

1. Company details

Name of entity:	ASF Group Limited
ABN:	50 008 924 570
Reporting period:	For the half-year ended 31 December 2025
Previous period:	For the half-year ended 31 December 2024

2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	26% to	300,718
Profit/(Loss) from ordinary activities after tax attributable to the owners of ASF Group Limited	increase	116% to	539,708
Profit/(Loss) for the half-year attributable to the owners of ASF Group Limited	increase	116% to	539,708
		31 Dec 2025	31 Dec 2024
		Cents	Cents
Basic earnings per share		0.068	(0.42)
Diluted earnings per share		0.068	(0.42)

Dividends

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

Comments

The profit for the consolidated entity after providing for income tax and non-controlling interest amounted to \$539,708, compared to a loss of \$3,333,423 for the corresponding six-month period ended 31 December 2024.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>0.25</u>	<u>(4.37)</u>

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period

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

Previous period

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

7. Details of associates and joint venture entities

Name of associate / joint venture	Reporting entity's percentage holding		Contribution to profit/(loss) (where material)		Impairment (provided) / written back (where material)	
	Reporting period %	Previous period %	Reporting period \$	Previous period \$	Reporting period \$	Previous period \$
Rey Resources Limited	-	16.39%	-	(264,703)	-	(428,630)
ActivEx Limited	13.53%	16.74%	(3,726)	(48,255)	-	(168,159)
Key Petroleum Limited *	N/A	8.95%	N/A	(23,090)	N/A	(51,283)
BSF Enterprise PLC	6.47%	13.43%	-	-	-	-
UK International Innovation Centre Ltd	-	20.00%	-	-	-	-
			(3,726)	(336,048)	59,498	(648,072)
Dawson West Joint Venture	-	60.35%	-	(514,354)	-	-
<i>Group's aggregate share of associates and joint venture entities' profit/(loss) (where material)</i>						
Profit/(loss) from ordinary activities before income tax			(3,726)	(850,402)	59,498	(648,072)

* The Company lost significant influence over Key Petroleum Limited on 15 January 2025 and accordingly KEY was re-classified as financial asset at fair value through profit or loss.

8. Accounting standards used for foreign entities

For foreign entities, the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') were used in compiling these reports.

9. Audit qualification or review

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

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report - Half-year ended 31 December 2025. The auditor's review report includes a Material Uncertainty Related to Going Concern paragraph which highlights the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. The review conclusion is not modified in respect of this matter.

10. Attachments

Details of attachments (if any):

The Interim Report - Half-year ended of ASF Group Limited for the half-year ended 31 December 2025 is attached.

11. Signed

Signed  _____

Date: 27 February 2026

ASF Group Limited

ABN 50 008 924 570

Interim Report - Half-year ended 31 December 2025

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') 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 half-year ended 31 December 2025.

Directors

The following persons were directors of ASF Group Limited during the whole of the financial half-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.

Financial results and commentary

For the six months ended 31 December 2025, revenue from continuing operations of ASF Group Limited (the "Company") and its controlled entities (referred to hereafter as the "Group") amounted to \$300,718 (2024: \$404,317).

Consolidated profit after tax and non-controlling interest for the period was \$539,708 (2024: Loss of \$3,333,423). Profit for the period was contributed by:

- Gain on disposal of investments in Rey Resources Limited and Kaili Resources Limited of \$1,222,004; and
- Fair value gain on investment in Key Petroleum Limited of \$59,499.

During the period, the Group accepted the off-market takeover offer for all the issued shares of Rey Resources Limited (ASX: REY) from Vigorous Resources Pty Ltd and received proceeds of \$0.97 million on 5 August 2025, resulting in a gain on disposal of \$624,000.

The Group also sold all its interest of 2.2 million shares in Kaili Resources Limited (ASX: KLR) on the market at an average price of \$0.28 per share on 25 August 2025, resulting in a gain on disposal of \$598,004.

On 12 August 2025, the Group 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 can be bought back over the next 12 months. During the period, no shares were bought back under the share buyback program.

Financial position

As of 31 December 2025, the Group maintained a cash balance of \$1,914,158.

As a result of the conversion of loan by Star Diamond Developments Limited in last financial year, the Group currently does not have outstanding debts and maintains a healthy balance sheet with net assets of \$2,172,366 as at 31 December 2025, compared to a net liability of \$30,940,317 as at 31 December 2024.

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 review period, 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 interested in 24.5% of the project. In addition, 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. The project comprises a total of 39 sub-blocks and an area of 125km² located in the Charters Towers district of northern Queensland. The project contains 4 established prospects where AIV has carried out extensive ground-based surveys

and these areas are drill-ready with a number of targets already identified.

On 15 October 2025, AIV completed its \$800,000 placement and issued 50,000,000 fully paid ordinary shares at \$0.016 per share to True Creation Limited.

On 23 December 2025, AIV completed its \$100,000 placement and issued 6,250,000 fully paid ordinary shares at \$0.016 per share to Business Victor Investments Limited.

On 16 December 2025 AIV announced that it has agreed with Star Diamond Developments Limited that the repayment terms of the \$5 million unsecured loan facility ("Loan") will be amended. Pursuant to the new terms, any outstanding Loan will be repaid either by cash or the transfer of AIV's assets or shares of AIV's subsidiary.

As at 31 December 2025, the Company holds 13.53% of the issued capital of AIV with a market value of \$0.74 million.

Rey Resources Limited ("REY")

REY was an ASX listed energy company with a large tenement holding in coal, oil & gas in the 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 Company accepted the Offer and received proceeds of \$0.97 million 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 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 review period, KEY completed the placement of 2,954,682 rights issue shortfall shares at an issue price of \$0.062 per share and a placement of additional 3,627,636 fully paid ordinary shares at \$0.042 each.

As at 31 December 2025, the Group holds 7.99% of the issued capital of KEY with a market value of approximately \$0.16 million.

Kaili Resources Limited ("KLR")

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

During the review period, the Company 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. In 2020, ActivEX Canning Pty Ltd ("ActivEX Canning"), a wholly owned subsidiary of AIV purchased the granted Coal Exploration Permits (EPCs) from Civil & Mining Resources Pty Ltd, and the Company subsequently purchased ActivEX Canning from AIV and renamed it to ASF Coking Coal Pty Ltd.

ACC has commissioned GM Minerals Consultants Pty Ltd (trading as Geos Mining) to undertake a conceptual prospectivity review of each tenement aimed at assessing the economic potential for metallurgical coal. Geos Mining concludes that the tenement package demonstrates differentiated exploration prospectivity, led by EPC 2386 (Cracow / Lonesome Creek), which has been assessed as having a moderate to significant likelihood of containing potentially economic metallurgical coal and is therefore considered the highest-priority tenement. EPC 2421 (Cracow West), while assessed as prospective for thermal coal only, is considered to provide potential development synergies due to its proximity to EPC 2386. EPC 2387 (Biloela South) and EPC 2432 (Carnarvon) have been assessed as having low to medium metallurgical coal potential and benefit from relative proximity to existing infrastructure. Further exploration and detailed review of historical data would be required to confirm prospectivity and support any future development.

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 7 patents newly pending, and tested by FEV. The engine is the first successful 4 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. Testing of B stage in Europe has now been completed. 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. Four 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 at the forefront of unlocking the next era of biotechnological solutions, focusing on cell-based tissue engineering to revolutionize 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 company'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. The value of the agreement to 3DBT is around £300,000.

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 Université de Montréal for the intellectual property supporting LiQD Cornea, a novel dropwise treatment for corneal damage (LiQD Cornea).

On the 1st 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. The Equity Fundraise will raise up to £5 million in aggregate of gross proceeds by way of a CLN and prepaid warrants and, if fully exercised, will raise up to a further £10 million in aggregate of gross proceeds by way of cash warrants from the Investors.

The Company through its subsidiary BSF Angel Funding Limited holds 16,610,944 fully paid ordinary shares of BSFA with a market value of GBP0.32 million (equivalent to approximately A\$0.63 million) as at 31 December 2025.

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.

During the review period, the Company announced that ASF Capital 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 Board continues to monitor regulatory developments in digital assets and has authorised management to undertake preliminary, non-commercial planning activities only. No digital asset trading or exchange services have commenced, and any future development remains subject to applicable regulatory approvals, Board approval, and market conditions.

Matters subsequent to the end of the financial half-year

The Company announced on 7 January 2026 that it has executed a Debt to Equity Conversion Deed ("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 (as amended) ("Loan Agreement") by way of the transfer of 100% equity of its wholly owned subsidiary, Rey Surat Gas Pty Ltd. Upon completion of the Conversion Deed, all outstanding loans including accrued interests due to the Company will be fully discharged and the Loan Agreement will be terminated forthwith and will have no further force or effect.

No other matters or circumstances that have arisen since 31 December 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.

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 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Min Yang
Chairman

27 February 2026



Achieving
together
with wisdom

Wis AUDIT PTY LTD
ABN 35 645 416 860

SUITE 801, LEVEL 8, 50 MARGARET ST.
SYDNEY NSW 2000 AUSTRALIA

T: +61 2 8384 9265
E: INFO@WIS-AU.COM
WWW.WIS-AU.COM

Auditor's Independence Declaration

As lead auditor for the review of the financial report of ASF Group Limited and its controlled entities (altogether "the Group") for the half-year ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of the Group during the half-year ended 31 December 2025.

Wis Audit

Wis Audit Pty Ltd (AAC No. 528780)

王 冰 峰

Lingfeng Wang

Director
Sydney, 27 February 2026

LIABILITY LIMITED BY A SCHEME APPROVED UNDER PROFESSIONAL STANDARDS LEGISLATION.
WIS AUDIT PTY LTD IS AN AUTHORISED AUDIT COMPANY (AAC 528780) REGISTERED UNDER THE *CORPORATIONS ACT 2001*.
WIS AUDIT PTY LTD IS A MEMBER FIRM OF WIS AUSTRALIA REGISTERED IN AUSTRALIA.

Statement of profit or loss and other comprehensive income	7
Statement of financial position	8
Statement of changes in equity	9
Statement of cash flows	10
Notes to the financial statements	11
Directors' declaration	20
Independent auditor's review report to the members of ASF Group Limited	21

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 half-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 are 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 27 February 2026.

ASF Group Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2025



		Consolidated	
	Note	31 Dec 2025	31 Dec 2024
		\$	\$
Revenue	3	300,718	404,317
Share of losses of associates accounted for using the equity method	6	(3,726)	(336,048)
Other income	4	74,510	92,108
Interest income		66,425	66,386
Gain on disposal of investments	5	1,222,004	-
Expenses			
Employee benefits expense		(578,069)	(619,873)
Commission and fee expenses		-	(85,225)
Depreciation and amortisation expense	6	(142,249)	(156,710)
Impairment of investment recognised	6	-	(648,072)
Impairment of other receivables	6	(60,808)	(54,309)
Consultancy expense		(127,622)	(311,529)
Marketing expenses		(12,475)	(16,727)
Legal and professional fees		(92,179)	(86,149)
Occupancy expense	6	(15,308)	(38,948)
Exploration expense		-	(185,412)
Corporate and administration expense		(119,243)	(320,083)
Finance costs	6	(17,812)	(1,408,007)
Profit/(Loss) before income tax expense		494,166	(3,704,281)
Income tax expense		-	-
Profit/(Loss) after income tax expense for the half-year		494,166	(3,704,281)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		8,592	2,143
Other comprehensive income for the half-year, net of tax		8,592	2,143
Total comprehensive income/(loss) for the half-year		<u>502,758</u>	<u>(3,702,138)</u>
Profit/(Loss) for the half-year is attributable to:			
Non-controlling interest		(45,542)	(370,858)
Owners of ASF Group Limited		539,708	(3,333,423)
		<u>494,166</u>	<u>(3,704,281)</u>
Total comprehensive income/(loss) for the half-year is attributable to:			
Non-controlling interest		(45,542)	(370,858)
Owners of ASF Group Limited		548,300	(3,331,280)
		<u>502,758</u>	<u>(3,702,138)</u>
		Cents	Cents
Basic earnings per share	22	0.068	(0.42)
Diluted earnings per share	22	0.068	(0.42)

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

ASF Group Limited
Statement of financial position
As at 31 December 2025



	Note	Consolidated 31 Dec 2025 \$	30 June 2025 \$
Assets			
Current assets			
Cash and cash equivalents	7	1,914,158	1,266,107
Trade and other receivables	8	115,270	169,208
Other current assets		27,241	37,367
Total current assets		<u>2,056,669</u>	<u>1,472,682</u>
Non-current assets			
Trade and other receivables	8	116,045	123,695
Investments accounted for using the equity method	10	-	346,667
Financial assets at fair value through profit or loss	11	156,860	114,961
Property, plant and equipment	12	22,982	25,210
Right-of-use assets	9	349,652	487,449
Exploration and evaluation expenditure	13	200,164	156,745
Total non-current assets		<u>845,703</u>	<u>1,254,727</u>
Total assets		<u>2,902,372</u>	<u>2,727,409</u>
Liabilities			
Current liabilities			
Trade and other payables	14	102,461	322,907
Lease liabilities	15	280,214	271,836
Employee benefit obligations	16	268,644	242,136
Total current liabilities		<u>651,319</u>	<u>836,879</u>
Non-current liabilities			
Lease liabilities	15	78,687	220,922
Total non-current liabilities		<u>78,687</u>	<u>220,922</u>
Total liabilities		<u>730,006</u>	<u>1,057,801</u>
Net assets		<u>2,172,366</u>	<u>1,669,608</u>
Equity			
Issued capital	17	122,661,927	122,661,927
Reserves	18	(2,708,522)	(2,717,114)
Accumulated losses		(117,799,815)	(118,339,523)
Total equity attributable to the owners of ASF Group Limited		2,153,590	1,605,290
Non-controlling interest		18,776	64,318
Total Equity		<u>2,172,366</u>	<u>1,669,608</u>

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

ASF Group Limited
Statement of changes in equity
For the half-year ended 31 December 2025



Consolidated	Issued capital \$	Reserves \$	Consolidated Accumulated losses \$	Non-controlling interest \$	Total equity / (deficiency in equity) \$
Balance at 1 July 2024	122,661,927	(2,707,654)	(144,157,600)	(3,034,853)	(27,238,180)
Loss after income tax expense for the half-year	-	-	(3,333,423)	(370,858)	(3,704,281)
Other comprehensive income for the half-year, net of tax	-	2,143	-	-	2,143
Total comprehensive income for the half-year	-	2,143	(3,333,423)	(370,858)	(3,702,138)
Balance at 31 December 2024	<u>122,661,927</u>	<u>(2,705,511)</u>	<u>(147,491,023)</u>	<u>(3,405,711)</u>	<u>(30,940,318)</u>
Consolidated	Issued capital \$	Reserves \$	Consolidated 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 half-year	-	-	539,708	(45,542)	494,166
Other comprehensive income for the half-year, net of tax	-	8,592	-	-	8,592
Total comprehensive income for the half-year	-	8,592	539,708	(45,542)	502,758
Balance at 31 December 2025	<u>122,661,927</u>	<u>(2,708,522)</u>	<u>(117,799,815)</u>	<u>18,776</u>	<u>2,172,366</u>

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

ASF Group Limited
Statement of cash flows
For the half-year ended 31 December 2025



	Consolidated	
Note	31 Dec 2025	31 Dec 2024
	\$	\$
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	404,638	524,546
Payments to suppliers (inclusive of GST)	<u>(1,168,063)</u>	<u>(1,991,135)</u>
	(763,425)	(1,466,589)
Interest received	5,617	12,077
Refund of security deposits	7,649	-
Interest paid	-	(122,005)
Government Grants	-	<u>92,006</u>
Net cash used in operating activities	<u>(750,159)</u>	<u>(1,484,511)</u>
Cash flows from investing activities		
Payments for property, plant and equipment	12 (2,250)	(3,177)
Proceeds from disposal of financial assets at fair value through profit or loss	615,295	-
Proceed from disposal of equity accounted investment	970,667	-
Payments for investment in equity accounted investment	(3,726)	-
Payments for exploration and evaluation	<u>(43,418)</u>	<u>(57,235)</u>
Net cash from/(used in) investing activities	<u>1,536,568</u>	<u>(60,412)</u>
Cash flows from financing activities		
Proceeds from borrowings	-	2,000,000
Repayment of lease liabilities	<u>(146,516)</u>	<u>(123,756)</u>
Net cash (used in)/from financing activities	<u>(146,516)</u>	<u>1,876,244</u>
Net increase in cash and cash equivalents	639,893	331,321
Cash and cash equivalents at the beginning of the financial half-year	1,266,107	1,330,502
Effects of exchange rate changes on cash and cash equivalents	<u>8,158</u>	<u>9,090</u>
Cash and cash equivalents at the end of the financial half-year	<u><u>1,914,158</u></u>	<u><u>1,670,913</u></u>

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

Note 1. Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 31 December 2025 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern

The financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. For the half year ended 31 December 2025, the Group recorded a profit after income tax and non-controlling interest of \$539,708 (2024: Loss of \$3,333,423); showed net cash inflow from investing activities of \$1,536,568 (2024: net cash outflow of \$60,412) and net cash outflows from operating activities of \$750,159 (2024: \$1,484,511).

The ability of the Group to meet its commitments and to develop its projects or divest for a profit is dependent upon the Group continuing to raise capital and/or realise its investments.

The directors have considered the following, in their assessment of the future funding of the Group:

- As at 31 December 2025, the consolidated entity holds no outstanding debt, providing greater financial flexibility to meet operational requirements and pursue strategic growth initiatives;
- The Group has the capacity to reduce operating costs as needed and appropriate;
- Cash flow forecast prepared for the 12 months from the date of issue of these financial statements indicate the Group will be able to meet its obligations as and when they fall due without the need for additional funding; and
- The Group actively manages its cash resources to meet business needs and retains ability to raise additional capital or realise assets if required.

The directors are of the opinion that the Group will continue to obtain additional capital when business requires and accordingly have prepared the financial statements on a going concern basis.

In the unlikely scenario that the Group is not able to obtain additional capital as and when required, there is a material uncertainty that may cast significant doubt upon the Group's ability to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business at the amounts stated in these financial statements.

At the date of approval of these financial statements, the directors are of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the financial statements at 31 December 2025. Accordingly, no adjustments have been made to the financial statements relating to the recoverability and classification of the asset carrying amounts or the amounts and classifications of liabilities that might be necessary.

Note 2. Operating segments

The Group's operating segment is identified based on the internal reports that are reviewed and used by the Board of Directors (being the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

The Group 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 3. Revenue

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
Corporate services	300,718	370,317
Commission revenue	-	34,000
	<hr/>	<hr/>
Revenue	<u>300,718</u>	<u>404,317</u>

Note 4. Other income

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
Government grant	-	92,006
Miscellaneous income	15,011	102
Fair value gain on financial assets at fair value through profit or loss	59,499	-
	<hr/>	<hr/>
Other income	<u>74,510</u>	<u>92,108</u>

Note 5. Gain on disposal of investments

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
Rey Resources Limited (ASX:REY) ¹	624,000	-
Kailli Resources Limited (ASX: KLR) ²	598,004	-
	<hr/>	<hr/>
Gain on disposal of investments	<u>1,222,004</u>	<u>-</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 the REY's issued shares for \$0.028 per ordinary share in cash. The Company accepted the Offer and received proceeds of \$0.97 million on 5 August 2025.

2. The Company sold all 2.2 million shares of KLR on the market at an average price of \$0.28 per share.

Note 6. Expenses

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
Loss before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Plant and equipment	4,452	6,071
<i>Amortisation</i>		
Right of use assets	<u>137,797</u>	<u>150,639</u>
Total depreciation and amortisation	<u>142,249</u>	<u>156,710</u>
<i>Impairment</i>		
Impairment of investment - Rey Resources Limited	-	428,630
- ActivEx Limited	-	168,159
- Key Petroleum Limited	-	51,283
Impairment of loan to Rey Resources Limited	<u>60,808</u>	<u>54,309</u>
Total impairment	<u>60,808</u>	<u>702,381</u>
<i>Share of loss of associates</i>		
Rey Resources Limited	-	264,703
ActivEx Limited *	3,726	48,255
Key Petroleum Limited	<u>-</u>	<u>23,090</u>
Total share of loss of associates	<u>3,726</u>	<u>336,048</u>
<i>Finance costs</i>		
Interest and finance charges paid/payable on borrowings and lease liabilities	<u>17,812</u>	<u>1,408,007</u>
<i>Leases</i>		
Minimum lease payments	<u>15,308</u>	<u>38,948</u>
<i>Superannuation expense</i>		
Defined contribution superannuation expense	<u>39,038</u>	<u>53,685</u>

* The carrying amount of the Group's investment in ActivEx Limited remains at nil. During the period, a capital injection of \$3,726 was made, which was fully offset by the Group's share of the associate's net losses. No further losses have been recognised as the Group holds no legal or constructive obligations.

Note 7. Cash and cash equivalents

	Consolidated	
	31 Dec 2025	30 June 2025
	\$	\$
<i>Current assets</i>		
Cash on hand	6,338	6,379
Cash at bank	<u>1,907,820</u>	<u>1,259,728</u>
	<u><u>1,914,158</u></u>	<u><u>1,266,107</u></u>

Note 8. Trade and other receivables

	Consolidated	
	31 Dec 2025	30 June 2025
	\$	\$
<i>Current assets</i>		
Trade receivables ¹	112,168	171,004
Loan receivable from Dawson West JV ²	-	620,492
Less: Allowance for impairment of receivables ²	-	(620,492)
BAS receivable/(payable)	3,102	(1,796)
	<u>115,270</u>	<u>169,208</u>
<i>Non-current assets</i>		
Deposits	116,045	123,695
Loan receivable from associate - Rey Resources Limited ³	1,068,771	1,007,963
Less: Provision for impairment of receivables (REY)	(1,068,771)	(1,007,963)
	<u>116,045</u>	<u>123,695</u>
	<u><u>231,315</u></u>	<u><u>292,903</u></u>

- Trade receivables are generally due for settlement within 30 days.
- 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. Upon disposal of the Company's wholly owned subsidiary ASF Resources Pty Ltd (which holds 68.97% interest in CMR) in March 2025, the outstanding loan due by Dawson West JV was fully written off.
- On 12 October 2017, the Group entered into a loan facility agreement with its associate, Rey Resources Limited (ASX: REY). Pursuant to the agreement the consolidated entity will provide up to \$1 million in standby funding for REY's exploration activities and general working capital for a term of one year. Interest will accrue at 12% per annum. The loan facility was subsequently increased to \$3.8 million and the maturity date extended to 31 December 2019. In April 2019, REY repaid \$2.5 million which remains available for re-draw before maturity. On 31 December 2019, the parties agreed to reduce the loan facility amount from \$3.8 million to \$2 million and to extend the maturity date to 31 March 2020 which has subsequently been further extended to 30 April 2026. As of 31 December 2025, the outstanding loan due from REY was fully impaired. As a result, the provision for impairment increased by \$60,808 which was charged to profit or loss for the period.

Note 9. Right-of-use assets

	Consolidated	
	31 Dec 2025	30 June 2025
	\$	\$
<i>Non-current assets</i>		
Right-of-use assets	<u>349,652</u>	<u>487,449</u>

Reconciliations

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

Consolidated	\$
Balance at 1 July 2025	487,449
Additions	-
Depreciation expense	<u>(137,797)</u>
Balance at 31 December 2025	<u><u>349,652</u></u>

Note 10. Investments accounted for using the equity method

	Consolidated	
	31 Dec 2025	30 June 2025
	\$	\$
<i>Non-current assets</i>		
Rey Resources Limited (ASX: REY) ¹	-	346,667
ActivEx Limited (ASX: AIV)	-	-
BSF Enterprise PLC	-	-
	<u>-</u>	<u>346,667</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 the REY's issued shares for \$0.028 per ordinary share in cash. The Company accepted the Offer and received proceeds of \$0.97 million on 5 August 2025.

Note 11. Financial assets at fair value through profit or loss

	Consolidated	
	31 Dec 2025	30 June 2025
	\$	\$
<i>Non-current assets</i>		
Key Petroleum Limited (ASX: KEY)	156,860	97,361
Kaili Resources Limited (ASX: KLR) ¹	-	17,600
	<u>156,860</u>	<u>114,961</u>

1. The Company sold all its interest in Kaili Resources Limited on the market at an average price of \$0.28 per share on 25 August 2025.

Note 12. Property, plant and equipment

	Consolidated	
	31 Dec 2025	30 June 2025
	\$	\$
<i>Non-current assets</i>		
Leasehold improvements - at cost	153,418	153,418
Less: Accumulated depreciation	(153,203)	(153,153)
	<u>215</u>	<u>265</u>
Plant and equipment - at cost	371,262	369,741
Less: Accumulated depreciation	(348,495)	(344,796)
	<u>22,767</u>	<u>24,945</u>
	<u>22,982</u>	<u>25,210</u>

Reconciliations

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

Consolidated	Plant & equipment \$	Leasehold improvements \$	Total \$
Balance at 1 July 2025	24,945	265	25,210
Additions	2,250	-	2,250
Depreciation expense	(4,402)	(50)	(4,452)
Foreign exchange difference	(26)	-	(26)
Balance at 31 December 2025	<u>22,767</u>	<u>215</u>	<u>22,982</u>

Note 13. Exploration and evaluation expenditure

	Consolidated	
	31 Dec 2025	30 June 2025
	\$	\$
<i>Non-current assets</i>		
Capitalised mining exploration and evaluation expenditures	200,164	156,745

Note 14. Trade and other payables

	Consolidated	
	31 Dec 2025	30 June 2025
	\$	\$
<i>Current liabilities</i>		
Trade payables	34,151	143,796
Other payables	68,310	179,111
	<u>102,461</u>	<u>322,907</u>

Note 15. Lease liabilities

	Consolidated	
	31 Dec 2025	30 June 2025
	\$	\$
<i>Current liabilities</i>		
Lease liability	280,214	271,836
<i>Non-current liabilities</i>		
Lease liability	78,687	220,922
	<u>358,901</u>	<u>492,758</u>

Note 16. Employee benefit obligations

	Consolidated	
	31 Dec 2025	30 June 2025
	\$	\$
<i>Current liabilities</i>		
Annual leave	192,284	170,338
Long service leave	76,360	71,798
	<u>268,644</u>	<u>242,136</u>

Note 17. Issued capital

	Consolidated			
	31 Dec 2025	30 June 2025	31 Dec 2025	30 June 2025
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>792,397,534</u>	<u>792,397,534</u>	<u>122,661,927</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.

Note 17. Issued capital (continued)

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 18. Reserves

	Consolidated	
	31 Dec 2025	30 June 2025
	\$	\$
Foreign currency reserve	(221,140)	(229,732)
Capital reserve	314,377	314,377
Reserves in relation to transaction within owners capacity	<u>(2,801,759)</u>	<u>(2,801,759)</u>
	<u><u>(2,708,522)</u></u>	<u><u>(2,717,114)</u></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 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 recognize 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 financial half-year are set out below:

Consolidated	Foreign currency reserve \$	Reserves in relation to transaction within owners capacity \$	Capital reserve \$	Total \$
Balance at 1 July 2025	(229,732)	(2,801,759)	314,377	(2,717,114)
Foreign currency translation	8,592	-	-	8,592
Balance at 31 December 2025	<u><u>(221,140)</u></u>	<u><u>(2,801,759)</u></u>	<u><u>314,377</u></u>	<u><u>(2,708,522)</u></u>

Note 19. Dividends

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

Note 20. Fair value measurement

Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, 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

Consolidated – 31 December 2025	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<i>Assets</i>				
Investment at fair value through profit or loss	156,860	-	-	156,860
Total assets	<u>156,860</u>	<u>-</u>	<u>-</u>	<u>156,860</u>

Consolidated - 30 June 2025

<i>Assets</i>				
Investment at fair value through profit or loss	114,961	-	-	114,961
Total assets	<u>114,961</u>	<u>-</u>	<u>-</u>	<u>114,961</u>

There were no transfers between levels during the financial half-year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Note 21. Interests in subsidiaries

No additions to interests in subsidiaries disclosed in the financial report as at 31 December 2025.

Note 22. Earnings per share

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
Profit /(Loss) after income tax	494,166	(3,704,281)
Non-controlling interest	<u>45,542</u>	<u>370,858</u>
Profit/(Loss) after income tax attributable to the owners of ASF Group Limited	<u><u>539,708</u></u>	<u><u>(3,333,423)</u></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><u>792,397,534</u></u>	<u><u>792,397,534</u></u>
	Cents	Cents
Basic earnings per share	0.068	(0.42)
Diluted earnings per share	0.068	(0.42)

Note 23. Events after the reporting period

The Company announced on 7 January 2026 that it has executed a Debt to Equity Conversion Deed (“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 (as amended) (“Loan Agreement”) by way of the transfer of 100% equity of its wholly owned subsidiary, Rey Surat Gas Pty Ltd. Upon completion of the Conversion Deed, all outstanding loans including accrued interests due to the Company will be fully discharged and the Loan Agreement will be terminated forthwith and will have no further force or effect.

No other matters or circumstances that have arisen since 31 December 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.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(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

27 February 2026

Independent auditor's review report to the members of ASF Group Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of ASF Group Limited (the Company) and its subsidiaries (altogether the Group), which comprises the consolidated statement of financial position as at 31 December 2025, 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 half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review 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 Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the half-year financial report, which indicates that the Group had net cash outflow from operating activities of \$750,159 for the half-year ended 31 December 2025. As stated in Note 1, these events or conditions, along with other matters as set forth in that note, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

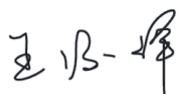
Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Wis Audit Pty Ltd (AAC No. 528780)



Lingfeng Wang

Director
Sydney, 27 February 2026