



**ASF GROUP LIMITED**

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3 November 2025

Mr Elvis Onyura  
Principal Adviser  
Listings Compliance  
39 Martin Place  
Sydney 2000

Dear Mr Onyura

**ASF Group Limited ('AFA'): ASX Query Letter**

We refer to your letter of 23 October 2025 concerning AFA's announcement titled "Digital Currency Exchange Provider Registration" (the 'Announcement') released on Wednesday, 22 October 2025.

Our responses to the questions contained in your letter (and numbered accordingly) are set out below.

1. The registration of ASF Capital Pty Ltd ('ASF Capital') with AUSTRAC as a Digital Currency Exchange ('DCE') provider represents an initial regulatory milestone in a staged process to explore, on a preliminary basis, the potential for establishing a compliant digital-asset exchange in Australia. This registration was obtained to ensure that, should ASF Capital elect to progress further, any prospective activities would occur within a clearly defined and regulated framework consistent with Australian anti-money-laundering and counter-terrorism-financing ('AML/CTF') obligations.

At this stage, ASF Capital has not commenced any DCE operations, and no transactional, custodial, or customer-facing activities are being undertaken. The registration does not represent a change in the nature or scale of AFA's existing business activities.

Any future consideration of exchange-related functionality will be subject to comprehensive regulatory assessment and the implementation of detailed operational, risk-management, and compliance frameworks designed to operate under full regulatory oversight and in accordance with all applicable laws and licensing requirements.

2. ASF Capital does not currently hold any cryptocurrency.

As outlined in the Announcement, the proposed registration as a DCE does not extend or modify the ASF Capital's existing authorisations under its Australian Financial Services Licence ('AFSL'). The DCE registration is

governed by a separate regulatory framework administered by AUSTRAC and forms part of ASF Capital's broader strategy to expand its participation within regulated financial markets.

The proposed registration does not involve the holding or investment of cryptocurrency and will not result in any material change to the nature or scale of the AFA's existing operations. AFA's principal business continues to focus on the sectors of property, resources, technology and financial services and the DCE registration is intended solely to support that financial services activity in compliance with Australian AML/CTF laws.

AFA is aware of the Treasury Laws Amendment Bill 2025: Digital Asset, and Tokenised Custody Platform and has engaged suitably qualified lawyers to understand the requirements. AFA will continue to ensure that any disclosures made in connection with its digital asset-related activities are factual, balanced, and compliant with Listing Rule 3.1 and the expectations set out in ASX Guidance Note 8.

3. ASF Capital does not currently hold any cryptocurrency.

Notwithstanding this, the Board and management team comprise executives with extensive experience across financial markets, regulatory compliance, and risk management. AFA's established governance and compliance framework will guide any future activities involving digital assets to ensure they are conducted prudently and in accordance with applicable regulatory and listing obligations.

ASF Capital has engaged Australia's leading financial services lawyers who specialise in digital assets to provide ongoing legal advice.

ASF Capital's current auditor has experience auditing entities operating under ASIC and AFSL regulatory frameworks. In addition, should ASF Capital undertake any activities involving cryptocurrency in the future, it will engage an auditor with appropriate expertise and experience in auditing crypto-asset-related operations to ensure compliance with all relevant accounting and assurance standards.

4. Preliminary risk assessments have been undertaken addressing key regulatory, operational, and governance considerations associated with the proposed strategy. This includes compliance with AUSTRAC requirements under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth), data-security and custody standards, and ASF Capital's internal risk-management and control framework. Further, ASF Capital is aware of the Treasury Laws Amendment Bill 2025: Digital Asset, and Tokenised Custody

Platform which may impact its AFSL requirements. ASF Capital has engaged Australia's leading financial services lawyers who specialise in digital assets to provide ongoing legal advice.

The assessment also considered board oversight, disclosure obligations under the ASX Listing Rules, and measures to ensure that any future activity involving digital assets is conducted within a regulated, transparent, and well-governed environment.

No digital-asset transactions or client activity will occur until ASF Capital's AML/CTF Program, operational controls, and supporting infrastructure have been finalised, independently reviewed, and approved by the Board. This approach reflects AFA's commitment to prudent governance and compliance with ASX's expectations for listed entities engaging in digital-asset-related activities, as outlined in the ASX Compliance Update 09/25.

5. AFA confirms that it does not currently hold any cryptocurrency or other digital assets. AFA's operations remain consistent with its previously disclosed business activities. Accordingly, there are no applicable holding periods, time limits, or other restrictions relevant to the proposed strategy.
6. ASF Capital has not engaged in the acquisition and does not hold any cryptocurrency.

The registration of ASF Capital with AUSTRAC as a DCE provider was undertaken solely to ensure regulatory readiness and to allow for the preliminary exploration of a compliant digital-asset exchange framework, should ASF Capital elect to proceed further in future.

As no cryptocurrency acquisitions or holdings are contemplated under the proposed strategy, there are no applicable limits, thresholds, or monitoring mechanisms relating to such activities. ASF Capital's governance and compliance frameworks remain focused on its existing business operations and regulatory compliance planning.

Should the Board determine at a later stage to pursue exchange-related functionality that may involve digital-asset custody or acquisition, ASF Capital will establish relevant governance controls in accordance with Listing Rule 3.1 and ASX's expectations outlined in Compliance Update 09/25.

7. No custody arrangements are currently in place, as ASF Capital has not commenced any digital-asset operations. Should such services be implemented in future, ASF Capital will adopt institutional-grade custody and security standards consistent with guidance from ASIC, AUSTRAC, and ASX.

These standards may include use of independent, regulated third-party custodians, segregation of client and company assets, and independent assurance reviews to verify the adequacy of security, key-management, and fraud-prevention controls.

8. AFA confirms that it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
9. AFA confirms that the responses to the questions above have been authorized and approved by the board of directors of AFA.

Please also refer to AFA's clarifying announcement made on 3 November 2025. AFA is considering how to utilise the DCE. When it decides it will provide further updates to the market and only after consultation with ASX in relation to the application of the Listing Rules, including Chapter 11, and in light of the Listed@ASX Compliance Update no. 09/25.

Yours sincerely

William Kuan  
Company Secretary  
**ASF Group Limited**

23 October 2025

Reference: 114056

Mr William Kuan  
Company Secretary  
ASF Group Limited

By email

Dear Mr Kuan

**ASF Group Limited ('AFA'): ASX Query Letter**

ASX refers to the following:

- A. AFA's announcement titled "Digital Currency Exchange Provider Registration" (the 'Announcement') released on the ASX Market Announcements Platform at 9:13AM on 22 October 2025 disclosing the following:
- 1.1 *AFA's wholly-owned subsidiary, ASF Capital Pty Ltd, has been registered with the Australian Transaction Reports and Analysis Centre (AUSTRAC) as a Digital Currency Exchange (DCE) service provider (Registration Number: DCE100896622-001). The registration is effective from 16 October 2025 through 16 October 2028.*
  - 1.2 *This registration marks an important milestone in ASF Capital's expansion into regulated digital-asset services, complementing its existing Australian Financial Services Licence (AFSL). It enables the company to facilitate complaint exchange between fiat and digital currencies, as well as digital-to-digital currency transactions, under AUSTRAC's DCE regulatory framework.*
  - 1.3 *This registration does not extend or modify ASF Capital's AFSL authorisations. Rather, it complements them, allowing the company to engage in digital-asset activities that are regulated under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006.*
  - 1.4 *ASF Capital's structure is aligned and consistent with AUSTRAC's regulatory requirements and is finalising operational readiness prior to commencing exchange activities. ASF Capital is in discussions with technology providers, institutional partners, and digital-asset ecosystem participants to develop secure, transparent, and compliant trading solutions for wholesale and institutional clients. These partnerships aim to align ASF Capital's traditional financial-markets expertise with the rapidly emerging digital-finance sector in Australia and across the Asia-Pacific region.*
  - 1.5 *The AUSTRAC registration represents a significant milestone in ASF Capital's strategy to bridge traditional financial markets with regulated digital-asset services. It reinforces our commitment to compliance, transparency and innovation as we expand into this new asset class.*
- B. The change in the price of AFA's securities from \$0.007 immediately prior to the release of the Announcement to a high of \$0.35 following the release of the Announcement.
- C. ASX's previous guidance on crypto asset-related activities by listed entities set out in Listed@ASX Compliance Updates 09/25, 06/19, 01/18, and 09/17.

**Request for Information**

Having regard to the above, ASX asks AFA to respond separately to each of the following questions:

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1. What are the objectives of AFA's proposed strategy as a digital currency exchange provider, and does this strategy contemplate the holding of cryptocurrency?
  2. If the proposed strategy involves the holding of cryptocurrency, how does this align with AFA's existing business activities?
  3. If the proposed strategy includes the holding of cryptocurrency, please outline the relevant experience of AFA's board, senior management and auditor in managing cryptocurrency investments and addressing the associated risks within the context of a listed entity setting.
  4. Please confirm what risk assessments have been undertaken in relation to the proposed strategy and detail the measures AFA intends to implement to manage those risks.
  5. Please confirm what holding periods or other time limits are expected to apply to the proposed strategy and what are the anticipated implications for AFA and its business.
  6. To the extent the proposed strategy includes the acquisition and holding of cryptocurrency, what limits (if any) will apply to such acquisitions and holding, and how will these limits be monitored and enforced.
  7. Where applicable, please confirm what arrangements AFA proposes for the custody of cryptocurrency, including safeguards against fraud, theft, mismanagement of keys, unauthorised access and other related security risks. Please also outline how risks associated with outsourcing any part of these arrangements will be managed by AFA effectively.
  8. Please confirm that AFA is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
  9. Please confirm that AFA's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of AFA with delegated authority from the board to respond to ASX on disclosure matters.

#### **When and where to send your response**

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **9:00 AM AEDT on Tuesday, 28 October 2025**.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, AFA's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out above and may require AFA to request a trading halt immediately if trading in AFA's securities is not already halted or suspended.

Your response should be sent by e-mail to **ListingsComplianceSydney@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow us to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

#### **Suspension**

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in AFA's securities under Listing Rule 17.3.

#### **Listing Rules 3.1 and 3.1A**

In responding to this letter, you should have regard to AFA's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that AFA's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

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**Release of correspondence between ASX and entity**

We reserve the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A. The usual course is for the correspondence to be released to the market.

Kind regards

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ASX Compliance