

ASF Group Limited

ABN 50 008 924 570

Annual Report - 30 June 2026

Dear Shareholders,

I am pleased to present the annual report and consolidated financial statements of ASF Group Limited (the "Company") and the entities it controlled (the "Group") for the financial year ended 30 June 2026.

Following the significant balance sheet restructuring achieved in the previous financial year, FY2026 was a year of continued consolidation and disciplined portfolio management. During the year, we successfully realised value from a number of investments, further strengthened the Group's financial position, and maintained our focus on identifying opportunities capable of generating long-term shareholder value.

Financial Performance

The Group recorded a profit attributable to shareholders of approximately \$4.09 million for the year, compared with \$25.82 million in the previous financial year.

The prior year result included a significant one-off gain arising from the conversion of the Star Diamond convertible loan and the disposal of the Group's interest in CMR Coal. Against that background, the FY2026 result reflects a more normalised year and was principally supported by the successful realisation of a number of investments.

During the year, the Group realised approximately \$4.8 million in gains from the disposal of investments and subsidiaries. These included the sale of our interests in Kaili Resources Limited ("KLR") and Key Petroleum Limited ("KEY"), acceptance of the takeover offer for Rey Resources Limited which was subsequently privatised and changed its name to Rey Resources Pty Ltd ("REY"), and the disposal of our entire interests in ASF Technologies (Australia) Pty Ltd and ASF Coking Coal Pty Ltd.

These transactions materially strengthened the Group's liquidity. Cash and cash equivalents increased from approximately \$1.27 million at 30 June 2025 to approximately \$5.19 million at 30 June 2026, while net assets increased from approximately \$1.67 million to \$5.65 million.

Importantly, the Group continues to hold no outstanding borrowings, providing a strong and flexible balance sheet from which to pursue future growth opportunities.

Strategic Investments and Developments

Our resources portfolio continues to provide the Group with exposure to selected opportunities in minerals and energy:

- **ActivEX Limited ("AIV")** – Continued to advance its Queensland exploration portfolio, including the announcement of a JORC-compliant maiden gold resource of 8.5Mt at 1.13g/t for 310,000 ounces of gold at Mt Hogan within the Gilberton Gold Project. During the year, the Group acquired a further 4 million AIV shares and held approximately 12.98% of its issued capital at 30 June 2026.
- **Rey Surat Gas Pty Ltd** – During the year, the Group acquired Rey Surat through the conversion of amounts previously owed by REY. Rey Surat holds an indirect interest in the Silver Springs Project and participating interests in certain Surat Gas Project tenements in Queensland through its shareholding in PZE Limited, providing the Group with continued exposure to established energy assets in the Surat Basin.
- **Portfolio realisations** – The disposals of our interests in REY, KEY, KLR and ASF Coking Coal during the year reflect our continuing approach of realising investments where appropriate and reallocating capital towards opportunities offering attractive prospective returns.

The restructuring and rationalisation of our resources interests have provided the Group with greater financial flexibility while maintaining exposure to selected projects with future development potential.

Innovation and Emerging Technologies

Our investment in BSF Enterprise PLC continues to provide exposure to emerging biotechnology and advanced materials.

During the year, BSF progressed the commercial development of its City-Mix® cell culture product, including entering into a five-year supply agreement with South Korean cultivated-meat company SeaWith. Development also continued across its lab-grown leather platform, including T-Rex Leather™, together with its corneal repair technology through Kerato Ltd.

Since year end, BSF has also announced further proposed commercial partnerships across luxury materials, biotechnology and robotics applications. These developments demonstrate the breadth of potential applications being pursued across its technology portfolio as it seeks to progress from research and development towards commercialisation.

Property and Capital Management

Our property services arm, ASF Properties Pty Ltd, continues to serve Australian and international investors across development management, project marketing, asset management and property advisory services. The business remains focused on identifying and progressing opportunities across its New South Wales and Queensland portfolio.

ASF Capital Pty Ltd continues to facilitate investment and capital flows between Australia and international markets through financial advisory and wholesale funds management activities.

During the year, ASF Capital also continued development of its proposed institutional digital asset platform, with work focused on implementation planning, governance, regulatory readiness and engagement with technology and infrastructure providers. The platform remains pre-commercial and any future operations will be subject to Board approval and compliance with applicable regulatory requirements.

Extension of the On-market Share Buy-back Program

The Company continued its on-market share buy-back program during the year, acquiring 464,958 shares.

Subsequent to the year-end, the Board extended the program for a further 12 months from 8 September 2026, permitting the Company to acquire up to approximately 79.1 million shares over the extended period.

The program provides the Company with flexibility to return capital to shareholders where the Board considers that acquiring shares represents an appropriate and value-accretive use of the Group's available capital.

Looking Ahead

The Group enters the new financial year with a substantially strengthened balance sheet, no outstanding borrowings and greater flexibility to pursue new investment opportunities.

Our approach remains selective and disciplined. We will continue to assess opportunities across property, resources, technology and financial services where we believe ASF's experience, international relationships and ability to identify and realise value can provide a competitive advantage.

At the same time, we will remain focused on capital discipline, prudent management of our existing portfolio and the realisation of investments where doing so delivers an appropriate return for shareholders.

On behalf of the Board, I extend my sincere gratitude to our management team, staff, business partners and shareholders for their continued support. We look forward to building on the progress made over the past two financial years and positioning ASF Group for its next phase of growth.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Min Yang", written over a light blue horizontal line.

Min Yang
Chairman
ASF Group Limited

29 September 2026

Introduction

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the "Group" or "consolidated entity") consisting of ASF Group Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2026.

Directors

The following persons were directors of ASF Group Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Ms Min Yang - Chairman
Mr Nga Wong (Alex) Lao
Mr Quan (David) Fang
Mr Wai Sang Ho
Mr Geoff Baker
Mr Chi Yuen (William) Kuan

Principal activities

The Group is a diversified investment company with an international outlook and a focus on the real estate, resources, technology and financial sectors. In a rapidly changing global marketplace, the Group is a dynamic player that actively realises synergistic and transnational investment opportunities.

Dividends

No dividends or distributions were paid, recommended or declared during the current financial period or the previous corresponding period, and no dividend or distribution is payable. The Company does not have a dividend or distribution reinvestment plan in operation and no election notice date arises.

Review of operations

The profit for the Group after providing for income tax and non-controlling interest amounted to \$4,088,025 (30 June 2025: profit of \$25,818,078).

Financial results and commentary

For the financial year ended 30 June 2026, the Group's revenue amounted to \$560,444 (2025: \$799,724). Consolidated profit after tax amounted to \$4,088,025, a decrease of approximately 84% compared with the profit for last year of \$25,818,078. The significant decrease in profit was mainly due to the recognition of a significant gain on disposal of subsidiaries in previous financial year as a result of the conversion of convertible loan due to Star Diamond Developments Limited ("Star Diamond").

Profits for the year were mainly contributed by the gain on disposal of investments. For the year ended 30 June 2026, the Group recorded a gain of \$4.8 million arising from the disposal of non-core investments including:

- (i) the disposal of 2.2 million shares in Kaili Resources Limited (ASX: KLR) on the market at an average price of \$0.28 per share, resulting in a gain on disposals of \$0.6 million;
- (ii) the disposal of 2.7 million shares in Key Petroleum Limited (ASX: KEY) on the market at an average price of approximately \$0.22 per share, resulting in a gain on disposals of \$0.5 million;
- (iii) the Group accepted the off-market takeover offer from Vigorous Resources Pty Ltd for all the issued shares of Rey Resources Limited (ASX: REY) held by the Company and received proceeds of \$0.97 million on 5 August 2025, resulting in a gain on disposals of \$0.6 million;
- (iv) the Group executed a Share Transfer Agreement on 22 April 2026 with Crystal Profit Ventures Ltd ("CPV") pursuant to which CPV agreed to purchase the remaining 62% of the issued shares of ASF Technologies (Australia) Pty Ltd held by the Company at a cash consideration of \$0.465 million, resulting in a gain on disposals of \$0.5 million; and
- (v) the Group also executed a Share Sale and Purchase Agreement on 29 May 2026 with Terra Mineral Resources Investment Ltd ("TMR"). Under the agreement, TMR acquired all issued shares in ASF Coking Coal Pty Ltd held by the Company for an attractive cash consideration of \$3.08 million, resulting in a gain on disposals of \$2.6 million.

Financial position

As at 30 June 2026, the Group held a strong cash position of approximately \$5.2 million.

Finance costs amounted to \$28,306 for the year ended 30 June 2026 represented interest on lease liabilities and bank charges, compared to \$2,122,371 in 2025 which was principally interest on the loan due to Star Diamond prior to the conversion of the convertible loan in March 2025.

Principal Investments

ActivEX Limited ("AIV")

AIV is an ASX-listed mineral exploration company holding a number of prospective tenements, principally targeting copper, gold and critical minerals in Queensland.

During the year, AIV announced JORC compliant Maiden Gold Resource of 8.5Mt @1.13g/t for 310K oz Au at Mt Hogan which is part of Gilberton Gold Project in which AIV is currently interested in 20.95% of the project. In addition, a 5,000m RC drilling program was completed in November 2025 with the aim being to increase the Mineral Resource Estimate at Mt Hogan.

On 4 September 2025, AIV announced the disposal of its 49% interest in the Pentland Gold Project at a cash consideration of \$49,000.

On 10 March 2026, AIV announced that Star Diamond Developments Limited agreed to convert all outstanding loans including accrued interests due by AIV amounting to \$2.3 million into 100% equity of its wholly owned subsidiary, East Coast Gold and Copper Pty Ltd.

During the financial year, AIV completed placements for a total of 97 million shares raising approximately \$1.7 million, which would be used for further development of its existing exploration projects and for general working capital purposes.

On 13 May 2026, AIV announced the appointment of Ms. Xinwei Chen as Non-Executive Director, who is an experienced executive with over a decade of leadership in real estate management, regional marketing, international investment and has many years of experience in mining investment.

During the year, the Company acquired additional 4 million AIV shares on the market and is interested in 12.98% of the issued capital of AIV as at 30 June 2026 with a market value of \$0.97 million.

Rey Surat Gas Pty Ltd ("Rey Surat")

On 6 January 2026, the Company executed a Debt to Equity Conversion Deed with Rey Resources Pty Ltd ("REY") pursuant to which REY will repay all outstanding loans due to the Company under the loan agreement dated 12 October 2017 by way of the transfer of 100% equity in Rey Surat to the Company.

Rey Surat holds an interest of approximately 5.54% in PZE Limited, which indirectly holds a 30% interest in the Silver Springs Project and participating interests in certain Surat Gas Project tenements.

The Surat Gas Project consists of 4 production licences (PL12, PL320, PL89 and PL321) in Surat Basin in Queensland. The production licences, including PL89, had good production history since the 1980s. These wells have been shut down since 2010 due to decommissioning of Santos's pipelines.

The Silver Springs Project consists of 7 production licences in Surat Basin in Queensland. The Silver Springs Project is the major production field in the region. The project also includes one LPG plant and two gas processing facilities. Current production rate of the project is about 5TJ/d with upside from the certified 2C resources.

BSF Enterprise PLC ("BSFA")

BSF Enterprise PLC (LSE: BSFA), (OTCQB: BSFAF) is at the forefront of unlocking the next era of biotechnological solutions, focusing on cell-based tissue engineering to revolutionise lab-grown leather, cultivated meat, corneal repair, and biopharmaceutical innovation through its subsidiaries.

Product Innovation Continues

3D Bio-Tissues Limited ("3DBT"), a wholly owned subsidiary of BSFA, continues to develop CytoBoost-Revive, a cryopreservation supplement that has demonstrated up to 100% improvement in post-thaw cell revival in third-party beta-testing. In December 2025 3DBT announced an agreement where it will deliver commercial supplies of City-Mix®, the group's premium macromolecular crowder for cell culture, to SeaWith (a pioneering South Korean cultivated-meat company) to help reduce the cost and scale production of its cultivated beef product.

T-Rex Leather and Other:

BSFA's lab-grown leather subsidiary, Lab-Grown Leather Ltd continues to develop the world's first T-Rex leather samples. Further with its thin leather products it has been engaged in discussions with fashion industry leaders and sports wear sector companies.

Kerato Milestone:

BSFA's cornea subsidiary, Kerato Ltd has announced it has signed an exclusive worldwide option agreement with University of Montreal for the intellectual property supporting LiQD Cornea, a novel dropwise treatment for corneal damage (LiQD Cornea).

Kerato Ltd secured a CAD 663,000 PSO Grant (c.55% co-funded) with the University of Montreal to support veterinary trials, scale-up, and regulatory readiness for LiQD Cornea Animal Health, targeting launch in Canada in Q1 2027. The program strengthens North American expansion and de-risks the human clinical pathway.

On 1 December 2025 BSFA announced that it has conditionally entered into an equity fundraise ("Equity Fundraise") pursuant to a convertible loan note instrument ("CLN") and a warrant instrument with a syndicate of investors (the "Investors") in two phases. However, BSFA confirmed the proposed £15m Equity Fundraise and Capital Reorganisation was mutually terminated and each party is seeking to terminate all relevant agreements that formed part of the transaction. However, the Convertible Loan Note of £300K will continue on the same terms but be extended for 12 months.

On 19 March 2026, 3DBT entered into a five-year supply agreement with SeaWith for its City-Mix® product, with an estimated value of approximately £300,000 over the contract term.

BSFA also advanced its lab-grown leather platform, including the unveiling of a handbag made from cultivated T-Rex Leather™ in April 2026, demonstrating progress toward commercial applications in luxury materials.

BSFA completed a placing announced on 2 April 2026, with 38,500,000 new shares issued at 1p and admitted to trading on 16 April 2026. BSFA also significantly strengthened its financial position through a series of successful capital raising initiatives. In April 2026, the company completed a placing to institutional investors, followed by a £1.0 million convertible loan note facility to support the continued commercial development of its businesses.

Recent RNS Announced in August 2026

IMPOSTER – US Joint Venture

A non-binding Heads of Terms with US-based IMPOSTER LLC to establish a proposed 50/50 joint venture for the commercialisation of T-Rex Leather™ in targeted North American luxury categories. The initial scope covers small luxury goods and selected bespoke accessories, with BSFA retaining 100% of its underlying intellectual property and commercial freedom in major categories such as footwear, apparel and automotive interiors. The JV is conditional on IMPOSTER securing and transferring dedicated operational funding of US\$500,000–US\$1 million.

ETSYL® – Worldwide Exclusive Commercialisation

Heads of Terms with SCHAKAU Managementberatung GmbH for worldwide exclusive commercialisation of ETSYL® (palmitoyl pentapeptide-87) across cosmetics, skincare, dermocosmetics and luxury beauty for an initial target-linked 10-year term. SCHAKAU has committed an estimated €300,000 launch budget for clinical, regulatory, branding and distribution activities, while BSFA will supply the bioactive material and retain 100% ownership of the underlying intellectual property.

Lab-Grown Leather & Robotics Skin

A further strategic partnership with SCHAKAU under Heads of Terms covering two growth pillars: commercialisation of Lab-Grown Leather, including T-Rex Leather™, in ultra-luxury European automotive programmes, and development of bio-engineered skin equivalents for humanoid and industrial robotics. The partnership targets binding MOUs for leather and robotics opportunities during late 2026 and early 2027.

The Company, through its subsidiary BSF Angel Funding Limited, holds 16,610,944 fully paid ordinary shares of BSFA with a market value of GBP0.17 million (equivalent to approximately A\$0.32 million) as at 30 June 2026.

Rey Resources Limited ("REY")

REY was an ASX-listed energy company with a large tenement holding in coal, oil & gas in Western Australia. The principal activity of REY is exploring for and developing energy resources in Western Australia's Canning Basin.

On 8 July 2025, REY received a Bidder's Statement from Vigorous Resources Pty Ltd ("Vigorous"), a substantial shareholder of REY, for the off-market takeover bid ("Offer") for all the REY's issued shares for \$0.028 per ordinary share in cash. The Group accepted the Offer and received proceeds of \$0.97 million for all of REY's issued shares on 5 August 2025.

The Offer closed on 11 August 2025 and accordingly Vigorous proceeded with compulsory acquisition for the remaining shares of REY which was removed from the official list of the ASX on 20 August 2025.

Key Petroleum Limited ("KEY")

An ASX-listed oil and gas exploration company with asset holdings (ATP 920 & 924) in the Cooper Eromanga Basin in Queensland located between the Inland and Cook/Cuisinier Oil Fields, with the eastern assets located just north of the Eromanga Oil Refinery.

During the financial year, the Group sold on the market all its 2.7 million shares in KEY at an average price of approximately \$0.22 per share.

Kaili Resources Limited ("KLR")

KLR is a resources exploration company which holds tenements in Western Australia.

During the year, the Group sold all 2.2 million shares of KLR on the market at an average price of \$0.28 per share.

ASF Coking Coal Pty Ltd (formerly known as ActivEX Canning Pty Ltd) ("ACC")

ACC is a wholly owned subsidiary of the Company and holds nine coal tenements in Queensland.

On 29 May 2026, the Group finalised a Share Sale and Purchase Agreement with Terra Mineral Resources Investment Ltd which acquired all the issued shares in ACC for a cash consideration of \$3.08 million.

ASF Technologies (Australia) Pty Ltd ("ASFTA")

ASFTA is an Australian company that has developed a flat opposed cylinder boxer-type engine that uses patented Scotch Yoke mechanisms giving the engine advantages in weight, length, width, height, vibration and emissions over other conventional engines in its class. The Group held 62% of the issued capital of ASFTA.

On 22 April 2026, the Group executed a Share Transfer Agreement with Crystal Profit Ventures Ltd ("CPV") pursuant to which CPV agreed to purchase the Company's remaining 62% interest in ASFTA at a cash consideration of \$0.465 million.

Property Marketing and Services

ASF Properties Pty Ltd ("ASFP"), a wholly owned subsidiary of the Company, offers a full suite of property services to Australian and international investors. Helping investors navigate opportunities, ASFP supports clients throughout the entire investment process—from identifying opportunities to managing assets—with expertise in development management, project marketing, property management, and tailored consultations. ASFP's portfolio spans assets across New South Wales and Queensland.

Financial Services – ASF Capital

Fund Management and Advisory Services

ASF Capital Pty Ltd ("ASF Capital") is a wholly owned subsidiary of the Company. ASF Capital holds an Australian Financial Services Licence (AFSL) and is the fund management and advisory arm of the Group's strategy to facilitate two-way capital flows between Australia and Asia.

ASF Capital provides financial advisory services to selected businesses in Australia and internationally, including advice on public listings, capital raising, strategic transactions and business expansion. ASF Capital is also continuing the development of its wholesale funds management capabilities to provide investors with access to a range of investment opportunities.

Institutional Digital Asset Platform Development

For the financial year ended 30 June 2026, ASF Capital continued development of its proposed institutional digital asset platform. Activities focused on implementation planning, regulatory and operational readiness, governance framework development, and engagement with technology and infrastructure providers to support the proposed operating model.

Activities during the year were limited to planning and development activities. ASF Capital continues to maintain its Australian Financial Services Licence (AFSL) and AUSTRAC Virtual Asset Service Provider (VASP) registration.

The proposed platform remains pre-commercial. No client accounts have been opened, no client assets have been accepted or held, no trading or execution services have commenced, and no digital asset products or services have been offered.

Development activities will continue in accordance with ASF Capital's staged implementation plan. Any future commercial operations will remain subject to Board approval and compliance with applicable regulatory requirements.

Significant changes in the state of affairs

On 22 April 2026, the Group executed a Share Transfer Agreement with Crystal Profit Ventures Ltd ("CPV"), the non-controlling interest of ASFTA, pursuant to which CPV agreed to purchase the remaining 62% of the issued shares of ASFTA held by the Company at a cash consideration of \$0.465 million. Completion of the share transfer took place on 30 April 2026. The disposal resulted in a gain on disposal of \$478,697.

On 29 May 2026, the Group executed a Share Sale and Purchase Agreement with Terra Mineral Resources Investment Ltd ("TMR"). Under the agreement, TMR acquired all issued shares in ACC held by the Company for a cash consideration of \$3.08 million. Completion of the share transfer took place on 17 June 2026. The disposal resulted in a gain on disposal of \$2,614,221.

On 6 January 2026, the Company executed a Debt to Equity Conversion Deed with Rey Resources Pty Ltd (formerly known as Rey Resources Limited) ("REY"), pursuant to which REY repaid all outstanding loans due to the Company under the loan agreement dated 12 October 2017 by way of the transfer of 100% equity in Rey Surat Gas Pty Ltd ("Rey Surat") to the Company. Rey Surat holds an interest of approximately 5.54% in PZE Limited. Upon completion of the transaction, the carrying amount of the loan receivable from REY of \$62,461, being the gross loan receivable of \$1,070,424 less an impairment allowance of \$1,007,963, was derecognised. The Group recognised its investment in Rey Surat at fair value of \$750,000, which is reflected within financial assets at fair value through profit or loss (representing the Group's investment in PZE Limited). As a result, a reversal of impairment loss on receivables of \$687,539 was recognised in other income.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year

Subsequent to the financial year, 100,000 shares were bought back by the Company under the share buy-back program.

On 25 August 2026, the Group announced the extension of its on-market share buy-back program for a further 12 months from 8 September 2026 and up to 79.1 million shares of the Company can be bought back over the next 12 months under the new buy-back program.

No other matters or circumstances have arisen since 30 June 2026 that have significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Environmental regulation

The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on directors

Name:	Ms Min Yang
Title:	Director and Chairman
Experience and expertise:	Min Yang is the Chair and Founder of ASF Group Limited. With over 30 years of extensive experience in international business, Ms Yang has proven her unique business insight and expertise in the identification, acceleration and realisation of diverse investment opportunities. Under Ms Yang's leadership, ASF Group continues to actively spearhead strategic investment between Australia and the world.
Other current directorships:	Non-executive Chairman of ActivEX Limited (ASX: AIV).
Former directorships (last 3 years):	Non-executive director of Key Petroleum Limited (ASX: KEY) – resigned 15 October 2024. Executive Chairman of BSF Enterprise PLC (LSE:BSFA) – resigned 29 August 2025. Non-executive Chairman of Rey Resources Limited (ASX: REY) – resigned 25 November 2025.
Special responsibilities:	Member of the Audit Committee
Interests in shares:	Direct interest in 286,500 ordinary shares and indirect interest in 86,914,266 ordinary shares held by FY Holdings Limited which is jointly controlled by Ms Yang and Mr Fang.
Name:	Mr Nga Wong (Alex) Lao
Title:	Vice Chairman and Non-Executive Director
Experience and expertise:	Mr Lao is the managing director of ASF Macau Multinational Holdings Limited and is in charge of the operations of Multinational Youth Travel Agency Limited. Mr Lao resides in Macau where he has business interests in property, travel and retail industries and is Chairman of the Macau Travel Agency Association.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	18,026,525 ordinary shares
Name:	Mr Quan (David) Fang
Title:	Director
Experience and expertise:	David Fang is the Executive Director of ASF Group Limited. With over 30 years of experience in the Australian real estate sales and property development sectors, he has led the acquisition, development and sales of multiple projects. His accomplishments have ranged from driving the delivery of high-end residential developments to large-scale urban renewal projects. Mr Fang continues to advance the Company through the realisation of property development projects and the acquisition of new projects to generate further value.
Other current directorships:	None
Former directorships (last 3 years):	Non-executive Chairman of Key Petroleum Limited (ASX: KEY) – appointed 15 October 2024 and resigned 15 January 2025.
Special responsibilities:	None
Interests in shares:	Direct interest in 10,000 ordinary shares and indirect interest in 86,914,266 ordinary shares held by FY Holdings Limited which is jointly controlled by Ms Yang and Mr Fang.

Name: Mr Wai Sang Ho
Title: Non-executive director
Experience and expertise: Mr Ho is a Hong Kong resident and a large property developer in Southern China. He has substantial property interests in Hong Kong and China.
Other current directorships: None
Former directorships (last 3 years): None
Special responsibilities: None
Interests in shares: 44,808,270 ordinary shares

Name: Mr Geoff Baker
Title: Director
Qualifications: Mr Baker is a qualified lawyer in Australia and Hong Kong with a Commerce degree (Accounting and Financial Management), a Law degree and Master of business administration (MBA).
Experience and expertise: Mr Baker assists in the international operations of the Group. He joined the Group after practising extensively for 30 years as a lawyer in Australia, Japan, Asia and China.
Other current directorships: Non-executive director of ActivEX Limited (ASX: AIV). Chairman of BSF Enterprise PLC (LSE:BSFA).
Former directorships (last 3 years): Non-executive Chairman of Key Petroleum Limited (ASX: KEY) – resigned 15 October 2024. Non-executive director of Rey Resources Limited (ASX: REY) – resigned 22 September 2025.
Special responsibilities: Chairman of the Audit Committee
Interests in shares: 7,730,838 ordinary shares.

Name: Mr Chi Yuen (William) Kuan
Title: Director and Company Secretary
Qualifications: Mr Kuan holds a Master Degree in International Accounting. He is a Fellow of CPA Australia and an Associate of The Chartered Governance Institute UK & Ireland and The Hong Kong Chartered Governance Institute.
Experience and expertise: Mr Kuan joined the Group as the Company Secretary in February 2010 and has been responsible for all aspects of financial and corporate matters of the Group. He has extensive experience in accounting, corporate finance and company secretarial areas. Prior to joining the Group, he was company secretary for a number of diverse Hong Kong listed companies.
Other current directorships: None
Former directorships (last 3 years): Director of Rey Resources Limited (ASX: REY) – appointed 6 March 2023 and resigned on 15 May 2023.
Special responsibilities: Member of the Audit Committee
Interests in shares: 250,000 ordinary shares

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary

Mr Chi Yuen (William) Kuan's experience is detailed in the 'information on directors' section above.

Meetings of directors

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2026, and the number of meetings attended by each director were:

	Full Board		Audit Committee	
	Attended	Held	Attended	Held
Ms Min Yang - Chairman	2	2	2	2
Mr Nga Wong (Alex) Lao	2	2	-	-
Mr Quan (David) Fang	2	2	-	-
Mr Wai Sang Ho	1	2	-	-
Mr Geoff Baker	2	2	2	2
Mr William Kuan	2	2	2	2

Held: represents the number of meetings held during the time the director held office.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the *Corporations Act 2001* and its Regulations.

Key management personnel ('KMP') are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness to attract and retain key talent;
- acceptability to shareholders;
- performance linkage / alignment of executive compensation; and
- transparency.

While the Group does not have a remuneration committee, the Board is responsible for determining and reviewing compensation arrangements for the directors and the senior management team.

The performance of the Group depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel.

The reward framework is designed to align executive reward to shareholders' interests. The Board has considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design;
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value; and
- attracting and retaining high calibre executives.

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience;
- reflecting competitive reward for contribution to growth in shareholder wealth; and
- providing a clear structure for earning rewards.

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors' remuneration

Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, these directors. Non-executive directors' fees and payments are reviewed annually by the Board.

Executive remuneration

The Group aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has the following components:

- base pay and non-monetary benefits;
- share-based payments; and
- other remuneration such as superannuation and long service leave.

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board, based on individual and the overall performance of the Group and comparable market remunerations. Other retirement benefits may be provided by the Group if approved by shareholders.

Directors receive fixed monthly salary or consulting fees for providing consulting services to the Group.

There are no guaranteed base pay increases included in any executives' contracts.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits where it does not create any additional costs to the Group and provides additional value to the executive.

No short-term incentive ('STI') payments were made during the year.

The long-term incentives ('LTI') include long service leave.

Group's performance and link to remuneration

There is at present no direct link between remuneration and earnings except that the Board have decided that payments for services rendered should be kept to a minimum.

Use of remuneration consultants

During the financial year ended 30 June 2026, the Group did not use any remuneration consultants.

Voting and comments made at the Company's 2025 Annual General Meeting ('AGM')

At the 2025 AGM, 99.99% of shareholders voted for the adoption of the remuneration report for the year ended 30 June 2025. The Company did not receive any specific feedback at the AGM regarding its remuneration practices and received approval on the adoption of its remuneration report.

Details of remuneration

Amounts of remuneration

Details of the remuneration of the KMP of the Group are set out in the following tables.

The key management personnel of the Group consisted of the directors of ASF Group Limited:

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Total
	Cash salary and fees	Bonus	Non-monetary	Super-annuation	Long service leave accrued/(used)	Equity-settled	
2026	\$	\$	\$	\$	\$	\$	\$
Min Yang	181,095	-	-	3,395	-	-	184,490
David Fang	69,432	-	-	7,672	1,737	-	78,841
Geoff Baker	53,197	-	-	-	-	-	53,197
William Kuan	100,256	-	-	12,031	2,833	-	115,120
	403,980	-	-	23,098	4,570	-	431,648

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Total
	Cash salary and fees	Bonus	Non-monetary	Super-annuation	Long service leave accrued/(used)	Equity-settled	
2025	\$	\$	\$	\$	\$	\$	\$
Min Yang	190,338	-	-	3,569	-	-	193,907
David Fang	119,480	-	-	9,874	1,569	-	130,923
Geoff Baker	124,912	-	-	-	-	-	124,912
William Kuan	158,399	-	-	17,545	2,834	-	178,778
Louis Chien *	96,900	-	-	-	-	-	96,900
	690,029	-	-	30,988	4,403	-	725,420

* Mr Louis Chien retired on 27 November 2024.

Mr Nga Wong (Alex) Lao and Mr Wai Sang Ho did not receive any remuneration during 2026 and 2025 financial year.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration		STI	
	2026	2025	2026	2025
<i>Directors:</i>				
Min Yang	100%	100%	-	-
David Fang	100%	100%	-	-
Geoff Baker	100%	100%	-	-
William Kuan	100%	100%	-	-

Service agreements

The table below summarises the key contractual provisions of the key management personnel.

Key Management Personnel	Position Held	Contract Details
Min Yang	Director and Chairman	Employment contract with ASF (Hong Kong) Limited (a subsidiary of the Company). The contract may be terminated at any time by either party giving to the other party not less than 30 days prior written notice.
Quan (David) Fang	Director	(a) Employment contract with ASF (Hong Kong) Limited (a subsidiary of the Company). The contract was terminated on 31 July 2025; and (b) Employment contract with ASF Corporate Pty Ltd (a subsidiary of the Company). The contract may be terminated at any time by either party giving to the other party not less than one month's prior written notice.
Geoff Baker	Director	(a) Employment contract with ASF (Hong Kong) Limited (a subsidiary of the Company). The contract may be terminated at any time by either party giving to the other party not less than 30 days prior written notice; and (b) Consultancy agreement between ASF Corporate Pty Ltd (a subsidiary of the Company) and the director's related entity, Gold Star Industry Limited. The contract was terminated on 31 August 2025.
Chi Yuen (William) Kuan	Director and Company Secretary	Employment contract with the company. The contract may be terminated at any time by either party giving to the other party not less than 30 days prior written notice.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2026 (2025: Nil).

Options

There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that was outstanding as at 30 June 2026 (2025: Nil).

There were no options over ordinary shares granted to or vested in directors and other key management personnel as part of compensation during the year ended 30 June 2026 (2025: Nil).

Additional information

The earnings of the Group for the five years to 30 June 2026 are summarised below:

	2026 \$	2025 \$	2024 \$	2023 \$	2022 \$
Sales revenue	560,444	799,724	2,688,867	975,785	2,199,863
Profit/(loss) after tax attributable to owners of the Company	4,088,025	25,818,078	(9,292,819)	(11,544,661)	(4,062,702)
Net equity/(deficiency in equity)	5,652,502	1,669,608	(27,238,181)	(17,335,211)	(4,837,027)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2026	2025	2024	2023	2022
Average share price (\$)	0.052	0.014	0.049	0.047	0.052
Basic earnings per share (cents per share)	0.516	3.258	(1.17)	(1.46)	(0.51)
Share buy-back (\$)	28,447	-	-	7,214	6,723

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
<i>Ordinary shares</i>					
Min Yang*	87,200,766	-	-	-	87,200,766
Nga Wong (Alex) Lao	18,026,525	-	-	-	18,026,525
Quan (David) Fang*	86,924,266	-	-	-	86,924,266
Wai Sang Ho	44,808,270	-	-	-	44,808,270
Geoff Baker **	7,734,517	-	-	(3,679)	7,730,838
William Kuan	250,000	-	-	-	250,000

* Included indirect interest of 86,914,266 shares held by FY Holdings Limited, an entity jointly controlled by Ms Yang and Mr Fang.

** The shares were previously held by Gold Star Industry Ltd which is controlled by Mr Baker and were subsequently transferred and became directly held by Mr Baker on 31 October 2025.

Other transactions with key management personnel and their related parties

1. Rent paid on the operating lease of the head office of the Group to S.P.C. Investment Pty Ltd, as trustee for Yang's Family Trust, of which Ms Min Yang is a beneficiary, amounting to \$293,030 (2025: \$332,090).
2. Consulting fees paid to Gold Star Industry Ltd, an entity in which Mr Geoff Baker has a beneficial interest, amounting to \$4,500 (2025: \$69,000).

This concludes the remuneration report, which has been audited.

Shares under option

There were no unissued ordinary shares of ASF Group Limited under option outstanding at the date of this report.

Shares issued on the exercise of options

There were no ordinary shares of ASF Group Limited issued on the exercise of options during the year ended 30 June 2026 and up to the date of this report.

Indemnity and insurance of officers

The company has in place Deeds with each of the Directors whereby the company has agreed to provide certain indemnities to each Director to the extent permitted by the Corporations Act and to use its best endeavours to obtain and maintain Directors' and Officers' indemnity insurance, subject to such insurance being available at reasonable commercial terms.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services

There were no non-audit services provided during the financial year by the auditor.

Officers of the company who are former partners of Wis Audit Pty Ltd

There are no officers of the company who are former partners of Wis Audit Pty Ltd.

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 immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read "Min Yang", written over a horizontal line.

Min Yang
Chairman

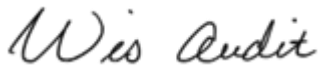
29 September 2026

Auditor's Independence Declaration

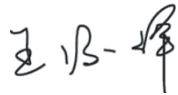
As lead auditor for the audit of the financial report of ASF Group Limited and its controlled entities (altogether "the Group") for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2026, there have been:

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

This declaration is in respect of the Group during the year ended 30 June 2026.



Wis Audit Pty Ltd (AAC No. 528780)



Lingfeng Wang

Director
Sydney, 29 September 2026

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General information

The financial statements cover ASF Group Limited as a consolidated entity consisting of ASF Group Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is ASF Group Limited's functional and presentation currency.

ASF Group Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 2, 3B Macquarie Street
Sydney NSW 2000

A description of the nature of the consolidated entity's operations and its principal activities is included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 29 September 2026.

ASF Group Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2026



	Note	Consolidated 2026 \$	2025 \$
Revenue	4	560,444	799,724
Share of losses of investments accounted for using the equity method	7	(88,275)	(604,416)
Other income	5	709,325	92,110
Gain on disposals of an associate and subsidiaries	6	3,716,918	32,744,544
Interest revenue calculated using the effective interest method		74,787	131,871
Gain on disposals of financial assets at fair value through profit or loss		1,092,581	-
Loss on financial assets at fair value through profit or loss		-	(81,585)
Expenses			
Employee benefits expenses		(1,093,232)	(1,257,010)
Commission and fee expenses		-	(106,025)
Depreciation expense	7	(282,808)	(287,415)
Impairment of investments in associates and other entities	7	-	(1,286,159)
Impairment of other receivables	7	-	(728,224)
Consultancy expenses		(197,319)	(525,404)
Marketing expenses		(16,252)	(25,119)
Legal and professional fees		(175,357)	(173,269)
Occupancy expenses	7	(33,183)	(147,499)
Exploration expenses		-	(400,021)
Corporate and administration expenses		(228,882)	(720,409)
Finance costs	7	(28,306)	(2,122,371)
Profit before income tax expense		4,010,441	25,303,323
Income tax expense	8	-	-
Profit after income tax expense for the year		4,010,441	25,303,323
Other comprehensive loss			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(12,366)	(9,462)
Other comprehensive loss for the year, net of tax		(12,366)	(9,462)
Total comprehensive income for the year		<u>3,998,075</u>	<u>25,293,861</u>
Profit for the year is attributable to:			
Non-controlling interest		(77,584)	(514,755)
Owners of ASF Group Limited		<u>4,088,025</u>	<u>25,818,078</u>
		<u>4,010,441</u>	<u>25,303,323</u>
Total comprehensive income for the year is attributable to:			
Non-controlling interest		(77,584)	(514,755)
Owners of ASF Group Limited		<u>4,075,659</u>	<u>25,808,616</u>
		<u>3,998,075</u>	<u>25,293,861</u>
		Cents	Cents
Basic earnings per share	35	0.516	3.258
Diluted earnings per share	35	0.516	3.258

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

	Note	Consolidated 2026 \$	2025 \$
Assets			
Current assets			
Cash and cash equivalents	9	5,192,950	1,266,107
Trade and other receivables	10	77,101	169,208
Other current assets	12	25,569	37,367
Total current assets		<u>5,295,620</u>	<u>1,472,682</u>
Non-current assets			
Trade and other receivables	10	51,844	123,695
Investments accounted for using the equity method	13	-	346,667
Financial assets at fair value through profit or loss	14	750,000	114,961
Property, plant and equipment	15	12,281	25,210
Right-of-use assets	11	211,855	487,449
Exploration and evaluation expenditure	16	-	156,745
Intangible assets	17	-	-
Total non-current assets		<u>1,025,980</u>	<u>1,254,727</u>
Total assets		<u>6,321,600</u>	<u>2,727,409</u>
Liabilities			
Current liabilities			
Trade and other payables	18	143,301	322,907
Lease liabilities	19	216,361	271,836
Employee benefit obligations	20	304,876	242,136
Total current liabilities		<u>664,538</u>	<u>836,879</u>
Non-current liabilities			
Lease liabilities	19	4,560	220,922
Total non-current liabilities		<u>4,560</u>	<u>220,922</u>
Total liabilities		<u>669,098</u>	<u>1,057,801</u>
Net assets		<u>5,652,502</u>	<u>1,669,608</u>
Equity			
Issued capital	21	122,633,480	122,661,927
Reserves	22	(2,729,480)	(2,717,114)
Accumulated losses		(114,251,498)	(118,339,523)
Total equity attributable to the owners of ASF Group Limited		5,652,502	1,605,290
Non-controlling interest		-	64,318
Total equity		<u>5,652,502</u>	<u>1,669,608</u>

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

ASF Group Limited
Consolidated statement of changes in equity
For the year ended 30 June 2026



Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Non-controlling interest \$	Total equity / (deficiency in equity) \$
Balance at 1 July 2024	122,661,927	(2,707,652)	(144,157,601)	(3,034,855)	(27,238,181)
Profit / (loss) after income tax expense for the year	-	-	25,818,078	(514,755)	25,303,323
Other comprehensive loss for the year, net of tax	-	(9,462)	-	-	(9,462)
Total comprehensive income / (loss) for the year	-	(9,462)	25,818,078	(514,755)	25,293,861
Derecognition of non-controlling interest upon disposal of subsidiaries	-	-	-	3,613,928	3,613,928
Balance at 30 June 2025	<u>122,661,927</u>	<u>(2,717,114)</u>	<u>(118,339,523)</u>	<u>64,318</u>	<u>1,669,608</u>

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Non-controlling interest \$	Total equity \$
Balance at 1 July 2025	122,661,927	(2,717,114)	(118,339,523)	64,318	1,669,608
Profit / (loss) after income tax expense for the year	-	-	4,088,025	(77,584)	4,010,441
Other comprehensive loss for the year, net of tax	-	(12,366)	-	-	(12,366)
Total comprehensive income / (loss) for the year	-	(12,366)	4,088,025	(77,584)	3,998,075
Capital injection by non-controlling interest of a subsidiary	-	-	-	70,689	70,689
Derecognition of non-controlling interest upon disposal of subsidiaries	-	-	-	(57,423)	(57,423)
<i>Transactions with owners in their capacity as owners:</i>					
Share buy-back	(28,447)	-	-	-	(28,447)
Balance at 30 June 2026	<u>122,633,480</u>	<u>(2,729,480)</u>	<u>(114,251,498)</u>	<u>-</u>	<u>5,652,502</u>

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

ASF Group Limited
Consolidated statement of cash flows
For the year ended 30 June 2026



	Note	Consolidated 2026 \$	2025 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		772,230	912,751
Payments to suppliers (inclusive of GST)		<u>(1,921,197)</u>	<u>(3,418,021)</u>
		(1,148,967)	(2,505,270)
Interest received		12,326	24,139
Government grants		-	92,006
Interest paid		(21,193)	(205,351)
Refund of security deposits		<u>8,351</u>	<u>19,586</u>
Net cash used in operating activities	33	<u>(1,149,483)</u>	<u>(2,574,890)</u>
Cash flows from investing activities			
Payments for property, plant and equipment	15	(5,951)	(1,450)
Payments for exploration and evaluation	16	(127,534)	(87,851)
Payments for intangible assets	17	(30,573)	-
Net cash inflows/(outflows) arising from disposals of subsidiaries		3,389,364	(6,993)
Proceeds from disposals of financial assets at fair value through profit or loss		1,207,542	-
Proceeds from disposals of investments accounted for using equity method		970,667	-
Investment in financial asset at fair value through profit or loss		-	(27,946)
Investment in an associate		<u>(88,275)</u>	<u>(5,122)</u>
Net cash from / (used in) investing activities		<u>5,315,240</u>	<u>(129,362)</u>
Cash flows from financing activities			
Proceeds from borrowings	34	-	2,900,000
Repayments of lease liabilities	34	(271,837)	(255,840)
Capital injection by non-controlling interest of a subsidiary		70,689	-
Payments for share buy-back		<u>(28,447)</u>	<u>-</u>
Net cash (used in) / from financing activities		<u>(229,595)</u>	<u>2,644,160</u>
Net increase / (decrease) in cash and cash equivalents		3,936,162	(60,092)
Cash and cash equivalents at the beginning of the financial year		1,266,107	1,330,501
Effects of exchange rate changes on cash and cash equivalents		<u>(9,319)</u>	<u>(4,302)</u>
Cash and cash equivalents at the end of the financial year	9	<u><u>5,192,950</u></u>	<u><u>1,266,107</u></u>

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

Note 1. Material accounting policy information

These consolidated financial statements and notes are for the consolidated entity consisting of ASF Group Limited ("Company" or "parent entity") and its subsidiaries ("Group" or "the consolidated entity").

The accounting policies that are material to the consolidated entity are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

The financial statements were authorised for issue in accordance with a resolution of the Directors on 29 September 2026.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with IFRS Accounting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for certain financial instruments that are measured at revalued amounts on fair values, as explained in the accounting policies in this note. Historical cost is generally based on the fair values of the consideration given in exchange for assets.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Parent entity information

In accordance with the *Corporations Act 2001*, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 29.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of ASF Group Limited as at 30 June 2026 and the results of all subsidiaries for the year then ended. ASF Group Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries is shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Note 1. Material accounting policy information (continued)

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

The financial statements are presented in Australian dollars, which is ASF Group Limited's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition

The consolidated entity recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Revenue is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Commission Revenue

Commission revenue is primarily derived through the sale of properties. The consolidated entity holds formal agency contracts with property developers which specifies ASF's performance obligation to sell properties on behalf of the developers. The consolidated entity records commission revenues at a point-in-time, upon sale and/or settlement of a property.

The contract identifies the transaction price as a percentage of the sales price and this is allocated in entirety to the sale of the property. Whilst this is a variable consideration, there is no requirement by the consolidated entity, or risk for the consolidated entity, to estimate the value of the transaction as no revenue is recognised until the sale has been completed.

Note 1. Material accounting policy information (continued)

Corporate Services

Corporate services are management services provided by the consolidated entity. The consolidated entity holds formal contracts with other entities for the provision of management services including corporate and accounting services. Each contract details the consolidated entity's performance obligations which vary with each contract. Management have determined that all services defined by each contract form part of a series of distinct services that are substantially the same.

The activities performed are provided daily/monthly and have the same pattern of transfer to the customer.

The consolidated entity recognises the revenue from these services over each service period, typically defined as a month. Each contract clearly states a fixed transaction price for each service period.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amounts of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

ASF Group Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding arrangements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

Note 1. Material accounting policy information (continued)

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

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

Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the consolidated entity becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- financial assets at amortised cost
- financial assets at fair value through profit or loss (FVPL)

Classifications are determined by both:

- The entity's business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The consolidated entity's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Note 1. Material accounting policy information (continued)

Financial assets at fair value through profit or loss (FVPL)

Financial assets that are held within a business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit or loss. Further, irrespective of business model, financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

Impairment of financial assets

AASB 9's impairment model uses more forward looking information to recognise expected credit losses - the 'expected credit losses (ECL) model'. The application of the impairment model depends on whether there has been a significant increase in credit risk.

The consolidated entity considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date. '12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables and contract assets

The consolidated entity makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the consolidated entity uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The consolidated entity assesses impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due.

All financial assets, except for those at fair value through profit or loss (FVPL) are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

Classification and measurement of financial liabilities

The consolidated entity's financial liabilities include borrowings and trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs. Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

Interest income

Interest income is recognised in the statement of profit or loss as part of other income using effective interest method.

Associates

Associates are entities over which the consolidated entity has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

Note 1. Material accounting policy information (continued)

When the consolidated entity's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The consolidated entity discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a diminishing value basis over the expected useful lives to the consolidated entity commencing from the time the asset is held ready for use. The following estimated useful lives are used in the calculation of depreciation:

Plant and equipment	25% - 37.5%
Leasehold improvements	37.5%
Motor vehicles	20%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Intangible assets

Intangible assets acquired separately are initially recognised at cost. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset.

Leases

As a lessee

The consolidated entity recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Generally, the consolidated entity uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the consolidated entity is reasonably certain to exercise, lease payments in an optional renewal period if the consolidated entity is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the consolidated entity is reasonably certain not to terminate early.

Note 1. Material accounting policy information (continued)

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the consolidated entity's estimate of the amount expected to be payable under a residual value guarantee, or if the consolidated entity changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The consolidated entity presents right-of-use assets and lease liabilities as separate items in the statement of financial position.

Short-term leases and leases of low-value assets

The consolidated entity has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets, including IT equipment.

The consolidated entity recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Exploration and evaluation expenditure

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

Exploration and evaluation expenditure incurred by the joint venture arrangement has been expensed in the statement of profit or loss until such time as the sample pit operation results have been returned.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Note 1. Material accounting policy information (continued)

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. It is recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to income are presented as a credit in profit or loss, under "Other income".

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Repurchase of ordinary shares

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of ASF Group Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

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

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Note 1. Material accounting policy information (continued)

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2026. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 18 Presentation and Disclosure in Financial Statements

This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces IAS 1 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The consolidated entity will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Impairment of investments in associates

The consolidated entity makes significant judgements about the impairment of a number of its investments in associates. The consolidated entity follows the guidance in AASB 136 'Impairment of Assets' to determine when an investment is impaired or when a previously recognised impairment is reversed. This determination requires significant judgement. In making this judgement the consolidated entity evaluates the outlook of the investee, including factors such as industry performance and the prospective potential of underlying exploration and evaluation assets.

Fair value measurement of financial assets at fair value through profit or loss

As at 30 June 2026, the consolidated entity's investment in PZE Limited of \$750,000 (2025: Nil) was measured at fair value determined based on significant unobservable inputs using valuation techniques. Judgements and estimations are required in establishing the relevant valuation techniques and the relevant inputs. Changes in assumptions could result in material adjustments to the fair value of the financial instrument.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Investments in associates accounted for using the equity method where voting rights below 20%

Management has determined that the consolidated entity has significant influence over its investment in ActivEX Limited and BSF Enterprise PLC, and that such investee should be treated as associate that are therefore equity accounted pursuant to AASB 128 Investments in Associates and Joint Ventures despite the consolidated entity's interest in voting rights in the investee being less than 20%. This judgement has been made having regard to the consolidated entity's substantial shareholding in the investee being less than 20% combined with the fact that 2 directors of the Company are also directors of the investee. The consolidated entity also uses its judgement in assessing the timing of when significant influence changes and therefore when an investment either becomes an associate or ceases to be an associate.

Control over investee with a shareholding of 50%

Management has determined that the consolidated entity has control over its investment in BSF Angel Funding Limited. Although the company only holds 50% of the interest in the investee, the consolidated entity has the majority of the board representation of the investee, therefore has the power to direct the relevant activities of the investee. The consolidated entity is also exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. As such, the investee is treated as a subsidiary and is consolidated in accordance with AASB 10.

Note 3. Operating segments

Identification of reportable operating segments

The consolidated entity's operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The consolidated entity operates in only one segment, being an investment and trading house. The segment result is as shown in the statement of profit or loss and other comprehensive income. Refer to statement of financial position for assets and liabilities.

Note 4. Revenue

	Consolidated	
	2026	2025
	\$	\$
Corporate services	560,444	723,924
Commission revenue	-	75,800
Revenue	560,444	799,724
 <i>Disaggregation of revenue</i>		
The disaggregation of revenue from contracts with customers is as follows:		
	Consolidated	
	2026	2025
	\$	\$
<i>Geographical regions</i>		
Australia	500,500	669,800
Asia	-	49,964
Europe	59,944	79,960
	560,444	799,724
 <i>Timing of revenue recognition</i>		
Service recognised at a point in time	-	75,800
Services transferred over time	560,444	723,924
	560,444	799,724

Note 5. Other income

	Consolidated 2026 \$	2025 \$
EMDG grants	-	36,600
R&D rebate	-	55,406
Reversal of impairment of receivables		
– Rey Resources Pty Ltd (formerly known as Rey Resources Limited) (“REY”)	687,539	-
Miscellaneous income	21,786	104
	<u>709,325</u>	<u>92,110</u>
Other income		

Note 6. Gain on disposals of an associate and subsidiaries

	Consolidated 2026 \$	2025 \$
<i>Gain on disposals of an associate</i>		
REY ¹	624,000	-
	<u>624,000</u>	<u>-</u>
<i>Gain on disposals of subsidiaries</i>		
ASF Resources Pty Ltd (“ASFR”) / Civil & Mining Resources Pty Ltd (“CMR”) ²	-	32,744,544
ASF Technologies (Australia) Pty Ltd (“ASFTA”) ³	478,697	-
ASF Coking Coal Pty Ltd (“ACC”) ⁴	2,614,221	-
	<u>3,092,918</u>	<u>32,744,544</u>
	<u>3,716,918</u>	<u>32,744,544</u>

¹ On 8 July 2025, REY received a Bidder’s Statement from Vigorous Resources Pty Ltd, a substantial shareholder of REY, for the off-market takeover bid (“Offer”) for all of REY’s issued shares for \$0.028 per ordinary share in cash. The Group accepted the Offer and received proceeds of \$0.97 million for all of REY’s issued shares on 5 August 2025.

² On 27 March 2025, the Company executed a Debt to Equity Conversion Deed with Star Diamond pursuant to which Star Diamond agreed to convert all outstanding loans including accrued interests due by the Company into 100% equity of ASFR, a wholly owned subsidiary of the Company, which in turn holds 68.97% interest in CMR. Accordingly, an outstanding amount (including accrued interests) of approximately \$22 million (after the assignment to Star Diamond of the loan due by CMR of approximately \$9.6 million) were discharged in full and the Convertible Loan was terminated forthwith.

³ On 22 April 2026, the Group executed a Share Transfer Agreement with Crystal Profit Ventures Ltd (“CPV”), the non-controlling interest of ASFTA, pursuant to which CPV agreed to purchase the entire 62% of the issued shares of ASFTA held by the Company at a cash consideration of \$0.465 million. Completion of the share transfer took place on 30 April 2026.

⁴ On 29 May 2026, the Group executed a Share Sale and Purchase Agreement with Terra Mineral Resources Investment Ltd (“TMR”). Under the agreement, TMR acquired all issued shares in ACC held by the Company for a cash consideration of \$3.08 million. Completion of the share transfer took place on 17 June 2026.

Note 7. Expenses

	Consolidated	
	2026	2025
	\$	\$
Profit before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Leasehold improvements	352	159
Plant and equipment	6,862	11,662
Right of use assets	275,594	275,594
Total depreciation	282,808	287,415
<i>Impairment</i>		
Impairment of investments in associates and other entities	-	1,286,159
Impairment of loan to REY	-	107,732
Impairment of loan to Dawson West Joint Venture	-	620,492
Total impairment	-	2,014,383
<i>Share of loss of associates</i>		
REY	-	527,949
ActivEX Limited	88,275	53,377
Key Petroleum Limited	-	23,090
Total share of losses of associates	88,275	604,416
<i>Finance costs</i>		
Interest and finance charges paid/payable on borrowings	-	2,085,181
Interest expense for lease	21,193	37,190
Bank charges	7,113	-
Finance costs expensed	28,306	2,122,371
<i>Leases</i>		
Short-term lease expenses	33,183	147,499
<i>Superannuation expenses (included in employee benefits expenses)</i>		
Defined contribution superannuation expenses	71,399	97,833

Note 8. Income tax expense

	Consolidated	
	2026	2025
	\$	\$
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Profit before income tax expense	4,010,441	25,303,323
Tax at the statutory tax rate of 25% (2025: 25%)	1,002,610	6,325,831
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Disposals of associate and subsidiaries	(929,230)	(6,831,572)
Gain on disposals of financial assets at fair value through profit or loss	(273,145)	-
Reversal of impairment of receivables	(171,885)	-
Entertainment expenses	1,337	1,286
Share of loss - associates	22,069	151,104
Interest expenses	-	424,385
Other adjustments	130,530	619,553
	(1,220,324)	(5,635,244)
Tax effect of unrecognised temporary difference	14,034	706,063
	(203,680)	1,396,650
Current year tax losses not recognised	203,680	-
Tax effect of utilisation of tax losses not previously recognised	-	(1,396,650)
Income tax expense	-	-

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

At the reporting date, the consolidated entity has unused tax losses of \$42,812,140 (2025: \$41,997,419) available for offset against future profits. No deferred tax asset has been recognised as it is not considered probable that there will be future taxable profits available.

Note 9. Cash and cash equivalents

	Consolidated	
	2026	2025
	\$	\$
<i>Current assets</i>		
Cash on hand	6,191	6,379
Cash at bank	5,186,759	1,259,728
	5,192,950	1,266,107

Reconciliation to cash and cash equivalents at the end of the financial year

The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the consolidated statement of cash flows as follows:

Balances as above		
Cash and cash equivalents	5,192,950	1,266,107
Balance as per statement of cash flows	5,192,950	1,266,107

Note 10. Trade and other receivables

	Consolidated	
	2026	2025
	\$	\$
<i>Current assets</i>		
Trade receivables	31,048	171,004
Loan receivable from Dawson West JV ¹	-	620,492
Less: Allowance for impairment of receivables ¹	-	(620,492)
Deposits and other receivables	42,000	-
BAS receivable/(payable)	4,053	(1,796)
	<u>77,101</u>	<u>169,208</u>
<i>Non-current assets</i>		
Deposits ²	51,844	123,695
Loan receivable from REY ³	-	1,007,963
Less: Provision for impairment of receivables (REY) ³	-	(1,007,963)
	<u>51,844</u>	<u>123,695</u>
	<u><u>128,945</u></u>	<u><u>292,903</u></u>

Trade receivables are generally due for settlement within 30 days. The ageing of trade receivables is as follows:

	Consolidated	
	2026	2025
	\$	\$
Neither past due nor impaired	17,298	86,645
Less than 3 months past due but not impaired	13,750	84,359
	<u><u>31,048</u></u>	<u><u>171,004</u></u>

As at 30 June 2026, trade receivables of \$13,750 (2025: \$84,359) were past due but not impaired. These relate to customers for whom there is no recent history of default, and the majority of these balances were settled subsequent to the end of the reporting period.

- On 23 December 2022, a loan agreement was entered into between the Company, Civil & Mining Resources Pty Ltd ("CMR"), a subsidiary of the Company, LD Dawson Pty Ltd and Dawson West Coal Management Pty Ltd pursuant to which the amount of \$514,789 advanced by the Company to Dawson West JV will be charged at the interest rate of 7% per annum. As at 30 June 2025, the outstanding loan due by Dawson West JV was fully impaired. As at 30 June 2026, the balance was written off as there is no realistic prospect of recovery.
- Deposits include a cash deposit of \$50,000 (2025: \$50,000) held with a bank as security for a corporate credit card facility with a maximum credit limit of \$50,000 (2025: \$50,000).
- On 6 January 2026, the Company executed a Debt to Equity Conversion Deed with REY pursuant to which REY will repay all outstanding loans due to the Company under the loan agreement dated 12 October 2017 by way of the transfer of 100% equity in Rey Surat Gas Pty Ltd ("Rey Surat") to the Company. Rey Surat holds an interest of approximately 5.54% in PZE Limited. Upon completion of the transaction, the carrying amount of the loan receivable from REY of \$62,461, being the gross loan receivable of \$1,070,424 less an impairment allowance of \$1,007,963, was derecognised. The Group recognised its investment in Rey Surat at fair value of \$750,000, which is reflected within financial assets at fair value through profit or loss (representing the Group's investment in PZE Limited). As a result, a reversal of impairment loss on receivables of \$687,539 was recognised in other income.

Note 11. Right-of-use assets

	Consolidated	
	2026	2025
	\$	\$
<i>Non-current assets</i>		
Office and facilities	<u><u>211,855</u></u>	<u><u>487,449</u></u>

Note 11. Right-of-use assets (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	\$
Balance at 1 July 2024	763,043
Depreciation expense	(275,594)
Balance at 30 June 2025	487,449
Depreciation expense	(275,594)
Balance at 30 June 2026	211,855

The consolidated entity leases buildings for its office in Sydney. The original lease expired on 31 March 2024 and renewed for 3 years. On renewal, the terms of the leases are renegotiated, with fixed lease amount. The consolidated entity also leases phone system and photocopier with fixed monthly amount for its office in Sydney and the leases will expire in December 2027 and November 2028 respectively.

Note 12. Other current assets

	Consolidated 2026	Consolidated 2025
	\$	\$
<i>Current assets</i>		
Prepayments	25,569	37,367

Note 13. Investments accounted for using the equity method

	Consolidated 2026	Consolidated 2025
	\$	\$
<i>Non-current assets</i>		
REY (Note 6)	-	346,667

Note 14. Financial assets at fair value through profit or loss

	Consolidated 2026	Consolidated 2025
	\$	\$
<i>Non-current assets</i>		
Key Petroleum Limited (ASX: KEY)	-	97,361
Kaili Resources Limited (ASX: KLR)	-	17,600
PZE Limited *	750,000	-
	750,000	114,961

* On 6 January 2026, the Company executed a Debt to Equity Conversion Deed with REY pursuant to which REY will repay all outstanding loans due to the Company under the loan agreement dated 12 October 2017 by way of the transfer of 100% equity in Rey Surat to the Company. Rey Surat holds an interest of approximately 5.54% in PZE Limited.

Refer to note 24 for further information on fair value measurement.

Note 15. Property, plant and equipment

	Consolidated 2026 \$	2025 \$
<i>Non-current assets</i>		
Leasehold improvements - at cost	156,154	153,418
Less: Accumulated depreciation	(153,505)	(153,153)
	<u>2,649</u>	<u>265</u>
 Plant and equipment - at cost	 277,017	 369,741
Less: Accumulated depreciation	(267,385)	(344,796)
	<u>9,632</u>	<u>24,945</u>
	<u><u>12,281</u></u>	<u><u>25,210</u></u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Plant & equipment \$	Leasehold improvements \$	Total \$
Balance at 1 July 2024	36,763	424	37,187
Additions	1,450	-	1,450
Disposals	(2)	-	(2)
Disposals of subsidiaries (Note 36)	(1,725)	-	(1,725)
Depreciation expense	(11,662)	(159)	(11,821)
Exchange difference	121	-	121
	<u>24,945</u>	<u>265</u>	<u>25,210</u>
Balance at 30 June 2025	24,945	265	25,210
Additions	3,215	2,736	5,951
Disposals of subsidiaries (Note 36)	(11,517)	-	(11,517)
Depreciation expense	(6,862)	(352)	(7,214)
Exchange difference	(149)	-	(149)
	<u>9,632</u>	<u>2,649</u>	<u>12,281</u>
Balance at 30 June 2026	<u><u>9,632</u></u>	<u><u>2,649</u></u>	<u><u>12,281</u></u>

Note 16. Exploration and evaluation expenditure

	Consolidated 2026 \$	2025 \$
<i>Non-current assets</i>		
Mining exploration and evaluation expenditures	<u>-</u>	<u>156,745</u>

Note 16. Exploration and evaluation expenditure (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	\$
Balance at 1 July 2024	3,606,672
Additions	87,851
Write off of assets	(174,943)
Disposals of subsidiaries (Note 36)	(3,362,835)
Balance at 30 June 2025	156,745
Additions	127,534
Disposals of subsidiaries (Note 36)	(284,279)
Balance at 30 June 2026	-

Note 17. Intangible assets

	Consolidated	
	2026	2025
	\$	\$
<i>Non-current assets</i>		
Patents	-	-

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	\$
Balance at 1 July 2024 and 30 June 2025	-
Additions	30,573
Disposals of subsidiaries (Note 36)	(30,573)
Balance at 30 June 2026	-

Note 18. Trade and other payables

	Consolidated	
	2026	2025
	\$	\$
<i>Current liabilities</i>		
Trade payables	43,954	143,796
Other payables	99,347	179,111
	143,301	322,907

The amounts are unsecured and are usually paid within 30 days of recognition. Refer to note 24 for further information on financial risk management.

Note 19. Lease liabilities

	Consolidated 2026 \$	2025 \$
<i>Current liabilities</i>		
Lease liabilities – office and facilities	216,361	271,836
<i>Non-current liabilities</i>		
Lease liabilities – office and facilities	4,560	220,922
	<u>220,921</u>	<u>492,758</u>

Refer to note 24 for further information on financial risk management.

Note 20. Employee benefit obligations

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the Group does not have an unconditional right to defer settlement. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. Leave that is not expected to be taken within the next 12 months is \$91,955 (2025: \$71,798).

	Consolidated 2026 \$	2025 \$
<i>Current liabilities</i>		
Annual leave	212,921	170,338
Long service leave	91,955	71,798
	<u>304,876</u>	<u>242,136</u>

Note 21. Issued capital

	2026 Shares	2025 Shares	Consolidated 2026 \$	2025 \$
Ordinary shares - fully paid	791,932,576	792,397,534	122,633,480	122,661,927

Movements in ordinary share capital

Details	Shares	\$
Balance at 30 June 2025	792,397,534	122,661,927
Share buy-back	(464,958)	(28,447)
Balance at 30 June 2026	<u>791,932,576</u>	<u>122,633,480</u>

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Note 21. Issued capital (continued)

Share buy-back

During the year, the Company bought back and cancelled 464,958 shares (2025: nil) at a cost of \$28,447 (2025: nil).

On 25 August 2026, the Company announced the extension of its on-market share buy-back program for a further 12 months from 8 September 2026 and up to 79.1 million shares of the Company can be bought back over the next 12 months under the new buy-back program.

Capital risk management

The consolidated entity's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the consolidated statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is actively pursuing additional investments as it continues to integrate and grow its existing businesses in order to maximise synergies.

The capital risk management policy remains unchanged from the 30 June 2025 Annual Report.

Note 22. Reserves

	Consolidated	
	2026	2025
	\$	\$
Foreign currency reserve	(242,098)	(229,732)
Capital reserve	314,377	314,377
Reserves in relation to transaction within owners' capacity	(2,801,759)	(2,801,759)
	<u>(2,729,480)</u>	<u>(2,717,114)</u>

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Reserves in relation to transaction within owners' capacity

The reserve is used to recognise transactions with non-controlling interests that do not result in a loss of control, being the difference between the amount by which the non-controlling interests are adjusted and the fair value of consideration paid or received.

Capital reserve

The capital reserve is used to recognise the equity component within convertible notes payable and other borrowings.

Note 22. Reserves (continued)

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

	Foreign currency reserve \$	Reserves in relation to transaction within owners' capacity \$	Capital reserve \$	Total \$
Consolidated				
Balance at 1 July 2024	(220,270)	(2,801,759)	314,377	(2,707,652)
Foreign currency translation	(9,462)	-	-	(9,462)
Balance at 30 June 2025	(229,732)	(2,801,759)	314,377	(2,717,114)
Foreign currency translation	(12,366)	-	-	(12,366)
Balance at 30 June 2026	<u>(242,098)</u>	<u>(2,801,759)</u>	<u>314,377</u>	<u>(2,729,480)</u>

Note 23. Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 24. Financial risk management

Financial risk management objectives

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The potential impact of foreign currency fluctuations is not considered material to the consolidated financial statements.

Price risk

The consolidated entity is exposed to equity securities price risk. This arises from investments held by the consolidated entity and classified in the statement of financial position as financial assets at fair value through profit or loss. The consolidated entity is not exposed to commodity price risk.

The consolidated entity's exposure to market price risk arises from its investments in shares in listed corporations which are subject to significant risk of changes in value from changing market prices. The risk is monitored and managed by having appropriate investment strategies in place.

Note 24. Financial risk management (continued)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The consolidated entity's interest rate risk arises from cash at banks which carry interest at variable rates and expose the consolidated entity to cash flow interest rate risk.

An official increase/decrease in interest rates of 50 (2025: 50) basis points would have a favourable/adverse effect on profit before tax of \$25,934 (2025: \$6,331) per annum.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the consolidated statement of financial position and notes to the consolidated financial statements. The consolidated entity does not hold any collateral.

In assessing the Expected Credit Losses ("ECL") of trade receivables, management assesses historical write offs of trade receivables, aging of debtors and whether sufficient credit enhancement is provided by customers (letters of credit and bank guarantees). If the aging of trade receivables significantly increased then the recognition of ECL would need to be reassessed.

Receivables will only be written off if there is demonstrable evidence that there is no reasonable expectation of recovery.

There was no provision for lifetime or 12-month ECL recognised for trade receivables as at 30 June 2026 as there are minimal aged debts.

The credit risk on cash and cash equivalents is limited as the counterparties are banks with credit-ratings assigned by international credit-rating agencies that are at least investment grade.

The maximum exposure to credit risk on financial assets which have been recognised in the consolidated statement of financial position is their carrying amount less impairment provision, if any, as set out below.

	Consolidated	
	2026	2025
	\$	\$
Cash and cash equivalents	5,192,950	1,266,107
Trade receivables	31,048	171,004
Deposits and other receivables	93,844	123,695
	<u>5,317,842</u>	<u>1,560,806</u>

Liquidity risk

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Note 24. Financial risk management (continued)

Remaining contractual maturities

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the consolidated statement of financial position.

	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Remaining contractual maturities \$
Consolidated - 2026				
Non-derivatives				
<i>Non-interest bearing</i>				
Trade payables	-	43,954	-	43,954
Other payables	-	99,347	-	99,347
<i>Interest bearing - fixed rate</i>				
Lease liabilities	6 to 14%	221,257	4,719	225,976
Total non-derivatives		<u>364,558</u>	<u>4,719</u>	<u>369,277</u>

	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Remaining contractual maturities \$
Consolidated - 2025				
Non-derivatives				
<i>Non-interest bearing</i>				
Trade payables	-	143,796	-	143,796
Other payables	-	179,111	-	179,111
<i>Interest bearing - fixed rate</i>				
Lease liabilities	6 to 14%	271,836	220,922	492,758
Total non-derivatives		<u>594,743</u>	<u>220,922</u>	<u>815,665</u>

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Fair value hierarchy

The following tables detail the consolidated entity's assets, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Consolidated - 2026				
Assets				
Ordinary shares at fair value through profit or loss ²	-	-	750,000	750,000
Consolidated - 2025				
Assets				
Ordinary shares at fair value through profit or loss ¹	114,961	-	-	114,961

Note 24. Financial risk management (continued)

1. Represented 2.7 million shares of KEY and 2.2 million shares of KLR held by the Company, which were fully disposed on the market during the year.
2. On 6 January 2026, the Company executed a Debt to Equity Conversion Deed with REY pursuant to which REY will repay all outstanding loans due to the Company under the loan agreement dated 12 October 2017 by way of the transfer of 100% equity in Rey Surat to the Company. Rey Surat holds an interest of approximately 5.54% in PZE Limited.

During the years ended 30 June 2026 and 2025, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The consolidated entity's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

Valuation techniques for fair value measurements categorised within level 3

As at 30 June 2026, the consolidated entity's investment in PZE Limited is not quoted in an active market. The fair value of the investment in PZE Limited has been determined to be \$0.1 per share as at 30 June 2026, using a market approach, calibrated to the price of a recent issue of shares by the investee in March 2026, adjusted for dilution.

As the significant inputs are unobservable, the investment is classified within Level 3 of the fair value hierarchy.

Sensitivity analysis

As at 30 June 2026, if there was a 10% increase or decrease in the unobservable input, the consolidated entity's profit before tax would have been \$75,000 higher/ \$75,000 lower (2025: \$Nil higher/ \$Nil lower).

Note 25. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2026	2025
	\$	\$
Short-term employee benefits	403,980	690,029
Post-employment benefits	23,098	30,988
Long-term benefits	4,570	4,403
	<u>431,648</u>	<u>725,420</u>

Note 26. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by the auditor of the company, and unrelated firms:

	Consolidated	
	2026	2025
	\$	\$
<i>Audit services - Nexia Sydney Audit</i>	-	43,673
<i>Wis Audit</i>	84,941	60,000
Audit or review of the financial statements	<u>84,941</u>	<u>103,673</u>
<i>Audit services - unrelated firms</i>		
Audit or review of the financial statements	<u>-</u>	<u>5,175</u>
<i>Other services - unrelated firms</i>		
Tax compliance service	<u>5,358</u>	<u>6,832</u>
	<u>90,299</u>	<u>115,680</u>

Note 27. Commitments and contingencies

Commitments

The consolidated entity did not have material capital commitments as at 30 June 2026 and 2025.

Contingencies

The consolidated entity has given bank guarantees as at 30 June 2026 were \$50,000 (30 June 2025: \$123,695).

Note 28. Related party transactions

Parent entity

ASF Group Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 30.

Associates

Interests in associates are set out in note 31.

Key management personnel

Disclosures relating to key management personnel are set out in note 25 and the remuneration report included in the directors' report.

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	2026	2025
	\$	\$
Sale of goods and services:		
Corporate service fee earned from associates		
ActivEX Limited	192,000	144,000
Key Petroleum Ltd *	-	78,000
Rey Resources Limited **	58,000	144,000
BSF Enterprise PLC	59,944	79,960
	<u>309,944</u>	<u>445,960</u>

* Key Petroleum Ltd ceased to be an associate of the Group on 15 January 2025 and was not a related party of the Group during the year ended 30 June 2026.

** Rey Resources Limited ceased to be an associate of the Group on 25 November 2025. The corporate service fee of \$58,000 for the year ended 30 June 2026 relates to services provided prior to that date, after which Rey Resources Limited was no longer a related party of the Group.

Payment for other expenses:

Lease payments paid to S.P.C. Investment Pty Ltd, as trustee for Yang's Family Trust, of which Ms Min Yang is a beneficiary	293,030	332,090
Consulting fees paid to Gold Star Industry Ltd, an entity in which Mr Geoff Baker has a beneficial interest	4,500	69,000
Consulting fees paid to Chanticleer 168 Pty Ltd, an entity in which Mr Louis Chien has a beneficial interest	-	96,900

Receivable from related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	2026	2025
	\$	\$
Current receivables:		
ActivEX Limited	-	17,677
Key Petroleum Limited	-	26,400
Rey Resources Limited	-	39,600
BSF Enterprise (Hong Kong) Limited	-	1,377
	<u>-</u>	<u>85,054</u>

Note 28. Related party transactions (continued)

Loans to/from related parties

The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated	
	2026	2025
	\$	\$
Current receivables:		
Loan to associate - Dawson West Joint Venture	-	620,492
Less: Allowance for impairment of receivables	-	(620,492)
	-	-
Non-current receivables:		
Loan to associate - Rey Resources Limited ¹	-	1,007,963
Less: Allowance for impairment of receivables	-	(1,007,963)
	-	-

1. On 6 January 2026, the Company executed a Debt to Equity Conversion Deed with REY pursuant to which REY will repay all outstanding loans due to the Company under the loan agreement dated 12 October 2017 by way of the transfer of 100% equity in Rey Surat to the Company. Rey Surat holds an interest of approximately 5.54% in PZE Limited.

Lease liabilities

The following balances are outstanding at the reporting date in relation to lease liabilities with related parties:

	2026	2025
	\$	\$
Lease liabilities:		
S.P.C. Investment Pty Ltd	220,921	492,758

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 29. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2026	2025
	\$	\$
Profit after income tax	2,991,089	10,665,923
Total comprehensive income	2,991,089	10,665,923

Note 29. Parent entity information (continued)

Statement of financial position

	Parent	
	2026	2025
	\$	\$
Total current assets	4,728,394	966,281
Total assets	6,078,396	1,855,470
Total current liabilities	3,047,717	1,492
Total liabilities	3,047,717	1,787,433
Equity		
Issued capital	122,633,480	122,661,927
Capital reserve	314,377	314,377
Accumulated losses	(119,917,178)	(122,908,267)
Total equity	3,030,679	68,037

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2026 and 30 June 2025.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2026 and 30 June 2025.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2026 and 30 June 2025.

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 30. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2026 %	2025 %
ASF China Holdings Limited	British Virgin Islands	100.00%	100.00%
ASF Corporate Pty Ltd	Australia	100.00%	100.00%
ASF (Hong Kong) Ltd	Hong Kong	100.00%	100.00%
ASF Oil and Gas Holdings Pty Ltd ¹	Australia	-	100.00%
ASF Properties Pty Ltd	Australia	100.00%	100.00%
BSF International Ltd	United Kingdom	100.00%	100.00%
ASF Capital Pty Ltd	Australia	100.00%	100.00%
ASF Capital Investment Fund	Australia	100.00%	100.00%
ASF Capital Secure Fund	Australia	100.00%	100.00%
ASF Venture Fund	Australia	100.00%	100.00%
ASF Coking Coal Pty Ltd ²	Australia	-	100.00%
Rey Surat Gas Pty Ltd ³	Australia	100.00%	-

¹ Deregistered on 24 December 2025.

² Formerly known as ActivEX Canning Pty Ltd and disposed on 17 June 2026.

³ Acquired on 6 January 2026.

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries with non-controlling interests in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Principal activities	Parent		Non-controlling interest	
			Ownership interest 2026 %	Ownership interest 2025 %	Ownership interest 2026 %	Ownership interest 2025 %
ASF Technologies (Australia) Pty Ltd *	Australia	Development of SYTECH technologies	-	62.00%	-	38.00%
BSF Angel Funding Limited #	United Kingdom	Investment holding	50.00%	50.00%	50.00%	50.00%

* Disposed on 30 April 2026.

This entity only holds the investment in BSF Enterprise PLC which has been equity accounted, as shown in note 31.

Note 30. Interests in subsidiaries (continued)

Summarised financial information

Summarised financial information of subsidiaries with non-controlling interests that are material to the consolidated entity are set out below:

	ASF Technologies (Australia) Pty Ltd *	
	2026	2025
	\$	\$
<i>Summarised statement of financial position</i>		
Current assets	N/A	76,253
Non-current assets	N/A	13,263
Total assets	N/A	89,516
Current liabilities	N/A	71,373
Non-current liabilities	N/A	-
Total liabilities	N/A	71,373
Net assets/(liabilities)	N/A	18,143
<i>Summarised statement of profit or loss and other comprehensive income</i>		
Revenue	N/A	152,006
Expenses	N/A	(533,807)
Loss before income tax expense	N/A	(381,801)
Income tax expense	N/A	-
Loss after income tax expense	N/A	(381,801)
Other comprehensive income	N/A	-
Total comprehensive income	N/A	(381,801)
<i>Statement of cash flows</i>		
Net cash used in operating activities	N/A	(58,067)
Net cash from investing activities	N/A	-
Net cash from financing activities	N/A	-
Net decrease in cash and cash equivalents	N/A	(58,067)

The total accumulated non-controlling interests at the end of the reporting period is Nil (2025: 64,318)

* Disposed on 30 April 2026

Note 31. Interests in associates

Interests in associates are accounted for using the equity method of accounting. Information relating to principal associates of the consolidated entity at the end of the reporting period are set out below:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2026 %	2025 %
ASF Macau Multinational Holdings Ltd ¹	British Virgin Islands	40.00%	40.00%
Key Petroleum Ltd ²	Australia	-	9.92%
Rey Resources Limited ³	Australia	-	16.39%
ActivEX Limited ⁴	Australia	12.98%	16.97%
BSF Enterprise PLC ⁵	United Kingdom	4.29%	6.47%

¹ Investment in this entity has been fully impaired.

² During the financial year, the Group sold on the market all its 2.7 million shares in KEY at an average price of approximately \$0.22 per share.

³ The Group accepted off-market takeover bid for all the REY's issued shares for \$0.028 per ordinary share in cash.

⁴ Strategic investment for the consolidated entity, entity involved in mineral operation targeting copper-gold and gold mineralisation.

⁵ Strategic investment for the consolidated entity, entity involved in the development of 3D tissue aimed to offer superior tissue replicates for the clinical and food markets. The investment is held through BSF Angel Funding Limited which the consolidated entity has an interest of 50%.

Summarised financial information of associates that are material to the consolidated entity are set out below:

	Key Petroleum Ltd ¹		Rey Resources Ltd ²		ActivEX Limited ³	
	2026 \$	2025 \$	2026 \$	2025 \$	2026 \$	2025 \$
<i>Summarised statement of financial position</i>						
Current assets - cash and cash equivalents	N/A	-	N/A	203,546	668,951	187,541
Current assets - others	N/A	-	N/A	95,054	22,114	477,540
Non-current assets	N/A	-	N/A	30,755,933	1,092,326	4,316,028
Total assets	N/A	-	N/A	31,054,533	1,783,391	4,981,109
Current liabilities - others	N/A	-	N/A	23,536,501	76,968	2,792,025
Non-current liabilities - others	N/A	-	N/A	-	-	-
Total liabilities	N/A	-	N/A	23,536,501	76,968	2,792,025
Net assets	N/A	-	N/A	7,518,032	1,706,423	2,189,084
<i>Summarised statement of profit or loss and other comprehensive income</i>						
Revenue	N/A	-	N/A	-	1,233,954	250,233
Interest income	N/A	3,157	N/A	1,444	-	-
Depreciation and amortisation	N/A	-	N/A	-	-	-
Expenses	N/A	(238,624)	N/A	(3,223,371)	(3,382,958)	(1,287,298)
Profit/(Loss) before income tax	N/A	(235,467)	N/A	(3,221,927)	(2,149,004)	(1,037,065)
Other comprehensive income	N/A	-	N/A	-	-	-
Total comprehensive income	N/A	(235,467)	N/A	(3,221,927)	(2,149,004)	(1,037,065)

¹ The Company lost significant influence over KEY on 15 January 2025 and accordingly KEY was re-classified as financial asset at fair value through profit or loss. The summarised statement of profit or loss for KEY as disclosed above were for the six months ended 31 December 2024 and the effect from 1 January 2025 up to 15 January 2025 were immaterial.

² Based on the draft financial statements provided by the associate.

³ Based on the audited financial statements of the associate.

Note 31. Interests in associates (continued)

Carrying amounts of associates that are material to the consolidated entity are set out below:

	Key Petroleum Ltd		Rey Resources Ltd		ActivEX Limited *	
	2026	2025	2026	2025	2026	2025
	\$	\$	\$	\$	\$	\$
<i>Reconciliation of the Group's carrying amount</i>						
Opening carrying amount	-	225,373	346,667	1,941,333	-	216,414
Share of loss after income tax	-	(23,090)	-	(527,949)	(88,275)	(53,377)
Foreign exchange difference	-	-	-	-	-	-
(Impairment)/Reversal of impairment	-	(132,868)	-	(1,066,717)	-	(168,159)
Acquisition of investment	-	27,946	-	-	88,275	5,122
Disposal of investment	-	-	(346,667)	-	-	-
Transfer of investment to FVTPL	-	(97,361)	-	-	-	-
Closing carrying amount	-	-	-	346,667	-	-
Quoted fair value	-	97,361	-	346,667	973,658	255,984

* The consolidated entity's share of losses in ActivEX Limited has reduced the carrying amount of the investment to nil. Accordingly, the consolidated entity has not recognised further losses. The consolidated entity's unrecognised share of losses in ActivEX Limited for the year ended 30 June 2026 is \$215,822 (2025: \$121,154). The cumulative unrecognised share of losses is \$336,976 (2025: \$121,154).

Contingent liabilities

Contingent liabilities as at 30 June 2026 were nil (30 June 2025: nil).

Commitments

Share of commitments but not recognised as liability as at 30 June 2026 was nil (30 June 2025: nil).

Note 32. Events after the reporting period

Subsequent to the financial year, 100,000 shares were bought back by the Company under the share buy-back program.

On 25 August 2026, the Group announced the extension of its on-market share buy-back program for a further 12 months from 8 September 2026 and up to 79.1 million shares of the Company can be bought back over the next 12 months under the new buy-back program.

No other matters or circumstances have arisen since 30 June 2026 that have significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Note 33. Reconciliation of profit after income tax to net cash used in operating activities

	Consolidated 2026 \$	2025 \$
Profit after income tax expenses for the year	4,010,441	25,303,323
Adjustments for:		
Depreciation	282,808	287,415
Impairment of investments	-	1,367,744
Share of losses of investments accounted for using equity method	88,275	604,416
Foreign exchange differences	(2,898)	(5,279)
(Reversal of impairment)/impairment of other receivables	(687,539)	728,224
Interest and other finance costs	-	1,915,734
Gain on disposals of an associate/subsidiaries	(3,716,918)	(32,744,545)
Gain on disposals of financial assets at fair value through profit or loss	(1,092,581)	-
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	85,795	(61,563)
(Decrease)/increase in trade and other payables	(116,866)	29,641
Net cash used in operating activities	<u>(1,149,483)</u>	<u>(2,574,890)</u>

Note 34. Changes in liabilities arising from financing activities

	Convertible notes \$	Other loans \$	Lease liabilities \$	Total \$
Consolidated				
Balance at 1 July 2024	29,407,743	4,871,224	748,598	35,027,565
<i>Net cash used in financing activities</i>				
Repayments of lease liabilities	-	-	(255,840)	(255,840)
<i>Other changes</i>				
Loan drawdown	900,000	2,000,000	-	2,900,000
Assignment of loan *	(9,631,449)	-	-	(9,631,449)
Interest expenses	1,697,541	392,970	37,190	2,127,701
Interest payments	-	-	(37,190)	(37,190)
Conversion of loan *	(22,373,835)	-	-	(22,373,835)
Disposals of subsidiaries	-	(7,264,194)	-	(7,264,194)
Balance at 30 June 2025	-	-	492,758	492,758
<i>Net cash used in financing activities</i>				
Repayments of lease liabilities	-	-	(271,837)	(271,837)
<i>Other changes</i>				
Interest expenses	-	-	21,193	21,193
Interest payments	-	-	(21,193)	(21,193)
Balance at 30 June 2026	<u>-</u>	<u>-</u>	<u>220,921</u>	<u>220,921</u>

* On 27 March 2025, Star Diamond Developments Limited ("Star Diamond") converted all outstanding loans including accrued interest due by the Company under a \$25 million unsecured convertible loan facility granted by Star Diamond into 100% equity of ASF Resources Pty Ltd, a wholly owned subsidiary of the Company, which holds 68.97% interest in Civil & Mining Resources Pty Ltd, a private company that holds 87.5% interest in Dawson West coal project in Queensland. As a result of assignment to Star Diamond of the approximately \$9.6 million loan due by CMR, a net outstanding amount (including accrued interest) of approximately \$22 million due to Star Diamond was discharged in full.

Note 35. Earnings per share

	Consolidated	
	2026	2025
	\$	\$
Profit after income tax	4,010,441	25,303,323
Non-controlling interest	77,584	514,755
Profit after income tax attributable to the owners of ASF Group Limited	<u>4,088,025</u>	<u>25,818,078</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	792,360,861	792,397,534
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>792,360,861</u>	<u>792,397,534</u>
	Cents	Cents
Basic earnings per share	0.516	3.258
Diluted earnings per share	0.516	3.258

Note 36. Disposals of subsidiaries

Disposal of ASFTA

As disclosed in Note 6, on 30 April 2026, the Group completed the disposal of 62% interest in ASFTA to CPV at a cash consideration of \$0.465 million.

The consolidated net assets of ASFTA at the date of disposal were as follows:

Consolidated	Total \$
Cash and cash equivalents	1,636
Property, plant and equipment	11,517
Intangible assets	<u>30,573</u>
Net assets disposed of	43,726
Release of non-controlling interests	(57,423)
Gain on disposal	<u>478,697</u>
Total consideration satisfied by cash	<u>465,000</u>
Net cash inflow arising on disposal:	
Cash consideration received	465,000
Cash and cash equivalents disposed of	<u>(1,636)</u>
	<u>463,364</u>

Note 36. Disposals of subsidiaries (continued)

Disposal of ACC

As disclosed in Note 6, on 17 June 2026, the Group completed the disposal of 100% interest in ACC to TMR at a cash consideration of \$3.08 million.

The consolidated net assets of ACC at the date of disposal were as follows:

Consolidated	Total \$
Trade and other receivables	27,500
Exploration and evaluation expenditure	284,279
Net assets disposed of	311,779
Direct cost to the disposal	154,000
Gain on disposal	2,614,221
Total consideration satisfied by cash	3,080,000
Net cash inflow arising on disposal:	
Cash consideration received	3,080,000
Cash paid for the direct cost	(154,000)
	2,926,000

Disposal of ASF Resources Pty Ltd

As disclosed in Note 6, on 27 March 2025 the Group disposed of its interest in its wholly owned subsidiary, ASF Resources Pty Ltd ("ASFR"). ASFR holds a 68.97% interest in Civil and Mining Resources Pty Ltd ("CMR"), which in turn holds an 87.5% interest in Dawson West. The disposal was executed in exchange for the discharge of a convertible loan payable to Star Diamond.

The consolidated net assets of ASFR at the date of disposal were as follows:

	\$
Cash and cash equivalents	6,993
Trade and other receivables	13,351
Property, plant and equipment	1,725
Exploration and evaluation expenditure	3,362,835
Trade and other payables	(473,899)
Borrowings	(16,895,643)
Non-controlling interest	3,613,928
Net assets / (liabilities) disposed of	(10,370,710)
Less: Conversion of loan due to Star Diamond	22,373,835
Gain on disposal	32,744,545

Note 37. Major non-cash transactions

On 6 January 2026, the Company executed a Debt to Equity Conversion Deed with REY pursuant to which REY will repay all outstanding loans due to the Company under the loan agreement dated 12 October 2017 by way of the transfer of 100% equity in Rey Surat Gas Pty Ltd ("Rey Surat") to the Company. Rey Surat holds an interest of approximately 5.54% in PZE Limited.

On 27 March 2025, Star Diamond Developments Limited ("Star Diamond") converted all outstanding loans including accrued interest due by the Company under a \$25 million unsecured convertible loan facility granted by Star Diamond into 100% equity of ASF Resources Pty Ltd, a wholly owned subsidiary of the Company, which holds 68.97% interest in Civil & Mining Resources Pty Ltd, a private company that holds 87.5% interest in Dawson West coal project in Queensland.

As a result of assignment to Star Diamond of the approximately \$9.6 million loan due by CMR, a net outstanding amount (including accrued interest) of approximately \$22 million due to Star Diamond was discharged in full.

Entity name	Entity type	Place formed / incorporated	% of share capital held	Tax residency
ASF Group Limited	Body Corporate	Australia	-	Australia
ASF Corporate Pty Ltd	Body Corporate	Australia	100.00%	Australia
ASF Properties Pty Ltd	Body Corporate	Australia	100.00%	Australia
ASF Capital Pty Ltd	Body Corporate	Australia	100.00%	Australia
ASF Capital Investment Fund	Fixed Unit Trust	Australia	100.00%	Australia
ASF Capital Secure Fund	Fixed Unit Trust	Australia	100.00%	Australia
ASF Venture Fund	Fixed Unit Trust	Australia	100.00%	Australia
BSF International Ltd	Body Corporate	United Kingdom	100.00%	United Kingdom
BSF Angel Funding Limited	Body Corporate	United Kingdom	50.00%	United Kingdom
ASF (Hong Kong) Ltd	Body Corporate	Hong Kong	100.00%	Hong Kong
ASF China Holdings Limited	Body Corporate	British Virgin Islands	100.00%	British Virgin Islands
Rey Surat Gas Pty Ltd	Body Corporate	Australia	100.00%	Australia

Basis of preparation

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the *Corporations Act 2001* and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.

Determination of tax residency

Section 295 (3A)(vi) of the *Corporations Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

- **Australian tax residency**
The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5
- **Foreign tax residency**
Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the *Corporations Act 2001*).

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to be "Min Yang", written over a horizontal line.

Min Yang
Chairman

29 September 2026

Independent Auditor's Report to the members of ASF Group Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of ASF Group Limited (the Company) and its controlled entities (altogether the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the directors' declaration.

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

- (i) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and
- (ii) 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 Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<i>Valuation of financial assets at fair value through profit or loss</i> Refer to Note 2 <i>Critical accounting judgements, estimates and assumptions</i>, Note 14 <i>Financial assets at fair value through profit or loss</i> and Note 24 <i>Financial risk management</i>. Following the Debt to Equity Conversion Deed entered into with Rey Resources Pty Ltd, the Group acquired its interest in PZE Limited through the acquisition of Rey Surat Gas Pty Ltd. As at 30 June 2026, the Group held a 5.54% interest in PZE Limited with a carrying value of \$750,000. The investment was classified as a financial asset at fair value through profit or loss and categorised within Level 3 of the fair value hierarchy. The investment represented approximately 11.9% of the Group's total assets. We considered this matter to be a key audit matter due to the significance of the balance to the Group's financial position and because the fair value measurement required significant management judgement. The valuation was based on unobservable inputs, including the use of a recent share issue price of PZE Limited adjusted for dilution considered relevant by management. Changes in these assumptions could have a material impact on the carrying value of the investment.	Our audit procedures included, among others: • Obtaining an understanding of the Group's process and controls relating to the valuation of Level 3 financial assets; • Inspecting the Debt to Equity Conversion Deed and other supporting documentation to assess the basis upon which the Group acquired its interest in PZE Limited; • Assessing whether the investment was appropriately classified within Level 3 of the fair value hierarchy in accordance with the requirements of Australian Accounting Standards; • Evaluating the appropriateness of the valuation methodology adopted by management; • Assessing the reasonableness of the significant assumptions and inputs used in determining the fair value, including consideration of the recent PZE Limited's shares issuance and the adjustments applied by management; • Developing an independent estimate of fair value using the PZE Limited's shares issuance price and comparing it to management's assessed value; and • Evaluating the adequacy of the disclosures included in the financial report relating to fair value measurement and estimation uncertainty.

Key audit matter	How our audit addressed the key audit matter
<i>Accounting for the disposals of subsidiaries</i> Refer to Note 6 <i>Gain on disposals of subsidiaries</i> and Note 36 <i>Disposals of subsidiaries</i>. During the year, the Group completed disposals of its interests in ASF Technologies (Australia) Pty Ltd and ASF Coking Coal Pty Ltd, resulting in the recognition of a gain on disposal of subsidiaries of \$3,092,918 in the consolidated statement of profit or loss and other comprehensive income. The accounting for the disposals required judgement in determining the date on which control was lost, in measuring the consideration received, and in determining the amounts derecognised, including the reclassification of amounts previously recognised in other comprehensive income. Given the quantum of the gain recognised and the judgement involved in determining the date of loss of control, we considered this to be a key audit matter.	Our audit procedures included, among others: - Assessing management's determination of the date of loss of control over the subsidiaries; - Testing the derecognition of assets, liabilities and non-controlling interests (where applicable) from the Group's consolidated financial report against supporting documentation; - Verifying the consideration received against executed agreements and supporting documentation; - Assessing whether the purchasers were related parties of the Group, including examining relevant supporting documentation to identify the directors and shareholders of each counterparty, comparing these to the Group's related party population and to the interests declared by directors and key management personnel, and inspecting minutes and settlement records for indicators of a related party relationship; - Recalculating the gain on disposals recognised by the Group; and - Evaluating the adequacy of the related disclosures in the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

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 for the Financial Report

The directors of the Company 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 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 are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group 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 judgement 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If 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 Group 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

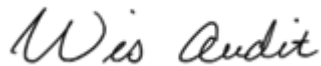
Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 10 to 14 of the directors' report for the year ended 30 June 2026.

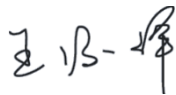
In our opinion, the Remuneration Report of ASF Group Limited, for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



Wis Audit Pty Ltd (AAC No. 528780)



Lingfeng Wang

Director
Sydney, 29 September 2026

The shareholder information set out below was applicable as at 25 September 2026.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Ordinary shares	
	Number of holders	% of total shares issued
1 to 1,000	1,364	0.07
1,001 to 5,000	976	0.33
5,001 to 10,000	343	0.35
10,001 to 100,000	377	1.31
100,001 and over	88	97.94
	3,148	100.00
Holding less than a marketable parcel	2,687	0.76

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
FY HOLDINGS LIMITED	86,914,266	10.976%
EVERBRIGHT SECURITIES INVESTMENT SERVICES (HK) LTD <CLIENTS A/C>	76,534,488	9.665%
MR TIANYAO ZHANG	45,803,943	5.785%
WAI SANG HO	44,808,270	5.659%
MR WEICHENG HE	39,415,000	4.978%
RISING GAIN HOLDINGS LIMITED	39,214,563	4.952%
TEAM FORTUNE TRADING LIMITED	39,000,000	4.925%
WELL SMART CAPITAL HOLDINGS	38,462,500	4.857%
FEIXIONG YE	35,680,202	4.506%
MR KWOK HUNG SO	35,291,297	4.457%
WISEPLAN HOLDINGS LTD	34,086,919	4.305%
BETTER FUTURE CAPITAL INVESTMENT LIMITED	33,750,000	4.262%
XING MAO LIMITED	31,226,457	3.944%
GLORY RESOURCES INTERNATIONAL INVESTMENT LIMITED	30,000,000	3.789%
MR ZHEN LI	29,124,153	3.678%
JADE SILVER INVESTMENTS LIMITED	26,573,776	3.356%
NGA WONG LAO (formerly known as NGA FONG LAO)	18,026,525	2.277%
MR JIANZHONG YANG	10,000,000	1.263%
MR GEOFFREY ROBERT BAKER	7,730,838	0.976%
MR YIMING DU & MS LI CHEN	5,625,000	0.710%
	707,268,197	89.320%

Unquoted equity securities

There are no unquoted equity securities.

Substantial holders

Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
FY HOLDINGS LIMITED	86,914,266	10.976%
EVERBRIGHT SECURITIES INVESTMENT SERVICES (HK) LTD <CLIENTS A/C>	76,534,488	9.665%
MR TIANYAO ZHANG	45,803,943	5.785%
WAI SANG HO	44,808,270	5.659%

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

Directors	Ms Min Yang – Chairman Mr Nga Wong (Alex) Lao Mr Quan (David) Fang Mr Wai Sang Ho Mr Geoff Baker Mr Chi Yuen (William) Kuan
Company secretary	Mr Chi Yuen (William) Kuan
Registered office	Suite 2, 3B Macquarie Street Sydney NSW 2000 Telephone: 02 9251 9088 Facsimile: 02 9251 9066
Principal place of business	Suite 2, 3B Macquarie Street Sydney NSW 2000 Telephone: 02 9251 9088 Facsimile: 02 9251 9066
Share register	Boardroom Pty Limited Level 8, 210 George Street Sydney NSW 2000 Telephone: 02 9290 9600 Facsimile: 02 9279 0664
Auditor	Wis Audit Pty Ltd Suite 702, Level 7 60 Miller Street North Sydney NSW 2060
Solicitors	Thomsons Level 28, 1 Eagle Street, Brisbane QLD 4000
Bankers	Commonwealth Bank of Australia 48 Martin Place, Sydney NSW 2000
Stock exchange listing	ASF Group Limited shares are listed on the Australian Securities Exchange (ASX code: AFA)
Website	www.asfgroupltd.com
Corporate governance statement	The corporate governance statement was approved at the same time as the annual report and can be found at https://www.asfgroupltd.com/investor-centre/