

1. Company details

Name of entity:	ASF Group Limited
ABN:	50 008 924 570
Reporting period:	For the year ended 30 June 2025
Previous period:	For the year ended 30 June 2024

2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	70.3% to	799,724
Profit/(Loss) from ordinary activities after tax attributable to the owners of ASF Group Limited	increase	378% to	* 25,818,078
Profit/(Loss) for the year attributable to the owners of ASF Group Limited	increase	379% to	25,808,616

* The profit from ordinary activities after tax attributable to the owners of ASF Group Limited in current year included a significant non-periodic gain of \$32.7 million on the disposal of subsidiaries. For further information, please refer to the Operating and Financial Review for detailed commentary.

	2025 Cents	2024 Cents
Basic earnings per share	3.258	(1.17)
Diluted earnings per share	3.258	(1.17)

Dividends

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

Comments

The profit attributable to owners of ASF Group Limited after providing for income tax and non-controlling interest amounted to \$25,818,078 (30 June 2024: loss of \$9,292,819).

Refer to the attached Operating and Financial Review for detailed commentary.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	0.19	(3.99)

4. Control gained over entities

There was no gain of control over other entities during the current financial period.

5. Loss of control over entities

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 ("Convertible Loan") granted by Star Diamond into 100% equity of ASF Resources Pty Ltd ("ASFR"), a wholly owned subsidiary of the Company, which holds 68.97% interest in Civil & Mining Resources Pty Ltd ("CMR"), a private company that holds 87.5% interest in Dawson West coal project in Queensland. As such, the Company lost of control over ASFR and CMR during the current financial period.

As a result of the aforesaid conversion of the Convertible Loan, the Group recorded a gain on disposal of ASFR and CMR of \$32.7 million. Details refer to Section 10 - Operating and Financial Review below.

6. Details of associates and joint venture entities

Name of associate / joint venture	Reporting entity's percentage holding Reporting period %	Reporting entity's percentage holding Previous period %	Contribution to profit/(loss) (where material) Reporting period \$	Contribution to profit/(loss) (where material) Previous period \$	Impairment (provided) / written back (where material) Reporting period \$	Impairment (provided) / written back (where material) Previous period \$
Key Resources Limited	16.39%	16.39%	(527,949)	(1,540,366)	(1,066,717)	(2,585,671)
ActivEx Limited	16.97%	16.74%	(53,377)	(452,040)	(168,159)	168,159
Key Petroleum Limited	9.92%	9.96%	(23,090)	(95,748)	(51,283)	95,748
BSF Enterprise PLC	6.47%	8.04%	-	(12,905)	-	-
UK International Innovation Centre Ltd	-	20.00%	-	-	-	-
			(604,416)	(2,101,059)	(1,286,159)	(2,321,764)
Dawson West Joint Venture	-	60.35%	(749,732)	(2,214,627)	-	-
<i>Group's aggregate share of associates and joint venture entities' profit/(loss) (where material)</i>						
Profit/(loss) from ordinary activities before income tax			(1,354,148)	(4,315,686)	(1,286,159)	(2,321,764)

7. Audit qualification or review

Details of audit/review dispute or qualification (if any):

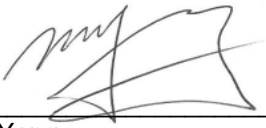
The financial statements are currently in the process of being audited.

8. Attachments

Details of attachments (if any):

The Preliminary Financial Report of ASF Group Limited for the year ended 30 June 2025 is attached.

9. Signed

Signed 
Min Yang
Chairman

Date: 29 August 2025

10. Operating and Financial Review

Financial results and commentary

During the financial year, the Company executed a Debt to Equity Conversion Deed with Star Diamond Developments Limited ("Star Diamond") pursuant to which Star Diamond converted all outstanding loans including accrued interest due by the Company under a \$25 million unsecured convertible loan facility ("Convertible Loan") into 100% equity of the Company's wholly owned subsidiary, ASF Resources Pty Ltd ("ASFR") which holds 68.97% interest in Civil & Mining Resources Pty Ltd ("CMR"). After the 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 and the Convertible Loan was terminated forthwith.

As a result of the aforesaid conversion of the Convertible Loan, the Group recorded a gain on disposal of ASFR and CMR of \$32.7 million.

Consolidated profit after tax and non-controlling interest for the year amounted to \$25,818,078, a substantial increase of approximately 378% compared with a loss of \$9,292,819 for last year, after deduction of the following major expense items:

- Share of losses of the associates of \$604,416 (2024: \$2,101,059);
- Impairment of investments in associates and other entities of \$1,367,744 (2024: 2,332,764);
- Impairment of loan receivables of \$728,224 (2024: \$95,749);
- Interest expenses and other finance costs \$2,122,371 (2024: \$2,665,731); and
- Share of exploration expenditures for the Dawson West JV Project of \$749,732 (2024: \$2,214,627).

Commission revenue was modest for the year at \$75,800 (2024: \$1,908,872) as construction of the Peninsula Terraces townhouses, being the final stage of "The Peninsula Hope Island" development project, completed and all units settled in June last year.

Subsequent to the financial year end on 12 August 2025 the Company announced the extension of its on-market share buyback program for a further 12 months from 26 August 2025 and up to 79.2 million shares of the Company can be bought back over the next 12 months under the new buyback program. During the year, no shares were bought back by the Company under share buyback program.

Financial position

As of 30 June 2025, the Company together with its subsidiaries (the "Group") maintained a cash balance of approximately \$1.27 million with no outstanding debt as a result of the conversion by Star Diamond of the Convertible Loan.

Finance costs for the year amounted to \$2,122,371 (2024: \$2,665,731) which represented principally interest on the loans due to Star Diamond before the conversion of the Convertible Loan.

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.

AIV executed a non-binding Term Sheet with HK Create Capital Investment Group Ltd ("HKCCIG") for the establishment of a joint venture ("JV") on its Gilberton Gold Project ("Gilberton Project"), pursuant to which HKCCIG would acquire up to 75.5% of the Gilberton Project by paying a cash consideration of \$1 million to AIV and investing an additional \$1 million into the JV. The drilling program under the Gilberton Project within the Mt Hogan and Split Rock tenements completed with a total of 2,416m of angled RC drilling for an average depth of 115m drilled.

During the year, AIV was granted the second of the two Exploration Permits for Minerals (EPM) at the Aramac Project and completed a first pass exploration with exciting initial results which indicated both REE and Base Metal potential along a considerable strike length within the Aramac Project. A petrological report for a sample collected from the Aramac Project from Mintex Petrological Solutions confirmed that the sample was a "*geothitic gossan with gossan clasts containing relic fine-grained quartz and chlorite*".

AIV also secured three REE tenements in Central Queensland with a total area of 820km². The project has been named Westgrove after the company's REE exploration target – Westgrove Ironstone member. The project is located 500km NW of Brisbane and 50km north of Injune.

As at 30 June 2025, the Company holds 16.97% of the issued capital of AIV with a market value of \$0.26 million.

Rey Resources Limited ("REY")

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

On 1 August 2024, REY executed a Binding Cooperation Framework Agreement with China Guoxin Investment Holdings Co., Limited ("Guoxin") pursuant to which Guoxin acquired all the issued capital of a wholly owned subsidiary of REY, Gulliver Productions Pty Ltd, which holds a 100% interest in the Lennard Shelf Blocks comprising EP104, R1 and L15, for a cash consideration of \$400,000.

Subsequent to the year end 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 Offer closed on 11 August 2025 and Vigorous has purchased over 90% of REY's issued shares under the Offer, and accordingly, Vigorous is currently undertaking a compulsory acquisition for the remaining shares of REY.

As at 30 June 2025, the Company held 16.39% of the issued capital of REY. The Company had accepted the Offer by selling all its interest in REY to Vigorous and received proceeds of \$0.97 million on 5 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, KEY completed a 100-to-1 share consolidation, reducing the total issued shares from over 2.26 billion to approximately 22.6 million, enhancing asset value per share without affecting shareholder percentages.

During the year, KEY submitted 8 applications for Potential Commercial Area (PCA) status, four across each of ATP 920 and ATP 924. Concurrently, KEY continues to assess potential additions to its asset portfolio both onshore and overseas.

KEY also successfully raised A\$255,000 through the placement of shares to China Create Capital Holding Group Co Limited and completed a 1 for 5 non-renounceable entitlement offer at an issue price of \$0.062 per share raising approximately \$129,000.

Subsequent to the year end on 31 July 2025, KEY completed the placement of the full 2,954,682 shortfall shares at \$0.062 per share raising approximately \$183,190. Further, it was announced on 4 August 2025 that the remaining capacity of KEY, the full 3,627,636 shares, was privately placed for \$0.042 per share to a sophisticated investor raising approximately \$152,361.

As at 30 June 2025, the Group holds 9.92% of the issued capital of KEY with a market value of approximately \$97,000.

Kaili Resources Limited ("KLR")

KLR is a resources exploration company which holds tenements in Western Australia. The Group holds 2.2 million shares in KLR with a market value of \$17,600 as at 30 June 2025.

Civil & Mining Resources Pty Ltd ("CMR")

Trading as CMR Coal, CMR is a privately owned company with a substantial coal tenement portfolio in Queensland situated in close proximity to operating mines, infrastructure and proven economic coal resources.

The Dawson West project, which is 87.5% owned by CMR, has confirmed export quality thermal coal resources and has defined a JORC2012 code compliant resource, with a total of 876Mt (188Mt Indicated, 688Mt Inferred resource). The project has obtained approvals for a 1 million tonne sample pit.

As a result of the conversion of Convertible Loan as mentioned in the "Financial results and commentary" section above, the Company has disposed of all of its interest in ASFR, including CMR and the Dawson West project. For further details, please refer to the Company's announcement dated 28 March 2025.

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.

ASFTA’s Scotch Yoke engine was originally developed over 20 years ago and tested at the time by VW, Ford, Cosworth, and others. The engine has now refreshed its design, with nine patents newly pending, and tested by FEV. The engine is the first successful four stroke Scotch Yoke engine to be specifically designed and developed for modern Hybrid and Range Extender vehicles and can achieve Euro 6d and China 6b emissions on China RON 92 fuel with minimum expensive add on technologies. The engine does not need Turbo charging, VVT, EGR or GDI to meet the European 6d or China 6b emission regulations.

In addition to new energy vehicles, the engine is easily adaptable for a range of power applications ranging from aviation use to home generator use. The engine is designed to be fuel agnostic and can run on Gasoline, LPG, CNG and Hydrogen. The engine achieved emissions that were better than Euro 6 and China 6b standards without expensive VVT or EGR technology and passed a 1000hr durability test that is 2.5 times the normal standard test requirement. Three patents have been granted for the US market with one patent granted for Europe and a second proceeding to grant. The patent portfolio is growing steadily.

The Company holds 62% of the issued capital of ASFTA.

BSF Enterprise PLC (“BSFA”)

BSF Enterprise PLC (LSE: BSFA; OTCQB: BSFAF) is a UK-based biotechnology company pioneering cell-based tissue engineering to revolutionise cultured meat, lab-grown leather, human corneas, collagen growth and skin substitutes across multiple sectors. Its wholly-owned subsidiary, 3D Bio-Tissues Ltd (3DBT), has developed a proprietary tissue templating technology platform that enables the production of structured, functional animal tissue types for diverse applications.

Strategic Fundraising

During FY2025, BSFA successfully completed two equity placements:

- December 2024 – Raised £500,000 through an oversubscribed placement of 20 million new ordinary shares at 2.5p each, with warrants exercisable at 5p per share within three years. Management contributed approximately 15% of the funds. Proceeds support scaling Lab-Grown Leather Ltd’s (LGL) manufacturing capabilities, launching CytoBoost™ for the biopharmaceutical market, advancing Kerato Ltd’s LiQD Cornea device toward clinical trials, and expanding cultivated meat initiatives in Greater China.
- April 2025 – Raised £141,750 through a placing of 4,725,000 new ordinary shares at 3p per share, conducted within FCA headroom and supported by BSFA’s largest shareholder following global publicity surrounding its T-Rex Leather innovation. Admission of the shares to the LSE occurred in May 2025.

Major Commercial and Technological Milestones

- Global Launch of Elemental X™ – In partnership with VML (a WPP company) and The Organoid Company, LGL unveiled the world’s first leather derived from synthetic Tyrannosaurus rex DNA. This innovation combines fossil collagen sequencing with scaffold-free tissue engineering to recreate leather structurally and genetically identical to traditional leather. The launch campaign reached over 500 million people and initiated commercial discussions with three leading luxury fashion brands.
- Elemental+™ Breakthrough – Developed ultra-thin lab-grown leather at only 0.04 mm thickness while retaining strength, enabling applications in aerospace, electric vehicles, and high-performance sportswear. A new patent application has been filed for this innovation.
- Sample Delivery and Industry Engagement – Delivered eight 10×10 cm² samples of Elemental Leather™ to global fashion houses, receiving positive feedback and improving texture, processing compatibility, and aesthetics. Sample production costs are being co-funded by partners.
- Cost Reduction and Operational Efficiency – Integration of City-Mix™ media additive into LGL’s tissue production process is projected to reduce costs by over £500,000 over five years, enhancing scalability and sustainability.

Collaborations and R&D Initiatives

- Sartorius AG Partnership – Signed an MoU to collaborate on scaling sustainable tissue production methods, leveraging Sartorius' bioprocess expertise.
- PA Consulting Engagement – Commissioned market research and commercial validation for lab-grown leather applications, focusing on fashion, jewellery, and automotive markets. Workstreams include revenue model definition, pilot plant planning, and technology roadmap development.
- Kerato Ltd – LiQD Cornea – Advanced development of a minimally invasive corneal repair treatment combining synthetic proteins with host cells. Veterinary trials commenced in 2024; human clinical trials are targeted for 2026.
- 3DBT – CytoBoost™ – Continued development of a cryopreservation supplement demonstrating up to 100% improvement in post-thaw cell revival, targeting the US\$95 billion cryopreservation market.

As at 30 June 2025, the Company, through its subsidiary BSF Angel Funding Limited, holds 16,610,944 fully paid ordinary shares of BSFA with a market value of approximately £0.35 million (equivalent to A\$0.73 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.

Fund Management and Advisory Services

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

ASF Capital assists select businesses both on shore and off on matters such as public listing, financial advisory, entry and/or expansion in Australia, and visa migration related areas. Also, ASF Capital is working to form tailor-made wholesale funds to capture a diverse array of investment opportunities.

Matters subsequent to the end of the financial year

In July 2025, the Company accepted the off-market takeover offer from Vigorous and received proceeds of \$0.97 million on 5 August 2025 for all the REY shares held by the Company.

On 12 August 2025, the Company announced the extension of its on-market share buyback program for a further 12 months from 26 August 2025 and up to 79.2 million shares of the Company can be bought back over the next 12 months under the new buyback program.

The Company sold all 2.2 million shares of Kaili Resources Limited (ASX: KLR) on the market at an average price of \$0.28 per share in August 2025.

No other matters or circumstances that have arisen since 30 June 2025 that has 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.

ASF Group Limited

ABN 50 008 924 570

Preliminary Financial Report - 30 June 2025

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ASF Group Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2025



	Note	Consolidated 2025 \$	2024 \$
Revenue	1	799,724	2,688,867
Share of losses of associates accounted for using the equity method	4	(604,416)	(2,101,059)
Other income	2	92,110	40,185
Gain on disposal of subsidiaries	3	32,744,544	-
Interest revenue calculated using the effective interest method		131,871	115,323
Expenses			
Employee benefits expense		(1,257,010)	(1,316,962)
Commission and fee expenses		(106,025)	(1,111,550)
Depreciation and amortisation expense	4	(287,415)	(264,861)
Impairment of investments in associates and other entities	4	(1,367,744)	(2,332,764)
Impairment of other receivables	4	(728,224)	(95,749)
Loss on disposal of plant and equipment	4	-	(4,842)
Consultancy expense		(525,404)	(1,087,638)
Marketing expenses		(25,119)	(34,397)
Legal and professional fees		(173,269)	(291,976)
Occupancy expense	4	(147,499)	(324,436)
Exploration expense		(400,021)	(662,941)
Corporate and administration expense		(720,409)	(479,264)
Finance costs	4	(2,122,371)	(2,665,731)
Profit / (Loss) before income tax expense		25,303,323	(9,929,795)
Income tax expense		-	-
Profit / (Loss) after income tax expense for the year		25,303,323	(9,929,795)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(9,462)	26,827
Other comprehensive income/(loss) for the year, net of tax		(9,462)	26,827
Total comprehensive income/(loss) for the year		<u>25,293,861</u>	<u>(9,902,968)</u>
Profit / (Loss) for the year is attributable to:			
Non-controlling interest		(514,755)	(636,976)
Owners of ASF Group Limited	19	<u>25,818,078</u>	<u>(9,292,819)</u>
		<u>25,303,323</u>	<u>(9,929,795)</u>
Total comprehensive income/(loss) for the year is attributable to:			
Non-controlling interest		(514,755)	(636,976)
Owners of ASF Group Limited		<u>25,808,616</u>	<u>(9,265,992)</u>
		<u>25,293,861</u>	<u>(9,902,968)</u>
		Cents	Cents
Basic earnings per share	21	3.258	(1.17)
Diluted earnings per share	21	3.258	(1.17)

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

	Note	Consolidated 2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	5	1,266,107	1,330,501
Trade and other receivables	6	169,208	419,061
Other assets	8	37,367	32,878
Total current assets		<u>1,472,682</u>	<u>1,782,440</u>
Non-current assets			
Trade and other receivables	6	123,695	146,781
Investments accounted for using the equity method	9	346,667	2,383,120
Financial assets at fair value through profit or loss	10	114,961	17,600
Property, plant and equipment	11	25,210	37,187
Right-of-use assets	7	487,449	763,043
Exploration and evaluation expenditure	12	156,745	3,606,672
Total non-current assets		<u>1,254,727</u>	<u>6,954,403</u>
Total assets		<u>2,727,409</u>	<u>8,736,843</u>
Liabilities			
Current liabilities			
Trade and other payables	13	322,907	728,268
Borrowings	14	-	4,871,224
Lease liabilities	15	271,836	255,840
Provision for employee benefits	16	242,136	219,191
Total current liabilities		<u>836,879</u>	<u>6,074,523</u>
Non-current liabilities			
Borrowings	14	-	29,407,743
Lease liabilities	15	220,922	492,758
Total non-current liabilities		<u>220,922</u>	<u>29,900,501</u>
Total liabilities		<u>1,057,801</u>	<u>35,975,024</u>
Net assets / (liabilities)		<u>1,669,608</u>	<u>(27,238,181)</u>
Equity			
Issued capital	17	122,661,927	122,661,927
Reserves	18	(2,717,114)	(2,707,652)
Accumulated losses	19	(118,339,523)	(144,157,601)
Total equity / (deficiency in equity) attributable to the owners of ASF Group Limited		1,605,290	(24,203,326)
Non-controlling interest		64,318	(3,034,855)
Total equity / (deficiency in equity)		<u>1,669,608</u>	<u>(27,238,181)</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 2025



	Issued capital \$	Reserves \$	Consolidated Accumulated Losses \$	Non- controlling interest \$	Total equity / (deficiency in equity) \$
Consolidated					
Balance at 1 July 2023	122,661,927	(2,734,479)	(134,864,782)	(2,397,879)	(17,335,213)
Loss after income tax expense for the year	-	-	(9,292,819)	(636,976)	(9,929,795)
Other comprehensive income for the year, net of tax	-	26,827	-	-	26,827
Total comprehensive income for the year	-	26,827	(9,292,819)	(636,976)	(9,902,968)
Balance at 30 June 2024	<u>122,661,927</u>	<u>(2,707,652)</u>	<u>(144,157,601)</u>	<u>(3,034,855)</u>	<u>(27,238,181)</u>
	Issued capital \$	Reserves \$	Consolidated Accumulated Losses \$	Non- controlling interest \$	Total equity / (deficiency in equity) \$
Consolidated					
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 income for the year, net of tax	-	(9,462)	-	-	(9,462)
Derecognition of non-controlling interest upon disposal of subsidiaries	-	-	-	3,613,928	3,613,928
Total comprehensive income for the year	-	(9,462)	25,818,078	3,099,173	28,907,789
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>

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 2025



	Note	Consolidated 2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		912,751	2,829,062
Payments to suppliers (inclusive of GST)		(3,425,014)	(5,659,028)
		(2,512,263)	(2,829,966)
Interest received		24,139	18,871
Government Grants		92,006	35,111
Interest paid		(205,351)	(410,472)
Net cash used in operating activities	20	(2,601,469)	(3,186,456)
Cash flows from investing activities			
Payments for property, plant and equipment	11	(1,450)	(65,490)
Payments for exploration and evaluation		(87,851)	(30,107)
Acquisition of subsidiary		-	(75,000)
Proceeds from disposal of property, plant and equipment		-	55,682
Investment in financial asset at fair value through profit or loss		(27,946)	-
Investment in an associate		(5,122)	-
Refund of security deposits		19,586	-
Net cash from/(used in) investing activities		(102,783)	(114,915)
Cash flows from financing activities			
Proceeds from borrowings		2,900,000	2,789,109
Repayment of lease liabilities		(255,840)	(281,841)
Net cash from financing activities		2,644,160	2,507,268
Net decrease in cash and cash equivalents		(60,092)	(794,103)
Cash and cash equivalents at the beginning of the financial year		1,330,501	2,097,458
Effects of exchange rate changes on cash and cash equivalents		(4,302)	27,146
Cash and cash equivalents at the end of the financial year	5	<u>1,266,107</u>	<u>1,330,501</u>

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

Note 1. Revenue

	Consolidated 2025 \$	2024 \$
Corporate services	723,924	779,995
Commission revenue	75,800	1,908,872
Revenue	<u>799,724</u>	<u>2,688,867</u>

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Consolidated 2025 \$	2024 \$
<i>Geographical regions</i>		
Australia	669,800	2,514,872
Asia	49,964	49,149
Europe	79,960	124,846
	<u>799,724</u>	<u>2,688,867</u>
<i>Timing of revenue recognition</i>		
Service recognised at a point in time	75,800	1,908,872
Services transferred over time	723,924	779,995
	<u>799,724</u>	<u>2,688,867</u>

Note 2. Other income

	Consolidated 2025 \$	2024 \$
Net foreign exchange gain	-	1,550
Government grants*	36,600	35,111
R&D rebate	55,406	-
Miscellaneous Income	104	3,524
Other income	<u>92,110</u>	<u>40,185</u>

* Government grants consist of EMDG Grant.

Note 3. Gain on disposal of subsidiaries

	Consolidated 2025 \$	2024 \$
Gain on disposal of subsidiaries *	32,744,544	-
	<u>32,744,544</u>	<u>-</u>

* 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.

Note 4. Expenses

	Consolidated	
	2025	2024
	\$	\$
Loss before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Leasehold improvements	159	255
Plant and equipment	11,662	22,080
Total depreciation	11,821	22,335
<i>Depreciation</i>		
Right of use assets	275,594	242,526
Total depreciation and amortisation	287,415	264,861
<i>Impairment</i>		
Impairment of investments in associates	1,286,159	2,321,764
Fair value movements in financial assets	81,585	11,000
Loss on disposal of plant and equipment	-	4,842
Impairment of loan to Rey Resources Limited	107,733	95,749
Impairment of loan to Dawson West Joint Venture	620,491	-
Total impairment	2,095,968	2,433,355
<i>Share of loss of associates</i>		
Rey Resources Limited	527,949	1,540,366
ActiveEx Limited	53,377	452,040
Key Petroleum Limited	23,090	95,748
BSF Enterprise PLC	-	12,905
Total share of losses of associates	604,416	2,101,059
<i>Finance costs</i>		
Interest and finance charges paid/payable on borrowings	2,085,181	2,648,641
Interest expense on lease	37,190	17,090
Finance costs expensed	2,122,371	2,665,731
<i>Leases</i>		
Minimum lease payments	147,499	324,436
<i>Superannuation expense</i>		
Defined contribution superannuation expense	97,833	86,173

Note 5. Cash and cash equivalents

	Consolidated	
	2025	2024
	\$	\$
<i>Current assets</i>		
Cash on hand	6,379	6,427
Cash at bank	1,259,728	1,324,074
	<u>1,266,107</u>	<u>1,330,501</u>

Note 6. Trade and other receivables

	Consolidated 2025 \$	2024 \$
<i>Current assets</i>		
Trade receivables	171,004	203,955
Loan receivable from JV - Dawson West JV	-	231,737
BAS receivable/(payable)	(1,796)	(16,631)
	<u>169,208</u>	<u>419,061</u>
<i>Non-current assets</i>		
Deposits	123,695	146,781
Loan receivable from associate - Rey Resources Limited	1,007,963	900,231
Less: Provision for impairment of receivables (REY)	(1,007,963)	(900,231)
	<u>123,695</u>	<u>146,781</u>
	<u><u>292,903</u></u>	<u><u>565,842</u></u>

Note 7. Right-of-use assets

	Consolidated 2025 \$	2024 \$
<i>Non-current assets</i>		
Right-of-use assets	<u><u>487,449</u></u>	<u><u>763,043</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	\$
Balance at 1 July 2023	205,506
Additions	800,063
Depreciation expense	<u>(242,526)</u>
Balance at 30 June 2024	763,043
Additions	-
Depreciation expense	<u>(275,594)</u>
Balance at 30 June 2025	<u><u>487,449</u></u>

Note 8. Other Assets

	Consolidated 2025 \$	2024 \$
<i>Current assets</i>		
Prepayments	<u><u>37,367</u></u>	<u><u>32,878</u></u>

Note 9. Investments accounted for using the equity method

	Consolidated 2025 \$	2024 \$
<i>Non-current assets</i>		
Rey Resources Limited (ASX: REY)	346,667	1,941,333
ActivEX Limited (ASX: AIV)	-	216,414
Key Petroleum Limited (ASX: KEY) *	-	225,373
	<u>346,667</u>	<u>2,383,120</u>

* 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 (see Note 10 below).

Note 10. Financial assets at fair value through profit or loss

	Consolidated 2025 \$	2024 \$
<i>Non-current assets</i>		
Key Petroleum Limited (ASX: KEY)	97,361	-
Kaili Resources Limited (ASX: KLR)	17,600	17,600
	<u>114,961</u>	<u>17,600</u>

Note 11. Property, plant and equipment

	Consolidated 2025 \$	2024 \$
<i>Non-current assets</i>		
Leasehold improvements - at cost	153,418	153,418
Less: Accumulated depreciation	(153,153)	(152,994)
	<u>265</u>	<u>424</u>
 Plant and equipment - at cost	 369,741	 395,873
Less: Accumulated depreciation	(344,796)	(359,110)
	<u>24,945</u>	<u>36,763</u>
	<u>25,210</u>	<u>37,187</u>

Note 11. Property, plant and equipment (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	Plant & equipment \$	Leasehold improvements \$	Motor vehicles \$	Total \$
Balance at 1 July 2023	54,263	680	-	54,943
Additions	-	-	65,049	65,049
Disposals	(441)	-	(60,084)	(60,525)
Depreciation expense	(17,115)	(256)	(4,965)	(22,336)
Exchange difference	56	-	-	56
Balance at 30 June 2024	36,763	424	-	37,187
Additions	1,450	-	-	1,450
Disposals	(1,727)	-	-	(1,727)
Depreciation expense	(11,662)	(159)	-	(11,821)
Exchange difference	121	-	-	121
Balance at 30 June 2025	<u>24,945</u>	<u>265</u>	<u>-</u>	<u>25,210</u>

Note 12. Exploration and evaluation expenditure

	Consolidated	
	2025 \$	2024 \$
Non-current assets		
Mining exploration and evaluation expenditures	156,745	6,104,518
Less: Impairment	-	(2,497,846)
	<u>156,745</u>	<u>3,606,672</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	\$
Balance at 1 July 2023	3,529,065
Additions	77,607
Balance at 30 June 2024	3,606,672
Additions	87,851
Write off of assets	(174,943)
Disposals	(3,362,835)
Balance at 30 June 2025	<u>156,745</u>

The recoverability of the carrying amount of the mining exploration and evaluation expenditures is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Note 13. Trade and other payables

	Consolidated	
	2025	2024
	\$	\$
<i>Current liabilities</i>		
Trade payables	143,796	179,430
Other payables	179,111	548,838
	<u>322,907</u>	<u>728,268</u>

Note 14. Borrowings

	Consolidated	
	2025	2024
	\$	\$
<i>Current liabilities</i>		
Dawson West JV - ASF loan	-	158,680
Dawson West JV - Star Diamond	-	4,375,000
Dawson West JV - LDO loan	-	336,049
Dawson West JV – Insurance Premium	-	1,495
	<u>-</u>	<u>4,871,224</u>
<i>Non-current liabilities</i>		
Convertible notes payable	-	29,407,743
	<u>-</u>	<u>34,278,967</u>

Note 15. Lease liabilities

	Consolidated	
	2025	2024
	\$	\$
<i>Current liabilities</i>		
Lease liability	271,836	255,840
<i>Non-current liabilities</i>		
Lease liability	220,922	492,758
	<u>492,758</u>	<u>748,598</u>

Note 16. Provision for employee benefits

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.

	Consolidated	
	2025	2024
	\$	\$
<i>Current liabilities</i>		
Annual leave	170,338	157,682
Long service leave	71,798	61,509
	<u>242,136</u>	<u>219,191</u>

Note 17. Issued capital

	2025 Shares	Consolidated 2024 Shares	2025 \$	2024 \$
Ordinary shares - fully paid	<u>792,397,534</u>	<u>792,397,534</u>	<u>122,661,927</u>	<u>122,661,927</u>

Movements in ordinary share capital

Details	Shares	\$
Balance at 30 June 2024	<u>792,397,534</u>	<u>122,661,927</u>
Balance at 30 June 2025	<u>792,397,534</u>	<u>122,661,927</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.

Capital risk management

The consolidated entity's objectives when managing capital is 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 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 consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 30 June 2024 Annual Report.

Note 18. Reserves

	Consolidated 2025 \$	2024 \$
Foreign currency reserve	(229,732)	(220,270)
Capital profits reserve	314,377	314,377
Non-controlling interests reserve	<u>(2,801,759)</u>	<u>(2,801,759)</u>
	<u>(2,717,114)</u>	<u>(2,707,652)</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.

Note 18. Reserves (continued)

Non-controlling interest reserve

The reserve is used to recognise non-controlling interest arising from the disposal of subsidiaries and to recognise the equity component within convertible notes payable and other borrowings.

Capital reserve

The capital reserve is used to recognise the equity component within convertible notes payable and other borrowings. It also includes the difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid.

Movements in reserves

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

	Foreign currency reserve \$	Non- controlling interest reserve \$	Capital reserve \$	Total \$
Consolidated				
Balance at 1 July 2023	(247,097)	(2,801,759)	314,377	(2,734,479)
Foreign currency translation	26,827	-	-	26,827
Balance at 30 June 2024	(220,270)	(2,801,759)	314,377	(2,707,652)
Foreign currency translation	(9,462)	-	-	(9,462)
Balance at 30 June 2025	<u>(229,732)</u>	<u>(2,801,759)</u>	<u>314,377</u>	<u>(2,717,114)</u>

Note 19. Accumulated losses

	Consolidated	
	2025	2024
	\$	\$
Accumulated losses at the beginning of the financial year	(144,157,601)	(134,864,782)
Profit/(Loss) after income tax expense for the year	25,818,078	(9,292,819)
Accumulated losses at the end of the financial year	<u>(118,339,523)</u>	<u>(144,157,601)</u>

Note 20. Reconciliation of profit/(loss) after income tax to net cash used in operating activities

	Consolidated	
	2025	2024
	\$	\$
Profit/(Loss) after income tax expense for the year	25,303,323	(9,929,795)
Adjustments for:		
Depreciation and amortisation	287,415	264,861
Net loss on disposal of property, plant and equipment	-	4,842
Impairment of investments	1,367,744	2,398,985
Share of loss - associates	604,416	2,101,059
Write back impairment of investment in associates	-	(66,925)
Foreign exchange differences	(5,279)	(1,549)
Impairment of other receivables	728,224	96,453
Interest and other finance costs	1,915,734	2,255,259
Gain on disposal of subsidiaries	(32,744,545)	-
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(81,149)	94,565
Increase/(decrease) in trade and other payables	22,648	(404,211)
Net cash used in operating activities	<u>(2,601,469)</u>	<u>(3,186,456)</u>

Note 21. Earnings per share

	Consolidated	
	2025	2024
	\$	\$
Profit / (Loss) after income tax	25,303,323	(9,929,795)
Non-controlling interest	514,755	636,976
Profit / (Loss) after income tax attributable to the owners of ASF Group Limited	<u>25,818,078</u>	<u>(9,292,819)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>792,397,534</u>	<u>792,397,534</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>792,397,534</u>	<u>792,397,534</u>
	Cents	Cents
Basic earnings per share	3.258	(1.17)
Diluted earnings per share	3.258	(1.17)

Note 22. Events after the reporting period

In July 2025, the Company accepted the off-market takeover offer from Vigorous and received proceeds of \$0.97 million on 5 August 2025 for all the REY shares held by the Company.

On 12 August 2025, the Company announced the extension of its on-market share buyback program for a further 12 months from 26 August 2025 and up to 79.2 million shares of the Company can be bought back over the next 12 months under the new buyback program.

The Company sold all 2.2 million shares of Kaili Resources Limited (ASX: KLR) on the market at an average price of \$0.28 per share in August 2025.

No other matters or circumstances that have arisen since 30 June 2025 that has 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.