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31 October 2025

Australian Bond Exchange Holdings Limited (ASX: ABE) – Appendix 4C and Quarterly Business Update for Q1 FY26

Australian Bond Exchange Holdings Limited (ASX: ABE) (“ABE” or “the Company”) is pleased to release its Appendix 4C Cash Flow Report and provide a business update for the quarter ended 30 September 2025 (Q1 FY26).

Quarterly Highlights

- **Launch of Rakuten AUD-denominated market-linked securities**, expanding ABE’s range of innovative investment offerings.
- **Successful variation of AFSL licence** providing additional revenue and cost saving opportunities.

Strategic Overview

ABE is a financial technology and services company focused on democratizing access to the OTC market for retail investors, wealth managers, and institutions. The Company remains committed to its vision: **delivering equal access to high-quality financial markets and products through inclusive, transparent, and efficient infrastructure.**

Technology and Innovation

During the quarter ABE continued to advance the development and commercialisation of its proprietary technology platform designed to enhance transparency, efficiency, and accessibility in fixed income and credit markets. The Group’s technology roadmap remains central to its strategic objective of delivering near real-time market access and settlement for all investors.

Credit Analysis AI Tool (CAIT) - Following successful beta testing in FY24, ABE’s Credit Analysis AI Tool (“CAIT”) progressed into pilot deployment with internal stakeholders during the quarter.

- The system demonstrated its ability to generate near-instant credit assessments using both financial and non-financial data inputs.
- Early results confirm model accuracy comparable to established credit ratings benchmarks.
- ABE is now preparing to further integrate CAIT into its internal risk and credit assessment workflows and explore direct monetization opportunities.

This initiative supports ABE’s strategy to position itself at the intersection of AI-driven analytics and global markets infrastructure.

Payments Infrastructure and Real-Time Settlement - ABE continued to enhance its payments infrastructure in line with the evolution of Australia's PayTo and New Payments Platform (NPP) frameworks.

- The Group completed testing for near real-time settlement capabilities, enabling faster investor transaction processing and improved reconciliation accuracy.
- Integration enhancements are expected to reduce settlement latency and operational risk, paving the way for atomic settlement functionality in future iterations.
- These developments align ABE's technology stack with emerging digital bearer bond and tokenised settlement models.
- During the period ABE has also been active in Project Acacia, the joint research project with the RBA and DFRC for tokenised asset settlement

Platform and Client Experience Enhancements - Continuous improvements were made to the ABE Client and Adviser Portal, focusing on automation, data transparency, and compliance integration.

- Onboarding processes were strengthened through work during the period on digital identity verification (KYC/AML) upgrades, reducing client setup times by over 30%.
- A redesigned client dashboard user interface now provides an enhanced experience when transacting, and reviewing holdings, yields, and transaction details.
- Adviser analytics tools were expanded to support portfolio order routing, comparisons and yield optimisation.

Data & Security Framework - ABE strengthened its data governance and cybersecurity protocols consistent with the ASIC CPS 234 framework.

- Multi-layer authentication and continuous monitoring tools were deployed across client-facing and internal systems.
- The Company is also implementing real-time anomaly detection for trade and settlement data, improving early risk identification and response capabilities.

This commitment to robust information security underpins ABE's reputation as a trusted intermediary within the fixed income ecosystem.

Financial Performance

ABE reported a net operating cash outflow of \$0.7 million for the quarter, slightly up on the previous quarter of \$0.6m. Included within this quarter are annual payments for IT and insurance related costs of \$0.2m.

ABE expects a reduction in the net cash used in operating activities due to identified revenue diversification and stabilisation opportunities. There are several expense reductions that have not yet been reflected in the operating results but will be recognised in future periods.

The Company continues to focus on expanding sales across both its existing client base and new client segments.

Operational Activities

In line with its **product innovation strategy**, ABE launched another market-linked security in Q1 FY26, the Rakuten DPA. These products respond to growing investor demand for tailored, globally-aligned investment solutions typically inaccessible to Australian investors, reinforcing ABE's leadership in the retail debt securities space.

On 28 August 2025, Australian Bond Exchange Pty Ltd (“ABEPL”) was successful in its application to vary its Australian Financial Services Licence (“AFSL”). The varied AFSL will enable ABEPL to save significant expense by terminating its ‘corporate authorised representative’ appointment which has been in place since late 2023. The varied AFSL will also provide ABEPL with additional revenue opportunities.

Related Party Payments

In accordance with ASX Listing Rule 4.7C.3, the Company advises that \$191,465 was paid to related parties during the quarter, as disclosed in Item 6 of the Appendix 4C. These payments relate to director remuneration including salaries and fees.

Authorised for release by the Board

Vicki Grey

Company Secretary

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About Australian Bond Exchange Holdings

Australian Bond Exchange Holdings (ASX: ABE) is an Australian financial services company that uses its proprietary technology to provide Australian Investors with direct access to the best of the fixed income asset class in Australia and internationally.

ABE's access and proprietary technology allows "access for all" in a transparent and efficient way. Transparent trading allows investors, brokers and advisers to deliver highly demanded fixed income asset class product to end clients.

This is coupled with an advanced AI driven Product Governance model, which allows greater investor protections, providing a new over the counter venue for private investors, financial advisers, and investment professionals to access the global financial markets.

ABE is eliminating barriers to entry to the bond market, providing access, efficiency, lower cost and transparency.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Australian Bond Exchange Holdings Limited

ABN

11 629 543 193

Quarter ended ("current quarter")

30 September 2025

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|---|----------------------------|---------------------------------------|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | 16,711 | 16,711 |
| 1.2 Payments for | | |
| (a) research and development | - | - |
| (b) product manufacturing and operating costs | (16,082) | (16,082) |
| (c) advertising and marketing | (26) | (26) |
| (d) leased assets | (150) | (150) |
| (e) staff costs | (643) | (643) |
| (f) administration and corporate costs | (411) | (411) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | 42 | 42 |
| 1.5 Interest and other costs of finance paid | (137) | (137) |
| 1.6 Income taxes paid | - | - |
| 1.7 Government grants and tax incentives | - | - |
| 1.8 Other (provide details if material) | - | - |
| 1.9 Net cash from / (used in) operating activities | (696) | (696) |
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire or for: | | |
| (a) entities | - | - |
| (b) businesses | - | - |
| (c) property, plant and equipment | - | - |
| (d) investments | - | - |
| (e) intellectual property | (33) | (33) |

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|---|----------------------------|---------------------------------------|
| (f) other non-current assets | - | - |
| 2.2 Proceeds from disposal of: | | |
| (a) entities | - | - |
| (b) businesses | - | - |
| (c) property, plant and equipment | - | - |
| (d) investments | - | - |
| (e) intellectual property | - | - |
| (f) other non-current assets | - | - |
| 2.3 Cash flows from loans to other entities | - | - |
| 2.4 Dividends received (see note 3) | - | - |
| 2.5 Other (provide details if material) | - | - |
| 2.6 Net cash from / (used in) investing activities | (33) | (33) |

| | | |
|---|----------|----------|
| 3. Cash flows from financing activities | | |
| 3.1 Proceeds from issues of equity securities (excluding convertible debt securities) | - | - |
| 3.2 Proceeds from issue of convertible debt securities | - | - |
| 3.3 Proceeds from exercise of options | - | - |
| 3.4 Transaction costs related to issues of equity securities or convertible debt securities | - | - |
| 3.5 Proceeds from borrowings | - | - |
| 3.6 Repayment of borrowings | - | - |
| 3.7 Transaction costs related to loans and borrowings | - | - |
| 3.8 Dividends paid | - | - |
| 3.9 Other (provide details if material) | - | - |
| 3.10 Net cash from / (used in) financing activities | - | - |

| | | |
|---|-------|-------|
| 4. Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 Cash and cash equivalents at beginning of period | 1,008 | 1,008 |
| 4.2 Net cash from / (used in) operating activities (item 1.9 above) | (696) | (696) |
| 4.3 Net cash from / (used in) investing activities (item 2.6 above) | (33) | (33) |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|---|--|------------------------------------|--|
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | - | - |
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| 4.6 | Cash and cash equivalents at end of period | 279 | 279 |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
|------------|---|------------------------------------|-------------------------------------|
| 5.1 | Bank balances | 279 | 1,008 |
| 5.2 | Call deposits | - | - |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (provide details) | - | - |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 279 | 1,008 |

| 6. | Payments to related parties of the entity and their associates | Current quarter \$A'000 |
|---|---|------------------------------------|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | 191 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | - |
| <i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i> | | |

Quarterly cash flow report for entities subject to Listing Rule 4.7B

| 7. Financing facilities | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|---|---|--|
| <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | | |
| 7.1 Loan facilities | - | - |
| 7.2 Credit standby arrangements | - | - |
| 7.3 Other (please specify) | - | - |
| 7.4 Total financing facilities | - | - |
| 7.5 Unused financing facilities available at quarter end | | - |
| 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. | | |

| 8. Estimated cash available for future operating activities | \$A'000 |
|--|----------------|
| 8.1 Net cash from / (used in) operating activities (item 1.9) | (696) |
| 8.2 Cash and cash equivalents at quarter end (item 4.6) | 279 |
| 8.3 Unused finance facilities available at quarter end (item 7.5) | - |
| 8.4 Total available funding (item 8.2 + item 8.3) | 279 |
| 8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1) | 0.40 |
| <i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i> | |
| 8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions: | |
| 8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? | |
| <p>Answer: No. ABE expects a reduction in the net cash used in operating activities due to identified revenue diversification and stabilisation opportunities. This quarter's net cash used in operating activities included annual payments for insurance and IT costs which are not expected to recur in the next quarter.</p> | |
| 8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? | |
| <p>Answer: ABE plans to ask shareholders at the November AGM for approval to issue up to 25% additional shares under Listing Rule 7.1A and up to \$10 million in convertible notes. The company may use one or both of these options to raise funds.</p> | |

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes. There are several expense reductions activities Management has undertaken that have not yet been reflected in the results but will be recognised in future periods. Further, ABE is confident that it will be able to raise additional funds via the issue of additional share capital and/ or issue of up to \$10 million in convertible notes.

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 October 2025.....

Authorised by: By the Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.