



# **Ox Capital Management Managed Trusts Annual Financial Report for the Year Ended 30 June 2024**

This financial report covers the following Ox Capital Management Pty Ltd managed Trusts as individual entities:

**Ox Capital Dynamic Emerging Markets Fund**

ARSN 649 969 264

**Ox Capital Emerging Markets Fund**

ARSN 649 969 317

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

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

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## Directors' report

The Directors of Fidante Partners Limited, the Responsible Entity of the below listed Trusts (the Trusts), present their report together with the annual general purpose financial reports for the Trusts for the year ended 30 June 2024.

- Ox Capital Dynamic Emerging Markets Fund
- Ox Capital Emerging Markets Fund

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

### Directors

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

A Bofinger	Director	
A Judin	Director	(Appointed 13 July 2023)
J O'Keeffe	Director	
V Rodriguez	Director	
T Roxburgh	Director	(Appointed 13 July 2023)

### Principal activities and significant changes in the state of affairs

The Asset Manager of the Trusts is Ox Capital Management Pty Ltd (the Asset Manager).

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

<b>Trust name</b>	<b>Investment Strategy</b>
Ox Capital Dynamic Emerging Markets Fund	The Trust invests in a concentrated portfolio of high quality, undervalued, well-run companies in Asia (excluding Japan) and other emerging markets.
Ox Capital Emerging Markets Fund	The Trust invests in a concentrated portfolio of high quality, undervalued, well-run companies in Asia (excluding Japan) and other emerging markets.

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

## Directors' report (continued)

### Operating and financial review

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

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

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

The results of the Trusts were as follows:

	Ox Capital Dynamic Emerging Markets Fund		Ox Capital Emerging Markets Fund	
	2024	2023	2024	2023
For the year ended 30 June	\$'000	\$'000	\$	\$
Net profit/(loss) for the year	1,695	1,278	195,598	241,973
Distributions paid and payable	577	—	90,528	40,715

	Ox Capital Dynamic Emerging Markets Fund Class A		Ox Capital Emerging Markets Fund Class A	
	2024	2023	2024	2023
Capital growth (%)	2.98	3.89	0.39	4.94
Distribution of income (%)	1.43	—	3.71	0.98
<b>Total return (%)</b>	<b>4.41</b>	<b>3.89</b>	<b>4.10</b>	<b>5.92</b>
ICR (%)	1.00	1.30	1.00	1.00
Distributions paid and payable (CPU)	6.32	—	16.04	4.05

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

## Directors' report (continued)

The fluctuation in the ICR for each class is a result of performance fees incurred as follows:

For the year ended 30 June	Performance Fees		
		2024	2023
Trust name	Class	%	%
Ox Capital Dynamic Emerging Markets Fund	Class A	0.00	0.30

Other classes of units not shown above are not subject to performance fees.

### Significant events after the balance date

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

### Likely developments and expected results

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

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

Further information on likely developments in the operations of the Trusts and the expected results of those operations have not been included in this report because the Responsible Entity believes it would be likely to result in unreasonable prejudice to the Trusts.

### Indemnification and insurance of directors and officers

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

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

Fees paid to the Responsible Entity and its related entities out of the Trusts' assets during the year are disclosed in note 10 to the financial statements.

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

## **Directors' report (continued)**

Interests in the Trusts held by the Responsible Entity or its related entities as at the end of the financial year are disclosed in note 10 to the financial statements.

### **Interests in the Trusts**

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

### **Value of Trusts' assets**

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

### **Environmental regulation and performance**

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

### **Single set of financial reports**

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

### **Rounding of amounts to the nearest thousand dollars**

Unless otherwise stated, monetary amounts contained in this report and the financial report have been rounded to the nearest \$1,000 under the option available to the Trusts under ASIC Corporations Instrument 2016/191. Where this option is not available, the monetary amounts in this report and the financial report have been rounded to the nearest \$1.

### **Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 8.

## Directors' report (continued)

### Authorisation

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

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

**A Judin**  
**Director**

**Sydney**  
**23 September 2024**



**Building a better  
working world**

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

For the following Ox Capital Management Managed Trusts (the "Trusts"):

- Ox Capital Dynamic Emerging Markets Fund
- Ox Capital Emerging Markets Fund

As lead auditor for the audit of the financial report of the above Trusts for the financial year ended 30 June 2024, I declare to the best of my knowledge and belief, there have been:

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

*Ernst & Young*

Ernst & Young

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

Jim Chuang  
Partner

23 September 2024



## Statements of comprehensive income

For the year ended 30 June

	Notes	Ox Capital Dynamic Emerging Markets Fund		Ox Capital Emerging Markets Fund	
		2024 \$'000	2023 \$'000	2024 \$	2023 \$
<b>Income</b>					
Interest income from financial assets measured at fair value through profit or loss		—	2	—	—
Interest income from financial assets measured at amortised cost		128	87	13,105	7,945
Dividend income		551	426	60,645	54,753
Distribution income		15	—	1,792	—
Other operating income		—	—	44	32
Net gains/(losses) on financial instruments at fair value through profit or loss		2,520	1,614	284,943	246,505
Net foreign exchange gains/(losses)		(874)	190	(84,442)	45,717
<b>Total net income</b>		<b>2,340</b>	<b>2,319</b>	<b>276,087</b>	<b>354,952</b>
<b>Expenses</b>					
Management fees	10	385	330	42,951	41,654
Performance fees	10	—	97	—	—
Interest expense from financial liabilities measured at amortised cost		—	1	13,289	17,582
Transaction costs		121	400	17,707	46,029
Other expenses		139	213	6,542	7,714
<b>Total expenses</b>		<b>645</b>	<b>1,041</b>	<b>80,489</b>	<b>112,979</b>
<b>Net profit/(loss) for the year</b>		<b>1,695</b>	<b>1,278</b>	<b>195,598</b>	<b>241,973</b>
Other comprehensive income/(loss) for the year		—	—	—	—
<b>Total comprehensive income/(loss) for the year</b>		<b>1,695</b>	<b>1,278</b>	<b>195,598</b>	<b>241,973</b>

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

## Statements of financial position

As at 30 June

	Notes	Ox Capital Dynamic Emerging Markets Fund		Ox Capital Emerging Markets Fund	
		2024 \$'000	2023 \$'000	2024 \$	2023 \$
<b>Assets</b>					
Cash and cash equivalents	11	2,755	2,786	163,799	365,856
Collateral and margin accounts		571	542	—	—
Receivables	4	613	362	34,300	15,853
Financial assets at fair value through profit or loss	5	38,475	32,083	2,346,889	4,009,135
<b>Total assets</b>		<b>42,414</b>	<b>35,773</b>	<b>2,544,988</b>	<b>4,390,844</b>
<b>Liabilities</b>					
Collateral and margin accounts		230	203	—	—
Distributions payable	3	577	—	90,528	40,715
Payables	6	38	33	2,970	3,919
<b>Total liabilities</b>		<b>845</b>	<b>236</b>	<b>93,498</b>	<b>44,634</b>
<b>Net assets attributable to unitholders - Equity</b>	2	<b>41,569</b>	<b>35,537</b>	<b>2,451,490</b>	<b>4,346,210</b>

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

## Statements of changes in unitholder funds

### For the year ended 30 June

The following Trusts are single-class and classify net assets attributable to unitholders as equity as set out in note 2.

	Notes	Ox Capital Dynamic Emerging Markets Fund		Ox Capital Emerging Markets Fund	
		2024 \$'000	2023 \$'000	2024 \$	2023 \$
<b>Classification of net assets attributable to unitholders as at 30 June</b>		<b>Equity</b>	<b>Equity</b>	<b>Equity</b>	<b>Equity</b>
<b>As at 1 July - Opening Balance</b>		<b>35,537</b>	<b>31,943</b>	<b>4,346,210</b>	<b>4,144,938</b>
Applications for units		6,619	2,655	—	—
Units issued upon reinvestment of distributions		—	58	210	14
Redemptions of units		(1,705)	(397)	(2,000,000)	—
Distributions paid and payable	3	(577)	—	(90,528)	(40,715)
Total comprehensive income/(loss) for the year - Equity		1,695	1,278	195,598	241,973
<b>As at 30 June - Closing Balance</b>	2	<b>41,569</b>	<b>35,537</b>	<b>2,451,490</b>	<b>4,346,210</b>

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

## Statements of cash flows

For the year ended 30 June

	Notes	Ox Capital Dynamic Emerging Markets Fund		Ox Capital Emerging Markets Fund	
		2024 \$'000	2023 \$'000	2024 \$	2023 \$
<b>Cash flows from operating activities</b>					
Proceeds from sale of financial instruments at fair value through profit or loss		33,662	83,979	5,954,037	10,072,724
Purchase of financial instruments at fair value through profit or loss		(38,531)	(86,123)	(4,039,864)	(9,917,981)
Dividends received		496	389	56,242	46,216
Interest received		122	86	11,139	7,336
Distributions received		12	—	1,523	—
Other income received		32	18	4,154	2,350
Interest paid		—	(1)	—	—
Management fees paid		(416)	(360)	(48,195)	(45,618)
Performance fees paid		—	(97)	—	—
Other expenses paid		(205)	(555)	(31,676)	(63,629)
<b>Net cash inflows/(outflows) from operating activities</b>	11	<b>(4,828)</b>	<b>(2,664)</b>	<b>1,907,360</b>	<b>101,398</b>
<b>Cash flows from financing activities</b>					
Proceeds from applications by unitholders		6,842	2,445	—	—
Payments for redemptions by unitholders		(1,705)	(397)	(2,000,000)	—
Distributions paid		—	(173)	(40,505)	(2,616)
<b>Net cash inflows/(outflows) from financing activities</b>		<b>5,137</b>	<b>1,875</b>	<b>(2,040,505)</b>	<b>(2,616)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>					
		<b>309</b>	<b>(789)</b>	<b>(133,145)</b>	<b>98,782</b>
Cash and cash equivalents at the beginning of the year		2,786	3,863	365,856	294,153
Effects of exchange rate changes on cash and cash equivalents		(340)	(288)	(68,912)	(27,079)
<b>Cash and cash equivalents at the end of the year</b>	11	<b>2,755</b>	<b>2,786</b>	<b>163,799</b>	<b>365,856</b>

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

## Notes to the financial statements

### 1. Basis of preparation and overarching material accounting policies

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

Trust name	Constitution date	Termination date
Ox Capital Dynamic Emerging Markets Fund	4 May 2021	3 May 2101
Ox Capital Emerging Markets Fund	4 May 2021	3 May 2101

The financial report of the Trusts for the year ended 30 June 2024 was authorised for issue in accordance with a resolution of the Directors on 23 September 2024.

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

#### 1.1. Basis of preparation

##### Basis of preparation

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

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

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

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

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

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

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

### Statement of compliance

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

### New accounting standards and interpretations

All new accounting standards that are applicable to the Trusts for the 30 June 2024 reporting period have been adopted and do not have a material impact on the financial statements.

There are no new accounting standards and interpretations that have been issued, but not yet effective, that are material to the financial statements or have been early adopted for the 30 June 2024 reporting period.

### Foreign currency

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

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

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

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

### Comparatives

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

### Rounding of amounts

Unless otherwise stated, monetary amounts contained in this report and the Directors' report have been rounded to the nearest \$1,000 under the option available to the Trusts under Australian Securities and Investments Commission (ASIC) Corporations Instrument 2016/191. Where this option is not available, the monetary amounts in this report and the Directors' report have been rounded to the nearest \$1.

### Including different registered scheme financial reports in a single document

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

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

### 1.2. Summary of material accounting policies

#### Investment income and interest expense

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

The Trusts have not applied hedge accounting.

#### Expenses

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

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

#### Taxes

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

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

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

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

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

#### Goods and services (GST)

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

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

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

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

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

### **Cash and cash equivalents**

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

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

### **Collateral and margin accounts**

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

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

### **Financial instruments**

#### *Classification*

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

#### *Recognition/derecognition*

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

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



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

### *Measurement*

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

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value are presented in the statements of comprehensive income. For further details on how the fair values of financial instruments are determined please refer to note 9.

### *Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

### **Financial assets at fair value through profit or loss**

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

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

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

### **Financial assets measured at amortised cost**

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

### **Financial liabilities at fair value through profit or loss**

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

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

### Net assets attributable to unitholders

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

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

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

At 30 June 2024, unitholder funds were classified as equity as they satisfied all of the criteria under AASB 132.

### Use of estimates

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

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

## 2. Net assets attributable to unitholders

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

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

<b>Trust</b>	<b>Separate classes of units</b>
Ox Capital Dynamic Emerging Markets Fund	One
Ox Capital Emerging Markets Fund	One

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

## 2. Net assets attributable to unitholders (continued)

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

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

### Terms and conditions on units

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

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

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

Net assets attributable to unitholders	Ox Capital Dynamic Emerging Markets Fund Class A	Ox Capital Emerging Markets Fund Class A		
	No. '000	\$'000	No.	\$
<b>Classification of net assets attributable to unitholders as at 30 June</b>	<b>Equity</b>	<b>Equity</b>	<b>Equity</b>	<b>Equity</b>
<b>As at 1 July 2023 - Opening Balance</b>	<b>8,047</b>	<b>35,537</b>	<b>1,005,220</b>	<b>4,346,210</b>
Applications for units	1,468	6,619	—	—
Units issued upon reinvestment of distributions	—	—	49	210
Redemptions of units	(384)	(1,705)	(441,035)	(2,000,000)
Distributions paid and payable	—	(577)	—	(90,528)
Total comprehensive income/(loss) for the year - Equity	—	1,695	—	195,598
<b>As at 30 June 2024 - Closing Balance</b>	<b>9,131</b>	<b>41,569</b>	<b>564,234</b>	<b>2,451,490</b>

## 2. Net assets attributable to unitholders (continued)

Net assets attributable to unitholders	Ox Capital Dynamic Emerging Markets Fund Class A	Ox Capital Emerging Markets Fund Class A		
	No. '000	\$'000	No.	\$
<b>Classification of net assets attributable to unitholders as at 30 June</b>	<b>Equity</b>	<b>Equity</b>	<b>Equity</b>	<b>Equity</b>
<b>As at July 1 2022 - Opening Balance</b>	<b>7,509</b>	<b>31,943</b>	<b>1,005,216</b>	<b>4,144,938</b>
Applications for units	616	2,655	—	—
Units issued upon reinvestment of distributions	14	58	4	14
Redemptions of units	(92)	(397)	—	—
Distributions paid and payable	—	—	—	(40,715)
Total comprehensive income/(loss) for the period - Equity	—	1,278	—	241,973
<b>As at 30 June 2023 - Closing Balance</b>	<b>8,047</b>	<b>35,537</b>	<b>1,005,220</b>	<b>4,346,210</b>

	Ox Capital Dynamic Emerging Markets Fund	Ox Capital Emerging Markets Fund		
	2024 \$'000	2023 \$'000	2024 \$	2023 \$
<b>Total net assets attributable to unitholders</b>	<b>41,569</b>	<b>35,537</b>	<b>2,451,490</b>	<b>4,346,210</b>

### Capital risk management

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

## 2. Net assets attributable to unitholders (continued)

### Net realised capital losses

At the end of the reporting period, the Trusts had net realised capital losses available to offset against future net realised capital gains. Net realised capital losses are not finalised for taxation purposes, and may change due to calculation adjustment, denial, offset or recoupment and are as follows:

As at 30 June	2024	2023
Net realised capital losses	\$	\$
Ox Capital Dynamic Emerging Markets Fund	4,888,659	4,917,812
Ox Capital Emerging Markets Fund	627,764	822,405

## 3. Distributions to unitholders

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

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

	Ox Capital Dynamic Emerging Markets Fund Class A		Ox Capital Emerging Markets Fund Class A	
	\$'000	CPU	\$	CPU
<b>Distributions</b>				
Distributions payable - June 2024	577	6.32	90,528	16.04
<b>Total distributions - 30 June 2024</b>	<b>577</b>	<b>6.32</b>	<b>90,528</b>	<b>16.04</b>
Distributions payable - June 2023	—	—	40,715	4.05
<b>Total distributions - 30 June 2023</b>	<b>—</b>	<b>—</b>	<b>40,715</b>	<b>4.05</b>

	Ox Capital Dynamic Emerging Markets Fund		Ox Capital Emerging Markets Fund	
	2024 \$'000	2023 \$'000	2024 \$	2023 \$
<b>Total distributions paid and payable - 30 June</b>	<b>577</b>	<b>—</b>	<b>90,528</b>	<b>40,715</b>

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

## 4. Receivables

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

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

All receivables are considered current.

As at 30 June	Ox Capital Dynamic Emerging Markets Fund		Ox Capital Emerging Markets Fund	
	2024 \$'000	2023 \$'000	2024 \$	2023 \$
Application for units receivable	12	235	—	—
Dividends receivable	40	33	3,223	4,192
GST receivable	10	8	990	1,026
Interest receivable	11	5	2,776	810
Outstanding trade settlements	540	81	27,311	9,825
<b>Total receivables</b>	<b>613</b>	<b>362</b>	<b>34,300</b>	<b>15,853</b>

## 5. Financial assets at fair value through profit or loss

As at 30 June	Ox Capital Dynamic Emerging Markets Fund		Ox Capital Emerging Markets Fund	
	2024 \$'000	2023 \$'000	2024 \$	2023 \$
<b>Equity securities</b>				
American depositary receipt	4,543	1,516	308,456	189,559
Equity securities	32,572	29,512	1,952,093	3,687,845
Exchange traded funds	614	497	41,879	61,992
Listed unit trusts	746	558	44,461	69,739
<b>Total equity securities</b>	<b>38,475</b>	<b>32,083</b>	<b>2,346,889</b>	<b>4,009,135</b>
<b>Total financial assets at fair value through profit or loss</b>	<b>38,475</b>	<b>32,083</b>	<b>2,346,889</b>	<b>4,009,135</b>

An overview of the risk exposures and fair value measurements relating to financial assets at fair value through profit or loss is included in notes 8 and 9 respectively.

## 6. Payables

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

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

All payables are considered current.

As at 30 June	Note	Ox Capital Dynamic Emerging Markets Fund		Ox Capital Emerging Markets Fund	
		2024 \$'000	2023 \$'000	2024 \$	2023 \$
Amounts owing to the Responsible Entity	10	38	31	2,970	3,919
Outstanding trade settlements		—	2	—	—
<b>Total payables</b>		<b>38</b>	<b>33</b>	<b>2,970</b>	<b>3,919</b>

## 7. Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. As at 30 June 2024 there are no financial assets and financial liabilities that have been offset in the statements of financial position (2023: \$Nil). As at 30 June 2024, the Trusts have no netting arrangements which, if applied, would have a material impact on the disclosure of financial assets and liabilities.

## 8. Financial risk management

### Overview

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

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

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

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

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

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

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



## 8. Financial risk management (continued)

### Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factors. Market risk includes (amongst others) three types of risk: interest rate risk (due to fluctuations in interest rates), currency risk (due to fluctuations in foreign exchange rates), and equity price risk (due to fluctuations in market prices).

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

### Price risk

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

The summarised sensitivity analysis section below sets out how this component of price risk is managed and measured. Investments are classified in the statements of financial position at fair value through profit or loss.

All securities investments present a risk of loss of capital. Except for equities sold short, the maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. Possible losses from equities sold short can be unlimited.

As the majority of the Trusts' investments are carried at fair value with fair value changes through profit or loss, changes in market conditions will directly affect net investment income.

The Asset Manager mitigates this price risk through diversification and a rigorous selection of securities and other financial instruments within specified limits as disclosed in the Trusts' governing documents. Price risk mainly arises from the possible change in the fair value of the Trusts' equity holdings. Price risk sensitivity on the Trusts' equity holdings are disclosed in the summarised sensitivity analysis section of this note. The analysis assumes the price of these investments increased/decreased by 10% (2023: 10%).

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

### Foreign exchange risk

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

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

## 8. Financial risk management (continued)

The table below summarises the Trusts' exposure to foreign exchange risk. The Trusts hold investments in foreign currencies other than those noted in the table, which have been grouped under the 'other' heading. These investments relate to amounts held in BRL, EUR, GBP, JPY, PHP, SGD, IDR, MXN, and VND, and are individually immaterial to the financial statements.

### Ox Capital Dynamic Emerging Markets Fund

As at 30 June 2024

	AUD A\$'000	HKD A\$'000	USD A\$'000	CNY A\$'000	INR A\$'000	TWD A\$'000	KRW A\$'000	OTHER A\$'000	Total A\$'000
<b>Assets</b>									
Cash and cash equivalents	2,165	7	548	5	18	—	—	12	2,755
Collateral and margin accounts	341	—	79	—	—	—	151	—	571
Receivables	32	542	2	—	2	10	8	17	613
Financial assets at fair value through profit or loss	—	8,508	6,477	2,351	4,798	3,505	5,827	7,009	38,475
<b>Total assets</b>	<b>2,538</b>	<b>9,057</b>	<b>7,106</b>	<b>2,356</b>	<b>4,818</b>	<b>3,515</b>	<b>5,986</b>	<b>7,038</b>	<b>42,414</b>
<b>Liabilities</b>									
Collateral and margin accounts	17	146	—	—	—	—	—	67	230
Distributions payable	577	—	—	—	—	—	—	—	577
Payables	38	—	—	—	—	—	—	—	38
<b>Total liabilities</b>	<b>632</b>	<b>146</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>67</b>	<b>845</b>
<b>Net assets attributable to unitholders</b>	<b>1,906</b>	<b>8,911</b>	<b>7,106</b>	<b>2,356</b>	<b>4,818</b>	<b>3,515</b>	<b>5,986</b>	<b>6,971</b>	<b>41,569</b>

## 8. Financial risk management (continued)

### Ox Capital Dynamic Emerging Markets Fund

As at 30 June 2023

	HKD A\$'000	USD A\$'000	CNY A\$'000	AUD A\$'000	INR A\$'000	IDR A\$'000	KRW A\$'000	OTHER A\$'000	Total A\$'000
<b>Assets</b>									
Cash and cash equivalents	1	790	5	1,962	16	—	—	12	2,786
Collateral and margin accounts	—	18	—	366	—	—	158	—	542
Receivables	94	3	—	249	2	3	6	5	362
Financial assets at fair value through profit or loss	7,605	3,181	2,897	—	5,229	1,748	3,401	8,022	32,083
<b>Total assets</b>	<b>7,700</b>	<b>3,992</b>	<b>2,902</b>	<b>2,577</b>	<b>5,247</b>	<b>1,751</b>	<b>3,565</b>	<b>8,039</b>	<b>35,773</b>
<b>Liabilities</b>									
Collateral and margin accounts	140	—	—	—	—	—	—	63	203
Distributions payable	—	—	—	—	—	—	—	—	—
Payables	—	—	—	33	—	—	—	—	33
<b>Total liabilities</b>	<b>140</b>	<b>—</b>	<b>—</b>	<b>33</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>63</b>	<b>236</b>
<b>Net assets attributable to unitholders</b>	<b>7,560</b>	<b>3,992</b>	<b>2,902</b>	<b>2,544</b>	<b>5,247</b>	<b>1,751</b>	<b>3,565</b>	<b>7,976</b>	<b>35,537</b>

## 8. Financial risk management (continued)

### Ox Capital Emerging Markets Fund

As at 30 June 2024

	AUD A\$	HKD A\$	USD A\$	KRW A\$	INR A\$	TWD A\$	CNY A\$	OTHER A\$	Total A\$
<b>Assets</b>									
Cash and cash equivalents	139,447	844	17,856	—	2,111	—	649	2,892	<b>163,799</b>
Receivables	3,640	27,545	127	466	113	621	—	1,788	<b>34,300</b>
Financial assets at fair value through profit or loss	—	437,244	425,727	351,448	299,331	214,904	185,059	433,176	<b>2,346,889</b>
<b>Total assets</b>	<b>143,087</b>	<b>465,633</b>	<b>443,710</b>	<b>351,914</b>	<b>301,555</b>	<b>215,525</b>	<b>185,708</b>	<b>437,856</b>	<b>2,544,988</b>
<b>Liabilities</b>									
Distributions payable	90,528	—	—	—	—	—	—	—	<b>90,528</b>
Payables	2,970	—	—	—	—	—	—	—	<b>2,970</b>
<b>Total liabilities</b>	<b>93,498</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>93,498</b>
<b>Net assets attributable to unitholders</b>	<b>49,589</b>	<b>465,633</b>	<b>443,710</b>	<b>351,914</b>	<b>301,555</b>	<b>215,525</b>	<b>185,708</b>	<b>437,856</b>	<b>2,451,490</b>

## 8. Financial risk management (continued)

### Ox Capital Emerging Markets Fund

As at 30 June 2023

	HKD A\$	USD A\$	INR A\$	KRW A\$	CNY A\$	AUD A\$	IDR A\$	OTHER A\$	Total A\$
<b>Assets</b>									
Cash and cash equivalents	153	112,403	2,407	—	649	247,036	—	3,208	365,856
Receivables	11,668	479	271	774	—	1,448	334	879	15,853
Financial assets at fair value through profit or loss	946,609	398,231	654,045	431,598	352,137	—	218,157	1,008,358	4,009,135
<b>Total assets</b>	<b>958,430</b>	<b>511,113</b>	<b>656,723</b>	<b>432,372</b>	<b>352,786</b>	<b>248,484</b>	<b>218,491</b>	<b>1,012,445</b>	<b>4,390,844</b>
<b>Liabilities</b>									
Distributions payable	—	—	—	—	—	40,715	—	—	40,715
Payables	—	—	—	—	—	3,919	—	—	3,919
<b>Total liabilities</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>44,634</b>	<b>—</b>	<b>—</b>	<b>44,634</b>
<b>Net assets attributable to unitholders</b>	<b>958,430</b>	<b>511,113</b>	<b>656,723</b>	<b>432,372</b>	<b>352,786</b>	<b>203,850</b>	<b>218,491</b>	<b>1,012,445</b>	<b>4,346,210</b>

The table in the summarised sensitivity analysis section of this note summarises the sensitivities of the Trusts' financial instruments to foreign exchange risk. The analysis is based on the assumption that the Australian dollar weakened or strengthened by 10% (2023: 10%) against the material foreign currencies to which the Trusts are exposed.

### Cash flow and fair value interest rate risk

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

Ox Capital Dynamic Emerging Markets Fund has established limits on the total interest rate exposure, which are monitored on a daily basis. The Trust may use derivatives to hedge unexpected increases in interest rates.

The summarised sensitivity analysis section of this note demonstrates the sensitivity of the Trusts' operating profit to possible changes in interest rates, with all other variables held constant. The analysis is based on the assumptions that interest rates increased by 100 bps (2023: 100 bps) or decreased by 100 bps (2023: 100 bps).

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

- the interest income for one year, based on the floating rate financial assets held at 30 June 2024; and

## 8. Financial risk management (continued)

- changes in the fair value of investments for the year based on revaluing fixed rate financial assets at 30 June 2024.

### Summarised sensitivity analysis

The following table summarises the sensitivity of the Trusts' net profit and net assets attributable to unitholders to applicable market risks. The possible movements in the risk variables have been determined based on management's best estimate, having regard to a number of factors, including historical levels of changes in interest rates, foreign exchange rates and market prices. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market shocks resulting from changes in the performance of the economies, markets and securities in which the Trusts invest. As a result, historic variations in risk variables are not a definitive indicator of future variations in the risk variables.

#### Ox Capital Dynamic Emerging Markets Fund

	Impact on net profit/Net assets attributable to unitholders											
	Price risk				Foreign exchange risk							
	-10%	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%	+10%
			HKD	HKD	USD	USD	CNY	CNY	INR	INR	TWD	TWD
	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000
30 June 2024	(3,394)	3,394	(892)	892	(711)	711	(236)	236	(482)	482	(352)	352
30 June 2023	(3,213)	3,213	(757)	757	(400)	400	(290)	290	(525)	525	(138)	138

#### Ox Capital Dynamic Emerging Markets Fund

	Foreign exchange risk			
	-10%	+10%	-10%	+10%
	KRW	KRW	OTHER	OTHER
	A\$'000	A\$'000	A\$'000	A\$'000
30 June 2024	(599)	599	(696)	696
30 June 2023	(357)	357	(837)	837

## 8. Financial risk management (continued)

### Ox Capital Emerging Markets Fund

	Impact on net profit/Net assets attributable to unitholders											
	Price risk				Foreign exchange risk							
	-10%	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%	+10%
	A\$	A\$	HKD	HKD	USD	USD	KRW	KRW	INR	INR	TWD	TWD
30 June 2024	(203,915)	203,915	(46,596)	46,596	(44,425)	44,425	(35,229)	35,229	(30,168)	30,168	(21,552)	21,552
30 June 2023	(401,528)	401,528	(95,985)	95,985	(51,247)	51,247	(43,254)	43,254	(65,689)	65,689	(17,270)	17,270

### Ox Capital Emerging Markets Fund

	Foreign exchange risk			
	-10%	+10%	-10%	+10%
	CNY	CNY	OTHER	OTHER
	A\$	A\$	A\$	A\$
30 June 2024	(18,571)	18,571	(43,741)	43,741
30 June 2023	(35,282)	35,282	(106,106)	106,106

### Credit risk

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

Credit risk is not considered to be a significant risk to the Trusts as the Trusts do not hold any direct investments in debt securities or have significant receivables.

### Liquidity risk

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

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

## 8. Financial risk management (continued)

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

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

The Trusts' investments are considered to be readily realisable.

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

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

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

### Maturity analysis for financial liabilities

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

## 9. Fair value measurement

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

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

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

### Fair value in an active market (level 1)

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



## 9. Fair value measurement (continued)

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

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

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

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the reporting date applicable for an instrument with similar terms and conditions. For other pricing models, inputs are based on market data at the end of the reporting period.

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

As at 30 June	Ox Capital Dynamic Emerging Markets Fund		Ox Capital Emerging Markets Fund	
	2024 \$'000	2023 \$'000	2024 \$	2023 \$
<b>Financial assets</b>				
<b>Level 1 financial assets</b>				
American depositary receipt	4,543	1,516	308,456	189,559
Equity securities	32,572	29,512	1,952,093	3,687,845
Exchange traded funds	614	497	41,879	61,992
Listed unit trusts	746	558	44,461	69,739
<b>Total level 1 financial assets</b>	<b>38,475</b>	<b>32,083</b>	<b>2,346,889</b>	<b>4,009,135</b>

## 10. Related party transactions

### Responsible Entity

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

## 10. Related party transactions (continued)

### Key management personnel

#### Directors

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

A Bofinger	Director	
A Judin	Director	(Appointed 13 July 2023)
J O'Keeffe	Director	
V Rodriguez	Director	
T Roxburgh	Director	(Appointed 13 July 2023)

#### Other key management personnel

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

The Asset Manager, Ox Capital Management Pty Ltd, is a related party to the Trusts as it is a member of the same group as the Responsible Entity.

### Key management personnel unitholdings

At 30 June 2024 key management personnel held units in the below listed Trusts (2023: Nil).

### Key management personnel compensation

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

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

## 10. Related party transactions (continued)

### Responsible Entity's fees and other transactions

Under the terms of the Trusts' Constitutions the Responsible Entity is entitled to receive management fees, calculated by reference to the average daily net assets. For the year ended 30 June 2024 these rates are as follows:

For the year ended 30 June		Fee Rate		
		Class	2024 %	2023 %
Trust name				
Ox Capital Dynamic Emerging Markets Fund		Class A	1.00	1.00
Ox Capital Emerging Markets Fund		Class A	1.00	1.00

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

In addition to the management fee, the Responsible Entity is also entitled to receive performance fees for various classes in the Trusts. The performance fees are calculated at the below listed benchmark. For the year ended 30 June 2024, in accordance with the Trusts' Constitutions, the Responsible Entity received performance fees as listed below (inclusive of GST, net of RITC, available to the Trusts) per period.

For the year ended 30 June		Performance Fees			
		Benchmark	Class	2024 %	2023 %
Trust name					
Ox Capital Dynamic Emerging Markets Fund		15% of the Trust's daily return above the MSCI Emerging Markets Net Total Return Index (AUD) Unhedged.	Class A	0.00	0.30

Other classes of units not shown above are not subject to performance fees.

## 10. Related party transactions (continued)

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

For the year ended 30 June	Ox Capital Dynamic Emerging Markets Fund		Ox Capital Emerging Markets Fund	
	2024	2023	2024	2023
	\$	\$	\$	\$
Management fees for the year	384,771	329,982	42,951	41,654
Performance fees for the year	—	96,625	—	—
Management fees payable	38,370	31,385	2,970	3,919

### Related party unitholdings

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

#### Ox Capital Dynamic Emerging Markets Fund

For the year ended 30 June 2024

Unitholder	No. of units held opening (Units)	No. of units acquired (Units)	No. of units disposed (Units)	No. of units held closing (Units)	Interest held (%)	Distributions paid/payable by the Trust (\$)
John O'Keeffe	9,006	—	(9,006)	—	—	—
<b>Total related party unitholdings</b>	<b>9,006</b>	<b>—</b>	<b>(9,006)</b>	<b>—</b>	<b>—</b>	<b>—</b>

For the year ended 30 June 2023

Unitholder	No. of units held opening (Units)	No. of units acquired (Units)	No. of units disposed (Units)	No. of units held closing (Units)	Interest held (%)	Distributions paid/payable by the Trust (\$)
John O'Keeffe	8,942	64	—	9,006	0.11	—
<b>Total related party unitholdings</b>	<b>8,942</b>	<b>64</b>	<b>—</b>	<b>9,006</b>	<b>0.11</b>	<b>—</b>

**10. Related party transactions (continued)****Ox Capital Emerging Markets Fund**

For the year ended 30 June 2024

<b>Unitholder</b>	<b>No. of units held opening (Units)</b>	<b>No. of units acquired (Units)</b>	<b>No. of units disposed (Units)</b>	<b>No. of units held closing (Units)</b>	<b>Interest held (%)</b>	<b>Distributions paid/payable by the Trust (\$)</b>
Challenger Life Company Limited	1,000,000	—	(441,034)	558,966	99.07	89,683
<b>Total related party unitholdings</b>	<b>1,000,000</b>	<b>—</b>	<b>(441,034)</b>	<b>558,966</b>	<b>99.07</b>	<b>89,683</b>

For the year ended 30 June 2023

<b>Unitholder</b>	<b>No. of units held opening (Units)</b>	<b>No. of units acquired (Units)</b>	<b>No. of units disposed (Units)</b>	<b>No. of units held closing (Units)</b>	<b>Interest held (%)</b>	<b>Distributions paid/payable by the Trust (\$)</b>
Challenger Life Company Limited	1,000,000	—	—	1,000,000	99.48	40,504
<b>Total related party unitholdings</b>	<b>1,000,000</b>	<b>—</b>	<b>—</b>	<b>1,000,000</b>	<b>99.48</b>	<b>40,504</b>

No other related parties to the Trusts held units at year end.

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

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

For the year ended 30 June	Ox Capital Dynamic Emerging Markets Fund		Ox Capital Emerging Markets Fund	
	2024 \$'000	2023 \$'000	2024 \$	2023 \$
<b>Reconciliation of profit/(loss) to operating cash flow</b>				
Net profit/(loss) for the year	1,695	1,278	195,598	241,973
Net (gains)/losses on financial instruments at fair value through profit or loss	(2,520)	(1,614)	(284,943)	(246,505)
Net foreign exchange (gains)/losses	874	(190)	84,442	(45,717)
Participation in dividend and distribution reinvestment plans	—	—	—	(5,099)
Proceeds from sale of financial instruments at fair value through profit or loss	33,662	83,979	5,954,037	10,072,724
Purchase of financial instruments at fair value through profit or loss	(38,531)	(86,123)	(4,039,864)	(9,917,981)
Net change in receivables and other assets	(15)	3	(961)	1,802
Net change in payables and other liabilities	7	3	(949)	201
<b>Net cash inflows/(outflows) from operating activities</b>	<b>(4,828)</b>	<b>(2,664)</b>	<b>1,907,360</b>	<b>101,398</b>

### Components of cash and cash equivalents

As at 30 June	Ox Capital Dynamic Emerging Markets Fund		Ox Capital Emerging Markets Fund	
	2024 \$'000	2023 \$'000	2024 \$	2023 \$
Cash at bank, on hand and at custodian	2,755	2,786	163,799	365,856
<b>Total cash and cash equivalents</b>	<b>2,755</b>	<b>2,786</b>	<b>163,799</b>	<b>365,856</b>

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

### Non-cash investing and financing activities

As at 30 June	Ox Capital Dynamic Emerging Markets Fund		Ox Capital Emerging Markets Fund	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Reinvestment of unitholder distributions	—	58	210	—
Participation in dividend and distribution reinvestment plans	—	—	—	5

## 12. Remuneration of auditor

For the year ended 30 June	Ox Capital Dynamic Emerging Markets Fund		Ox Capital Emerging Markets Fund	
	2024 \$	2023 \$	2024 \$	2023 \$
<b>Amounts received or due and receivable by Ernst &amp; Young for:</b>				
Audit and review of the financial report of the Trusts	7,995	7,800	7,995	7,800
<b>Total remuneration of auditor</b>	<b>7,995</b>	<b>7,800</b>	<b>7,995</b>	<b>7,800</b>

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

## 13. Events occurring after the reporting period

No significant events have occurred since the reporting date which would impact on the financial position of the Trusts as at 30 June 2024 or on the results and cash flows of the Trusts for the year ended on that date.

## 14. Contingent assets and liabilities and commitments

At balance date the Trusts have no contingent assets, liabilities or commitments (30 June 2023: Nil).

## Directors' declaration

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

- Ox Capital Dynamic Emerging Markets Fund
- Ox Capital Emerging Markets Fund
- a. the financial statements and notes set out on pages 9 to 39 are in accordance with the Corporations Act 2001, including:
  - i. complying with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - ii. giving a true and fair view of the Trusts' financial position as at 30 June 2024 and of their performance for the financial year ended on that date;
- b. the financial statements and notes comply with International Financial Reporting Standards as disclosed in note 1.1; and
- c. there are reasonable grounds to believe that the Trusts will be able to pay their debts as and when they become due and payable.

This declaration is made in accordance with a resolution of Directors.

On behalf of the Board of Fidante Partners Limited.



**A Judin**  
**Director**

**Sydney**  
**23 September 2024**





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## Independent auditor's report

To the unitholders of the following Ox Capital Management Managed Trusts (the "Trusts")

- Ox Capital Dynamic Emerging Markets Fund
- Ox Capital Emerging Markets Fund

### Opinion

We have audited the financial report of Ox Capital Management Pty Limited (the Trusts), which comprises the statements of financial position as at 30 June 2024, the statements of comprehensive income, statements of changes in unitholder funds and statements of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, and the directors' declaration.

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

- a. Giving a true and fair view of the Trusts' financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

### Basis for opinion

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

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

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

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

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

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

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

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

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

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

### **Auditor's responsibilities for the audit of the financial report**

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

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

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



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

*Ernst & Young*  
Ernst & Young  
*Jim Chuang*  
Jim Chuang  
Partner  
Sydney  
23 September 2024

## Directory

### Responsible Entity

Fidante Partners Limited  
ABN 94 002 835 592  
AFSL 234 668

### Registered office and principal place of business

Level 2  
5 Martin Place  
Sydney NSW 2000

### Custodian

Citigroup Pty Limited  
Level 23  
2 Park Street  
Sydney NSW 2000

### Auditor

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

### Asset Manager

Ox Capital Management Pty Ltd  
Level 5  
151 Macquarie Street  
Sydney NSW 2000