



Annual Report

Metrics Real Estate Income Fund

FOR THE PERIOD ENDED 30 JUNE 2025
ARSN 671 699 228

Metrics Real Estate Income Fund

Contents

30 June 2025

Directors' report	2
Investment Manager's Report	5
Auditor's independence declaration	6
Statement of comprehensive income	7
Statement of financial position	8
Statement of changes in equity	9
Statement of cash flows	10
Notes to the financial statements	11
Directors' declaration	26
Independent auditor's report to the unitholders of Metrics Real Estate Income Fund	27

The financial statements cover Metrics Real Estate Income Fund (The "Fund") as an individual entity.

The Responsible Entity of the Fund is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240 975).

The Responsible Entity's registered office is:

Level 1, 575 Bourke Street
Melbourne, VIC 3000.

Metrics Real Estate Income Fund

Directors' report

30 June 2025

The Directors of the Responsible Entity (the "Directors") present their report together with the financial statements of the Fund for the year ended 30 June 2025.

Principal activities

The Investment Objective of the Fund, through its exposure to the MCP Real Estate Debt Fund (Master Trust) via its investment in Metrics CRE Multi-Strategy (Debt) Trust (Sub-Trust), is to actively invest in and manage a diversified portfolio of Australian commercial real estate (CRE) debt assets providing investors with superior risk-adjusted returns.

The Fund was constituted on 25 September 2023, registered with Australian Securities and Investments Commission ("ASIC") on 3 October 2023, and commenced operations on 24 March 2025.

The Fund did not have any employees during the year.

There were no significant changes in the nature of the Fund's activities since it commenced operations.

Service Providers

The various service providers for the Fund as at 30 June 2025 are detailed below:

Service	Provider
Responsible Entity	Equity Trustees Limited
Investment Manager	Metrics Credit Partners Pty Ltd
Administrator	MCH Fund Administration Pty Ltd
Custodian	EQT Australia Pty Ltd
Registry	Automic Pty Ltd
Statutory Auditor	KPMG
Compliance Plan Auditor	PricewaterhouseCoopers

Directors

The following persons held office as directors of Equity Trustees Limited during or since the end of the year and up to the date of this report:

Name	Position
Michael J O'Brien	Chairman
Russell W Beasley	Director (resigned 9 October 2024, reappointed 1 July 2025)
Mary A O'Connor	Director (resigned 1 July 2025)
David B Warren	Director
Andrew P Godfrey	Director
Johanna E Platt	Director (appointed 9 October 2024)

Units on Issue

Units on issue in the Fund at the end of the year are set out below:

	Period 1 July 2024 to 30 June 2025	Period 25 September 2023 to 30 June 2024
Units on issue	1,116,044	-

Review and results of operations

During the year, the Fund continued to invest its funds in accordance with the Product Disclosure Statement and the provisions of the Fund's Constitution.

The Fund returned 2.87% (net) for the June 2025 quarter. This is the Fund's first quarterly performance since commencement of operations. The Fund's target return is the RBA Cash Rate + 4.00% p.a. net of fees.

Metrics Real Estate Income Fund

Directors' report

30 June 2025

	Period 1 July 2024 to 30 June 2025	Period 25 September 2024 to 30 June 2024
	\$	\$
Profit/(loss) for the year	30,917	-
Distributions paid and payable	32,060	-
Distributions (cents per unit)	2.94	-

Significant Changes in the State of Affairs

In the opinion of the directors, there were no material changes in the state of affairs of the Fund that occurred during the year.

Likely developments and expected results of operations

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

The results of the Fund's operations will be affected by a number of factors, including the performance of investment markets in which the Fund invests. Investment performance is not guaranteed, and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

Indemnity and Insurance of Officers

No insurance premiums are paid for out of the assets of the Fund in regard to insurance cover provided to the officers of Equity Trustees Limited. So long as the officers of Equity Trustees Limited act in accordance with the Fund's Constitution and the Law, the officers remain indemnified out of the assets of the Fund against losses incurred while acting on behalf of the Fund.

Indemnity and Insurance of Auditor

The auditor of the Fund is in no way indemnified out of the assets of the Fund.

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

Fees paid to the Responsible Entity and its associates out of Fund property during the year are disclosed in note 15 to the financial statements.

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

Interests in the Fund

The movement in units on issue in the Fund during the year is disclosed in note 10 to the financial statements.

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

Environmental regulation

The Fund is not subject to any significant environmental regulation under Australian Commonwealth, State or Territory law.

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.

Metrics Real Estate Income Fund
Directors' report
30 June 2025

This report is made in accordance with a resolution of the directors of Equity Trustees Limited through a delegated authority given by Equity Trustees Limited's Board.



Andrew P Godfrey
Director

28 August 2025
Melbourne

Metrics Real Estate Income Fund Investment Manager's Report 30 June 2025

Fund Performance & Outlook

The investment objective of the Metrics Real Estate Income Fund (“**Fund**” or “**MREIF**”), through its exposure to the MCP Real Estate Debt Fund (“**Master Trust**” or “**REDF**”) via its investment in the Metrics CRE Multi-Strategy (Debt) Trust (Sub-Trust), is to actively invest in and manage a diversified portfolio of Australian Commercial Real Estate (CRE) loans diversified by projects, borrowers, sectors, geography, stage of development and position in the capital structure. Metrics seeks to implement active strategies designed to balance delivery of the Target Return, while seeking to preserve investor capital. The Fund launched on 24 March 2025.

The Fund returned 2.87% (net) over the June 2025 quarter. This is the Fund's first quarterly performance since commencement of operations. At the end of the June 2025 financial year, the Master Trust (REDF) had Assets Under Management (AUM) of \$5.15 billion, as a result of strong inflows from institutional investors and retail feeder funds.

As at 30 June 2025, the Fund had exposure (via REDF) across 144 individual assets, comprising 24 new loans less 3 loan repayments. The portfolio has a weighted average credit rating of BBB-. REDF has been consistently exposed to senior ranking instruments (99% as at 30 June 2025) and has very limited exposure to subordinated debt. Commercial Real Estate lending conditions remained strong and throughout the financial year was fully deployed. Zenith and Lonsec issued inaugural ‘Recommended’ ratings for MREIF. Additionally Standard & Poor’s also reaffirmed their A- issuer rating for the Master Trust.



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

To the Directors of Equity Trustees Limited as the Responsible Entity of Metrics Real Estate Income Fund

I declare that, to the best of my knowledge and belief, in relation to the audit of Metrics Real Estate Income Fund for the financial year ended 30 June 2025 there have been:

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

KPMG

KPMG

Quang Dang
Partner
Sydney
28 August 2025

Metrics Real Estate Income Fund
Statement of comprehensive income
For the year ended 30 June 2025

	Note	Period 1 July 2024 to 30 June 2025 \$	Period 25 September 2023 to 30 June 2024 \$
Income			
Interest income		1,665	-
Distribution income		29,303	-
Net gains/(losses) on financial instruments at fair value through profit or loss		(1,200)	-
Other income		2,247	-
Total income		<u>32,015</u>	<u>-</u>
Expenses			
Management fees and costs	16	1,069	-
Administration and other expenses		29	-
Total expenses		<u>1,098</u>	<u>-</u>
Profit for the year		30,917	-
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>30,917</u></u>	<u><u>-</u></u>

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

Metrics Real Estate Income Fund
Statement of financial position
As at 30 June 2025

	Note	As at 30 June 2025 \$	As at 30 June 2024 \$
Assets			
Cash and Cash Equivalents	7	128,479	-
Distribution receivable		11,749	-
Other Receivables	8	3,039	-
Financial Assets at Fair Value Through Profit or Loss	5	998,800	-
Total assets		<u>1,142,067</u>	<u>-</u>
Liabilities			
Distribution payable	11	25,670	-
Management fees and costs payable	16	379	-
Other Payables	9	768	-
Total liabilities		<u>26,817</u>	<u>-</u>
Net assets attributable to unitholders - equity	10	<u><u>1,115,250</u></u>	<u><u>-</u></u>

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

Metrics Real Estate Income Fund
Statement of changes in equity
For the year ended 30 June 2025

	Note	Period 1 July 2024 to 30 June 2025 \$	Period 25 September 2023 to 30 June 2024 \$
Total equity at the beginning of the financial year		-	-
Profit for the year		30,917	-
Other comprehensive income		-	-
Total comprehensive income		30,917	-
<i>Transactions with unitholders:</i>			
Applications	10	1,110,002	-
Reinvestment of distributions	10	6,391	-
Distributions paid and payable	10	(32,060)	-
Total equity at the end of the financial year		<u>1,115,250</u>	<u>-</u>

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

Metrics Real Estate Income Fund
Statement of cash flows
For the year ended 30 June 2025

	Note	Period 1 July 2024 to 30 June 2025 \$	Period 25 September 2023 to 30 June 2024 \$
Cash flows from operating activities			
Payments for purchase of financial instruments at fair value through profit or loss		(1,000,000)	-
Distribution received		17,554	-
Interest received		925	-
Administration and other expenses paid		(2)	-
		<u> </u>	<u> </u>
Net cash used in operating activities	12	<u>(981,523)</u>	<u>-</u>
Cash flows from financing activities			
Proceeds from application by unitholders	10	<u>1,110,002</u>	<u>-</u>
Net cash inflow from financing activities		<u>1,110,002</u>	<u>-</u>
Net increase in cash and cash equivalents		128,479	-
Cash and cash equivalents at the beginning of the financial year		<u>-</u>	<u>-</u>
Cash and cash equivalents at the end of the financial year	7	<u><u>128,479</u></u>	<u><u>-</u></u>

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

Metrics Real Estate Income Fund
Notes to the financial statements
30 June 2025

1. General Information	12
2. Summary of Material Accounting Policy Information	12
3. Financial Risk Management	17
4. Fair Value Measurements	19
5. Financial Assets at Fair Value Through Profit or Loss	20
6. Structured Entities	20
7. Cash and Cash Equivalents	21
8. Other Receivables	21
9. Other Payables	21
10. Net Assets Attributable to Unitholders - Equity	21
11. Distributions to Unitholders	22
12. Reconciliation of Profit/(Loss) to Net Cash Inflow/(Outflow) from Operating Activities	22
13. Remuneration of Auditors	23
14. Segment Information	23
15. Related Party Transactions	23
16. Transactions with the Investment Manager	24
17. Significant Events During the Year	25
18. Events After the Reporting Period	25
19. Contingent Assets and Liabilities and Commitments	25

Metrics Real Estate Income Fund

Notes to the financial statements

30 June 2025

1. General Information

These financial statements cover Metrics Real Estate Income Fund (the "Fund") as an individual entity. The Fund is an Australian registered managed investment Fund which was constituted on 25 September 2023, registered with the Australian Securities and Investments Commission on 3 October 2023 and will terminate in accordance with the provisions of the Fund's Constitution or by Law.

The Responsible Entity of the Fund is Equity Trustees Limited (ABN 59 004 027 749, AFSL 235 148) (the "Responsible Entity"). The Responsible Entity's registered office is Level 1, 575 Bourke Street, Melbourne VIC 3000, Australia. The financial statements are presented in the Australian currency AUD unless otherwise stated.

The Investment Manager of the Fund is Metrics Credit Partners Pty Ltd (ABN 27 150 646 996, AFSL 416 146) (the "Investment Manager"). The Custodian of the Fund is EQT Australia Pty Limited (ABN 88 111 042 132). The Fund Administrator of the Fund is MCH Fund Administration Pty Limited (ABN 31 636 286 970).

The Investment Objective of the Fund, through its exposure to the Master Trust via its investment in the Sub-Trust, is to actively invest in and manage a diversified portfolio of Australian commercial real estate (CRE) debt assets provisioning investors with superior risk-adjusted returns.

The financial statements were authorised for issue by the directors on the date the Directors' declaration was signed. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

2. Summary of Material Accounting Policy Information

The principal 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 in the following text.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001* in Australia. The Fund is a for-profit entity for the purpose of preparing the financial statements.

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

The statement of financial position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are generally expected to be recovered or settled within twelve months, except for investments in financial assets and net assets attributable to unitholders. The amount to be recovered or settled in twelve months in relation to these balances remain subject to the performance of the Fund and its operations in accordance with the Constitution.

(i) Compliance with International Financial Reporting Standards (IFRS)

The financial statements of the Fund also comply with International Financial Reporting Standards and Interpretations as issued by the International Accounting Standards Board (IASB).

(ii) New and amended standards adopted by the Fund

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

Metrics Real Estate Income Fund

Notes to the financial statements

30 June 2025

2. Summary of Material Accounting Policy Information (continued)

(iii) New standards and interpretations not yet adopted

AASB 18 Presentation and Disclosure in Financial Statements

AASB 18 was issued in June 2024 and replaces AASB 101 *Presentation of Financial Statements*. The new standard introduces new requirements for the statement of comprehensive income, including:

- new categories for the classification of income and expenses into operating, investing and financing categories, and
- presentation of subtotals for "operating profit" and "profit before financing and income taxes".

Additional disclosure requirements are introduced for management-defined performance measures and new principles for aggregation and disaggregation of information in the notes and the primary financial statements and the presentation of interest and dividends in the statement of cash flows. The new standard is effective for annual years beginning on or after 1 January 2027 and will apply to the Fund for the financial year ending 30 June 2028.

This new standard is not expected to have an impact on the recognition and measurement of assets, liabilities, income and expenses, however there will likely be changes in how the statement of comprehensive income and statement of financial position line items are presented as well as some additional disclosures in the notes to the financial statements. Management is in the process of assessing the impact of the new standard.

Certain amendments to accounting standards have been published that are not mandatory for the 30 June 2025 reporting year and have not been early adopted by the Fund. These amendments are not expected to have a material impact on the Fund in the current or future reporting years and on foreseeable future transactions.

(b) Income

The Fund recognises income as follows:

Interest income

Interest income from financial assets at amortised cost is recognised using the effective interest method and includes interest from cash and cash equivalents. Interest revenue is recognised daily as it accrues, taking into account the actual interest rate on the financial asset and is recognised in the Statement of comprehensive income.

Distribution income

Distribution income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income within distribution income when the Fund's right to receive payments is established.

(c) Expenses

All expenses including Management fees and costs, Responsible Entity and Custodian fees and administrative expenses, are recognised in the statement of comprehensive income on an accruals basis.

(d) Income tax

The Fund is not subject to income tax provided the taxable income of the Fund is attributed in full to its unitholders each financial year either by way of cash or reinvestment. Unitholders are subject to income tax at their own marginal tax rates on amounts attributable to them.

(e) Distributions

In accordance with the Fund's Constitution, the Fund may attribute its distributable (taxable) income, and any other amounts determined by the Responsible Entity, to unitholders by cash or reinvestment. The distributions are recognised in the statement of changes in equity as equity.

Metrics Real Estate Income Fund
Notes to the financial statements
30 June 2025

2. Summary of Material Accounting Policy Information (continued)

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

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

(f) Cash and cash equivalents

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

(g) Receivables

Receivables may include amounts for interest and trust distributions. Trust distributions are accrued when the right to receive payment is established. Amounts are generally received within 30 days of being recorded as receivables. Receivables are measured at their nominal amounts. Receivables also include such items as Reduced Input Tax Credits (RITC).

(h) Financial Instruments

(i) Classification

Assets

The Fund classifies its investments based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The Fund's portfolio of financial assets is managed, and its performance is evaluated on a fair value basis in accordance with the Fund's documented investment strategy. The Fund's policy is to evaluate the information about these financial assets on a fair value basis together with other related financial information.

(ii) Recognition/Derecognition

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

Investments are derecognised when the right to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expires.

Any gains or losses arising on derecognition of the asset held at fair value through profit and loss (calculated as the difference between the disposal proceeds and the carrying amount of the asset) are included in the statement of comprehensive income in the period the asset is derecognised as realised gains or losses on financial instruments.

(iii) Measurement

Financial assets and liabilities held at fair value through profit or loss

At initial recognition, the Fund measures 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 statement of comprehensive income.

Metrics Real Estate Income Fund
Notes to the financial statements
30 June 2025

2. Summary of Material Accounting Policy Information (continued)

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. 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. Fair value is calculated as the present value of expected cash flows arising from the asset having regard to current market prices and returns for assets of comparable credit quality, terms and contracted remaining term to maturity. Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at fair value through profit or loss category are presented in the statement of comprehensive income within 'net gains/(losses) on financial instruments at fair value through profit or loss' in the period in which they arise.

Other financial assets and liabilities

Management considers that the carrying amount of cash and cash equivalents and receivables approximate fair value.

Other financial liabilities are initially measured at fair value and subsequently at amortised cost. Management considers the carrying amount of payables approximate fair value.

Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount reported in the Statement 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 the end of the reporting period, there are no financial assets or liabilities offset or with the right to offset in the statement of financial position.

(i) Payables

These amounts represent liabilities for goods and services provided to the Fund prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

The distribution amount payable to unitholders as at the end of each reporting period is recognised separately in the Statement of financial position when they are determined by the Responsible Entity in accordance with the Constitution of the Fund.

(j) Net assets attributable to unitholders - equity

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

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

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

The classification as equity has been applied consistently though the year.

Metrics Real Estate Income Fund
Notes to the financial statements
30 June 2025

2. Summary of Material Accounting Policy Information (continued)

(k) Applications and redemptions

Applications received for units in the Fund are recorded net of any transaction costs payable prior to the issuance of units in the Fund.

In accordance with the Constitution, the Responsible Entity may determine to reject a Redemption Request at its absolute discretion. The Responsible Entity is not obliged under any circumstances to pay any part of the Redemption Price out of its own funds. The redemption transaction costs are an estimate by the Responsible Entity of the total transaction cost the Fund would incur selling the Fund Property/Units. If appropriate, the Responsible Entity may apply estimated redemption transaction costs in regard to the actual cost incurred from the redemption. If the Responsible Entity makes no estimate, the Redemption Transaction costs are zero.

(l) Goods and Services Tax ('GST') and other similar taxes

The GST incurred on the costs of various services provided to the Fund by third parties such as audit fees, custodial services and investment management fees and costs have been passed onto the Fund. The Fund qualifies for Reduced Input Tax Credits ("RITC") at a rate of at least 55% hence investment management fees and costs, custodial fees and other expenses have been recognised in the statement of comprehensive income net of the amount of GST recoverable from the Australian Taxation Office ("ATO"). The net amount of GST recoverable from the ATO is included in receivables in the statement of financial position. Cash flows related to GST are included in the statement 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 an operating cash flow. Accounts payable are inclusive of GST.

(m) Use of Estimates and Judgement

The Fund makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Actual results may differ from these estimates.

Valuation of investments

For investments in the unlisted unit trusts, the fair value is determined using the net asset value of the underlying funds.

(n) Rounding of amounts

The Fund is an entity of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded to the nearest dollar, unless otherwise indicated.

Metrics Real Estate Income Fund

Notes to the financial statements

30 June 2025

3. Financial Risk Management

The Fund's activities expose it to a variety of financial risks. The management of these risks is undertaken by the Fund's Investment Manager who has been appointed by the Responsible Entity under an Investment Management Agreement to manage the Fund's assets in accordance with the investment objective and strategy.

The Responsible Entity has in place a framework which includes:

- The Investment Manager providing the Responsible Entity with regular reports on their compliance with the Investment Management Agreement;
- Completion of regular reviews on the Service Provider which may include a review of the Investment Manager's risk management framework to manage the financial risks of the Fund;
- Regular reporting on the liquidity of the Fund in accordance with the Fund's Liquidity Risk Management statement.

The Fund's Investment Manager has in place a framework to identify and manage the financial risks in accordance with the investment objective and strategy. This includes an investment due diligence process and on-going monitoring of the investments in the Fund. Specific controls the Investment Manager applies to manage the financial risks are detailed under each risk specified below.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in market variables such as interest rates, foreign exchange rates and equity prices.

Price Risk

Price risk is the risk that the fair value of investments will change as a result of changes in market prices, whether those changes are caused by factors specific to the individual security or factors affecting all instruments in the market. The Investment Manager manages this risk through the daily review of the carrying value of each of the assets held by the Fund having regard to the market prices of similar assets being transacted in both the primary and secondary market for assets of similar credit quality, tenor and loan purpose. In accordance with AASB 9 *Financial Instruments*, any adjustment to the fair value of the investment is reflected through other comprehensive income.

Cash flow and fair value interest rate risk

The Fund has indirect exposure to interest rate risks from the loans held by the underlying fund.

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Investment Manager believes there is a strong correlation between the RBA Cash Rate and the base rates upon which loans are priced. Accordingly, the Investment Manager expects absolute returns on loans therefore rise and fall largely in correlation with the RBA Cash Rate.

Interest rate duration risk is minimised as individual borrowers under loan contracts generally have the flexibility to select interest rate reset periods from 30 to 180 days. In addition to the ongoing short-term re-setting of the market benchmark interest rate most loan facilities incorporate a contractual mechanism to re-price based on migration of credit quality over the term of the facility. This is known as a credit margin pricing grid and incorporates changes to the credit margin based on certain key credit metrics

The Fund's interest-bearing financial assets and liabilities expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The impact of direct interest rate risk on the profit and net assets attributable to unit holders is considered immaterial to the Fund.

Metrics Real Estate Income Fund
Notes to the financial statements
30 June 2025

3. Financial Risk Management (continued)

The table below summarises the Fund's exposure to direct interest rates risk as at 30 June 2025 and 30 June 2024:

	Weighted average interest rate %	Floating interest rate \$	Fixed interest rate \$	Non-interest bearing \$	TOTAL \$
As at 30 June 2025					
Financial assets					
Cash and cash equivalents	3.85%	128,479	-	-	128,479
Financial assets at fair value through profit or loss		-	-	998,800	998,800
Distributions receivable		-	-	11,749	11,749
Prepayments and other receivables		-	-	3,039	3,039
Total Financial assets		128,479	-	1,013,588	1,142,067
Financial liabilities					
Distributions payable		-	-	25,670	25,670
Other payables		-	-	768	768
Management fee payable		-	-	379	379
Total Financial liabilities		-	-	26,817	26,817
Net Exposure		128,479	-	986,771	1,115,250

	Weighted average interest rate %	Floating interest rate \$	Fixed interest rate \$	Non-interest bearing \$	TOTAL \$
As at 30 June 2024					
Financial assets					
Cash and cash equivalents		-	-	-	-
Financial assets at fair value through profit or loss		-	-	-	-
Distributions receivable		-	-	-	-
Prepayments and other receivables		-	-	-	-
Total Financial assets		-	-	-	-
Financial liabilities					
Distributions Payable		-	-	-	-
Payables		-	-	-	-
Total Financial liabilities		-	-	-	-
Net exposure		-	-	-	-

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. As at 30 June 2025, the Fund did not hold any assets or liabilities denominated in currencies other than the Australian Dollar and therefore was not exposed to any foreign exchange risk (2024: Nil).

Metrics Real Estate Income Fund
Notes to the financial statements
30 June 2025

3. Financial Risk Management (continued)

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Investment Manager monitors the Fund’s cash flow requirements and undertakes cash flow forecasts including capital budgeting on a daily basis. Cash flow reconciliations are undertaken daily to ensure all income and expenses are managed in accordance with contracted obligations.

4. Fair Value Measurements

The Fund measures and recognises the following assets and liabilities at fair value on a recurring basis.

The Fund has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting year.

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level of the following fair value hierarchy:

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

The Fund values its investments in accordance with the accounting policies set out in note 2 to the financial statements.

(i) Significant unobservable inputs (Level 3)

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

The fair value of the Fund’s financial assets at fair value through profit or loss was determined using the net tangible asset of the underlying funds at the reporting dates.

(ii) Recognised fair value measurements

The following table presents the Fund’s financial assets and liabilities measured and recognised at fair value as at 30 June 2025 and 30 June 2024.

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
As at 30 June 2025				
Financial assets				
Metrics CRE Multi-Strategy (Debt) Trust	-	-	999,800	999,800
As at 30 June 2024				
Financial assets				
Metrics CRE Multi-Strategy (Debt) Trust	-	-	-	-

Metrics Real Estate Income Fund
Notes to the financial statements
30 June 2025

4. Fair Value Measurements (continued)

At the reporting date, had net asset value of the underlying funds moved by +/- 10% with other variables held constant, the movement in profit or loss would be approximately +/- \$99,000.

The Investment Manager monitor the value of the investments through the daily review of the carrying value of each of the assets held by the Wholesale Funds having regard to the market prices of similar assets being transacted in both the primary and secondary market for assets of similar credit quality, tenor and loan purpose or through regular review and value private equity investments.

(iii) Transfer between levels

The Fund's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting year. There were no transfers between the levels in the fair value hierarchy for the year ended 30 June 2025.

(iv) Instruments not carried at fair value

The carrying values of receivables and payables approximate their fair values due to their short-term nature.

5. Financial Assets at Fair Value Through Profit or Loss

	As at 30 June 2025 \$	As at 30 June 2024 \$
Units in unlisted unit trust	998,800	-

6. Structured Entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, and the relevant activities are directed by means of contractual arrangements. An interest in a structured entity is any form of contractual or non-contractual involvement which creates variability in returns arising from the performance of the entity for the Fund. The Fund considers investments in managed investment Funds (the "Funds") to be structured entities. The Fund invests in Funds for the purpose of capital appreciation and/or earning investment income.

The exposure to investments in related Funds at fair value that the Fund does not consolidate but in which it holds an interest is disclosed in the following table:

	Fair value of investments held as at		Interest as at	
	30 June 2025	30 June 2024	30 June 2025 %	30 June 2024 %
Metrics CRE Multi-Strategy (Debt) Trust	998,800	-	0.66%	-

The Fund has exposures to structured entities through its investment activities. The Fund typically has no other involvement with the structured entity other than the securities it holds as part of trading activities and its maximum exposure to loss is restricted to the carrying value of the asset. The Fund does not have current commitments or intentions and contractual obligations to provide financial or other support to the structured entities.

Metrics Real Estate Income Fund
Notes to the financial statements
30 June 2025

6. Structured Entities (continued)

During the year ended 30 June 2025, total losses incurred on investments in the Funds \$1,200 (2024: Nil). The Fund also earned distribution income of \$29,303 (2024: Nil) as a result of its interests in the Funds.

The principal place of business of the structured entities listed above is Level 14, Angel Place, 123 Pitt Street, Sydney NSW 2000.

7. Cash and Cash Equivalents

Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the statement of financial position as follows:

	As at 30 June 2025 \$	As at 30 June 2024 \$
Cash at bank	128,479	-

8. Other Receivables

	As at 30 June 2025 \$	As at 30 June 2024 \$
Other receivables	2,247	-
Interest receivable	740	-
GST receivable	52	-
Total Receivables	3,039	-

9. Other Payables

	As at 30 June 2025 \$	As at 30 June 2024 \$
Administration and other payables	9	-
Trade payables	759	-
Total Payables	768	-

10. Net Assets Attributable to Unitholders - Equity

Under AASB 132 *Financial Instruments: Presentation*, puttable financial instruments are classified as equity where certain criteria are met. The Fund shall classify a financial instrument as an equity instrument from the date when the instrument has all the features and meets the conditions. The Fund's units are classified as equity as they meet the definition of a financial instrument to be classified as equity.

Metrics Real Estate Income Fund
Notes to the financial statements
30 June 2025

10. Net Assets Attributable to Unitholders - Equity (continued)

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

	As at 30 June 2025 Units '000	As at 30 June 2025 \$
Opening balance	-	-
Applications	1,109,673	1,110,001
Redemptions	-	-
Reinvestment of distributions	6,371	6,391
Distributions paid and payable	-	(32,060)
Operating profit for the year	-	30,917
Closing balance	<u>1,116,044</u>	<u>1,115,249</u>

As stipulated within the Fund's Constitution, each unit represents a right to an individual share in the Fund and does not extend to a right to the underlying assets of the Fund. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Fund. As at 30 June 2025, MCP Credit Trust 1, a commonly controlled entity with the Investment Manager held 1,006,373 units in the Fund.

11. Distributions to Unitholders

	2025 \$	2025 CPU
Wholesale Units		
31 May	6,390	0.64
30 June (payable)	25,670	2.30
	<u>32,060</u>	<u>2.94</u>

12. Reconciliation of Profit/(Loss) to Net Cash Inflow/(Outflow) from Operating Activities

	Period 1 July 2024 to 30 June 2025 \$	Period 25 September 2023 to 30 June 2024 \$
Profit for the year	30,917	-
<i>Adjustments for:</i>		
Net gain/(loss) on financial instruments at fair value through profit of loss	1,200	-
Proceeds from sale of financial instruments at fair value through profit of loss	-	-
Payments for purchase of financial instruments at fair value through profit	(1,000,000)	-
Change in operating assets and liabilities:		
Increase in other receivables	(14,788)	-
Increase in other payables	1,148	-
Net cash used in operating activities	<u>(981,523)</u>	<u>-</u>

Metrics Real Estate Income Fund
Notes to the financial statements
30 June 2025

13. Remuneration of Auditors

During the financial year the following fees were paid or payable for services provided by the auditors of the Fund:

	Period 1 July 2024 to 30 June 2025 \$	Period 25 September 2023 to 30 June 2024 \$
<i>KPMG - Audit and other assurance services</i>		
Audit of financial statements	12,977	-
<i>PricewaterhouseCoopers</i>		
Audit and annual review of compliance plan	2,448	-

14. Segment Information

The Fund is organised into one main operating segment with only one key function, being the investment of funds predominantly in Australia.

15. Related Party Transactions

The Responsible Entity of the Fund is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975). Accordingly, transactions with entities related to Equity Trustees Limited are disclosed below.

The only related parties to the Fund, as defined by AASB 124 *Related Party Disclosures*, are the Responsible Entity, schemes managed by the Responsible Entity and key management personnel of the Responsible Entity.

(a) Directors

Key management personnel includes persons who were Directors of the Responsible Entity at any time during the financial year and up to the date of this report.

Name	Position
Michael J O'Brien	Chairman
Russell W Beasley	Director (resigned 9 October 2024, reappointed 1 July 2025)
May A O'Connor	Director (resigned 1 July 2025)
David B Warren	Director
Andrew P Godfrey	Director
Johanna E Platt	Director (appointed 9 October 2025)

(b) Responsible Entity

Other than fees paid to the Responsible Entity, there were no other transactions.

(c) Transactions with Key Personnel

There were no transactions with key management personnel during the reporting period.

Metrics Real Estate Income Fund
Notes to the financial statements
30 June 2025

15. Related Party Transactions (continued)

(d) Other key management personnel

There were no other key management personnel with responsibility for planning, directing and controlling activities of the Fund, directly or indirectly during the financial year.

(e) Key Management Personnel Unit Holdings

Key Management personnel did not hold units in the Fund as at 30 June 2025 (30 June 2024: Nil).

(f) Key Management Personnel Compensation

Key management personnel are paid by EQT Services Pty Limited. Payments made from the Fund to Equity Trustees Limited does not include any amounts directly attributable to the compensation of key management personnel.

(g) Key Management Personnel Loan Disclosures

The Fund has not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel or their personally related entities at any time during the reporting year.

(h) Other Transactions Within the Fund

Apart from those details disclosed in this note, no key management personnel have entered into a material contract with the Fund since the end of the previous financial year and there were no material contracts involving management personnel's interests existing at year end.

(i) Responsible Entity Fees

This fee is charged by the Responsible Entity for managing the Fund and making it available to investors. Fees payable to the Responsible Entity are calculated on the net asset value of the Fund and accrued daily and paid monthly in arrears from the assets of the Fund and reflected in the daily unit price.

Equity Trustees Limited earned \$11,000 (2024: Nil) for Responsible Entity fees provided to the Fund during the period. These fees were paid on behalf of the Fund by the Investment Manager.

(j) Related Party Unit Holdings

Parties related to the Fund (including Equity Trustees Limited, its related parties and other schemes managed by Equity Trustees Limited) held no units in the Fund as at 30 June 2025 (30 June 2024: nil).

(k) Investments

The Fund did not hold any investments in Equity Trustees Limited or its related parties during the year (30 June 2024: nil).

16. Transactions with the Investment Manager

Under the Fund's Product Disclosure Statement, the Investment Manager is entitled to receive the below management fees directly from the Fund.

The transactions during the period and amounts payable at the period end between the Fund and the Investment Manager were as follows:

Metrics Real Estate Income Fund
Notes to the financial statements
30 June 2025

16. Transactions with the Investment Manager (continued)

	Period 1 July 2024 to 30 June 2025 \$	Period 25 September 2023 to 30 June 2024 \$
Management Fees payable at the year paid/payable by the Fund to the Investment Manager	1,069	-
Aggregate amounts payable to the Investment Manager at the reporting date	379	-

The Fund held investments in other Funds managed by the Fund's Investment Manager during the period as follows (2024: Nil investments):

	Fair Value \$	Interest Held %	Distribution Earned \$	Distribution Receivable \$	Number of Units Acquired	Number of Units Disposed
Metrics CRE Multi-Strategy (Debt) Trust	<u>998,800</u>	0.66%	<u>29,303</u>	<u>11,749</u>	<u>999,800</u>	<u>-</u>

17. Significant Events During the Year

In opinion of the directors, there were no material changes in the state of affairs of the Fund that occurred during the reporting period.

18. Events After the Reporting Period

Subsequent to year end distributions of \$0.83 cents per unit amounting to \$11,778 was paid on 8 August 2025.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Fund's operations, the results of those operations, or the Fund's state of affairs in future financial years.

19. Contingent Assets and Liabilities and Commitments

There were no outstanding assets and liabilities or commitments as at 30 June 2025 and 30 June 2024.

Metrics Real Estate Income Fund
Directors' declaration
30 June 2025

In the opinion of the Directors of the Responsible Entity:

a. the financial statements and notes set out on pages 7 to 25 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 Fund's financial position as at 30 June 2025 and of its performance, for the financial period ended on that date.

b. there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable; and

c. confirms that the financial statements also comply with International Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the Directors of Equity Trustees Limited through a delegated authority given by Equity Trustees Limited's Board.

On behalf of the Directors



Andrew P Godfrey
Director

28 August 2025
Melbourne



Independent Auditor's Report

To the unitholders of Metrics Real Estate Income Fund

Opinion

We have audited the **Financial Report** of Metrics Real Estate Income Fund (the Fund).

In our opinion, the accompanying Financial Report of the Fund gives a true and fair view, including of the Fund's financial position as at 30 June 2025 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Statement of financial position as at 30 June 2025
- Statement of comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended
- Notes, including material accounting policies
- Directors' Declaration.

Basis for opinion

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

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Fund and Equity Trustees Limited (the Responsible Entity) in accordance with 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 fulfilled our other ethical responsibilities in accordance with these requirements.

Other Information

Other Information is financial and non-financial information in Metrics Real Estate Income Fund's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors of Equity Trustees Limited (the Responsible Entity) are responsible for the Other Information.

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

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially



misstated.

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

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

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

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

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

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

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of 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: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our Auditor's Report.

KPMG

KPMG

Quang Dang

Partner

Sydney

28 August 2025