the Fund has transferred substantially all risks and rewards of ownership.

(c) Measurement

Subsequent to initial recognition, all financial assets held at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the Statement of Comprehensive Income.

Fair value of listed equities and investment schemes is based on their quoted closing prices on the relevant stock exchanges at the reporting date.

Distribution and interest income

Income is measured at the fair value of the consideration received or receivable. Distribution income is recognised on a receivable basis at the quoted ex-distribution date.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Fund and the amount of income can be measured reliably. Interest income is accrued on a pro-rata basis taking into account the effective yield on the financial asset.

Distributions to unitholders

In accordance with the Fund's Constitution, the Fund fully attributes its taxable income to unitholders by way of a cash distribution or distribution reinvestment into the Fund. Distributions are payable monthly.

Applications and redemptions

Applications received for units in the Fund are recorded net of any entry fees payable for the issue of units in the Fund. Redemptions from the Fund are recorded net of any exit fees payable.

The application and redemption prices are determined by reference to the Fund's net asset value adjusted for the estimated transaction costs, divided by the number of units on issue on the date of the application or redemption.

Foreign currency translation

(a) Functional and presentation currency

The financial statements of the Fund are presented in the currency of the primary economic environment in which it operates (the "functional currency"). This is the Australian dollar ("A\$"), which reflects the currency of the economy in which the Fund competes for funds and is regulated. The Australian dollar is also the Fund's presentation currency.

Notes to the Financial Statements (continued)

Key accounting policies (continued)

Foreign currency translation (continued)

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions.

At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the exchange rates prevailing at balance date. Non-monetary items carried at fair value denominated in foreign currencies are retranslated at the exchange rates prevailing at the date when the fair value was determined.

Expenses

All expenses, including management fees, are recognised in the Statement of Comprehensive Income on an accrual basis.

Income tax

The Fund is a “flow-through” entity for Australian income tax purposes and has elected into the Attribution Managed Investment Trusts rules on and from the 2020 income year, such that the determined trust components of the Fund will be taxable in the hands of the beneficiaries (the unitholders) on an attribution basis.

Accordingly, deferred taxes have not been recognised in the financial statements in relation to differences between the carrying amounts of assets and liabilities and their respective tax bases, including taxes on capital gains/losses which could arise in the event of a sale of investments for the amount at which they are stated in the Financial Statements.

Goods and services tax

Revenues, expenses and capital assets are recognised net of any amount of Australian Goods and Services Tax (GST), except where the amount of GST incurred is not recoverable. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Cash flows are included in the Statement of Cash Flows on a gross basis. The GST component of cash flows arising from investing and financing activities that is recoverable from or payable to the Australian Taxation Office is classified as cash flows from operating activities.

Notes to the Financial Statements

The Notes include information which is required to understand the Financial Statements and is material and relevant to the operations, financial position and performance of the Fund.

The Notes to the Financial Statements are organised into the following sections:

Fund performance	Capital and financial risk management and working capital	Other disclosures
1. Operating segment	3. Capital and financial risk management	7. Audit, taxation and transaction service fees
2. Distributions paid and payable	4. Commitments and contingencies	8. Cash flow information
	5. Contributed equity	9. Related parties
	6. Working capital	10. Subsequent events

Fund performance

In this section

This section explains the results and performance of the Fund.

It provides additional information about those individual line items in the Financial Statements that the Directors of the Responsible Entity consider most relevant in the context of the operations of the Fund, including operating segment and distributions paid and payable.

Note 1 Operating segment

The Fund derives its income in the form of distributions from listed property securities and is deemed to have only one operating segment which is consistent with the reporting reviewed by the chief operating decision makers.

Note 2 Distributions paid and payable

Distributions are recognised when declared.

a) Distributions to unitholders

	2024	2023
	\$'000	\$'000
31 July (paid 10 August 2023)	70	54
31 August (paid 11 September 2023)	71	56
30 September (paid 13 October 2023)	71	58
31 October (paid 14 November 2023)	71	61
30 November (paid 13 December 2023)	72	63
31 December (paid 12 January 2024)	72	63
31 January (paid 13 February 2024)	72	66
29 February (paid 14 March 2024)	72	68
31 March (paid 12 April 2024)	70	69
30 April (paid 13 May 2024)	71	69
31 May (paid 14 June 2024)	71	69
30 June (paid 11 July 2024)	70	69
Total distributions to unitholders	853	765

b) Distribution rate

	2024	2023
	Cents per unit	Cents per unit
31 July (paid 10 August 2023)	0.8250	0.8250
31 August (paid 11 September 2023)	0.8250	0.8250
30 September (paid 13 October 2023)	0.8250	0.8250
31 October (paid 14 November 2023)	0.8250	0.8250
30 November (paid 13 December 2023)	0.8250	0.8250
31 December (paid 12 January 2024)	0.8250	0.8250
31 January (paid 13 February 2024)	0.8250	0.8250
29 February (paid 14 March 2024)	0.8250	0.8250
31 March (paid 12 April 2024)	0.8250	0.8250
30 April (paid 13 May 2024)	0.8250	0.8250
31 May (paid 14 June 2024)	0.8250	0.8250
30 June (paid 11 July 2024)	0.8250	0.8250
Total distribution rate	9.9000	9.9000

c) Non-cash financing activities

During the year distributions declared totalling \$582,000 (2023: \$533,000) were reinvested by unitholders for additional units in the Fund.

Capital and financial risk management and working capital

In this section

The Fund's overall risk management program focuses on reducing volatility from impacts of movements in financial markets and seeks to minimise potential adverse effects on the financial performance of the Fund.

Note 3 *Capital and financial risk management* outlines how the Fund manages its exposure to a variety of financial risks (interest rate risk, price risk, currency risk, credit risk and liquidity risk).

The Directors of the Responsible Entity determine the appropriate capital structure of the Fund, how much is borrowed from financial institutions and capital markets (debt), and how much is raised from unitholders (equity) in order to finance the Fund's activities both now and in the future. This capital structure is detailed in the following notes:

- Assets and liabilities: *Fair value measurements* in note 3 and *Commitments and contingencies* in note 4; and
- Equity: *Contributed equity* in note 5.

Note 6 provides a breakdown of the working capital balances held in the Statement of Financial Position.

Note 3 Capital and financial risk management

The Responsible Entity is responsible for ensuring a prudent risk management culture is established for the Fund. This is reflected in the adoption of a Risk Management Framework that clearly defines risk appetite and risk tolerance limits which are consistent with the Fund's investment mandate.

The Fund Manager is responsible for overseeing the establishment and implementation of appropriate systems, controls, and policies to manage the Fund's risk. The focus is on ensuring compliance with the approved Risk Management Framework whilst seeking to maximise the returns derived for the level of risk to which the Fund is exposed.

The effective design and operation of the risk management systems, controls and policies is overseen by the Responsible Entity and its Audit, Risk and Compliance Committee.

Risk management in respect to financial instruments is achieved via written policies that establish risk appetite and tolerance limits in respect to exposure to interest rate risk, credit risk and the investment of excess liquidity. Compliance with these policies and exposure limits is reviewed by the Responsible Entity on a continuous basis.

BNP Paribas S.A. acts as the master custodian on behalf of the Responsible Entity from 14 June 2024 (National Australia Bank Limited acted as the master custodian until 13 June 2024) and, as such, provides services including physical custody and safekeeping of assets, settlement of trades and collection of income.

Financial instruments

The Fund holds a range of financial instruments including:

- Cash and cash equivalents
- Receivables
- Investment in listed equities
- Payables

Transactions in these instruments expose the Fund to a variety of financial risks including market risk (which includes interest rate risk and price risks), credit risk, and liquidity risk. The Fund does not enter into or trade financial instruments for speculative purposes.

Capital and financial risk management and working capital (continued)

Note 3 Capital and financial risk management (continued)

Financial instruments (continued)

Categories of financial instruments

	2024 \$'000	2023 \$'000
Financial assets		
Cash and cash equivalents	191	227
Listed equities	19,076	18,924
Distribution receivable	178	137
Receivables	90	91
Total financial assets	19,535	19,379
	2024 \$'000	2023 \$'000
Financial liabilities		
Payables	278	99
Total financial liabilities	278	99

a) Capital risk management

The Responsible Entity's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for unitholders in accordance with the Fund's investment strategy.

The capital structure of the Fund consists of cash and cash equivalents and the proceeds from the issue of the units of the Fund. The Fund Manager aims to ensure that there is sufficient capital for possible redemptions by unitholders.

The Fund has no restrictions or specific capital requirements on the application and redemption of units other than those imposed by *Corporations Act 2001*. The Fund's overall investment strategy remains unchanged from the prior year.

b) Market risk

Market risk is the risk that the fair value or future cash flows of the Fund's financial instruments will fluctuate because of changes in market prices. The Fund Manager manages the financial risks relating to the operations of the Fund in accordance with an investment mandate set out in accordance with the Fund's Constitution and PDS. The Fund's investment mandate is to provide investors with a consistent, relatively high level of income combined with some capital growth, sourced from an appropriately wide spread of property-based revenue streams. There has been no change to the Fund's exposure to market risks or the manner in which it manages and measures the risk. Components of market risk to which the Fund is exposed are interest rate risk, price risk and currency risk.

Interest rate risk

The Fund's interest bearing financial assets 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 risk is measured using sensitivity analysis.

The Fund's policy is to hold up to a maximum of 10% (2023: 10%) of its total investments in cash and fixed interest investments.

Capital and financial risk management and working capital (continued)

Note 3 Capital and financial risk management (continued)

b) Market risk (continued)

Interest rate risk (continued)

Interest rate sensitivity

The sensitivity analyses below have been determined based on the Fund's exposure to interest rates at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period, in the case of instruments that have floating interest rates.

The table below shows the impact on the Fund's net interest income of a 100 basis point movement in market interest rates on cash and cash equivalents.

	2024 (+/-) \$'000	2023 (+/-) \$'000
+/- 1.00% (100 basis points)	1	-
Total	1	-

The interest rate movements have been determined based on management's best estimate, having regard to historical levels of changes in interest rates and the current environment in which the Fund operates.

Actual movements in the interest rate may be greater or less than anticipated due to a number of factors, including unusually large market shocks both in the global and domestic markets. As a result, historic variations in interest rates are not a definitive indicator of future variations.

Price risk

The Fund has investments in equity instruments, which exposes it to price risk. Price risk is the risk that the total value of investments 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. The Fund Manager manages the Fund's market risk on a daily basis in accordance with the Fund's investment objectives and policies, as detailed in the Fund's Constitution and PDS.

As the Fund's financial instruments are carried at fair value with changes in the fair value recognised in the Statement of Comprehensive Income, all changes in market conditions will directly affect the fair value of financial instruments.

The rising interest rate environment and the potential for sustained inflationary impacts has created unprecedented uncertainty. Actual economic events and conditions in the future may be materially different from those estimated by the Fund at the reporting date.

The following table illustrates the effect on net profit / (loss) from a 10% change in the underlying investments:

	2024 (+/-) \$'000	2023 (+/-) \$'000
+/- 10%	1,908	1,892
Total	1,908	1,892

An overall increase/(decrease) in market price will result in an increase/(decrease) in net profit/(loss) respectively.

Currency risk

Currency risk is the risk that the market value of future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates. The Fund invests in listed Global REIT Income securities, which hold underlying investments in countries including Australia. As the Fund is managed on an unhedged basis, it is exposed to the following currencies – Hong Kong Dollars (HKD), Japanese Yen (JPY), Singapore Dollars (SGD), United States Dollars (USD), Canadian Dollars (CAD), Euro (EUR) and British Pound Sterling (GBP).

Capital and financial risk management and working capital (continued)

Note 3 Capital and financial risk management (continued)

b) Market risk (continued)

Currency risk (continued)

At the reporting date the carrying value of the Fund's net financial assets and liabilities held in these individual foreign currencies expressed in Australian Dollars and as a percentage of its net assets were as follows:

	2024		2023	
	AUD \$'000	% of net assets	AUD \$'000	% of net assets
HKD	167	0.9%	624	3.2%
JPY	735	3.8%	750	3.9%
SGD	928	4.8%	1,251	6.5%
USD	13,474	70.2%	12,550	65.3%
EUR	780	4.1%	484	2.5%
GBP	863	4.5%	757	3.9%
CAD	1,355	7.1%	1,592	8.3%

Currency sensitivity

The Fund is mainly exposed to the SGD, USD and CAD currencies. The following table details the Fund's sensitivity to a reasonably possible change of a 10% (2023: 10%) increase and decrease in the Australian Dollar against these currencies and the effect on the Fund's profit or loss and net assets attributable to unitholders.

	Effect of 10% increase on profit attributable to unitholders (AUD)		Effect of 10% decrease on profit attributable to unitholders (AUD)	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
SGD	84	114	103	139
USD	1,225	1,141	1,497	1394
CAD	123	145	151	177

c) Credit risk

Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Fund. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail unitholders, including outstanding receivables and committed transactions.

Credit risk controls assess the credit quality of the counterparty, taking into account its financial position, past experience and other factors. The Fund has adopted the policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from default. The Fund's investment objective is to find high quality counterparties predominately with a stable credit history. The Fund measures credit risk on a fair value basis.

Credit risk arising on receivable balances is monitored on an ongoing basis with the result that the Fund's exposure to bad debts is not significant. There are no significant financial assets that have had renegotiated terms that would otherwise have been past due or impaired.

The maximum exposure to credit risk as at 30 June 2024 and 30 June 2023 is the carrying amounts of financial assets recognised in the Statement of Financial Position of the Fund. The Fund holds no collateral as security and the credit quality of all financial assets that are neither past due or impaired is consistently monitored in order to identify any potential adverse changes in the credit quality.

The Fund does not have a significant credit risk exposure to any single counterparty or counterparties having similar characteristics.

Capital and financial risk management and working capital (continued)

Note 3 Capital and financial risk management (continued)

d) Liquidity risk

Liquidity risk includes the risk that the Fund, as a result of its operations:

- Will not have sufficient funds to settle a transaction or unit redemption on the due date
- Will be forced to sell financial assets at a value which is less than what they are worth
- May be unable to settle or recover a financial asset at all

The Fund is considered liquid in accordance with the *Corporations Act 2001*, with unitholders able to withdraw their units at any time, exposing the Fund to liquidity risk. As such, the Fund's approach to managing liquidity is to ensure that it has sufficient cash and cash equivalents and highly liquid financial assets to meet its liabilities. As the Fund's primary investment objective is to invest in highly liquid listed real estate securities, the Fund's exposure to liquidity risk is considered to be low.

The table below shows an analysis of the contractual maturities of liabilities which forms part of the Fund's assessment of liquidity risk:

	Less than 3 months \$'000	3 months to 1 year \$'000	1 to 5 years \$'000	Over 5 years \$'000	Total \$'000
2024					
Liabilities					
Payables	278	-	-	-	278
Provisions	70	-	-	-	70
Total	348	-	-	-	348
	Less than 3 months \$'000	3 months to 1 year \$'000	1 to 5 years \$'000	Over 5 years \$'000	Total \$'000
2023					
Liabilities					
Payables	99	-	-	-	99
Provisions	69	-	-	-	69
Total	168	-	-	-	168

The Fund is able to sufficiently meet its liquidity obligations through the receipt of distribution income, additional applications received from investors and also via the sale of listed investments where required.

e) Fair value

The Fund uses the following methods in the determination and disclosure of the fair value of financial instruments:

Level 1: the fair value is calculated using quoted prices in active markets.

Level 2: the fair value is determined using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: the fair value is estimated using inputs for the asset or liability that are not based on observable data.

All listed equities included within Financial assets recognised at fair value through profit or loss within the Statement of Financial Position were measured at Level 1 for the periods presented in this report.

During the year, there were no transfers between Level 1, 2 and 3 fair value measurements.

Capital and financial risk management and working capital (continued)

Note 4 Commitments and contingencies

The Directors of the Responsible Entity are not aware of any commitments or contingent liabilities in relation to the Fund (2023: nil), other than those disclosed in the Financial Statements, which should be brought to the attention of unitholders as at the date of completion of this report.

Note 5 Contributed equity

Each unit ranks equally with all other units for the purposes of distributions and on termination of the Fund. Each unit entitles the holder to vote in accordance with the provisions of the Constitution and the *Corporations Act 2001*.

Transaction costs arising on the issuance of equity instruments are recognised directly in equity as a reduction of the proceeds of the equity instruments to which the costs relate. Transaction costs are the costs that are incurred directly in connection with the issue of those equity instruments and which would not have been incurred had those instruments not been issued or bought back.

Carrying amount

	2024 \$'000	2023 \$'000
Opening balance at the beginning of the year	19,863	14,784
Issue of contributed equity net of transaction costs	1,639	5,610
Unit redemptions including transaction costs	(2,055)	(1,064)
Units issued under distribution reinvestment plan	582	533
Closing balance at the end of the year	20,029	19,863

Number of units on issue

	2024 No.	2023 No.
Opening balance at the beginning of the year	8,361,641	6,264,375
Issue of contributed equity	703,917	2,334,362
Unit redemptions	(885,461)	(460,588)
Units issued under distribution reinvestment plan	251,839	223,492
Closing balance at the end of the year	8,431,936	8,361,641

Note 6 Working capital

a) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

b) Receivables

	2024 \$'000	2023 \$'000
Expense recoveries	86	91
Application monies receivable	4	-
Total	90	91

Capital and financial risk management and working capital (continued)

Note 6 Working capital (continued)

c) Payables

	2024	2023
	\$'000	\$'000
Accounts payable	18	5
Accrued expenses	80	89
GST payable	-	5
Redemption payable	180	-
Total	278	99

d) Provisions

A provision is recognised when an obligation exists as a result of a past event, and it is probable that a future outflow of cash or other benefit will be required to settle the obligation.

Distributions are provided when they are approved by the Board of Directors of the Responsible Entity and declared.

	2024	2023
	\$'000	\$'000
Provision for distribution	70	69
Total	70	69

A provision for distribution has been raised for the period ended 30 June 2024. This distribution was paid on 11 July 2024.

Other disclosures

In this section

This section includes information that must be disclosed to comply with the Accounting Standards, the *Corporations Act 2001* or the Corporations Regulations.

Note 7 Audit, taxation and transaction service fees

During the year, the Auditor and its related practices earned the following remuneration:

	2024	2023
	\$	\$
Audit and review services		
Auditors of the Fund – PwC		
Financial statement audit and review services	18,519	31,044
Audit and review fees paid	18,519	31,044
Assurance services		
Auditors of the Fund – PwC		
Compliance assurance services	5,260	5,058
Assurance fees paid	5,260	5,058
Total audit, review and assurance services paid	23,779	36,102

Note 8 Cash flow information

Reconciliation of cash flows from operating activities

For the purposes of the statement of cash flows, cash and cash equivalents includes cash and investments in money market instruments net of outstanding bank overdrafts.

	2024	2023
	\$'000	\$'000
Net profit/(loss) for the year	663	(252)
Add/(less) non-cash items:		
Net fair value (gain)/loss on financial assets at fair value through profit or loss	(42)	887
Effects of exchange rate changes on the balance of cash held in foreign currency	13	(8)
<i>Change in operating assets and liabilities:</i>		
(Increase) / decrease in receivables	(37)	(113)
(Decrease) / increase in payables	(1)	29
Net cash inflow from operating activities	596	543

Other disclosures (continued)

Note 9 Related parties

Transactions with key management personnel

The Fund does not employ personnel in its own right. However, it is required to have a Responsible Entity to manage the activities of the Fund. As such, there are no staff costs (including fees paid to Directors of the Responsible Entity) included in the Statement of Comprehensive Income.

Transactions with the Responsible Entity and related body corporates

The Responsible Entity and Manager of Dexus Global REIT Fund is DXAM. Dexus PG Limited (DXPG) (ACN 109 846 068), the immediate parent entity of DXAM, and its controlled entities, are wholly owned subsidiaries of Dexus.

Transactions with entities related to DXPG are disclosed below:

	2024		2023	
	Paid / (Received) \$'000	Payable / (Receivable) \$'000	Paid / (Received) \$'000	Payable / (Receivable) \$'000
Management fees ¹	143	13	120	13
Registry fees ¹	-	-	11	-
Accounting fees ¹	30	10	30	10
Net expense recoveries and MER rebates ²	(180)	(78)	(122)	(82)
Reimbursement of costs paid on behalf of the Fund	55	6	49	5
Distributions	72	7	428	41

1. Management, registry and accounting fees disclosed above exclude expense recoveries and Management Expense Ratio ("MER") rebates.
2. Net expense recoveries and MER rebates are presented net of the expenses that the Responsible Entity is entitled to recover as and when they are incurred in the Statement of Comprehensive Income.

Unitholdings and associated transactions with related parties

The below table shows the number of units held by related parties and also sets out the distributions paid, or payable to the related party.

	2024		2023	
	Number of units	Distributions \$	Number of units	Distributions \$
APD Trust	5,240,411	508,789	5,014,892	469,051
Howard Brenchley ¹	-	-	-	1,700
Total	5,240,411	508,789	5,014,892	470,751

1. Mr Brenchley resigned as a Director of DXAM on 17 October 2022.

Related party investments held by the Fund

The Fund may acquire investments in entities that are also managed by DXPG or its related body corporates (Related Parties), in accordance with its PDS. The Fund did not hold any interests in its related parties as at the financial year end or throughout the year (2023: nil).

Note 10 Subsequent events

Since the end of the year, the Directors are not aware of any matter or circumstance not otherwise dealt with in their Directors' Report or the Financial Statements that has significantly or may significantly affect the operation of the Fund, the results of those operations, or state of the Fund's affairs in future financial periods.

Directors' Declaration

The Directors of Dexus Asset Management Limited as Responsible Entity of Dexus Global REIT Fund declare that the Financial Statements and Notes set out on pages 7 to 23:

- (i) Comply with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- (ii) Give a true and fair view of the Fund's financial position as at 30 June 2024 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date.

In the Directors' opinion:

- (a) The Financial Statements and Notes are in accordance with the *Corporations Act 2001*;
- (b) The Fund has operated in accordance with the provisions of the Constitution during the year ended 30 June 2024; and
- (c) There are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

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.



Jennifer Horrigan
Chair
17 September 2024



Independent auditor's report

To the unitholders of Dexus Global REIT Fund

Our opinion

In our opinion:

The accompanying financial report of Dexus Global REIT Fund (the Registered Scheme) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Registered Scheme's financial position as at 30 June 2024 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the Statement of Financial Position as at 30 June 2024
- the Statement of Comprehensive Income for the year then ended
- the Statement of Changes in Equity for the year then ended
- the Statement of Cash Flows for the year then ended
- the Notes to the Financial Statements, including material accounting policy information and other explanatory information
- the Directors' Declaration.

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

Independence

We are independent of the Registered Scheme in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & 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.

Other information

The Directors of Dexus Asset Management Limited, the Responsible Entity of the Registered Scheme (the Directors) are responsible for the other information. The other information comprises the information included in the Annual Report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

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

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 on the other information that we obtained prior to the date of this auditor's report, 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 for the financial report

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

In preparing the financial report, the Directors are responsible for assessing the ability of the Registered Scheme to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Registered 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 objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

PricewaterhouseCoopers

PricewaterhouseCoopers

Samantha Johnson

Samantha Johnson
Partner

Sydney
17 September 2024