

CHARTER HALL MAXIM PROPERTY SECURITIES FUND

ARSN 116 193 563

Interim financial report

For the half-year ended 31 December 2023

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Directors' Report

The directors of One Managed Investment Funds Limited (ABN 47 117 400 987), ("OMIFL" or the "Responsible Entity") the responsible entity of Charter Hall Maxim Property Securities Fund (ARSN 116 193 563) (the "Fund") present their report, together with the interim financial report of the Fund for the half-year ended 31 December 2023.

Responsible Entity

The responsible entity of the Fund is OMIFL.

The registered office and principal place of business of the Responsible Entity is Level 16, Governor Macquarie Tower, 1 Farrer Place, Sydney, NSW 2000, Australia.

Directors and Senior Management

The following persons held office as directors and company secretaries of the Responsible Entity from 1 July 2023 to the date of this Directors' Report.

Name	Title
Frank Tearle	Executive Director and Company Secretary
Sarah Wiesener	Executive Director and Company Secretary
Michael Sutherland	Executive Director

Principal Activities

The Fund is a registered managed investment scheme domiciled in Australia.

The principal activity of the Fund is to invest funds in predominantly Australian listed real estate investment trusts (AREITs) and property related securities in accordance with its investment objectives and guidelines as set out in the current Product Disclosure Statement ("PDS") and in accordance with the provisions of the Constitution.

The Fund did not have any employees during the period.

There has been no significant change in its activities other than disclosed in this report.

Review and Results of Operations

Results

The results of the operations of the Fund are disclosed in the Statement of Profit or Loss and Other Comprehensive Income in this report. The Fund's net operating profit for the half-year ended 31 December 2023 was \$14,678,259 (2022: \$5,477,022).

Distributions paid or payable in respect of the financial period were:

	31 December	31 December	Half-year ended	
	2023	2023	31 December	31 December
	\$	CPU	2022	2022
			\$	CPU
Distribution in respect of 30 September	507,627	0.30	1,090,378	0.54
Distribution in respect of 31 December (payable)	959,731	0.59	367,935	0.20
	1,467,358	0.89	1,458,313	0.74

Net Value of the Fund's Assets

The Fund's net assets were valued at \$161,626,347 as at 31 December 2023 (30 June 2023: \$159,339,758). The net asset value of the Fund is calculated by deducting the value of the liabilities of the Fund from the value of the Fund's gross assets (excluding net assets attributable to unitholders).

Directors' Report (continued)

Management Fees Paid and Payable

As stated in the PDS the Responsible Entity charges management fees at 0.85% per annum of the gross asset value ("GAV") of the Fund (all fees quoted are inclusive of GST and net of any RITC). The fee accrues daily and is payable monthly in arrears out of the assets of the Fund to the investment manager of the Fund, Charter Hall Property Securities Management Limited (the "Investment Manager").

The following management fees were paid or payable to the Investment Manager out of the Fund's assets during the half-year ended 31 December 2023:

- Management fees of \$673,359 were incurred during the half-year ended 31 December 2023 (31 December 2022: \$820,373);
- Management fees of \$113,251 were payable as at 31 December 2023 (30 June 2023: \$114,600).

The costs of providing responsible entity, investment management, custodian, administration, registry and audit services to the Fund are paid out of the management fees referred to above.

Changes in State of Affairs

On 1 August 2023, the Fund's investment in Abacus Storage King became listed at \$1.41 per share of which the Fund holds 160,714 units.

In the opinion of the directors of the Responsible Entity there were no other significant changes in the state of affairs of the Fund that occurred during the Half year under review.

Events Subsequent to Balance Date

No significant events have occurred since the end of the half-year which would impact on the financial position of the Fund as disclosed in the Statement of Financial Position as at 31 December 2023 or on the results and cash flows of the Fund for the half-year ended on that date.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is included at page 4.

Signed in accordance with a resolution of the directors of the Responsible Entity made pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the directors of the Responsible Entity, One Managed Investment Funds Limited.



Frank Tearle
Director

6 March 2024



Auditor's Independence Declaration

As lead auditor for the review of Charter Hall Maxim Property Securities Fund for the half-year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in black ink that reads 'Diane Winnard'.

Diane Winnard
Partner
PricewaterhouseCoopers

Sydney
6 March 2024

Charter Hall Maxim Property Securities Fund
Statement of Profit or Loss and Other Comprehensive Income
for the half-year ended 31 December 2023

Statement of Profit or Loss and Other Comprehensive Income

	Note	Half-year ended	
		31 December 2023 \$	31 December 2022 \$
Income			
Dividend and trust distribution income		2,741,535	4,274,784
Interest income		42,217	53,648
Net fair value gain on financial assets	6	12,709,920	2,198,336
Other income		24	6,834
Total income		15,493,696	6,533,602
Expenses			
Management fees		673,359	820,373
Transaction costs		141,020	235,054
Other operating expenses		1,058	1,153
Operating expenses		815,437	1,056,580
Net profit for the period		14,678,259	5,477,022
Other comprehensive income		-	-
Total comprehensive income for the period		14,678,259	5,477,022

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the notes to the Financial Statements.

Charter Hall Maxim Property Securities Fund
Statement of Financial Position
As at 31 December 2023

Statement of Financial Position

	Note	31 December 2023 \$	30 June 2023 \$
Assets			
Cash and cash equivalents		2,253,148	1,302,783
Financial assets at fair value through profit or loss	5	158,372,141	160,410,916
Balance due from brokers		162,743	7,423
Receivables	8	1,911,297	2,758,308
Total assets		<u>162,699,329</u>	<u>164,479,430</u>
Liabilities			
Distributions payable	4	959,731	4,798,465
Balance due to brokers		-	226,607
Payables	9	113,251	114,600
Total liabilities		<u>1,072,982</u>	<u>5,139,672</u>
Net assets attributable to unitholders - equity	3	<u>161,626,347</u>	<u>159,339,758</u>

The Statement of Financial Position should be read in conjunction with the notes to the Financial Statements.

Charter Hall Maxim Property Securities Fund
Statement of Cash Flows
for the half-year ended 31 December 2023

Statement of Cash Flows

	Note	Half-year ended 31 December 2023 \$	31 December 2022 \$
Cash flows from operating activities			
Purchase of investments		(28,418,640)	(52,463,709)
Proceeds on sale of investments		42,785,408	77,523,167
Dividends and trust distributions received		3,565,115	4,659,964
Interest received		41,909	53,626
Other income received		24	6,834
Management fees paid		(674,708)	(831,840)
RITC received		23,739	10,396
Transaction costs paid		(141,020)	(235,054)
Other expenses paid		(1,058)	(1,153)
Net cash inflow from operating activities		<u>17,180,769</u>	<u>28,722,231</u>
Cash flows from financing activities			
Proceeds from applications by unitholders		8,745,285	16,501,578
Payments for redemptions to unitholders		(19,764,734)	(34,755,374)
Distributions paid		(5,210,955)	(6,864,124)
Net cash outflow from financing activities		<u>(16,230,404)</u>	<u>(25,117,920)</u>
Net increase in cash and cash equivalents		950,365	3,604,311
Cash and cash equivalents at the beginning of the financial period		<u>1,302,783</u>	<u>1,715,040</u>
Cash and cash equivalents at the end of the financial period		<u>2,253,148</u>	<u>5,319,351</u>
Non-cash financing activities	3	<u>95,137</u>	<u>135,720</u>

The Statement of Cash Flows should be read in conjunction with the notes to the Financial Statements.

Charter Hall Maxim Property Securities Fund
Statement of Changes in Equity
for the half-year ended 31 December 2023

Statement of Changes in Equity

		Half-year ended	
		31 December	31 December
		2023	2022
	Note	\$	\$
Total equity at the beginning of the financial period		159,339,758	189,821,509
Comprehensive income for the period			
Net profit for the period	3	<u>14,678,259</u>	<u>5,477,022</u>
Total comprehensive income		14,678,259	5,477,022
Transactions with unitholders			
Applications	3	8,745,285	16,501,578
Redemptions	3	(19,764,734)	(34,755,374)
Reinvestment of distributions	3	95,137	135,720
Distributions paid and payable	3	<u>(1,467,358)</u>	<u>(1,458,313)</u>
Total transactions with unitholders		(12,391,670)	(19,576,389)
Total equity at the end of the financial period		<u>161,626,347</u>	<u>175,722,142</u>

The Statement of Changes in Equity should be read in conjunction with the notes to the Financial Statements.

1 General Information

The interim financial report covers the Charter Hall Maxim Property Securities Fund (ARSN 116 193 563) (the "Fund") as an individual entity. The Fund is a registered managed investment scheme, constituted on 5 August 2005. The Fund was registered on 23 September 2005.

The responsible entity of the Fund is One Managed Investment Funds Limited (ABN 47 117 400 987) ("OMIFL" or the "Responsible Entity"). The Responsible Entity's registered office is Level 16, 1 Farrer Place, Sydney, NSW 2000.

The Responsible Entity is incorporated and domiciled in Australia.

The Responsible Entity has appointed Charter Hall Property Securities Management Limited as the investment manager of the Fund ("Investment Manager").

The interim financial statements cover the period from 1 July 2023 to 31 December 2023 (the "reporting period").

The interim financial report is presented in the Australian currency.

The interim financial statements for the half-year ended 31 December 2023 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 interim financial report.

2 Summary of Significant Accounting Policies

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

(a) Statement of Compliance

This interim financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 '*Interim Financial Reporting*'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 '*Interim Financial Reporting*'. This interim report does not include all the notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

(b) Basis of Preparation

This general purpose interim financial report has been prepared using historical cost convention, except for the revaluation of investments in financial assets and liabilities, which have been measured at fair value.

The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the Fund during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies and methods of computation adopted in the preparation of the interim financial report are consistent with those adopted and disclosed in the Fund's annual financial report for the financial year ended 30 June 2023.

(c) New and amended standards adopted by the Fund

A number of new or amended standards became applicable for the current reporting period. The Fund did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

(d) Going concern

This financial report has been prepared on going concern basis.

(e) Comparative revisions

Comparative information has been revised where appropriate to enhance comparability. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current period.

3 Net Assets Attributable to Unitholders

AASB 132 *Financial Instruments: Presentation* requires certain puttable instruments to be classified as equity if certain strict criteria are met. The Fund classifies net assets attributable to unit holders as equity from the date when the instrument has all the features and meets the conditions set out in the relevant accounting standard.

3 Net Assets Attributable to Unitholders (continued)

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

	31 December		Half-year ended	
	2023	2023	31 December	31 December
	No.	\$	No.	\$
Opening balance	173,336,314	159,339,758	203,865,701	189,821,509
Applications	9,364,281	8,745,285	16,940,916	16,501,578
Units issued on reinvestment of distribution	103,340	95,137	146,947	135,720
Redemptions	(21,482,956)	(19,764,734)	(36,683,072)	(34,755,374)
Distributions paid and payable	-	(1,467,358)	-	(1,458,313)
Profit for the period	-	14,678,259	-	5,477,022
Closing balance	161,320,979	161,626,347	184,270,492	175,722,142

Net assets attributable to unitholders are classified as equity at 31 December 2023 and at 31 December 2022.

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 in 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.

Units are redeemed on request at the unitholder's option. However, it is recommended that unitholders retain their unitholding for the medium to long term. As such, the amount expected to be settled within twelve months after the end of the reporting period cannot be reliably determined.

Capital risk management

The Fund manages its net assets attributable to unitholders as capital. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Fund is subject to daily applications and redemptions at the discretion of unitholders.

4 Distributions Paid and Payable

	31 December		Half-year ended	
	2023	2023	31 December	31 December
	\$	CPU	\$	CPU
Distribution in respect of 30 September	507,627	0.30	1,090,378	0.54
Distribution in respect 31 December (payable)	959,731	0.59	367,935	0.20
	1,467,358	0.89	1,458,313	0.74

A liability has been recognised in the financial statements as the interim distribution had been declared as at the balance date.

5 Financial Assets at Fair Value through Profit or Loss

	31 December	30 June
	2023	2023
	\$	\$
Financial Assets at Fair Value through Profit or Loss:		
Designated at fair value through profit or loss upon initial recognition:		
Australian equity securities listed on a prescribed securities exchange	158,372,141	160,184,309
Unlisted equities	-	226,607
Total financial assets designated at fair value through profit or loss upon initial recognition	158,372,141	160,410,916
Total financial assets at fair value through profit or loss	158,372,141	160,410,916

The Fund aims to generate income returns and capital growth over the long term, as per the objectives stated in the Product Disclosure Statement, by investing primarily in listed Australian property related securities and listed real estate investment trusts (A-REITs).

6 Changes of Financial Assets at Fair Value through Profit or Loss

	Half-year ended 31 December 2023 \$	31 December 2022 \$
Net unrealised gains on financial instruments at fair value through profit or loss	18,937,115	9,857,510
Net realised losses on financial instruments at fair value through profit or loss	(6,227,195)	(7,659,174)
	12,709,920	2,198,336

7 Fair Value of Financial Assets and Liabilities

The table below presents the Fund's assets measured and recognised at fair value as at 31 December 2023 by level of the following fair value measurement hierarchy:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs)

At 31 December 2023	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Assets				
<i>Designated at fair value through profit or loss</i>				
Australian equity securities listed on a prescribed securities exchange	158,372,141	-	-	158,372,141
Total financial assets	158,372,141	-	-	158,372,141

At 30 June 2023	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Assets				
<i>Designated at fair value through profit or loss</i>				
Listed Australian securities on a prescribed securities exchange	160,184,309	-	-	160,184,309
Unlisted equities	-	-	226,607	226,607
Total financial assets	160,184,309	-	226,607	160,410,916

Transfer between levels

Transfer into and transfer out of fair value hierarchy levels are recognised at the end of the reporting period.

The following table presents the movement in level 3 instruments as at the reporting date by class of financial instrument.

	Unlisted equities \$	Total \$
Opening balance - 31 December 2022	-	-
Transfers into/(out) from level 3	-	-
Purchases	226,607	226,607
Sales	-	-
Gains/(losses) recognised in profit or loss	-	-
Closing balance - 30 June 2023	226,607	226,607
Transfers out from level 3	(226,607)	(226,607)
Purchases	-	-
Sales	-	-
Gains/(losses) recognised in profit or loss	-	-
Closing balance - 31 December 2023	-	-

During the reporting period, management transferred the Fund's Investment in Abacus Storage King from Level 3 to level 1 on the fair value hierarchy on the basis that this investment became listed on the ASX on 1 August 2023. There were no other transfers between levels in the fair value hierarchy during the reporting period.

7 Fair Value of Financial Assets and Liabilities (continued)

Significant unobservable inputs used in measuring fair value

The following table presents significant unobservable inputs used at 30 June 2023 in measuring financial instruments categorised as level 3 in the fair value hierarchy.

At 30 June 2023	Fair Value \$	Valuation techniques /Unobservable input	Sensitivity to change in significant unobservable inputs
Unlisted equities	226,607	Cost (\$1.41)	Increase or decrease depending on the market values of the company once it becomes listed.

There were no significant unobservable inputs used at 31 December 2023.

8 Receivables

	31 December 2023 \$	30 June 2023 \$
Interest receivable	308	-
Dividends and trust distributions receivable	1,885,687	2,709,267
GST receivable	25,302	49,041
Total	1,911,297	2,758,308

9 Payables

	31 December 2023 \$	30 June 2023 \$
Management fees payable	113,251	114,600
Total	113,251	114,600

10 Commitments and Contingent Assets and Liabilities

There were no commitments and contingent assets and liabilities as at 31 December 2023 and 30 June 2023.

11 Events Subsequent to Reporting Date

No significant events have occurred since the end of the period which would impact on the financial position of the Fund as disclosed in the Statement of Financial Position as at 31 December 2023 or on the results and cash flows of the Fund for the reporting period 1 July 2023 to 31 December 2023.

Directors' Declaration

The directors of the Responsible Entity declare that:

- the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standards AASB 134 '*Interim Financial Reporting*', the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached interim financial statements and notes give a true and fair view of the Fund's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors of the Responsible Entity made pursuant to Section 303(5) of the *Corporations Act 2001*.

On behalf of the directors of the Responsible Entity, One Managed Investment Funds Limited.



Frank Tearle
Director

6 March 2024



Independent auditor's review report to the unitholders of Charter Hall Maxim Property Securities Fund

Report on the interim financial report

Conclusion

We have reviewed the interim financial report of Charter Hall Maxim Property Securities Fund (the Registered Scheme) which comprises the statement of financial position as at 31 December 2023, the statement of changes in equity, statement of cash flows and statement of profit or loss and other comprehensive income for the half-year ended on that date, material accounting policy information and explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying interim financial report of Charter Hall Maxim Property Securities Fund does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Registered Scheme's financial position as at 31 December 2023 and of its performance for the half-year ended on that date
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the interim financial report* section of our report.

We are independent of the Registered Scheme in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Liability limited by a scheme approved under Professional Standards Legislation.



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

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

Auditor's responsibilities for the review of the interim financial report

Our responsibility is to express a conclusion on the interim financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Registered Scheme's financial position as at 31 December 2023 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PricewaterhouseCoopers

PricewaterhouseCoopers

Diane Winnard

Diane Winnard
Partner

Sydney
6 March 2024