

Indigenous Real Estate Investment Trust

ABN 81 151 733 525

**Consolidated Financial Statements
For the financial year ended 30 June 2025**

Indigenous Real Estate Investment Trust

Contents	Page
Independent Auditor's Report	1
Trustee's Declaration	3
Consolidated Statement of Profit or Loss and Other Comprehensive Income	4
Consolidated Statement of Financial Position	5
Consolidated Statement of Cash Flows	6
Consolidated Statement of Changes in Net Assets Attributable to Unitholders	7
Notes to the Consolidated Financial Statements	8



INDEPENDENT AUDITOR'S REPORT

To the Unitholders of the Indigenous Real Estate Investment Trust

Opinion

In my opinion, the financial statements of the Indigenous Real Estate Investment Trust and its subsidiary (together the Group) for the year ended 30 June 2025 presents fairly, in all material respects, the financial position of the Group as at 30 June 2025 and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards – Simplified Disclosures.

The financial statements of the Group, which I have audited, comprise the following as at 30 June 2025 and for the year then ended:

- Trustee's Declaration;
- Consolidated Statement of Profit or Loss and Other Comprehensive Income;
- Consolidated Statement of Financial Position;
- Consolidated Statement of Cash Flows;
- Consolidated Statement of Changes in Net Assets Attributable to Unitholders; and
- Notes to the consolidated financial statements, comprising a summary of material accounting policy information and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and their delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Trustee's responsibility for the financial statements

The Trustee is responsible for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Simplified Disclosures. The Trustee is also responsible for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the ability of the Group to continue as a going concern, taking into account whether the Group's operations will cease as a result of an administrative restructure or for any other reason. The Trustee is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office 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 statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

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

I communicate with the Trustee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Jennifer Carter

Audit Principal

Delegate of the Auditor-General

Canberra

17 September 2025

Indigenous Real Estate Investment Trust Consolidated Financial Statements

Trustee's Declaration 30 June 2025

The directors of the trustee declare that the consolidated financial statements and notes set out on pages 4 to 26 :

- (a) give a true and fair view of the financial position of the Group as at 30 June 2025 and of its performance, as represented by the results of its operations for the year ended on that date in accordance with Australian Accounting Standards - Simplified Disclosures; and
- (b) in the directors' opinion there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with the resolution and delegation of the Board of Directors of the trustee, One Managed Investment Funds Limited.



Frank Tearle
Director
Sydney
17 September 2025

Indigenous Real Estate Investment Trust

Consolidated Statement of Profit or Loss and Other Comprehensive Income For the year ended 30 June 2025

	Note	30 June 2025 \$	30 June 2024 \$
Revenue			
Rental income	4(a)	13,812,472	13,142,297
Interest income	4(b)	316,097	264,108
Other income	4(c)	2,815,243	2,423,860
Total revenue		16,943,812	15,830,265
Expenses			
Property expenses	5(a)	5,208,468	4,904,239
Interest expenses and borrowing costs	5(b)	1,900,580	2,049,034
Other expenses	5(c)	1,463,832	1,056,937
Realised loss on disposal of investment property		1,411,978	-
Loss on revaluation of investment properties	9	1,577,532	1,735,106
Total expenses		11,562,390	9,745,316
Profit attributable to unitholders		5,381,422	6,084,949
Other comprehensive income/(loss)		-	-
Total comprehensive income attributable to unitholders		5,381,422	6,084,949

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Indigenous Real Estate Investment Trust

Consolidated Statement of Financial Position As at 30 June 2025

	30 June 2025	30 June 2024
Note	\$	\$
Assets		
Current assets		
Cash and cash equivalents	14,393,370	6,154,433
Trade and other receivables	6 105,385	668,850
Other current assets	7 20,119	19,592
Total current assets	14,518,874	6,842,875
Non-current assets		
Investment properties	9 130,050,000	164,180,000
Other lease assets	8 2,817,652	2,977,691
Total non-current assets	132,867,652	167,157,691
Total assets	147,386,526	174,000,566
Liabilities		
Current liabilities		
Trade and other payables	10 1,333,575	1,143,623
Provisions for distributions	11 3,997,446	3,717,245
Total current liabilities	5,331,021	4,860,868
Non-current liabilities		
Interest-bearing borrowings	12 7,945,840	32,918,761
Total non-current liabilities	7,945,840	32,918,761
Total liabilities	13,276,861	37,779,629
Net assets attributable to unitholders	134,109,665	136,220,937
Represented by		
Units on issue	14 135,835,695	135,333,497
Undistributed (loss)/profit	(1,726,030)	887,440
Total unitholder interests	134,109,665	136,220,937

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

Indigenous Real Estate Investment Trust

Consolidated Statement of Cash Flows For the year ended 30 June 2025

	30 June 2025 \$	30 June 2024 \$
Cash flows from operating activities		
Receipts from customers	18,372,324	16,867,491
Interest received	316,097	264,108
GST paid to ATO	(1,008,109)	(735,708)
Interest and borrowing costs paid	(1,908,232)	(2,054,631)
Payments to suppliers	(6,461,140)	(6,899,611)
Net cash from operating activities	9,310,940	7,441,649
Cash flows from investing activities		
Payments for investment properties including capital expenditure	(756,473)	(9,789,020)
Payment for disposal costs	(413,037)	-
Proceeds from sale of investment property	32,310,000	-
Net cash from/(used in) investing activities	31,140,490	(9,789,020)
Cash flows from financing activities		
Proceeds from loans and borrowings	-	8,000,000
Repayment of loans and borrowings	(25,000,000)	-
Applications for ordinary units	8,472,113	-
Redemption of ordinary units	(7,969,915)	-
Payment of capital raising costs	-	(32,974)
Distributions paid to unitholders	(7,714,691)	(6,770,697)
Net cash (used in)/from financing activities	(32,212,493)	1,196,329
Net increase/(decrease) in cash and cash equivalents	8,238,937	(1,151,042)
Cash and cash equivalents at the beginning of the year	6,154,433	7,305,475
Cash and cash equivalents at the end of the year	14,393,370	6,154,433

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

Indigenous Real Estate Investment Trust

Consolidated Statement of Changes in Net Assets Attributable to Unitholders For the year ended 30 June 2025

	Note	Units on Issue \$	Undistributed profit \$	Total \$
Balance as at 1 July 2023		135,366,471	2,236,982	137,603,453
Profit attributable to unitholders		-	6,084,949	6,084,949
Capital raising costs	14	(32,974)	-	(32,974)
Distributions	11	-	(7,434,491)	(7,434,491)
Balance as at 30 June 2024		135,333,497	887,440	136,220,937
Balance as at 1 July 2024		135,333,497	887,440	136,220,937
Profit attributable to unitholders		-	5,381,422	5,381,422
Issue of units	14	8,472,113	-	8,472,113
Redemption of units	14	(7,969,915)	-	(7,969,915)
Distributions	11	-	(7,994,892)	(7,994,892)
Balance as at 30 June 2025		135,835,695	(1,726,030)	134,109,665

Under Australian Accounting Standards, net assets attributable to unitholders are classified as a liability rather than equity. As a result there was no equity at the start or end of the year.

The above Consolidated Statement of Changes in Net Assets Attributable to Unitholders should be read in conjunction with the accompanying notes.

Indigenous Real Estate Investment Trust

Notes to the Consolidated Financial Statements For the year ended 30 June 2025

1. General information

This consolidated financial statements for the year ended 30 June 2025 and comparative year ended 30 June 2024 covers the parent entity Indigenous Real Estate Investment Trust ABN 81 151 733 525 ("IREIT" or the "Trust") and its wholly owned subsidiary entity IREIT Sub-Trust ABN 56 369 899 321 (the "Sub Trust"), collectively known as the "Group".

The trustee of the Trust is One Managed Investment Funds Limited ("OMIFL" or the "Trustee"), and the Trust was constituted on 10 October 2013. The trustee of the Sub Trust is Indigenous Business Australia, and the Sub Trust was constituted on 10 October 2013. The registered office and principal place of business of the Trustee is Level 16, Governor Macquarie Tower, 1 Farrer Place, Sydney, NSW 2000.

The Trust is an Australian unlisted, unregistered wholesale unit trust investing indirectly in a portfolio of Australian commercial properties to generate returns for self-management and economic self-sufficiency for Indigenous Australians. The Group is managed by IBA Asset Management Pty Ltd ACN 165 202 657 (the "Investment Manager" or "IBAAM").

This consolidated financial statements were authorised for issue by the directors of the Trustee on the date the trustee's declaration was signed.

2. Adoption of new and revised accounting standards

(a) *Standards and interpretations in issue not yet adopted*

A number of new accounting standards have been published that are not yet effective for the 30 June 2025 reporting year. The Group has not early adopted the new or amended standards in preparing these financial statements.

These new accounting standards are not expected to have a significant impact on the Group's financial statements.

(b) *New and amended standards adopted by the Group*

The Group has adopted the following standards which are not expected to have a significant impact on the Group's financial statements:

- *AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current*
- *AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants*
- *AASB 2023-3 Amendments to Australian Accounting Standards - Disclosure of Non-current Liabilities with Covenants: Tier 2*

Indigenous Real Estate Investment Trust

Notes to the Consolidated Financial Statements For the year ended 30 June 2025

2. Adoption of new and revised accounting standards (continued)

(b) New and amended standards adopted by the Group (continued)

Consistent with the recent amendments in AASB 2021-6 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards, on cost-benefit grounds the directors of the Trustee have resolved to discontinue providing the following disclosures that were previously provided in addition to the minimum disclosures the Group is required to provide under AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities:

- Earnings per unit
- Fair value hierarchy disclosures
- Undistributed profit and associated tax effects
- Reconciliation of profit or loss with cash flows from operating activities
- Parent entity information, and
- Financial risk management disclosures.

3. Material accounting policies

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ("AASB"), and as required by the Trust Deed. The Group is a for-profit entity for the purpose of preparing these consolidated financial statements.

These general purpose financial statements have been prepared on the basis of historical cost, except for certain non-current assets and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

(b) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of the Trust and its subsidiary trust. The Parent Entity and the Subsidiary are fully consolidated from the date on which the Parent Entity gains control of the Subsidiary. The effects of all transactions between entities in the consolidated group are eliminated in full. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

(c) Going concern basis

The financial statements of the Group has been prepared on a going concern basis, which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business.

Indigenous Real Estate Investment Trust

Notes to the Consolidated Financial Statements For the year ended 30 June 2025

3. Material accounting policies (continued)

(d) Revenue recognition

Income is recognised and measured at the fair value of the consideration received or receivable to the extent that it is probable that the economic benefits will flow to the Group and the income can be reliably measured.

(i) Rental income

Rental income earned from operating leases of the investment properties is recognised in income on a straight-line basis over the lease term.

(ii) Interest income

Interest income is recognised as it accrues, using the effective interest rate method and if not received at balance date, is reflected in the Consolidated Statement of Financial Position as a receivable.

(iii) Other income

The Group recovers the costs associated with general building and tenancy operation from lessees in accordance with specific clauses within lease agreements.

Other income is recognised when it is received or when the right to receive payment is established.

(e) Expenses

All expenses are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income on an accruals basis.

(f) Cash and cash equivalents

For statement of cash flows presentation purposes, cash and cash equivalents includes deposits held at call with financial institutions and other short term, high liquid investments with original maturities of three months or less that readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(g) Trade and other receivables

Trade receivables are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition. After initial recognition trade receivables are subsequently measured at amortised cost, less provisions for expected credit losses. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for expected credit losses is raised where some doubt as to collection exists.

Other receivables include accrued outgoings recoverable, interest receivable, and GST receivable.

(h) Investment properties

Investment properties comprise investment interests in land and building held for long term rental yields and not occupied by the Group. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, representing open market value determined by independent valuers or by the trustee of the Sub Trust. Changes in fair value are recorded in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Indigenous Real Estate Investment Trust

Notes to the Consolidated Financial Statements For the year ended 30 June 2025

3. Material accounting policies (continued)

(h) Investment properties (continued)

Where an investment property is acquired at no cost or for nominal cost, its cost is deemed to be its fair value as at the date of acquisition.

Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on disposal of an investment property is recognised in profit or loss in the year of disposal.

(i) Trade and other payables

Payables are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Group. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(j) Lease incentives

Lease incentives under operating leases are recognised as a receivable and amortised on a straight-line basis over the life of the lease term.

Lease incentives may take the form of upfront payments, rent free incentives, rental rebates over the life of the lease, contributions to certain lessee's costs, relocation costs and fitouts and improvements.

(k) Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Borrowings are removed from the consolidated statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(l) Units on issue

(i) Initial units

Initial units are allocated to seed commencement of the Group. Initial Unitholders have no right to interests in the assets of the Group except for the amount paid to subscribe for the initial units.

(ii) Ordinary units

An ordinary unit confers on its holder an undivided beneficial interest in the Group as a whole, subject to Group liabilities, not in parts or single assets. All ordinary units confer identical interests and rights except as otherwise provided in this deed or by their respective terms of issue.

(iii) Group establishment and capital raising costs

Certain transaction costs associated with the establishment of the Group have been capitalised and recorded as a deduction to ordinary units as per AASB 132 Financial Instruments: Presentation.

Indigenous Real Estate Investment Trust

Notes to the Consolidated Financial Statements For the year ended 30 June 2025

3. Material accounting policies (continued)

(m) Income tax

Under current legislation, the Group is not subject to income tax as its taxable income (including assessable realised capital gains) is distributed in full to the Unitholders. The Group will fully distribute its distributable income, calculated in accordance with the Group's Trust Deed and applicable taxation legislation, to the Unitholders who are presently entitled to the income under the Trust Deed.

Investment properties 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 Group is not subject to capital gains tax. Realised capital losses are not distributed to Unitholders but are retained in the Group to be offset against any current or future realised capital gains. If realised capital gains exceed realised capital losses the excess is distributed to the Unitholders.

(n) Goods and services tax (GST)

Income, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office ("ATO"). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Consolidated Statement of Financial Position are shown inclusive of GST. Cash flows are included in the consolidated statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(o) Financial instruments

Non-derivative financial assets

Financial assets are classified as at fair value through profit or loss ("FVPL").

Purchases and sales of financial assets are recognised on trade date, being the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

At initial recognition, the Group measures a financial asset at its fair value. Transaction costs are expensed in profit or loss.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the Consolidated Statement of Profit or Loss and Other Comprehensive Income as applicable.

Indigenous Real Estate Investment Trust

Notes to the Consolidated Financial Statements For the year ended 30 June 2025

3. Material accounting policies (continued)

(p) Critical accounting estimates and judgments

The following is the key source of estimation uncertainty at this financial year end, which may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Fair value estimation of investment properties

The investment properties are stated at fair value as determined by independent valuers or by the trustee of the Sub Trust. Valuation techniques commonly used by valuation experts were the discounted cash flow method, capitalisation method and the direct comparison method. The trustee of the Sub Trust is required to use observable inputs for similar properties in the market to determine the valuation technique and capitalisation rates adopted in the valuation of the investment properties. Further information about the assumptions made in measuring fair value are included in Note 9 Investment properties.

There are no other critical accounting estimates or judgements required in the preparation of these financial statements.

4. Income

(a) Rental income

	30 June 2025	30 June 2024
	\$	\$
Rental income - office	2,809,460	2,703,828
Rental income - retail	9,978,140	9,427,737
Rental income - industrial	873,475	845,982
Car park income	151,397	164,750
Total rental income	13,812,472	13,142,297

(b) Interest income

	30 June 2025	30 June 2024
	\$	\$
Interest income - bank	316,097	264,108
Total interest income	316,097	264,108

Indigenous Real Estate Investment Trust

Notes to the Consolidated Financial Statements For the year ended 30 June 2025

4. Income (continued)

(c) Other income

	30 June 2025 \$	30 June 2024 \$
Property outgoings recovered	2,815,243	2,422,440
Other income	-	1,420
Total other income	2,815,243	2,423,860

5. Expenses

(a) Property expenses

	30 June 2025 \$	30 June 2024 \$
Insurance	962,988	871,283
Managing agent fees	451,301	427,174
Repairs and maintenance	1,037,376	934,368
Outgoings utilities	1,122,676	1,099,654
Outgoings rates and taxes	135,324	80,440
Outgoings other	392,723	361,211
Cleaning fees	1,097,204	1,080,454
Legal fees	(10,370)	31,126
Other property expenses	19,246	18,529
Total property expenses	5,208,468	4,904,239

(b) Interest and borrowing costs

	30 June 2025 \$	30 June 2024 \$
Interest expenses	1,646,336	1,681,175
Loan line fee	227,164	287,573
Loan establishment fees	27,080	80,286
Total interest and borrowing costs	1,900,580	2,049,034

Indigenous Real Estate Investment Trust

Notes to the Consolidated Financial Statements For the year ended 30 June 2025

5. Expenses (continued)

(c) Other expenses

	30 June 2025 \$	30 June 2024 \$
Audit fees	37,620	31,350
Trustee fees	73,835	73,207
Investment manager fees	521,315	504,663
Investment committee fees	21,413	21,365
Consulting fees	191,092	88,289
Administration fees	73,175	76,832
Marketing & leasing fees	532,013	244,786
Other expenses	13,369	16,445
Total other expenses	1,463,832	1,056,937

6. Trade and other receivables

	30 June 2025 \$	30 June 2024 \$
Trade receivables	97,386	663,200
Accrued income	7,999	5,650
Total trade and other receivables	105,385	668,850

7. Other current assets

	30 June 2025 \$	30 June 2024 \$
Prepayments	20,119	19,592
Total other current assets	20,119	19,592

Indigenous Real Estate Investment Trust

Notes to the Consolidated Financial Statements For the year ended 30 June 2025

8. Other lease assets

	30 June 2025 \$	30 June 2024 \$
Straight line lease accounting adjustment ¹	2,471,891	2,430,652
Capitalised leasing fees	138,369	97,630
Capitalised fitout incentive	200,570	420,829
Capitalised rent abatement	6,822	28,580
Total other lease assets	2,817,652	2,977,691

¹Rental income and lease incentives are recognised on a straight-line basis over the lease term per AASB 16 Leases.

9. Investment properties

As at 30 June 2025, the investment properties have been valued as set out below:

	30 June 2025 \$	30 June 2024 \$
Investment property - 502 Flinders St Townsville QLD	7,600,000	7,800,000
Investment property - 3 Angophora Drive Warabrook NSW	15,100,000	14,200,000
Investment property - 43 Boulder St Kalgoorlie WA	1,800,000	2,000,000
Investment property - 5 First St Katherine NT	22,500,000	22,500,000
Investment property - 8 Creek Street, Walkerston QLD	9,800,000	10,900,000
Investment property - 28 Edgerton Road Mitcham VIC	14,500,000	13,630,001
Investment property - Clifton Village Shopping Centre QLD	-	33,000,000
Investment property - West Pinjarra Service Centres South WA	16,500,000	16,699,999
Investment property - West Pinjarra Service Centres North WA	16,500,000	16,700,000
Investment property - 40 Edward Street Wagga Wagga NSW	14,500,000	15,500,000
Investment property - 106-112 High Street Shepparton VIC	11,250,000	11,250,000
Total investment properties at fair value	130,050,000	164,180,000

The property value includes capitalised expenditures, exclusive of other lease asset in Note 8.

Indigenous Real Estate Investment Trust

Notes to the Consolidated Financial Statements For the year ended 30 June 2025

9. Investment properties (continued)

A reconciliation of the carrying amount of investment properties at the beginning and end of the financial year is set out below:

	30 June 2025	30 June 2024
	\$	\$
Opening balance 1 July	164,180,000	151,250,000
Acquisition costs and capital expenditures	756,473	14,665,106
Sale of investment property	(33,308,941)	-
Fair value loss on investment properties	(1,577,532)	(1,735,106)
Closing balance 30 June	130,050,000	164,180,000

On 20 June 2025, Clifton Village Shopping Centre was sold with a consideration of \$34 million.

Investment properties are valued by independent external valuation agents at least once every three years as per the IBAAM valuation policy revised and adopted in 2024 in accordance with AASB 13 Fair Value Measurement and AASB 140 Investment Property.

However, to ensure fair value of the properties are maintained and carried, IBAAM will facilitate valuation of properties at least once per financial year, internally conducted by the IBAAM management or externally by independent valuers.

The IBAAM board will determine the type of valuation required in a given financial year and will be determined by several factors, such as, whether a capital raising is contemplated, any unitholder transactions, level of anticipated change in the value of the property from the prior valuation or a material change in the local market or property conditions has occurred. In any case, if the value of a property represents, or is expected to represent, 25% of more of the portfolio's gross asset value at the relevant valuation time, that property must be valued externally.

All properties have been valued externally by M3 Property for 30 June 2025.

The directors of the Trustee of the Sub Trust have considered the valuations as the basis for their determination of the fair values and have determined the fair value of the Group's investment properties to be \$130.05 million. Refer to Note 3(h) for further information on the Group's valuation methodology.

Valuation techniques and significant unobservable inputs

The fair value of the investment property was determined by the directors of the Trustee of the Sub Trust. Fair value is based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Indigenous Real Estate Investment Trust

Notes to the Consolidated Financial Statements For the year ended 30 June 2025

9. Investment properties (continued)

The valuations were prepared by considering the following valuation methodologies:

- Capitalisation approach: the annual net rental income is capitalised at an appropriate market yield to arrive at the property's market value. Appropriate capital adjustments are then made where necessary to reflect the specific cash flow profile and the general characteristics of the property;
- Discounted cash flow approach: this approach incorporates the estimation of future annual cash flows over a 10-year period by reference to expected rental growth rates, ongoing capital expenditure, terminal sale value and acquisition and disposal costs. The present value of future cash flows is then determined by the application of an appropriate discount rate to derive a net present value for the property; and
- Direct comparison approach: this approach identifies comparable sales on a dollar per square metre or lettable area basis and compares the equivalent rates to the property being valued to determine the property's market value.

The valuation reflects, when appropriate: the type of tenants actually in occupation or responsible for meeting lease commitments or likely to be in occupation after letting of vacant accommodation and the market's general perception of their credit-worthiness; the allocation of maintenance and insurance responsibilities between the lessor and lessee; and the remaining economic life of the property. It has been assumed that whenever rent reviews or lease renewals are pending with anticipated reversionary increases, all notices and where appropriate, counter notices have been served validly and within the appropriate time.

Valuation techniques

The fair value measurement for investment property has been categorised as Level 3 fair value based on the inputs to the valuation techniques used below:

Properties	Capitalisation rate	Discount rate
	30 June 2025	30 June 2025
	%	%
Townsville	8.00	8.50
Warabrook	6.00	6.50
Kalgoorlie	9.75	N/A
Katherine	8.00	9.00
Walkerston	6.50	6.50
Mitcham	5.75	N/A
West Pinjarra South	7.00	8.25
West Pinjarra North	7.00	8.25
Wagga Wagga	6.75	7.25
Shepparton	6.50	7.50

Indigenous Real Estate Investment Trust

Notes to the Consolidated Financial Statements For the year ended 30 June 2025

9. Investment properties (continued)

Valuation techniques	Significant unobservable inputs	An increase in the unobservable inputs will lead to the fair value	A decrease in the unobservable inputs will lead to the fair value
Discounted cash flows - involves the projection of a series of inflows and outflows to which a market derived discount rate is applied to establish an indication of the present value of the income streams associated with the property	Expected market rental growth	Increasing	Decreasing
	Incentives provided	Decreasing	Increasing
	Letting up assumptions	Decreasing	Increasing
	Adopted discount rate	Decreasing	Increasing
	Terminal value	Increasing	Decreasing
Capitalisation method - involves determining the net market income of the investment property. This net market income is then capitalised at the adopted capitalisation rate with allowances made for capital expenditure	Adopted capitalisation rate	Decreasing	Increasing
	Adopted terminal yield	Decreasing	Increasing
	Market Rent	Increasing	Decreasing

As at 30 June 2025, the Schedule of Commitments has been summarised as set out below:

30 June 2025	30 June 2024
\$	\$

Maturity analysis of operating lease income receivables:

Within 1 year	9,480,623	12,452,184
One to two years	8,964,883	12,113,060
Two to three years	8,761,011	11,068,365
Three to four years	8,547,609	10,095,082
Four to five years	6,967,552	9,476,952
More than 5 years	42,954,815	54,183,797
Total undiscounted lease payments receivable	85,676,493	109,389,440

Operating lease receivables are effectively non-cancellable and comprise 11 commercial office accommodation leases, 33 retail accommodation leases and 1 industrial accommodation lease current at 30 June 2025 across the investment property portfolio.

Indigenous Real Estate Investment Trust

Notes to the Consolidated Financial Statements For the year ended 30 June 2025

10. Trade and other payables

	30 June 2025	30 June 2024
	\$	\$
Trade payables	330,503	139,027
Accrued investment management fees	260,658	252,332
Accrued property expenses	417,105	315,640
GST payable	84,481	84,851
Interest payable	61,161	95,892
Revenue received in advance	110,886	192,356
Other payables	68,781	63,525
Total trade and other payables	1,333,575	1,143,623

11. Provision for distributions and distribution paid

The provision for the final distribution unpaid at 30 June are:

	30 June 2025	30 June 2024
	\$	\$
Provision for distributions - Indigenous Business Australia	1,893,796	1,767,543
Provision for distributions - other unitholders	2,103,650	1,949,702
	3,997,446	3,717,245

An interim distribution of \$3.99 million was declared and paid in February 2025 (2024:\$3.72 million):

	30 June 2025	30 June 2024
	\$	\$
Interim distributions - Indigenous Business Australia	1,893,796	1,767,543
Interim distributions - other unitholders	2,103,650	1,949,702
	3,997,446	3,717,245

Indigenous Real Estate Investment Trust

Notes to the Consolidated Financial Statements For the year ended 30 June 2025

11. Provision for distributions and distribution paid (continued)

Total distributions declared for the reporting period ended 30 June are:

	30 June 2025	30 June 2024
	\$	\$
Total distributions - Indigenous Business Australia	3,787,592	3,535,086
Total distributions - other unitholders	4,207,300	3,899,405
	7,994,892	7,434,491

12. Interest bearing borrowings

	30 June 2025	30 June 2024
	\$	\$
Non-current		
Cash advance facility	8,000,000	33,000,000
Unamortised borrowing costs	(54,160)	(81,239)
Total non-current interest bearing borrowings	7,945,840	32,918,761

Assets pledged as security

The following properties have been pledged as security:

- 3 Angophora Drive, Warabrook, NSW
- 28 Edgerton Road, Mitcham, VIC
- West Pinjarra Service Centres South, WA
- West Pinjarra Service Centres North, WA
- 8 Creek Street, Walkerston, QLD
- 40 Edward Street, Wagga Wagga, NSW
- 106-112 High Street, Shepparton, VIC

Financing arrangements

Access was available at the reporting date to the following line of credit with Westpac Banking Corporation ('Westpac'):

In May 2024, the Group executed the First Amendment Deed with Westpac to extend the loan by 3 years, maturing on 30 June 2027.

On 20 June 2025, Clifton Village Shopping Centre was sold for a contract price of \$34 million before adjustments and transaction costs. The Group repaid \$25 million of the net proceeds on the day of sale settlement with the balance retained as cash. This resulted in the loan facility balance reducing to \$8 million and the facility limit reduced from \$33 million to \$8 million.

Indigenous Real Estate Investment Trust

Notes to the Consolidated Financial Statements For the year ended 30 June 2025

13. Financial instrument

The table below reflects undiscounted contractual terms for financial instruments.

	30 June 2025	30 June 2024
	\$	\$
Financial assets		
Cash and cash equivalents	14,393,370	6,154,433
Trade and other receivables	105,385	668,850
Total financial assets	14,498,755	6,823,283
Financial liabilities		
Interest-bearing borrowings	7,945,840	32,918,761
Trade and other payables	1,333,575	1,143,623
Total financial liabilities	9,279,415	34,062,384
Net maturity	5,219,340	(27,239,101)
	30 June 2025	30 June 2024
	\$	\$
Financial liabilities are expected to be paid as follows:		
Payable by 1 year or less	1,333,575	1,143,623
Payable by between 1 and 2 years	7,945,840	-
Payable by between 2 and 5 years	-	32,918,761
	9,279,415	34,062,384
	30 June 2025	30 June 2024
	\$	\$
Net gains on financial assets		
Financial assets not at fair value through profit or loss		
Interest revenue	316,097	264,108
Net gains on financial assets not at fair value through profit or loss	316,097	264,108

Indigenous Real Estate Investment Trust

Notes to the Consolidated Financial Statements For the year ended 30 June 2025

13. Financial instrument (continued)

	30 June 2025	30 June 2024
	\$	\$
Net losses on financial liabilities		
Financial liabilities measured at amortised cost		
Interest expense	1,873,500	1,968,748
Net losses on financial liabilities measured at amortised cost	1,873,500	1,968,748

14. Units on issue

(a) Issued units

	30 June 2025		30 June 2024	
	Units	\$	Units	\$
Ordinary units	133,248,200	135,835,695	132,758,766	135,333,497
	133,248,200	135,835,695	132,758,766	135,333,497

(b) Movements in ordinary units

	Units	\$
Opening balance 1 July 2023	132,758,766	135,366,471
Less capital raising costs	-	(32,974)
Closing balance 30 June 2024	132,758,766	135,333,497
Net movement in ordinary units for the year ended 30 June 2024		(32,974)
Opening balance 1 July 2024	132,758,766	135,333,497
Ordinary units issued	8,256,784	8,472,113
Redemption of units	(7,767,350)	(7,969,915)
Closing balance 30 June 2025	133,248,200	135,835,695
Net movement in ordinary units for the year ended 30 June 2025		502,198

Indigenous Real Estate Investment Trust

Notes to the Consolidated Financial Statements For the year ended 30 June 2025

15. Remuneration of auditors

During the reporting period the following fees were paid or payable for services provided by the auditors of the Group. The fees are inclusive of GST but net of Reduced Input Tax Credit amount.

	30 June 2025	30 June 2024
	\$	\$
Audit Services	37,620	31,350
	37,620	31,350

The auditor of the Group is the Australian National Audit Office.

16. Related party transactions

(a) *Entities controlled by the Group*

IREIT is the ultimate parent entity, which exercises control over IREIT Sub-Trust.

(b) *Trustee*

One Managed Investment Funds Limited ("OMIFL") has been the trustee of the Trust since 8 September 2014. The Trustee is a wholly owned subsidiary of One Investment Group ("OIG").

Indigenous Business Australia ("IBA") has been the trustee of the IREIT Sub-Trust since the Sub Trust was constituted on 10 October 2013. IBA is a corporate Commonwealth entity and is the parent entity for the Group. The ultimate controlling entity of IBA is the Australian Commonwealth Government.

(c) *Key management personnel*

Key management personnel include the directors of the trustee during the financial period and until the date of this report, as follows:

· Frank Tearle	Executive Director
· Sarah Wiesener	Executive Director
· Michael Sutherland	Executive Director

There were no benefits or remunerations paid or entitled to key management personnel during the year ended 30 June 2025 (2024: nil).

(d) *Other related parties*

The investment manager for IREIT is IBA Asset Management Pty Ltd ABN 35 165 202 657, a wholly-owned subsidiary of IBA.

Indigenous Real Estate Investment Trust

Notes to the Consolidated Financial Statements For the year ended 30 June 2025

16. Related party transactions (continued)

(e) Transactions with the parent entity

IBA is the trustee of the IREIT Sub-Trust. IBA is also the parent entity for the Group. Below are the details of IBA's interest in the Trust for the financial year ended 30 June 2025:

Unitholder	Opening balance		Closing balance		Distributions Paid/ Payable \$
	Units	% Holding	Units	% Holding	
IBA (corporate Commonwealth entity)	63,126,537	47.55%	63,126,537	47.38%	3,787,592

(f) Transactions with the Trustee and its associates entities

During the year, OMIFL earned trustee fees for acting as the trustee of the Trust. In accordance with the Trust Deed, the trustee is entitled to be paid annual fees calculation on the following basis:

- (i) 0.05% per annum on the first \$150 million of gross assets on the Trust
- (ii) 0.03% per annum for any assets in excess of \$150 million; and
- (iii) Subject to a minimum annual fee of \$48,000

The trustee is also entitled for all costs, charges, expenses and outgoings reasonably and properly incurred by the trustee in the proper performance of its duties.

The maintenance of the Trust's Unitholder register is provided by One Registry Services Pty Ltd ("ORS"), a wholly owned subsidiary of OIG. ORS is also entitled to be reimbursed out of the Trust for transactional costs and out of pocket expenses in connection with the keeping of the Unitholder register.

The provision of administration and accounting services are provided by OIG Fund Admin Pty Ltd ('OIGFA', formally known as Unity Administration Pty Ltd), wholly owned subsidiary of OIG.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The directors of OMIFL, the trustee, are not remunerated by the Trust. IBA receives no fees for acting as trustee of the IREIT Sub-Trust.

	30 June 2025 \$	30 June 2024 \$
The fees payable balance at the year end:		
Trustee fees - OMIFL	18,326	18,259
Registry service fees - ORS	1,129	1,081
Administration fees - OIGFA	1,794	1,794
	21,249	21,134

Indigenous Real Estate Investment Trust

Notes to the Consolidated Financial Statements For the year ended 30 June 2025

17. Contingent assets and liabilities

There are no contingent assets or liabilities as at 30 June 2025 (2024: \$nil)

18. Events after the balance sheet date

There are no matter or circumstance which has occurred subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Group, the results of the Group, or the state of affairs of the Group in future financial years.