ANNUAL REPORT

FINEXIA FINANCIAL GROUP LIMITED

FOR THE YEAR ENDED JUNE 30 2025

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FINEXIA FINANCIAL GROUP LIMITED
ACN 106 760 418 | ASX:FNX

Level 18, Australia Square
264 George Street
Sydney NSW 2000

Annual Report
For the year ended 30 June 2025

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Executive Chairman and CEO's Letter
For the year ended 30 June 2025

Dear Shareholders

On behalf of the Board of Directors, we present the Annual Report for Finexia Financial Group Limited for the financial year ended 30 June 2025.

The 2025 financial year was one of the most challenging in Finexia’s history. While the Group delivered record revenue of $22.8 million, up 52% on the prior year (2024: $15.0 million), this achievement was overshadowed by a number of difficult circumstances, including the substantial default of a wholesale borrower (Genius Education), the correction of prior-period financial reporting errors, the impairment of principal investments (Stayco) and the departure of the CEO. Collectively, these events weighed heavily on the Group’s performance, culminating in a net loss after tax of $5.21 million (2024: loss of $1.09 million).

Despite these setbacks, the underlying growth trajectory of our core private credit strategy remains intact. The Group’s loan assets increased to $116.9 million at year end (2024: $58.5 million), reflecting the ongoing demand for Finexia’s credit solutions, particularly within the childcare sector. Total group loan exposure continues to be significant and a central driver of the Company’s long-term strategy.

The default of Genius Education, representing a material proportion of the Finexia Childcare Income Fund, was a troubling event for management and investors alike. The Board moved quickly to appoint external administrators and commence a formal recovery process in order to protect investor interests. In addition, the Board engaged an external legal and compliance firm to conduct a full investigation into the operations of the Finexia Childcare Income Fund (’Fund’). The findings of the investigation caused Finexia to self-report an administrative related breach to ASIC with respect to the operations of the Fund. The remediation recommendations from the report were immediately undertaken by Finexia. The Company has moved to convert the Fund to a ‘wholesale investor’ qualification, and in keeping with this decisive shift, on 11 August 2025, Finexia compulsorily redeemed all units from those unitholders deemed retail investors.

Central to the recovery process is Shared Beginnings, a wholly owned special purpose vehicle (SPV), established to own and operate the childcare centres secured by Finexia during the administration process. Finexia has appointed an experienced childcare and early learning professional in Mrs Kim Clifton to manage and oversee Shared Beginnings. The recovery and exit is likely to be an 18-month process. While the matter remains ongoing, the episode underscores both the risks inherent in credit markets and the importance of maintaining rigorous credit standards and governance processes.

In April 2025, the Board commissioned a review of all investments and credit overseen directly by the former CEO. As a result, the Company was required to recognise a substantial impairment ($6.2m) of its investment in the Stay Company Income Fund (Stayco). While this is a non-cash revaluation and unrealised it has had a material impact on the financial performance of the Company in FY 2025. The Board has since taken decisive steps to strengthen the processes and approach to its investments including carrying valuations to more accurately reflect current market conditions and extraordinary events impacting its investments.

Furthermore, the Board also oversaw a comprehensive remediation of Finexia’s financial control environment. The appointment of Lumina as the Group’s outsourced accounting team in March 2025 strengthened oversight and played a central role in identifying and correcting a prior-period understatement of expenses and liabilities by the former management. These changes, though difficult, lay the foundation for improved transparency, accuracy and discipline in our reporting going forward.

Against this backdrop, the Company undertook a leadership transition, with the CEO stepping down during the year and Mr Neil Sheather being reappointed to that role from 1 July 2025. Furthermore, Mr Robert Spano has stepped into the Chairmanship in an executive capacity and has been instrumental in restoring confidence to the Company's financing partners during this challenging period. The Board acknowledges that leadership stability is vital to delivering our private credit strategy, and we are confident that the steps taken this year position Finexia for improved execution in FY26 and beyond.

No final dividend has been declared for FY25. While we recognise the importance of delivering shareholder returns, the Board believes that preserving capital, supporting growth in the loan book and addressing loan recovery outcomes must remain the immediate priority. The dividend policy remains under review and will be reassessed once earnings normalise.

Looking ahead, our focus remains on executing our lending strategy to the childcare sector, consolidating governance improvements, and strengthening the resilience of our loan portfolio. We will also continue to evaluate opportunities in other select private credit thematics, maintaining a narrow but deep specialisation that leverages Finexia's competitive strengths.

In conclusion, on behalf of the Board we would like to extend our appreciation to our staff, whose efforts in navigating an exceptionally difficult year have been commendable, and to our shareholders, whose ongoing support is deeply valued. While FY25 was defined by challenge, it was equally a year of significant restructuring, re-investment and renewal. These foundations provide confidence that Finexia will return to sustainable profitability and deliver long-term value creation in the years ahead.

Yours sincerely,

Robert Spano
Executive Chairman
Sydney

24 October 2025

Neil Sheather
CEO & Director
Sydney

24 October 2025

The directors present their report together with the consolidated financial statements of the Group comprising of Finexia Financial Group Limited (the 'Company') and its subsidiaries for the financial year ended 30 June 2025 and the auditor's report thereon.

Directors

The following persons were directors of the Company during the whole of the financial year and up to the date of this report unless otherwise indicated:

Mr. Neil Sheather
Mr. Patrick Bell (resigned 26 February 2025)
Mr. Robert Spano
Mr. Daniel Ritchie (appointed 15 November 2024)

Principal activities

Finexia Financial Group is a specialist private credit provider focused on delivering enhanced income returns for clients through its core financing activities. Backed by a wealth of experience and expertise in corporate banking and financing, the team at Finexia identify gaps and opportunities in the funding market and provide flexible solutions to satisfy this demand. The Group's competitive advantage lies in its agile approach along with a deep understanding of the core sectors it finances and operates in, namely, the childcare industry and the resort accommodation sector. The Group has an in-house funds management capability which provides an ability to structure investments and access capital for its primary lending operations.

The Group's client demographic encompasses the whole spectrum from retail investors, wholesale and corporate.

Financial review

Key financial metrics:

	2025 $	2024 Restated $
Total income	22,783,080	14,989,622
Interest income and other lending fees	17,977,504	10,196,369
Net interest revenue	6,007,714	2,037,334
Net (loss) after tax	(5,210,933)	(1,085,339)
Add: change in fair value of equity investments at fair value through profit or loss	6,269,939	405,077
Add: prepaid interest income capitalised during the year	2,709,149	1,073,798
Cash profit after tax[1]	2,694,357	393,536
Loan assets[2]	116,924,537	58,458,875
Loss per share	(0.0872)	(0.022)
Dividend per share	-	0.005

[1] Cash profit is calculated by adding back the movement in fair value adjustment of equity investments and prepaid interest income capitalised during the year.

[2] See loan asset reconciliation below.

Financial review (continued)

Loan asset reconciliation

	2025 $	2024 $
Finexia Credit (formerly Creative Capital Group)	21,652,468	21,239,253
Finexia Financial Childcare Trust	95,272,069	37,219,622
Total loan assets	116,924,537	58,458,875

Dividends

No dividend has been paid during the financial year (2024: dividend of 0.5 cent per share declared on 11 March 2024 and paid on 28 March 2024 totalling $246,264, and dividend of 2 cents per share declared on 28 August 2023 and paid on 17 October 2023).

Significant changes in the state of affairs

The Group's revenue increased by 52% in the year ended 30 June 2025 from $14,989,622 to $22,783,080. This growth is attributable to the pronounced change in the source and composition of the revenue over the period. Income generated through lending activities grew by 76% to $17,977,504 (2024: $10,196,369) marking the strategic pivot to private credit.

As at 30 June 2025, the Group's loan assets have increased by 100% to $116,924,537 compared to $58,458,875 in 2024.

Likely developments

The Group continues to strengthen its private credit loan book by strategic opportunities with various stakeholders.

Matters subsequent to the end of the financial year

Executive appointments

As of 7 August 2025, Mr Neil Sheather has resumed the role of Chief Executive Officer (CEO) while remaining on the Board as an Executive Director. Mr Robert Spano has also been appointed Executive Chairman.

Shared Beginnings Pty Ltd CEO appointment

Effective 7 August 2025, the Group has appointed Mrs Kim Clifton as CEO to oversee and lead Shared Beginnings Pty Ltd, a wholly owned subsidiary and special purpose vehicle that was incorporated by the Group as part of the debt recovery process relating to the administration of one of the Group's borrowers Vertical 4 Pty Ltd and Abacus 49 Pty Ltd (collectively, 'Genius'). The Genius loan exposures for the Group were held with the Finexia Childcare Income Fund and the Finexia Childcare Finance Trust. The lending is secured against childcare centre operations and associated business assets. As part of the debt recovery process, Shared Beginnings will own and operate the childcare business that is central to the Group's credit recovery efforts.

Matters subsequent to the end of the financial year (continued)

There was no other matter or circumstance that has arisen since 30 June 2025 that has significantly affected, or may significantly affect:

(a) the Group’s operations in future financial years, or
(b) the results of those operations in future financial years, or
(c) the Group’s state of affairs in future financial years.

Company secretary

Mr. Neil Sheather
Mr. David Hwang (appointed 7 August 2025)

Meeting of directors

The number of meetings of the Company’s Board of Directors held in the 12 months to 30 June 2025 and the number of meetings attended by each Director were:

	Eligible	Attended
Mr. Neil Sheather	3	3
Mr. Patrick Bell	3	2
Mr. Robert Spano	3	3
Mr. Daniel Ritchie	3	2

Information on directors

Current

Name: Mr. Neil Sheather

Title: Managing director (appointed 10 November 2014)

Qualifications:
- Master of Business Administration, Newcastle University
- Graduate Diploma of Applied Finance
- Several other postgraduate qualifications

Experience and expertise: Mr. Sheather has held senior positions in the stockbroking industry for over 25 years, including directorships, responsible executive, licensee and senior executive management roles. More recently, he has had responsibility and oversight of the Group’s Funds and Asset Management operations. He is the current Chair of the Group’s Credit and Investment Committee.

Mr. Sheather has run the Australian operations on behalf of the Group since inception and has been instrumental in re-structuring the financial outcomes of those operations. He is also a member of the Australian Institute of Company Directors (AICD).

Other current directorships: K2 Asset Management Holdings Ltd (ASX: KAM) (appointed 1 July 2023)

Former ASX directorships in the last 3 years: None

Interests in shares and options as at the date of this report: 3,096,373 ordinary fully paid shares

Information on directors (continued)

Name:	Mr. Robert Spano (appointed 1 February 2024)
Title:	Executive Chairman
Experience and expertise:	Mr. Spano is a seasoned executive and director, boasting a remarkable 40-year tenure in the realms of corporate finance and credit markets, both in Australia and internationally. His expertise is not just limited to operations but also spans strategic aspects of the private credit markets. Mr. Spano's career is distinguished by numerous high-level executive roles and directorships, notably his leadership as the CEO of Alleasing. In a more recent venture, Mr. Spano is playing a pivotal role as a principal shareholder in Bigstone Finance, and contributed significantly to its acquisition by Metric Credit Partners in 2021. He continues to hold a dual role as both a shareholder and a Director at Metric Credit Business Finance, underpinning his ongoing influence and commitment in the financial sector.
Other current directorships:	None
Former ASX directorships in the last 3 years:	None
Interests in shares and options as at the date of this report:	466,667 ordinary fully paid shares 1,666,667 share options
Name:	Mr. Daniel Ritchie (appointed 15 November 2024)
Title:	Non-Executive Director
Experience and expertise:	Mr. Ritchie has 30 years experience in Investment Banking (Institutional Equities). He is the CEO of Factory Capital and was an Executive Director and Divisional Head at Macquarie Bank as Head of Australian Equities and Co-Head of Global Equities. He was responsible for the firm's Equity Sales and Trading, Research and Equity Capital Markets groups. Mr. Ritchie was also the former Head of Australian Equities at Merrill Lynch and Research Sales at UBS and has worked in Melbourne, New York and Sydney and has strong institutional client relationships around the world. He is a member of the ASIC market disciplinary panel and was the previous Chairman of the Stockbrokers Association. Mr. Ritchie brings extensive experience in financial services, investment management and strategic leadership to the Finexia Board. As the CEO of Factory Capital, a boutique private investment management and advisory firm, Mr. Ritchie has established himself as a dynamic leader with a proven track record of delivering sustainable growth and shareholder value. His deep industry knowledge and expertise in navigating complex financial markets will be invaluable as Finexia continues to execute its growth strategy and expand its presence in the private credit and funds management space.
Other current directorships:	None
Former ASX directorships in the last 3 years:	None
Interests in shares and options as at the date of this report:	12,460,713 ordinary fully paid shares 1,666,667 share options

This report outlays the remuneration arrangements in place for the Directors of Finexia Financial Group Limited. The information provided in this remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001* .

The following were key management personnel of the Group at any time during the year and unless otherwise indicated were key management personnel for the year:

Managing Director	Mr. Neil Sheather
CEO & Director	Mr. Patrick Bell (resigned 26 February 2025)
Executive Chairman	Mr. Robert Spano
Non-Executive Director	Mr. Daniel Ritchie (appointed 15 November 2024)

Remuneration philosophy

The Board reviews the remuneration packages applicable to the executive and non-executive directors on at least an annual basis. The broad remuneration policy is to ensure the remuneration package properly reflects the person's duties, responsibilities, and level of performance and that the remuneration is competitive in attracting, retaining, and motivating people of the highest quality. Independent advice on the appropriateness of remuneration packages is obtained, where necessary, although no such independent advice was sought during the financial year.

Remuneration committee

The Group established a remuneration committee in September 2023, chaired by an independent member. The committee assesses the appropriateness of the nature and amount of remuneration of Directors and its senior managers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality board and management team.

Remuneration policy objective and structure

Objective

The Board seeks to set aggregate remuneration at a level which provides the Group with the ability to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

Structure

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the directors as agreed. The present limit of approved aggregate remuneration is $400,000 per year.

The Board reviews the remuneration packages applicable to the non-executive directors on an annual basis. The Board considers fees paid to non-executive directors of comparable companies when undertaking the annual review process. It has been agreed that all non-executive directors will be paid a fee between $60,000 and $80,000 annually, paid on a monthly basis. Non-executive directors may also be remunerated for additional services performed at the request of the Board.

Executive Directors remuneration

Objective

The Group aims to reward the executive directors with a level of remuneration commensurate with their position and responsibilities within the Group so as to:

- align the interests of the executive directors with those of shareholders;
- link reward with the strategic goals and performance of the Group; and
- ensure total remuneration is competitive by market standards.

Options

During the year, options were granted to directors of the Company which entitle them to subscribe for one share upon exercise of the options. Details of options granted to these directors are set out below.

Details of unlisted options granted as at 30 June 2025 are:

Options	Number of options	Exercise price $	Expiry date
Approved in October 2024*	3,333,334	0.30	19 November 2025
Lapsed as at 30 June 2025	-		
Total options (as at 30 June 2025)	3,333,334		

* The options were approved at the AGM held on 15 November 2024:
- 1,666,667 options were approved to Daniel Ritchie
- 1,666,667 options were approved to Robert Spano

Shares under Performance Rights

During the financial year ended 30 June 2024, share performance rights were granted to directors of the Company and its controlled entities as part of their remuneration. Details of performance rights granted to directors and senior management are set out below.

Performance-based remuneration

The key performance indicators (KPIs) are set annually, which includes consultation with management personnel to ensure buy-in. The measures are specifically tailored to the area each individual is involved in and has a level of control over. The KPIs target areas the Board believes hold greater potential to position the Group for future expansion and profit, covering financial and non-financial as well as short and long-term goals. Performance in relation to the KPIs is assessed annually, with bonuses being awarded depending on the number and deemed difficulty of the KPIs achieved.

Executive Directors remuneration (continued)

Details of unissued share rights granted as at 30 June 2025 are:

Total share rights	Number of shares under Performance Rights Scheme	Class of shares	Exercise price	Expiry date
Opening balance (as at 30 June 2024)	5,000,000	Ordinary	Various	Various
Approved in November 2024*	500,000	Ordinary	Various	Various
Lapsed as at 30 June 2025	-			
Total share rights (as at 30 June 2025)	5,500,000	Ordinary	Various	Various

* The share rights were approved at the AGM held on 15 November 2024:

- 500,000 performance rights were approved to Patrick Bell

Service agreements

Mr. Sheather has a formal employment agreement that continues indefinitely until termination. The current agreement provides for yearly salary of $400,000 plus superannuation, with a notice period of 12 months.

Mr. Patrick Bell had a formal employment agreement that continued indefinitely until termination. The agreement provided for yearly salary of $440,000 plus superannuation, with a notice period of 12 months. Mr. Bell received $360,815 in severance pay on his termination.

On 1 July 2025, Mr. Spano entered into formal employment agreement with the Company on a full-time executive basis. His remuneration includes a base salary of $540,000 and a superannuation contribution of $62,100. Subject to shareholder approval, Mr. Spano has been granted seven (7) million company options exercisable at $0.25 with an 18-month expiry from the date of granting.

The following tables outlines the remuneration arrangements in place for the directors and key management personnel (KMP) of the Group both in 2025 and the prior year.

(a) Details of remuneration

2024	Short-term	Post-employment benefits	Share-based payments	Total	Options as a percentage of remuneration
	Director fees and salaries	Superannuation	Performance rights		
Name	$	$	$	$	%
Directors					
Neil Sheather	400,000	44,000	-	444,000	0%
Patrick Bell	400,000	44,000	-	444,000	0%
Robert Spano	33,333	-	-	33,333	0%
Jean-Marc Li	45,000	-	-	45,000	0%
Total	**878,333**	**88,000**	-	**966,333**	0%

Executive Directors remuneration (continued)

(a) Details of remuneration (continued)

2025	Short-term	Post-employment benefits	Share-based payments	Total	Options as a percentage of remuneration
	Director fees and salaries	Superannuation	Share options		
Name	$	$	$	$	%
Directors					
Neil Sheather	485,528	35,472	-	521,000	0%
Patrick Bell	736,064	30,000	-	766,064	0%
Robert Spano	234,999	-	57,079	292,078	0%
Daniel Ritchie	40,000	-	57,079	97,079	0%
Total	**1,496,591**	**65,472**	**114,158**	**1,676,221**	0%

(b) Shareholdings of Key Management Personnel

The movement during the reporting period in the number of ordinary shares in Finexia Financial Group Limited held, directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

2024

Name	Opening balance 1 July 2023	Purchased	Dividend reinvestment plan	Disposed	Closing balance 30 June 2024
KMP	**Ordinary shares**				
Neil Sheather	2,093,327	838,457	164,589	-	3,096,373
Patrick Bell	1,092,696	400,000	95,783	-	1,588,479
Jean-Marc Li	-	-	-	-	-
Robert Spano	166,667	300,000	-	-	466,667
Total	3,352,690	1,538,457	260,372	-	5,151,519

2025

Name	Opening balance 1 July 2024	Purchased	Dividend reinvestment plan	Disposed	Closing balance 30 June 2025
KMP	**Ordinary shares**				
Neil Sheather	3,096,373	-	-	-	3,096,373
Patrick Bell	1,588,479	-	-	-	1,588,479
Robert Spano	466,667	-	-	-	466,667
Daniel Ritchie*	-	12,460,713	-	-	12,460,713
Total	5,151,519	12,460,713	-	-	17,612,232

* Daniel Ritchie holds these shares through a related entity.

Executive Directors remuneration (continued)

(c) Share-based compensation

The following grants of share-based payment compensation to Directors relate to the current financial year:

Name	Option series	Number granted	Number vested	% of grant vested	Number forfeited	% of grant forfeited	% of compensation of the year consisting of options
Robert Spano	Share options	1,666,667	-	-	-	-	-
Daniel Richie	Share options	1,666,667	-	-	-	-	-
Total		3,333,334	-	-	-	-	-

(d) Other transactions and balances with Key Management Personnel

$51,666 of director fees was payable as at reporting date (2024: Nil).

There were no other transactions or balances with key management personnel, other than as reported within this report (2024: Nil).

Shares Issued as a Result of Exercise of Options

No shares of Finexia Financial Group Limited were issued during or since the end of the financial year ended 30 June 2025 as a result of the exercise of an option (2024: Nil).

Other Transactions

No other transactions were entered into with any member of Key Management Personnel other than those detailed in this Remuneration Report.

Voting at the 2024 Annual General Meeting

At the 2024 AGM, 96% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2024.

Executive Directors remuneration (continued)

Consequences of performance on shareholder wealth

In considering the Group's performance and benefits for shareholder wealth, the Board of Directors have regard to the following indices in respect of the current financial year and the previous four financial years:

	2025	2024	2023	2022	2021
Profit/(loss)[1] attributable to owners of the Company ($)	(5,210,933)	(1,085,339)	3,213,719	3,290,442	1,268,746
Dividends paid (cents)	Nil	0.5	2.0	Nil	Nil
Share price at 30 June ($ / share)	-	0.2550	0.2341	0.3116	0.3116

[1] Profit or loss amounts have been calculated in accordance with Australian Accounting Standards (AASBs).

The overall level of key management personnel's compensation is assessed on existing remuneration agreements, level of underlying revenues provided by the KMP and financial performance of the Group.

End of Remuneration Report

Indemnification and insurance of officers

The Company's Constitution requires it to indemnify directors and officers of any entity within the Group against liabilities incurred to third parties and against costs and expenses incurred in defending civil or criminal proceedings, except in certain circumstances. An indemnity against third-party claims is also provided to the Company's auditors under the terms of their engagement.

To the extent permitted by law, the Company has agreed to indemnify its auditors, Forvis Mazars Assurance Pty Limited, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Forvis Mazars Assurance Pty Limited during the year ended 30 June 2025.

The Directors and officers of the Group have been insured against all liabilities and expenses arising as a result of work performed in their respective capacities, to the extent permitted by law. The insurance premium paid was $36,889 and relates to:

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever the outcome;
- other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings other than as disclosed within this report.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001.*

Non-audit services

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important.

The Board of Directors has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services are reviewed by the board to ensure they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

During the year the following fees were paid or payable for audit services provided by the auditor (Forvis Mazars Assurance) of the Company, its related practices and non-related audit firms. There were no non-audit services provided by the auditor during the year.

Non-audit services (continued)

	2025 $	2024 $
Audit services		
Forvis Mazars Assurance Pty Limited		
Audit and review of financial reports	**173,500**	**150,000**

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 on page 17, and forms part of the directors' report for the financial year ended 30 June 2025.

This report is made in accordance with a resolution of Directors.

Neil Sheather
Managing Director
Sydney

24 October 2025

Level 11, 307 Queen Street
Brisbane Qld 4000
GPO Box 2268
Brisbane Qld 4001
Australia
Tel +61 7 3218 3900
forvismazars.com/au

Auditor's Independence Declaration to the Directors of Finexia Financial Group Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2025, there have been:

a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

Forvis Mazars

FORVIS MAZARS ASSURANCE PTY LIMITED

Michael Georghiou
Director

Brisbane, 24 October 2025

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

	Notes	2025 $	2024 Restated* $
Continuing operations			
Interest income and other lending fees		17,977,504	10,196,369
Interest expense		(11,969,790)	(8,159,035)
Net interest margin		6,007,714	2,037,334
Other operating income	2	4,805,576	4,793,253
Operating income		10,813,290	6,830,587
Change in fair value of equity investments at fair value through profit or loss		(6,269,939)	(405,077)
Operating expenses	3	(10,475,189)	(7,746,074)
Loss before credit impairment and income tax		**(5,931,838)**	**(1,320,564)**
Credit impairment charge		(888,578)	(2,557)
Loss before income tax		(6,820,416)	(1,323,121)
Income tax benefit	4	1,609,483	237,782
Loss after tax for the year		**(5,210,933)**	**(1,085,339)**
Total comprehensive loss for the year		**(5,210,933)**	**(1,085,339)**
Loss attributable to:			
Owners of the parent		**(5,210,933)**	**(1,085,339)**
Loss per share			
Basic (cents)	15	(8.72)	(2.22)
Diluted (cents)	15	(8.72)	(2.22)
Dividend per ordinary share (cents)		-	0.50

*See note 26 for details of the restatement of prior year balances.

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statement of financial position
As at 30 June 2025

	Notes	2025 $	2024 Restated* $
Assets			
Cash and cash equivalents	5	8,637,457	6,832,688
Trade and other receivables	6	2,612,070	3,434,895
Financial assets	7	15,353,688	39,996,294
Loan assets	8	116,924,537	58,458,875
Prepayments or other assets		29,781	73,268
Property, plant and equipment	11	980,542	1,373,822
Deferred tax assets	4	2,206,048	593,084
Intangibles	10	1,902,110	2,293,039
Total assets		148,646,233	113,055,965
Liabilities			
Trade and other payables	12	3,728,896	3,649,454
Current tax liabilities		-	1,088,338
Leases	9	-	370,592
Other liabilities		8,178	3,213
Loans and borrowings	13	130,760,433	92,294,482
Employee provisions		466,944	609,543
Total liabilities		**134,964,451**	**98,015,622**
Net assets		**13,681,782**	**15,040,343**
Equity			
Issued capital	14	19,107,492	15,255,120
Accumulated losses		(5,425,710)	(214,777)
Total equity attributable to equity holders of the Company		**13,681,782**	**15,040,343**

*See note 26 for details of the restatement of prior year balances.

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity
For the year ended 30 June 2025

	Issued capital $	Accumulated losses Restated* $	Total Restated* $
As at 1 July 2023	14,648,781	2,076,138	16,724,919
Loss attributable to members of the parent entity	-	(1,085,339)	(1,085,339)
Issue of shares	606,339	-	606,339
Dividends paid or provided for	-	(1,205,576)	(1,205,576)
As at 30 June 2024	15,255,120	(214,777)	15,040,343
As at 1 July 2024	15,255,120	(214,777)	15,040,343
Loss attributable to members of the parent entity	-	(5,210,933)	(5,210,933)
Issue of shares	3,738,214	-	3,738,214
Share-based payment	114,158	-	114,158
As at 30 June 2025	**19,107,492**	**(5,425,710)**	**13,681,782**

*See note 26 for details of the restatement of prior year balances.

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statement of cash flows
For the year ended 30 June 2025

	Notes	2025 $	2024 $
Cash flow from operating activities			
Interest income		17,121,184	11,343,300
Interest and other finance costs		(11,931,654)	(8,159,035)
Distribution received		1,509,631	4,151,334
Receipts from customers		2,709,281	392,201
Payments to suppliers and employees		(7,507,477)	(4,780,085)
Loans movement		(10,799,990)	1,053,946
Payments for units in proprietary managed funds		(14,371,676)	(36,173,998)
Proceeds from sales of units in proprietary managed funds		22,556,838	35,287,011
Income tax paid		(1,091,817)	(400,000)
Net cash (used in) / provided by operating activities	**24**	**(1,805,680)**	**2,714,674**
Cash flow from investing activities			
Payment for intangibles		-	(400,000)
Payments for property, plant and equipment		(15,136)	(35,218)
Net cash (used in) investing activities		**(15,136)**	**(435,218)**
Cash flow from financing activities			
Repayment of leases		(112,629)	(139,111)
Payment of dividends		-	(1,049,238)
Issue of shares		3,738,214	-
Net cash provided by / (used in) financing activities		**3,625,585**	**(1,188,349)**
Net increase in cash held		1,804,769	1,091,107
Cash and cash equivalents at beginning of the year		6,832,688	5,741,581
Cash and cash equivalents at end of year		**8,637,457**	**6,832,688**

*See note 26 for details of the restatement of prior year balances.

The accompanying notes are an integral part of these consolidated financial statements.

1.1 General information

The consolidated general purpose financial statements for Finexia Financial Group Limited (the 'Company') and its subsidiaries (the 'Group') have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board ('IASB'). These financial statements have been prepared on an accruals basis on historical cost convention, except for equity investments.

Finexia Financial Group is a specialist private credit provider focused on delivering enhanced income returns for clients through its core financing activities. Backed by a wealth of experience and expertise in corporate banking and financing, the team at Finexia identify gaps and opportunities in the funding market and provide flexible solutions to satisfy this demand. The Group's competitive advantage lies in its agile approach along with a deep understanding of the core sectors it finances and operates in, namely, the childcare industry and the resort accommodation sector. The Group has an in-house funds management capability which provides an ability to structure investments and access capital for its primary lending operations.

The Group's client demographic encompasses the whole spectrum from retail investors, wholesale and corporate.

1.2 Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Company's functional currency.

1.3 Material accounting information

Material accounting policy information is set out below. These policies have been consistently applied, unless otherwise stated.

(a) Revenue recognition

Rendering of services
Revenue arising from brokerage, commissions, fee income and corporate finance transactions are recognised by the Group as and when performance obligations have been satisfied, which is usually the trade date of the transaction.

(b) Income tax

(i) Tax consolidation legislation
Finexia Financial Group Limited and its wholly-owned Australian subsidiaries have implemented the tax consolidation legislation.

The head entity, Finexia Financial Group Limited, and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand-alone taxpayer in its own right as a separate entity in the Group.

1.3 Material accounting information (continued)

(b) Income tax (continued)

(i) Tax consolidation legislation (continued)

In addition to its own current and deferred tax amounts, Finexia Financial Group Limited also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

The entities have also entered into a tax funding agreement under which the wholly-owned entities fully compensate Finexia Financial Group Limited for any current tax payable assumed and are compensated by Finexia Financial Group Limited for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to Finexia Financial Group Limited under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities' financial statements.

(c) Property, plant and equipment

Properties, office, IT and other equipment (comprising fittings and furniture) are measured using the cost model, less subsequent depreciation and impairment losses.

Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value of properties, office, IT and other equipment. The following useful lives are applied:

- Properties: 25-50 years
- Office and IT equipment: 2-5 years
- Other equipment: 3-12 years

(d) Financial assets

Impairment of financial assets

The Group recognises lifetime expected credit losses (ECL) for trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and general economic conditions.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

1.3 Material accounting information (continued)

(e) Intangible assets

Recognition of intangible assets

Financial markets trading rights and licenses have an indefinite life and, as such, are not amortised but are subject to annual impairment testing.

(f) Short-term and other long term employee benefits

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

(g) New standards, interpretation and amendments issued but not yet effective

The Group has adopted all standards which became effective for the first time at 30 June 2025. The adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Group.

(h) New and revised accounting standards in issue but not yet effective

At the date of authorisation of these financial statements, the Group has not applied the following new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective:

AASB 18 Presentation and Disclosure in Financial Statements - to improve how entities communicate in their financial statements, with a particular focus on information about financial performance in the statement of profit or loss.

The Directors do not anticipate that the adoption of these standards, along with other yet-to-be adopted standards, will have a material impact on the Group's financial statements in future periods.

(i) Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses.

Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances.

1.3 Material accounting information (continued)

(i) Critical accounting judgements, estimates and assumptions (continued)

(i) Business combinations
As part of the acquisition accounting for business combinations, where appropriate, management have determined the fair value of both the consideration transferred for the acquisition and the identifiable assets acquired and liabilities and contingent liabilities assumed in the business combination. The calculation and allocation of fair values is based on evidence available to management at the time of the business combination and requires the use of estimates and judgements, including in respect of cash flow models. The recognition and measurement of amounts recorded at acquisition may remain provisional for up to twelve months from the date of acquisition due to the time necessarily required to resolve uncertainty and complete the initial accounting.

(ii) Share-based payments
The Group measures equity-settled share-based payment transactions by reference to the value of the equity instruments at the date at which they are granted. The fair value is determined by management using a Black-Scholes option pricing model that uses estimates and assumptions. Management exercise judgement in preparing the valuations and these may affect the value of any share-based payments recorded in the financial report.

(iii) Estimates and assumptions

Fair valuation of financial assets at fair value through profit or loss
The Group may, from time to time, hold financial instruments that are not quoted in active markets, such as its financial assets at fair value through profit or loss. Where valuation techniques are used to determine fair values, they are validated and periodically reviewed by experienced personnel within the Group's management. Management's evaluation takes into consideration a business review of the underlying investments (performance development compared with plans) and the actual and planned transactions in the investments.

The determination of fair value for financial assets and liabilities for which there is no observable market price requires the use of valuation techniques.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of estimation depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument. This results in management exercising significant assumption on the unobservable inputs being used for fair valuation. When available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Group measures instruments quoted in an active market at a close price. If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

1.3 Material accounting information (continued)

(i) Critical accounting judgements, estimates and assumptions (continued)

(iii) Estimates and assumptions (continued)

Intangible assets

The fair value of customer relationships acquired in a business combination is based on the multi-period excess earnings method whereby the subject asset is valued after deducting a fair return on all other assets that are part of creating the related cash flows.

Estimated impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment. The recoverable amounts of all cash-generating units have been determined based on value-in-use calculations reported in continuing operations. In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Further information is included in Note 10.

Classification of borrowings

The Group has entered into borrowing agreements for the provision of funding facilities. The borrowing facilities are documented in borrowing facility agreements, the interpretation of which is key to the classification of borrowings as either current or non-current. The Group has exercised judgement in the interpretation of the terms and conditions of the borrowing facility agreements in determining the classification of debt as current or non-current.

Impairment of loan

The loan assets are reviewed for impairment on a monthly basis. The security value against the loan provided are within the acceptable loan-to-value ratio (LVR) as determined in the Group credit policy.

Loan default results in an impairment of the loan assets and recovery mechanism against the security is pursued through the Group's legal means and rights.

Deferred tax assets

The deferred tax assets include temporary differences and current year tax losses of the Group. The Group has concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the business forecast for the Group. The Group is expected to generate taxable income from 2026 onwards. The losses can be carried indefinitely and have no expiry date.

2. Other operating income

	Consolidated	
	2025	2024
	$	$
Proprietary product distribution	2,232,810	4,033,100
Commission and brokerage from non-lending activities	2,404,762	684,656
Other income	78,513	210,580
Gain / (loss) on sale of investment	89,491	(135,083)
	4,805,576	4,793,253

3. Operating expenses

Loss before income tax includes the following specific expenses:

	Consolidated	
	2025	2024 Restated*
	$	$
Employee expenses*	3,329,454	3,409,312
Corporate and professional expenses	4,659,596	3,450,591
Depreciation and amortisation	996,960	613,492
Product commissions	1,324,054	252,627
Finance expenses	141,032	44,444
Other expenses	24,093	(24,392)
	10,475,189	7,746,074

*See note 26 for details of the restatement of prior year balances.

4. Income tax

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of the Group at 25% (2024: 25%) and the reported tax expense in profit or loss are as follows:

	Consolidated	
	2025	2024 Restated*
	$	$
(a) Tax benefit comprises:		
Current income tax		
Current income tax charge	-	291,402
Prior year adjustment	3,481	52,868
Deferred tax		
Deferred income tax relating to origination and reversal of temporary differences	167,251	(582,052)
Current year tax losses	(1,778,680)	-
Prior year adjustment	(1,535)	-
Income tax benefit reported in the statement of profit or loss	(1,609,483)	(237,782)

*See note 26 for details of the restatement of prior year balances.

4. Income tax (continued)

	Consolidated 2025 $	Consolidated 2024 Restated* $
(b) Accounting loss before tax	(6,820,416)	(1,323,121)
Prima facie tax on loss from ordinary activities before income tax at 25% (2024: 25%)	(1,705,104)	(330,780)
Non-deductible expenditure/non-assessable income	93,675	40,130
Prior period under/over provision	1,946	52,868
Income tax benefit	(1,609,483)	(237,782)
(c) Recognised deferred tax balances		
Deferred tax asset	2,213,173	637,584
Deferred tax liability	(7,125)	(44,500)
Net deferred tax asset	2,206,048	593,084
(d) Current tax liabilities		
Estimated tax payable to the Australian Taxation Office	-	1,088,338
	-	1,088,338

*See note 26 for details of the restatement of prior year balances.

(e) Deferred taxes arising from temporary differences and unused tax losses can be summarised as follows:

2025	Opening balance $	Recognised in profit or loss $	Recognised in equity $	Closing balance $
Deferred tax liability				
Intangible assets	(44,500)	37,375	-	(7,125)
	(44,500)	37,375	-	(7,125)
Deferred tax assets				
Accruals and provisions	595,425	(281,342)	-	314,083
Capital raising costs through equity	9,141	-	(3,047)	6,094
Other blackhole costs	4,694	(1,564)	-	3,130
Right-of-use assets and lease liabilities	2,159	(2,159)	-	-
Borrowing costs	26,165	83,487	-	109,652
Unused tax losses	-	1,780,214	-	1,780,214
	637,584	1,578,636	(3,047)	2,213,173
Net deferred tax assets				2,206,048

4. Income tax (continued)

(e) Deferred taxes arising from temporary differences and unused tax losses can be summarised as follows (continued):

2024	Opening balance	Recognised in profit or loss Restated*	Recognised in equity	Closing balance Restated*
	$	$	$	$
Deferred tax liability				
Intangible assets	(81,875)	37,375		(44,500)
	(81,875)	37,375	-	(44,500)
Deferred tax assets				
Accruals and provisions	70,393	525,032	-	595,425
Capital raising costs through equity	12,188	-	(3,047)	9,141
Other blackhole costs	6,258	(1,564)	-	4,694
Right of use assets and lease liabilities	4,068	(1,909)	-	2,159
Borrowing costs	-	26,165	-	26,165
	92,907	252,308	(3,047)	637,584
Net deferred tax assets				593,084

*See note 26 for details of the restatement of prior year balances.

5. Cash and cash equivalents

	Consolidated 2025	2024
	$	$
Cash at bank	8,637,457	6,832,688
	8,637,457	6,832,688

6. Trade and other receivables

	Consolidated 2025	2024
	$	$
Trade receivables (i)	360,145	2,824,176
Contract assets (accrued income)	305,181	296,582
Interest receivable	972,099	48,464
Recoverable costs	725,529	-
Other receivable	229,116	200,673
Deposits	20,000	65,000
	2,612,070	3,434,895

6. Trade and other receivables (continued)

(i) Fair value of trade and other receivables

Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.

(ii) Expected credit loss (ECL) assessment

All of the Group's receivables have been reviewed for indicators of impairment. Information about the impairment of receivables, their credit quality and the Group's exposure to credit risk, foreign currency risk and interest rate risk can be found in Note 17.

The following table provides information about the exposure to credit risk and ECLs on trade receivables:

2025	**Weighted-average loss rate**	**Gross carrying amount**	**Loss allowance**	**Credit-impaired**
	%	**$**	**$**	
Current (not past due)	0%	331,455	-	No
1-30 days past due	0%	-	-	No
31-90 days past due	0%	19,916	-	No
More than 90 days past due	0%	8,774	-	No
		360,145	-	

2024	**Weighted-average loss rate**	**Gross carrying amount**	**Loss allowance Restated***	**Credit-impaired**
	%	**$**	**$**	
Current (not past due)	0%	2,395,104	-	No
1-30 days past due	0%	6,667	-	No
31-90 days past due	0%	20,192	-	No
More than 90 days past due	0%	569,944	(167,731)	Yes
		2,991,907	(167,731)	

*See note 26 for details of the restatement of prior year balances.

7. Financial assets

	Consolidated 2025 $	2024 $
Financial assets at fair value through profit or loss (level 1)		
ASX listed equity securities (i), (ii)	179,912	325,202
Listed equity securities portfolio (i), (ii)	194,917	732,809
	374,829	1,058,011
Financial assets at amortised cost		
Term deposit	-	154,418
	-	154,418
Financial assets held at fair value through profit or loss		
Investment in unlisted companies (iii)	111,300	80,100
Investment in The Stay Company Income Fund (ii), (iv)	13,853,854	22,296,027
Investment in Finexia Childcare Income Fund (iv)	1,013,705	16,401,838
Others	-	5,900
	14,978,859	38,783,865
Total	15,353,688	39,996,294

(i) Classification of financial assets at fair value through profit or loss

The Group classifies equity-based financial assets at fair value through profit or loss if they are acquired principally for trading.

(ii) Amounts recognised in profit or loss

Changes in the fair values of financial assets at fair value has been recorded through the profit or loss, and represent a loss of $6,269,939 for the year (2024: loss of $405,077). $6,213,463 of the loss this year relates to the downward revaluation of the investment in The Stay Company Income Fund.

(iii) Investment in unlisted entity

The Group holds shares in unlisted companies at fair value.

(iv) Investment in The Stay Company Income Fund

The Group holds direct investments in The Stay Company Income Fund. The wholesale fund was launched on 9 August 2021 and is an investment that aims to offer to sophisticated investors direct exposure to a portfolio of accommodation businesses located in key Queensland markets.

Finexia engaged external consultants to conduct a review of the Stayco business including an assessment of the fair value of underlying assets in the portfolio. The business review process incorporated generally accepted methodologies applied to management and letting rights (MLR) businesses, along with independent market-based inputs where available, and adjustments for extraordinary events (including Cyclone Alfred) to ensure comparability and reliability.

The outcome of the review is the Board has made the decision to write-down the book value of the Stayco investment in the financial statements by $4,013,463 to a revised carrying value of $16,053,854. The Board is satisfied that the revised valuation represents a fair and reasonable assessment of asset value as at 30 June 2025.

7. Financial assets (continued)

(v) Investment in Finexia Childcare Income Fund

The Group has a direct investment in Finexia Childcare Income Fund, a registered managed investment scheme that commenced operations around November 2022. This retail fund is designed to provide investors with direct exposure to a portfolio focused on financing childcare centres. Please refer to Note 23.

8. Loan assets

	Consolidated	
	2025	2024
	$	$
Loan assets – secured (i)	116,876,189	57,605,169
Loan to Dragonfly Biosciences Ltd - unsecured (ii)	-	544,980
Loan to Security-backed lending - secured (iii)	48,348	288,636
Loan to Rigs Recovery Pty Ltd - secured (iv)	-	20,090
	116,924,537	58,458,875

(i) The Group provides finance solutions to various enterprises. The loan liabilities are matched against the loan assets. The Group receives various fees on establishment and net interest margin. The interest rates are between 4% to 20% and the loans terms are between 12 to 24 months. The Group takes security through registered first and second mortgages, personal guarantees, and security interest over the borrowers' assets.

(ii) Finexia Securities Ltd had provided an unsecured loan facility to a third party, Dragonfly Biosciences Ltd, at an interest rate of 10% per annum. Dragonfly Biosciences Ltd has entered administration and on this basis a provision for impairment has been recognised against this loan as at 30 June 2025.

(iii) Finexia Securities Ltd has provided a margin loan secured against the client's equity portfolio. The interest rates equate to the overnight cash rate announced by the Reserve Bank of Australia.

(iv) Finexia Securities Ltd provided a secured loan facility to a third party, Rigs Recovery Pty Ltd over a term of 12 months at an interest rate of 15% per annum. The loan was secured by personal guarantees and a general and registered security interest. The loan was fully repaid in July 2024.

9. Leases

(a) Amounts recognised on the balance sheet

	Consolidated	
	2025	2024
	$	$
Right-of-use assets*		
Lease - office	-	361,954
	-	361,954

*included in the line item “Property, plant and equipment” in the statement of financial position.

9. Leases (continued)

(a) Amounts recognised on the balance sheet (continued)

	Consolidated 2025 $	Consolidated 2024 $
Lease liabilities		
Current	-	120,432
Non-current	-	250,160
	-	370,592

On 1 April 2025, the Group entered into a deed of consent to assignment with Lazarus Securities Pty Ltd ('Lazarus') to transfer the Group's existing lease over its office in Sydney to Lazarus. The Group has no further leases as at 30 June 2025.

(b) Amounts recognised on the statement of profit or loss

	Consolidated 2025 $	Consolidated 2024 $
Depreciation charge of right-of-use assets		
Premises	101,800	131,476
	101,800	131,476
Interest expense for leases		
Premises	24,936	17,000
	24,936	17,000

The total cash outflow for leases for the year was $112,629 (2024: $139,111).

10. Intangible assets and goodwill

(a) Reconciliation of carrying amount

	Goodwill $	Customer trademark, relationships and listing $	Trail book $	Licence $	Total $
Balance at 1 July 2024	1,635,698	517,341	140,000	-	2,293,039
Amortisation	-	(9,500)	(140,000)	-	(149,500)
Impairment loss	(241,429)	-	-	-	(241,429)
Balance at 30 June 2025	1,394,269	507,841	-	-	1,902,110

	Goodwill $	Customer trademark, relationships and listing $	Trail book $	Licence $	Total $
Balance at 1 July 2023	1,365,039	47,500	280,000	33,000	1,725,539
Acquisition through business combinations	270,659	479,341	-	4,597	754,597
Amortisation	-	(9,500)	(140,000)	(37,597)	(187,097)
Balance at 30 June 2024	1,635,698	517,341	140,000	-	2,293,039

10. Intangible assets and goodwill (continued)

(b) Amortisation

The amortisation of the customer list is over 10 years and is allocated to profit or loss.

Useful life
Useful life is based on an assessment of the history of customer relationships.

Brokerage trail commissions and SMSF administration fees have historically been derived from recurring customers.

Management has determined an average customer life of 10 years as reasonable for the valuation of customer relationships.

(c) Impairment test

Impairment testing for cash-generating unit (CGU) containing goodwill for Finexia Plus

Impairment testing for cash-generating unit (CGU) containing goodwill for Finexia Plus has been grouped with Finexia Securities Ltd. The recoverable amount of this CGU was based on value in use, estimated using discounted cash flows. The key assumptions used in the estimation of the recoverable amount are set below. The values assigned to the key assumptions have been taken from an independent report.

Goodwill allocated to this CGU was fully impaired as at 31 December 2024. No further annual impairment testing was therefore needed as at 30 June 2025.

Impairment testing for cash-generating unit (CGU) containing goodwill for Finexia Credit (formerly Creative Capital Group)

For the purposes of impairment testing, goodwill has been allocated to Finexia Credit. The recoverable amount of this CGU was based on value in use, estimated using discounted cash flows. The key assumptions used in the estimation of the recoverable amount are set below. The values assigned to the key assumptions have been taken from an independent report.

	2025 $	2024 $
Discounted rate	15.0%	15.0%
Terminal value growth rate	1.4%	1.4%

The discounted rate was a pre-tax measure estimated based on the weighted-average cost of capital. The cash flow projections included specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate was determined based on the expert valuation of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

The key assumptions used in the cash flow forecast that are sensitive are as follows:

Valuation variable	Assumption
Future revenue	Actual revenue based on the 2025 financial year.
EBIT margin	Normalised EBIT margin of 25.2% (2024: 50.3%) based on an assessment of the average normalised EBIT margin for FY25.
Discount rate	At acquisition date, a discount rate range of 15.0% to 20.0% as appropriate for the valuation of customer relationships. A discount rate of 15% (2024: 15%) has been assumed.

10. Intangible assets and goodwill (continued)

(c) Impairment test (continued)

Impairment testing for cash-generating unit (CGU) containing goodwill for Finexia Credit (formerly Creative Capital Group) (continued)

Sensitivity analysis

The below table shows the amount that these two assumptions are required to change individually in order for the estimated recoverable amount to be equal to the carrying amount.

	Change required for carrying amount to equal the recoverable amount	
	2025	**2024**
Pre-tax discount rate	47.1%	883.0%
Budgeted EBIT margin	12.4%	11.8%

Impairment testing for cash-generating unit (CGU) containing goodwill for Everblu

For the purposes of impairment testing, goodwill has been allocated to Finexia Wealth Pty Ltd. The recoverable amount of this CGU was based on value in use, estimated using discounted cash flows. The key assumptions used in the estimation of the recoverable amount are set below. The values assigned to the key assumptions have been taken from an independent report.

	2025 $	2024 $
Discounted rate	15.0%	N/A
Terminal value growth rate	1.4%	N/A

The discounted rate was a pre-tax measure estimated based on the weighted-average cost of capital. The cash flow projections included specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate was determined based on the expert valuation of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

The key assumptions used in the cash flow forecast that are sensitive are as follows:

Valuation variable	Assumption
Future revenue	Actual revenue based on the 2025 financial year.
EBIT margin	Normalised EBIT margin of 21.1% (2024: N/A) based on an assessment of the average normalised EBIT margin for FY25.
Discount rate	At acquisition date, a discount rate range of 15.0% to 20.0% as appropriate for the valuation of customer relationships. A discount rate of 15% (2024: N/A) has been assumed.

10. Intangible assets and goodwill (continued)

(c) Impairment test (continued)

Impairment testing for cash-generating unit (CGU) containing goodwill for Everblu (continued)

Sensitivity analysis

The below table shows the amount that these two assumptions are required to change individually in order for the estimated recoverable amount to be equal to the carrying amount.

	Change required for carrying amount to equal the recoverable amount	
	2025	**2024**
Pre-tax discount rate	38.3%	N/A
Budgeted EBIT margin	11.2%	N/A

11. Property, plant and equipment

The building will be depreciated over a period of 40 years and now serves as the corporate head office for the Group.

	Consolidated	
	2025	**2024**
	$	**$**
Land and buildings		
At cost	1,139,590	1,139,590
Less accumulated depreciation	(183,760)	(157,102)
	955,830	982,488
Plant and equipment		
At cost	35,218	35,218
Less accumulated depreciation	(19,724)	(5,838)
	15,494	29,380
Computer equipment		
At cost	15,136	-
Less accumulated depreciation	(5,918)	-
	9,218	-
Right of use asset		
At cost	-	407,195
Less accumulated depreciation	-	(45,241)
	-	361,954
Total	980,542	1,373,822

11. Property, plant and equipment (continued)

	Land and buildings	Plant and equipment	Computer equipment	Right-of-use assets	Total
	$	$	$	$	$
Balance at 1 July 2024	982,488	29,380	-	361,954	1,373,822
Additions	-	-	15,136	-	15,136
Depreciation	(26,658)	(13,886)	(5,918)	(101,800)	(148,262)
Less: lease assignment (see note 9)	-	-	-	(260,154)	(260,154)
Balance at 30 June 2025	955,830	15,494	9,218	-	980,542

	Land and buildings	Plant and equipment	Computer equipment	Right-of-use assets	Total
	$	$	$	$	$
Balance at 1 July 2023	1,010,636	-	-	86,235	1,096,871
Additions	-	35,218	-	407,195	442,413
Depreciation	(28,148)	(5,838)	-	(131,476)	(165,462)
Balance at 30 June 2024	982,488	29,380	-	361,954	1,373,822

12. Trade and other payables

	Consolidated	
	2025	2024 Restated*
	$	$
Trade payables	1,062,293	685,437
Other payables and accruals*	2,666,603	2,964,017
	3,728,896	3,649,454

See note 26 for details of the restatement of prior year balances.

13. Loans and borrowings

	Consolidated	
	2025	2024
	$	$
Cash deposit agreement (i)	1,131,698	7,562,431
Secured loans - mortgages (ii)	73,379,894	55,548,000
Bank guarantee	-	100,000
Noteholder (iii)	56,248,841	29,084,051
	130,760,433	92,294,482

(i) Cash deposit loan agreements have been entered with clients for the purpose of investing. The cash deposit agreement is between Finexia Securities Ltd and its clients. The loans are on call and have an interest rate of a minimum of 40 basis points above the RBA cash rate, are unsecured and the returns are not guaranteed.

(ii) Finexia Credit (formerly Creative Capital Group) provides finance solutions to various enterprises. The loan liabilities are matched against the loan assets. Finexia Credit receives various fees on establishment and a net margin income. The interest rates are between 8% to 20% and the loans terms are between 12 to 24 months.

(iii) During the year, Finexia Childcare Finance Trust issued $27,500,000 notes and incurred $1,034,408 borrowing costs which will be amortised over three years.

14. Issued capital

	2025		2024	
	No. of shares	**$**	**No. of shares**	**$**
(a) Ordinary shares fully paid	62,303,966	19,107,492	49,843,253	15,255,120
(b) Movement in ordinary shares on issue				
Opening balance	49,843,253	15,255,120	47,965,577	14,648,781
Dividend reinvestment plan	-	-	527,676	156,339
Issue of shares	12,460,713	3,738,214	1,350,000	450,000
Share-based payment	-	114,158	-	-
	62,303,966	19,107,492	49,843,253	15,255,120

(c) Fully paid ordinary shares

Fully paid ordinary shareholders can participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At a shareholder meeting each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

(d) Shares under option

During the financial year, share options and performance rights were granted to Directors of the Company and of its controlled entities as part of their remuneration. Details of options and performance rights granted to Directors and senior management are set out below.

(i) Options
Details of unlisted options granted as at 30 June 2025 are:

Options	**Number of options**	**Exercise price $**	**Expiry date**
Opening balance	-		
Approved in October 2024*	3,333,334	0.30	19 November 2024
Total options (as at 30 June 2025)	**3,333,334**		

* The options were approved at the AGM held on 15 November 2024:

- 1,666,667 options were approved to Daniel Ritchie
- 1,666,667 options were approved to Robert Spano

(ii) Performance rights
Details of unissued share rights authorised as at 30 June 2025 are:

Total share rights	**Number of shares under Performance Rights Scheme**	**Class of shares**	**Exercise price**	**Expiry date**
Opening balance	5,000,000	Ordinary	Various	Various
Approved in November 2024	500,000	Ordinary	Various	Various
Total share rights (as at 30 June 2025)	5,500,000	Ordinary	Various	Various

14. Issued capital

(d) Shares under option (continued)

(ii) Performance rights (continued)

Details of unissued share rights authorised as at 30 June 2024 are:

Total share rights	Number of shares under Performance Rights Scheme	Class of shares	Exercise price	Expiry date
Approved in November 2023	5,000,000	Ordinary	Various	Various
Total share rights (as at 30 June 2024)	5,000,000	Ordinary	Various	Various

15. Loss per share

The calculation of basic and diluted loss per share has been based on the following loss attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

	Consolidated	
	2025 $	2024 Restated $
Loss for the year	(5,210,933)	(1,085,339)
	2025 Number	**2024 Number**
Weighted average number of shares used as the denominator (adjusted for the effect of the share consolidation and bonus element of the rights issue during the period)	59,792,618	48,898,735

16. Franking account balance

The amount of franking credits available for the subsequent financial year are:

	Consolidated	
	2025 $	2024 $
Franking account balance as at the end of the financial year at 25% (2024: 25%)	1,521,108	1,311,794
Franking credits that will arise from the payment of income tax payable as at the end of the financial year	-	291,401
Franking debits from the payment of interim dividends	-	(82,087)
	1,521,108	1,521,108

17. Financial risk management

The Group's activities are or have been exposed to a variety of financial risk - market risk, credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. Given the current size and scale of activities, risk management is overseen by the Board of Directors as a whole.

The Group does not actively engage in the trading of financial assets for speculative purposes, nor does it write options. The most significant financial risks to which the Group is exposed are described below.

(a) Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign currency sensitivity

Most of the Group's transactions are carried out in AUD. Exposures to currency exchange rates arise from transactions specific to overseas activities and are primarily denominated in US dollars (USD). The Group ensures its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates where necessary for transaction specific cash-flows.

The following illustrates the sensitivity of profit and equity in regard to the Group's financial assets and financial liabilities and the USD/AUD exchange rate, 'all other things being equal'.

It assumes a +/- 10% change for the AUD/USD exchange rate. The sensitivity analysis is based on the Group's foreign currency financial instruments held at the reporting date.

	Profit / (loss) for the year		**Increase / (decrease) in equity reserves**	
Foreign assets held in foreign market	**10% $**	**-10% $**	**10% $**	**-10% $**
30 June 2025	19,483	(19,483)	-	-
30 June 2024	43,102	(43,102)	-	-

Interest rate sensitivity

At 30 June 2025, the Group is exposed to changes in market interest rates of money market funds (cash and cash equivalents). The weighted average interest rates received cash and cash equivalents was 3% (2024: 2%).

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of +/- 1%. These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates (all are variable rate instruments). All other variables are held constant.

	Profit / (loss) for the year		**Increase / (decrease) in equity reserves**	
Cash and cash equivalents	**1% $**	**-1% $**	**1% $**	**-1% $**
30 June 2025	86,375	(86,375)	-	-
30 June 2024	68,327	(68,327)	-	-

17. Financial risk management (continued)

(a) Market risk (continued)

Equity price sensitivity

All of the Group's listed equity investments are listed on the Australian Stock Exchange and/or the Malaysian Stock Exchange. The following table illustrates the sensitivity of profit or loss and equity to a reasonably possible change in the valuation of the listed, derivative and managed funds investment portfolio of +/- 5%.

	Profit / (loss) for the year		Increase / (decrease) in equity reserves	
	5%	**-5%**	**5%**	**-5%**
Financial assets	**$**	**$**	**$**	**$**
30 June 2025	767,684	(767,684)	-	-
30 June 2024	1,999,815	(1,999,815)	-	-

The Group is exposed to other price risk in respect of its listed equity securities, which are classified as financial assets at fair value through profit or loss.

(b) Credit risk

Credit risk in the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises in the normal course of conducting its business operations.

Management has a process in place to monitor its exposure to credit risk on an ongoing basis, with respect to selecting where to invest the Group's assets and, where applicable, that assessment takes into consideration market weightings, index membership, liquidity, volatility, dividend yield and/or industry sector.

The Group is exposed to this risk for various financial instruments and its maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below:

	2025	2024
	$	**$**
Classes of financial assets		
Cash and cash equivalents	8,637,457	6,832,688
Trade receivables	360,145	2,824,176
Deposits and other receivables	2,251,925	610,719
Mortgage assets	116,876,189	57,605,169
Other loan assets	48,348	853,706
	128,174,064	68,726,458
Neither past due nor impaired	331,455	2,395,104
Past due 1-30 days	-	6,667
Past due 31-90 days	19,916	20,192
Past due 91-120 days	8,774	402,213
	360,145	2,824,176

17. Financial risk management (continued)

(b) Credit risk (continued)

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by group and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Group's policy is to deal only with creditworthy counterparties.

The Group's management considers that all of the above financial assets that are not impaired are of good credit quality.

In respect of these trade receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

The credit risk for cash and cash equivalents are considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group manages its liquidity needs by monitoring fund investments and redemptions, scheduled debt servicing payments for long-term financial liabilities (if any) as well as forecast cash inflows and outflows due in day-to-day business. Liquidity needs are monitored on a periodical basis on a month to month and annual outlook basis.

The Group's non-derivative financial liabilities have contractual maturities (including interest payments where applicable) as summarised in the table below:

	2025 $	2024 $
Trade and other payables	3,728,896	3,649,454
Other liabilities	8,178	3,213
Loan and borrowings	130,760,433	92,294,482
Leases	-	370,592
	134,497,507	96,317,741

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

Maturity analysis of the Group's liabilities	2025		2024	
	Less than 1 year $	More than 1 year $	Less than 1 year $	More than 1 year $
Loan liabilities	37,783,000	35,596,894	24,820,000	30,728,000
Noteholders	-	56,248,841	-	29,084,050
Customer deposits	-	1,131,698	-	7,562,432
Other liabilities	-	-	-	100,000
	37,783,000	92,977,433	24,820,000	67,474,482

18. Fair value management

Fair value measurement of financial instruments

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three (3) levels of a fair value hierarchy.

• Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

• 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

The following table shows the levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying value is a reasonable approximation of fair value.

2025	Level 1[1] $	Level 2 $	Level 3 $	Total $
Classes of financial assets				
Listed equities	179,912	-	-	179,912
International listed equities portfolio	194,917	-	-	194,917
Finexia Stay Company Income Fund	-	-	13,853,854	13,853,854
Finexia Childcare Income Fund	-	-	1,013,705	1,013,705
Investment in unlisted entities	-	-	111,300	111,300
	374,829	-	14,978,859	15,353,688

2024	Level 1[1] $	Level 2 $	Level 3 $	Total $
Classes of financial assets				
Listed equities	325,202	-	-	325,202
International listed equities portfolio	732,809	-	-	732,809
Term deposit	154,418	-	-	154,418
Finexia Stay Company Income Fund	-	-	22,296,027	22,296,027
Finexia Childcare Income Fund	-	-	16,401,838	16,401,838
Investment in unlisted entities	-	-	86,000	86,000
	1,212,429	-	38,783,865	39,996,294

The fair value of level 1 financial instruments traded on active markets (such as publicly traded equities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the last closing price or unit (acquisition) strike price.

The fair value movement for the year is a net fair value loss of $6,269,939 (2024: loss of $405,077).

[1] There have been no transfers between the levels of the fair value hierarchy during the twelve (12) months to 30 June 2025.

19. Segment information

The Directors have considered the requirements of AASB 8 *Operating Segments* and the internal reports that are reviewed by the chief operating decision maker in allocating resources and have concluded that the Group operated in the financial services industry.

The following summary describes the operations in each of the Group's reportable segments:

- Stockbroking and corporate advisory
- Funds and asset management
- Private credit

	Stockbroking and corporate advisory		Managed investment funds		Private credit		Unallocated		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	$	$	$	$	$	$	$	$	$	$
External revenue	**2,494,253**	549,574	**2,232,810**	4,033,100	**17,977,504**	10,196,368	**78,513**	210,580	**22,783,080**	14,989,622
Other revenue										
Rental income	**-**	-	**-**	-	**-**	-	**-**	179,011	**-**	179,011
Other income	**-**	-	**-**	-	**-**	-	**78,513**	31,570	**78,513**	31,570
Other non-cash movements									**-**	-
Change in fair value of investments	**-**	-	**(6,269,939)**	(405,077)	**-**	-	**-**	-	**(6,269,939)**	(405,077)
Segment profit / (loss) after income tax	**484,264**	(211,322)	**(4,037,129)**	4,033,100	**1,115,817**	518,688	**(2,773,885)**	(5,425,805)	**(5,210,933)**	(1,085,339)
Reportable segment assets	**14,008,193**	18,107,967	**14,867,659**	38,697,865	**38,906,850**	78,926,642	**80,863,531**	(22,676,509)	**148,646,233**	113,055,965
Reportable segment liabilities	**3,217,082**	8,020,619	**-**	-	**47,563,005**	67,208,686	**84,184,364**	22,786,317	**134,964,451**	98,015,622

19. Segment information (continued)

Reconciliations of reportable segment revenues and profit or loss

	2025 $	2024 Restated* $
Revenues		
Total revenue for reportable segments	22,704,567	14,779,042
Unallocated revenues	78,513	210,580
Consolidated revenue	22,783,080	14,989,622
Profit / (loss)		
Total profit/(loss) for reportable segments	(2,437,048)	4,340,466
Unallocated amounts		
Other revenue	78,513	210,580
Depreciation	(996,960)	(613,492)
Finance expenses	(141,032)	(44,444)
Net other corporate expenses	(3,323,889)	(5,216,231)
Income tax benefit	1,609,483	237,782
Consolidated profit/(loss) after tax	(5,210,933)	(1,085,339)
Assets		
Total assets for reportable segments	67,782,702	135,732,474
Unallocated assets and eliminations	80,863,531	(22,676,509)
Consolidated total assets	148,646,233	113,055,965
Liabilities		
Total liabilities for reportable segments	50,780,087	75,229,305
Unallocated liabilities	84,184,364	22,786,317
Consolidated total liabilities	134,964,451	98,015,622

*See note 26 for details of the restatement of prior year balances.

20. Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2025 $	2024 $
Audit services		
Forvis Mazars Assurance Pty Limited		
Audit and review of financial reports	173,500	150,000
	173,500	150,000

21. Commitments and contingencies

(a) Capital commitments

There are no capital commitments as at 30 June 2025 (2024: Nil).

(b) Contingencies

There are no contingent liabilities as at 30 June 2025 (2024: Nil).

22. Key management personnel remuneration

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid to each member of the Group's key management personnel for the year ended 30 June 2025.

The totals of remuneration paid to key management personnel of the Group during the year are as follows:

	2025 $	2024 $
Short-term employee benefits	1,496,591	888,000
Post-employment benefits	65,472	321,896
Share-based payments	114,158	-
	1,676,221	1,209,896

23. Related party transactions

(a) The Group's main related parties are as follows:

Name of Related Party	Relationship	Nature of transaction
Stayco P2 Pty Ltd	Proprietary managed investment scheme	Service and management fees
Stayco P3 Pty Ltd	Proprietary managed investment scheme	Service and management fees
The Stay Company Income Fund	Proprietary managed investment scheme	Service fees, distribution income, and managements fees Investments
Finexia Childcare Income Fund	Proprietary managed investment scheme	Service fees, distribution income, and managements fees Investments
PM Bell No 1 Pty Ltd	Common directorship	Interest Income and Loan
PM Bell No 1 Pty Ltd	Common directorship	Commission expenses
Capri Growth Trust (Eastern Words Pty Ltd)	Common directorship	Commission expenses
RLS Network Holdings Pty Ltd	Common directorship	Director Fees
Factory Capital Pty Ltd	Common directorship	Director Fees
Ritchie Pastoral Nominees Pty Ltd	Common directorship	Director Fees
Northhead No 1 Pty Ltd	Common directorship	Consulting Fees

23. Related party transactions (continued)

(b) Transactions with related parties

	Purchase		Sales		Owed by the Group		Owed to the Group	
	2025	2024	2025	2024	2025	2024	2025	2024
	$	$	$	$	$	$	$	$
Associates								
Lucas and Co Advisors	-	161,200	-	-	-	-		-
Stayco P2 Pty Ltd	4,274	-	-	-	-	-	448,289	44,289
Stayco P3 Pty Ltd	-	-		-	-	-	-	-
The Stay Company Income Fund	-	-	1,540,125	1,939,201	-	-	109,812	182,451
Finexia Childcare Income Fund	-	-	3,762,727	3,086,172	-	-	182,961	993,470
Stayco Services Pty Ltd	-	-	23,957	5,910	-	-	70,334	72,501
TR BB Pty Ltd	-	38,796	-	-	-	-	-	-
PM Bell Pty Ltd	60,000	-	-	-	-	-	-	-
PM Bell No 1 Pty Ltd	18,182	-	-	-	-	-	-	-
Capri Growth Trust (Eastern Words Pty Ltd)	75,000	-	-	-	-	-	-	-
RLS Network Holdings Pty Ltd	185,811	-	-	-	-	-	-	-
Factory Capital Pty Ltd	20,000	-	-	-	-	-	-	-
Ritchie Pastoral Nominees Pty Ltd	20,000	-	-	-	-	-	-	-
Northhead No 1 Pty Ltd	87,500	-	-	-	-	-	-	-
Total	**470,767**	**199,996**	**5,326,809**	**5,031,283**	**-**	**-**	**811,396**	**1,292,711**

(c) Loans to / from related parties

2025	Opening balance	Closing balance	Interest not charged	Interest paid / payable	Impairment
	$	$	$	$	$
Loan from TR BB Pty Ltd	890,000	-	-	-	-
Loan from Neil Sheather	-	180,000	-	-	-

23. Related party transactions (continued)

(d) Investment in related parties

	2025 $	2024 $
Investment in The Stay Company Income Fund		
Beginning of the year	22,296,027	26,546,027
Application	400,000	-
Redemption	(2,628,710)	(4,250,000)
Revaluation	(6,213,463)	-
End of the year	13,853,854	22,296,027
Investment in Finexia Childcare Income Fund		
Beginning of the year	16,401,838	16,055,667
Application	18,296,990	35,282,383
Redemption	(33,685,123)	(34,936,212)
End of the year	1,013,705	16,401,838

24. Cash flow information

(a) Reconciliation of operating loss after income tax to net cash flow from operating activities

	2025 $	2024 Restated* $
Operating loss after income tax	(5,210,933)	(1,085,339)
Non-cash items		
Depreciation and amortisation	297,762	352,559
Impairment loss	784,468	2,557
Change in fair value of equity investments at fair value through profit or loss	6,269,939	405,077
Gain on lease assignment	(22,745)	-
Finance costs	24,936	17,000
Other non-cash items	114,158	100,424
Changes in assets and liabilities		
Decrease / (increase) in receivables	822,825	(270,798)
Decrease in prepayments	43,487	36,956
(Increase) in loan assets	(59,008,701)	(33,678,589)
Decrease in investment entities	18,372,667	4,248,096
Increase in payables	79,442	2,793,210
Increase / (decrease) in other liabilities	4,965	(1,044)
(Decrease) / increase in employee provisions	(142,599)	446,859
Increase in borrowings	38,465,951	29,994,512
(Increase) in deferred tax assets	(1,612,964)	(582,051)
(Decrease) in income tax payables	(1,088,338)	(64,755)
Net cash (used in) / provided by operating activities	(1,805,680)	2,714,674

(b) Non-cash investing and financing activities

The Group had no non-cash investments and financing activities.

24. Cash flow information (continued)

(c) Changes in liabilities arising from financing activities

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

	2025 $	Lease termination	Cashflows $	2024 $
Finance lease	-	(257,963)	(112,629)	370,592
Total liabilities from financing activities	-	(257,963)	(112,629)	370,592

	2024 $	Additional lease	Cashflows $	2023 $
Finance lease	370,592	407,195	(139,111)	102,508
Total liabilities from financing activities	370,592	407,195	(139,111)	102,508

25. Parent entity and subsidiaries

As at, and throughout, the financial year ended 30 June 2025, the parent entity of the Group was Finexia Financial Group Limited.

	2025 $	2024 $
Assets		
Current assets	1,552	4,385,852
Non-current assets	2,040,387	5,322,980
Total assets	2,041,939	9,708,832
Liabilities		
Current liabilities	6,078,224	10,555,140
Non-current liabilities	1,787,026	887,027
Total liabilities	7,865,250	11,442,167
Equity		
Issued capital	17,875,366	16,860,252
Dividend paid	-	(1,205,576)
Accumulated losses	(23,698,677)	(17,388,011)
Total equity	(5,823,311)	(1,733,335)
Loss for the year	(5,092,630)	(4,226,556)
Total comprehensive loss for the year	(5,092,630)	(4,226,556)

25. Parent entity and subsidiaries (continued)

Subsidiaries of Finexia Financial Group Limited	Principal activity	Country of incorporation	Percentage owned 2025 %	Percentage owned 2024 %
Finexia Securities Ltd	Broking and financial services	Australia	100	100
Finexia Funds Management Pty Ltd	Broking and financial services	Australia	100	100
Strategic Investment Portfolios Pty Ltd	Broking and financial services	Australia	100	100
FNX Finance Group Pty Ltd	Broking and financial services	Australia	100	100
FNX Residential Finance Pty Ltd	Broking and financial services	Australia	100	100
Finexia Wealth Management Pty Ltd	Broking and financial services	Australia	100	100
Finexia Credit Pty Ltd (formerly Creative Capital Group Pty Ltd)	Capital and lending solutions	Australia	100	100
Finexia Childcare Pty Ltd	Capital and lending solutions	Australia	100	100
The Stay Company Income Fund*	Wholesale investor fund	Australia	76.65	75.8
Finexia Childcare Income Fund*	Retail Managed Investment Scheme	Australia	4.63	43.02
Finexia Childcare Finance Trust	Capital and lending solutions	Australia	100	100
Stayco Services Pty Ltd	Management right service entity	Australia	100	100
Finexia Financial Group of California LLC	Dormant Delaware, USA	Delaware, USA	100	100
Finexia Employee Incentive Plan Pty Ltd	Trustee of Employee share trust	Australia	100	100
Shared Beginnings Pty Ltd	Investment holding entity	Australia	100	-

* Accounted for as investment

26. Correction of prior year error

In preparing its financial statements for June 2025, the Group identified an understatement of liabilities for interest and operating expenses. The error resulted in a material overstatement of interest income recognised for the 2024 financial year and a corresponding understatement of trade and other payables on the statement of financial position. The Group appointed Lumina as its outsourced accounting team in March 2025. As part of their engagement, Lumina assisted in identifying the prior period error and implementing improved processes and controls to ensure such errors do not recur. The error has been corrected by restating each of the affected financial statement line items for the prior periods as follows:

	2024 Original $	Change $	2024 Restated $
Statement of financial position (extract)			
Decrease in trade and other receivables	3,602,626	(167,731)	3,434,895
Increase in deferred tax assets	207,808	385,276	593,084
Increase in trade and other payables	2,276,080	1,373,374	3,649,454
Net assets	16,196,172	(1,155,829)	15,040,343
Retained earnings	941,052	(1,155,829)	(214,777)
Total equity	16,196,172	(1,155,829)	15,040,343
Statement of profit or loss and other comprehensive income (extract)			
Decrease in interest income	11,374,587	(1,178,218)	10,196,369
Decrease in net interest margin	3,215,552	(1,178,218)	2,037,334
Decrease in operating income	7,603,728	(773,141)	6,830,587
Increase in operating expenses	7,383,187	362,887	7,746,074
Profit / (loss) before credit impairment and income tax	220,541	(1,541,105)	(1,320,564)
Profit / (loss) before income tax	217,984	(1,541,105)	(1,323,121)
Income tax (expense) / benefit	(147,494)	385,276	237,782
Profit / (loss) after tax for the year	70,490	(1,155,829)	(1,085,339)
Total comprehensive income / (loss) for the year	70,490	(1,155,829)	(1,085,339)
Earnings / (loss) per share			
Basic (cents)	0.14	(2.36)	(2.22)
Diluted (cents)	0.14	(2.36)	(2.22)

27. Events subsequent to reporting date

Executive appointments

As of 7 August 2025, Mr Neil Sheather has resumed the role of Chief Executive Officer (CEO) while remaining on the Board as an Executive Director. Mr Robert Spano has also been appointed Executive Chairman.

Shared Beginnings Pty Ltd CEO appointment

Effective 7 August 2025, the Group has appointed Mrs Kim Clifton as CEO to oversee and lead Shared Beginnings Pty Ltd, a wholly owned subsidiary and special purpose vehicle that was incorporated by the Group as part of the debt recovery process relating to the administration of one of the Group's borrowers Vertical 4 Pty Ltd and Abacus 49 Pty Ltd (collectively, 'Genius'). The Genius loan exposures for the Group were held with the Finexia Childcare Income Fund and the Finexia Childcare Finance Trust. The lending is secured against childcare centre operations and associated business assets. As part of the debt recovery process, Shared Beginnings will own and operate the childcare business that is central to the Group's credit recovery efforts.

There was no other matter or circumstance that has arisen since 30 June 2025 that has significantly affected, or may significantly affect:

(a) the Group’s operations in future financial years, or
(b) the results of those operations in future financial years, or
(c) the Group’s state of affairs in future financial years.

Consolidated Entity Disclosure Statement
For the year ended 30 June 2025

Basis of preparation

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

Determination of tax residency

Section 295(3A) of the *Corporations Act 2001* requires that the tax residency of each entity which is included in the CEDS be disclosed. In the context of each entity which was an Australian resident, "Australian resident" has the meaning provided in the *Income Tax Assessment Act 1997*. The determination of tax residency involved judgement as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. In determining tax residency, the consolidated entity has applied the following interpretations:

- **Australian tax residency**
  The consolidated entity has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in Tax Ruling TR 2018/5.
- **Foreign tax residency**
  The consolidated entity has applied current legislation and where available judicial precedent in the determination of foreign tax residency.

Consolidated Entity Disclosure Statement (continued)
For the year ended 30 June 2025

Subsidiary name	Company, partnership or trust	Country of incorporation	% owned	Tax residency	Jurisdiction(s) of foreign tax residency
Finexia Securities Ltd	Company - trustee of trust	Australia	100	Australian	N/A
Finexia Funds Management Pty Ltd	Company	Australia	100	Australian	N/A
Strategic Investment Portfolios Pty Ltd	Company	Australia	100	Australian	N/A
FNX Finance Group Pty Ltd	Company	Australia	100	Australian	N/A
FNX Residential Finance Pty Ltd	Company	Australia	100	Australian	N/A
Finexia Wealth Management Pty Ltd	Company	Australia	100	Australian	N/A
Finexia Credit Pty Ltd (formerly Creative Capital Group Pty Ltd)	Company - trustee of a trust	Australia	100	Australian	N/A
Finexia Childcare Pty Ltd	Company	Australia	100	Australian	N/A
The Stay Company Income Fund*	Wholesale Investor Fund	N/A	76.65	Australian	N/A
Finexia Childcare Income Fund*	Retail managed investment scheme	N/A	4.63	Australian	N/A
Stayco Services Pty Ltd	Company	Australia	100	Australian	N/A
Finexia Childcare Finance Trust	Trust	N/A	100	Australian	N/A
Finexia Financial Group of California LLC	Company	US	100	Foreign	US
Finexia Employee Incentive Plan Pty Ltd	Company	Australia	100	Australian	N/A
Shared Beginnings Pty Ltd	Company	Australia	100	Australian	N/A

Directors Declaration
For the year ended 30 June 2025

1. In the opinion of the directors of Finexia Financial Group Limited (the Company):

(a) the consolidated financial statements and notes thereto, set out on pages 18 to 52, and the Remuneration Report in the Directors Report, as set out on pages 5 to 16, are in accordance with the *Corporations Act 2001* , including:

(i) giving a true and fair view of the Group’s financial position as at 30 June 2025 and of its performance for the financial year ended on that date; and
(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001* ;

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

(c) the consolidated entity disclosure statement is true and correct.

2. The directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the Chief Executive Officer for the financial year ended 30 June 2025.

Signed in accordance with a resolution of the Directors made pursuant to s.295 (5) of the *Corporations Act 2001* .

Neil Sheather
Managing Director

Sydney
24 October 2025

Level 11, 307 Queen Street
Brisbane Qld 4000
GPO Box 2268
Brisbane Qld 4001
Australia
Tel +61 7 3218 3900
forvismazars.com/au

Independent Auditor's Report to the Directors of Finexia Financial Group Limited

Report on the audit of the financial report

We have audited the accompanying financial report of Finexia Financial Group Limited ("Company"), and its subsidiaries ("Group"), which comprises the consolidated statement of financial position as at 30 June 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 year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement, and the directors' declaration.

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

i. giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and

ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

Key audit matter	How we addressed the key audit matter
Revenue recognition (note 1.3a), 2, and 6)	
Included in the consolidated statement of profit or loss and other comprehensive income for the year ended 30 June 2025 is \$22.8 million relating to revenue, split between interest income and other operating income. Revenue related to investments and brokerage is recognised at the point in time when transactions occur, while revenue related to interest and funds management administration is recognised over the period the service	Our procedures included, but were not limited to: a) Obtaining an understanding of and evaluating the processes and controls associated with the treatment of revenue. b) Performing analytical procedures for revenue and obtaining explanations from management.

Key audit matter	How we addressed the key audit matter
Revenue recognition (note 1.3a), 2, and 6)	
is provided, in accordance with the requirements of AASB 15 *Revenue from Contracts with Customers*. Due to the significance to the Group's financial report, we consider this to be a key audit matter.	c) Performing detailed testing of a sample of invoices to assess the revenue recognition policies for appropriateness and for compliance with the recognition requirements of AASB 15. d) Assessing the adequacy of the disclosures included within the financial report.
Valuation of financial assets (note 1.3(d), 1.3(i), 2, 6, 7, 8, 18, and 19)	
The Group held financial assets as at 30 June 2025 which are significant to the Group. These financial assets comprise receivables (note 6), investments in listed and unlisted funds and equities (note 7), and loan assets (note 8). Management have valued these financial assets in accordance with AASB 9 *Financial Instruments* and AASB 13 *Fair Value Measurement* (where appropriate). These valuation assessments have reference to expected credit losses, quoted equity prices and valuation models as at 30 June 2025 (as relevant to the asset type). This was a key audit matter because of the significance of financial assets to the Group's total assets, the significance of changes in fair value to the Group's profit before tax and the measurement of fair value at the reporting date.	Our procedures included, but were not limited to: a) Obtaining third party confirmations directly from fund/portfolio managers to confirm valuations at 30 June 2025. b) Assessing assets for expected credit losses, including assessing security and valuation arrangements. c) Performing an independent check of closing equity prices to externally available quoted pricing information, recalculating equity valuations, assessing impairment models (where applicable) and foreign currency translations at 30 June 2025. d) Examining the application and disclosures for compliance with Australian Accounting Standards, including AASB 9 *Financial Instruments* and AASB 13 *Fair Value Measurement*.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation of:

a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the Directors determine is necessary to enable the preparation of:

a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

b) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit finding, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in page 9 to 14 of the Directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Finexia Financial Group Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

Forvis Mazars

FORVIS MAZARS ASSURANCE PTY LIMITED

Michael Georghiou
Director

Brisbane, 24 October 2025

Additional ASX Information
The shareholder information set out below was applicable as at 21 October 2025

A. Distribution of equity securities

Analysis of numbers of equity security holders by size of holding

No. of ordinary shares held	No. of holders
1 - 1,000	113
1,001 - 5,000	143
5,001 - 10,000	28
10,001 - 100,000	95
100,001 and above	61
Total	**440**

B. Equity Security Holders

The 20 largest registered holders of each class of quoted security as at 21 October 2025 were:

Fully paid ordinary shares			
1	FACTORY CAPITAL GP LTD	12,460,713	20.00%
2	WAVET FUND NO 2 PTY LTD	6,081,891	9.76%
3	CITICORP NOMINEES PTY LIMITED	3,817,898	6.13%
4	MR SHIN YONG MARK CHEW	3,771,510	6.05%
5	BNP PARIBAS NOMINEES PTY LTD	3,660,552	5.88%
6	SAMTYL INVESTMENTS PTY LTD	2,137,777	3.43%
7	J P MORGAN NOMINEES AUSTRALIA	2,127,988	3.42%
8	LAZARUS CAPITAL LIMITED	1,845,423	2.96%
9	SAGE FORTUNES PTY LTD	1,431,956	2.30%
10	EASTERN WORDS PTY LTD	1,210,563	1.94%
11	P J BELL NO 1 PTY LTD	1,188,479	1.91%
12	CASHPICK PTY LIMITED	1,139,044	1.83%
13	CASHPICK PTY LIMITED	1,046,348	1.68%
14	BEETON ENTERPRISES PTY LTD	866,102	1.39%
15	VIVRE INVESTMENTS PTY LTD	800,000	1.28%
16	LUSH INVESTMENTS PTY LIMITED	680,000	1.09%
17	NN CAPITAL PTY LTD	666,668	1.07%
18	LUSH INVESTMENTS PTY LTD	650,000	1.04%
19	MR CONRAD DYLAN WILSON	638,152	1.02%
20	ASIABIO CAPITAL LIMITED	617,732	0.99%

Total number of shares on issue as at 21 October 2025 is 62,303,966.

C. Voting Rights

The voting rights attaching to each class of equity securities are set out below:

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

Options
No voting rights at meeting of members.

FINEXIA

www.finexia.com.au
FINEXIA FINANCIAL GROUP LIMITED
ACN 106 760 418 | ASX:FNX

FINEXIA SECURITIES LIMITED
ACN 608 667 778 | AFSL No. 485760

Level 18, Australia Square
264 George Street
Sydney NSW 2000

1300 886 103

info@finexia.com.au