

**AUSTRALIAN SETTLEMENTS LIMITED
(TRADING AS BANKING CIRCLE)**

**FINANCIAL REPORT
FOR THE SIX MONTH PERIOD
ENDED 31 DECEMBER 2025**

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Remuneration Report

The information set out below is provided to meet the public disclosure requirements for the APRA Prudential Standard - CPS 511 Remuneration.

On 1 August 2025 Australian Settlements Limited (ASL) was acquired by Banking Circle S.A., part of the broader Banking Circle group. The registered name of the entity continues to be Australian Settlements Limited, however it is trading as Banking Circle (BCAU).

Remuneration Framework

The Banking Circle remuneration framework is built on a foundation of commitment to sound governance, ethical practices and prudent risk management. The framework is designed to encourage and reward actions and create accountability for performance and behaviours to create value for our people, clients and shareholders. Our remuneration framework consists of a number of components including Banking Circle's Values, remuneration governance, risk management framework and strategy, remuneration and associated policies, procedures and systems.

Remuneration Policy

The Remuneration Policy is a key pillar of our Remuneration framework which:

- is aligned with our business plan and strategic objectives;
- is aligned with our risk management framework, to promote effective management of financial and non-financial risks, sustainable performance, and long-term soundness, and to support the prevention and mitigation of conduct risk;
- meets prudential and regulatory standards;
- appropriately balances achievement of business goals and long-term business interests;
- aligns financial and non-financial performance objectives – and are determined in line with the annual financial budget set and approved by the Board;
- includes a balance of non-financial objectives that vary depending on the position, and include measures relating to the achievement of risk and compliance, strategic outcomes, client results, and culture and engagement;
- provides variable performance-based pay for Executives, aligned to financial and non-financial performance measures;
- recognises and rewards strong performance; and
- includes the exercise of Board discretion as an ultimate means to approve remuneration arrangements.

Key Management Personnel

Key Management Personnel (KMP) are defined as persons having material authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director, Senior Executive or otherwise of the entity. As such, the KMP for Banking Circle comprises of the Non-Executive Directors, the Chief Executive Officer (CEO), and other senior executives.

KMP who served in our financial period ended 31 December 2025 include:

Remuneration Report (continued)

Name	Role
Directors appointed 1 August 2025	
Matthew Lawrance	Independent Non-Executive Director and Board Chair
Mark Tibbles	CEO and Executive Director
Wolfgang Gaertner	Independent Non-Executive Director and Audit Committee Chair
Marie-Anne Ven Den Berg	Independent Non-Executive Director and Risk Committee Chair
Mishal Ruparel	Non-Executive Director
Michael Hansen	Non-Executive Director
Michel Andre	Non-Executive Director
Directors retired 1 August 2025	
Claudia Bels	Independent Non-Executive Director and Risk Committee Chair
Mark Colless	Non-Executive Director
Dale Grounds	Non-Executive Director
Anna-Leena Risku	Independent Non-Executive Director and Audit Committee Chair
Robert Ryan	Non-Executive Director
Bruce White	Non-Executive Director
Graeme Willis	Independent Non-Executive Director and Board Chair

Remuneration Report (continued)

Name	Role
Directors retired 1 August 2025	
Vincent Pace	Non-Executive Director
Senior Management	
Rubica Westman	Chief Risk Officer
Andrew Rigg	Chief Client Officer
Paul Klauzner	Chief Information Officer
Allan McGregor	Company Secretary & Chief Compliance Officer
Anthony Roberts*	Chief Financial Officer
Victor Andersson**	Chief Financial Officer

* Retired from Chief Financial Officer duties 12 December 2025.

**Appointed 19 January 2026

During the period the Board met on 6 occasions, there was one Governance and People and Culture Committee meeting during period prior to it discontinuing 1 August 2025.

Remuneration Governance

The Board is responsible for meeting remuneration governance obligations required by APRA Prudential Standards and the Financial Accountability Regime (FAR). The Board reviews and approves:

- individual remuneration arrangements for NEDs, the CEO and other Executives reporting to the CEO;
- individual variable remuneration for the CEO and direct reports to the CEO, including setting gate openers and performance measures, and assessing performance recommendations for payment;
- remuneration increases and bonus pool for risk and financial control personnel as a cohort;
- the aggregate remuneration increases and bonus pool for all staff;
- appropriate exercise of Board discretion on other variable remuneration matters.

In accordance with Prudential Standard 511 - Remuneration, the Board also oversees the structure of remuneration, for risk and financial control personnel, including performance-based components, so that it does not compromise the independence of these personnel in carrying out their functions.

Remuneration Report (continued)

Prior to 1 August 2025, Banking Circle maintained a Governance and People and Culture Committee which assisted the Board to discharge its responsibilities in relation to remuneration matters. After 1 August 2025 all remuneration governance matters are considered directly by the Board. There was one Governance and People and Culture Committee meeting during period prior to 1 August 2025.

Non-Executive Director (NED) Remuneration

Following the acquisition of ASL by Banking Circle S.A a number of the NEDs serve on the Board of ASL as well as the Banking Circle S.A. Board. These NEDs are remunerated by other Banking Circle group entities. The only NED remunerated by ASL is the Chairman of the Board. The Chairman of the Board is paid an annual fixed fee, including statutory superannuation for his services. He is also entitled to reimbursement of reasonable associated expenses and does not receive any short-term or long-term incentive payments, nor any other benefits. The Board determines the level of fees paid according to the level of need to attract and retain NEDs, the level of skills and experience required, and the type and number of committees they are members of.

Executive Remuneration

Banking Circle's Executive consists of the CEO and other Executives who report directly to the CEO. For the purpose of compliance with the FAR, the relevant Executives are determined as material risk takers within the business. Remuneration packages of the relevant Executives are designed to support efforts to attract and retain experienced and culturally fit leaders. On an annual basis, a review is performed of the remuneration arrangements for the relevant Executives to ensure that:

- there are sufficiently robust performance measures and targets that encourage superior performance and ethical accountable behaviour; and
- performance is measured against individual and company targets.

Executive remuneration packages contain two key elements:

Total Fixed Remuneration

- includes cash and statutory superannuation and optional salary sacrifice;
- is set relative to the strategic value, complexity and breadth of role;
- is set at a level with reference to skills and experience;
- is set at a level that is in line with external market benchmarks; and
- is reviewed every 12 month.

Variable Remuneration

- may include cash and share-based remuneration, including statutory superannuation;
- is set relative to the strategic value of the performance and the role;
- is reviewed every 12 months; and
- complies as required with deferral requirements of STI as per CPS511

Performance Assessment

In assessing performance of the relevant Executives, Banking Circle adopts a robust methodology linking variable remuneration to the entities financial results and individual financial and non-financial criteria in order to promote effective management of risk and reward. At the end of each financial year, the CEO, in consultation with other group executives (matrix reports) makes a recommendation for each relevant

Remuneration Report (continued)

Executive to the Board. The Board assesses the CEO performance against Key Performance Indicators (KPI's). The Board also assesses each relevant Executive against their KPIs together with a company and individual risk assessment.

Impact of Business Performance on Variable Remuneration

The Board retains complete discretion over variable remuneration, including the right to reduce or forfeit payments to protect the financial soundness of Banking Circle. Threshold performance levels for risk and compliance, behaviour standards and performance must be met or exceeded in order for variable remuneration to be granted. Variable Remuneration takes into account a qualitative overlay that reflects the management of business risks, shareholder expectations, and quality of the financial results (for example no breach of capital adequacy or liquidity policy). For the purposes of calculating the variable remuneration pool each year, the financial performance is determined by a mix of targeted financial earnings, including Revenue. This calculation is performed at a Group level for Banking Circle and allocated to BCAU.

Variable Remuneration Risk Adjustment

As per CPS511, the Bank may adjust variable remuneration for any employee in the event of serious misconduct, or a significant failure, breach or error that creates an unacceptable risk event within the business. Adjustments to variable remuneration may include reducing, eliminating or clawback of any payments made or to be made.

Directors' Report

For the six month period ended 31 December 2025

The Directors of Australian Settlements Limited (ASL), present the financial report of the company for the six month period ended 31 December 2025.

On 17 October 2025 ASL registered the business name Banking Circle. The registered name of the entity remains Australian Settlements Limited, however the entity is trading as Banking Circle. In this document ASL and BCAU is used interchangeably and also referred to as the Company and/or the entity.

Directors

The names of the directors of BCAU in office at any time during, or since the end of the six month period to the date of this report, are:

- Michel Andre (appointed 1 August 2025)
- Wolfgang Gaertner (appointed 1 August 2025)
- Michael Hansen (appointed 1 August 2025)
- Matthew Lawrance (appointed 1 August 2025)
- Mishal Ruparel (appointed 1 August 2025)
- Marie-Anne Van den Berg (appointed 1 August 2025)
- Mark Tibbles (appointed 1 August 2025)
- Claudia Bels (resigned 1 August 2025)
- Mark Colless (resigned 1 August 2025)
- Dale Grounds (resigned 1 August 2025)
- Anna-Leena Risku (resigned 1 August 2025)
- Robert Ryan (resigned 1 August 2025)
- Bruce White (resigned 1 August 2025)
- Graeme Willis (resigned 1 August 2025)
- Vincent Pace (appointed 31 August 2024 and resigned 1 August 2025)

Directors have been in office since the start of the six month period to the date of this report unless otherwise stated. None of the directors have any interest in a contract or proposed contract with Banking Circle, with the exception of those identified in note 29 to the financial statements or have declared such an interest since the date of the last Directors' Report.

Name and qualifications

(Directors appointed 1 August 2025)

Michel ANDRE

Mr Andre is a senior technology executive with over 20 years' experience in technology leadership, software engineering and systems architecture, including roles covering innovation, digital transformation, and organisational scalability. Previous employers and clients include Saxo Bank, NeoNet, Swedbank Markets, OMX Technologies, and the Stockholm Stock Exchange. Mr Andre is a member of the company's Risk Committee.

Directors' Report (continued)

For the six month period ended 31 December 2025

Wolfgang GAERTNER

Mr Gaertner is a global technology and operations Leader in the financial services industry with 30 years of experience in banks, including CIO positions at Deutsche Bank and Commerzbank. He has been as Non-Executive Director and Board Chairman for several banks and technology companies with specific focus on sound governance, regulator interaction and scaling. Mr Gaertner has been the Chairman of Banking Circle S.A. since 2019. Mr Gaertner is the Chair of the company's Audit Committee.

Michael HANSEN

Mr Hansen is a highly experienced financial executive with over 30 years' experience in the banking sector. He currently serves as the Chief Financial Officer and Authorised Manager at Banking Circle S.A. Mr Hansen's expertise includes financial management, risk assessment, and regulatory compliance. Prior to Banking Circle, he held senior finance and operations positions in FIH Erhvervsbank, in Denmark. Mr Hansen is a member of the company's Audit Committee.

Matthew LAWRANCE

Mr Lawrance is a seasoned board director and senior executive with over 30 years of experience across financial services, retail, and airline industries. He has held CEO, CFO, and COO roles in listed companies, responsible for Finance, Operations, Client Servicing, Technology Transformation, and Program Management. During his tenure at NAB, Matthew served as Executive General Manager, Wealth, CEO MLC Super, and Chief Technology & Operations Officer, overseeing major investment portfolios. Since mid-2019, Mr Lawrance has provided advisory services in financial services and serves as Executive Director & Chair of Entregar Partners. He also is the Non-Executive Chair of Azupay Pty Ltd, a payments fintech, and a Non-Executive Director of Blackwattle Investment Partners Pty Ltd, an Investment Management start-up. Mr Lawrance started his career at Ernst & Young, specialising in Corporate Restructuring and Insolvency. Mr Lawrance was appointed Chair of the Board on 1 August 2025 and is a member of the company's Audit and Risk Committees.

Mishal RUPAREL

Mr Ruparel has over 20 years of commercial experience in the banking and fintech sectors. As part of the founding team and member of the senior leadership team of Banking Circle, he has overseen the business from its inception through to obtaining its banking licence in Luxembourg. Prior to Banking Circle, Mr Ruparel held various roles including senior sales roles, international development and finance roles at WorldPay, Barclays Bank and First Data.

Marie-Anne VAN DEN BERG

Ms Marie-Anne Van den Berg has over 40 years of experience in the financial services sector, including as managing director of Hauck & Aufhauser Privatbankiers Luxembourg and Landesbank Baden-Wurtemberg Luxembourg. Ms Van den Berg holds independent directorships in several companies in the Luxembourg financial sector and has been an Independent Director at Banking Circle S.A. since 2019. Ms Van den Berg is the Chair of the company's Risk Committee.

Mark Tibbles

Mr Tibbles is the Chief Executive Officer of ASL. Mr Tibbles has spearheaded the strategic transformation from a settlements company to a leading Australian payments company. He continues to guide ASL under new ownership, ensuring the delivery of solutions that enhance client efficiency in the ever-evolving payments landscape. Mark's extensive background in payments spans more than 25 years across multiple markets, including Australia, the UK, and

Directors' Report (continued)

For the six month period ended 31 December 2025

Asia. He has held senior roles in the Big 4 Australian Banks, UK banks, and payment technology companies in Asia, as well as various Directorships, Advisory roles, and Industry Committee positions.

(Directors retired 1 August 2025)

Claudia BELS

Ms Bels is an independent director with extensive legal, governance, risk management and financial expertise. Ms Bels has over 30 years' experience across the government, member services and international banking and finance sectors. She is Chair of Australia & New Zealand Recycling Platform Limited (Techcollect) and a Non-Executive Director of Endeavour Energy, as well as chairing committees for a number of these companies. Ms Bels is a Fellow of the Australian Institute of Company Directors. Ms Bels was the ASL Deputy Chair and the Chair of the company's Risk Committee and Contracts & Pricing Committee and was a member of the Audit Committee, and the Governance, People & Culture Committee, until her resignation on 31 July 2025.

Mark COLLESS

Mr Colless is currently the Deputy Chief Financial Officer of Newcastle Greater Mutual Group Ltd. He is a Chartered Accountant with over 20 years' experience in the financial services industry, chartered accounting and commercial enterprises. Mr Colless holds a Bachelor of Commerce from the University of Sydney and a Master of Business Administration from the Macquarie Graduate School of Management and is a graduate member of the Australian Institute of Company Directors. Mr Colless was a member of the company's Audit and Risk Committees, until his resignation on 31 July 2025.

Dale GROUNDS

Mr Grounds is the Chief Executive Officer of The Capricornian Ltd. Mr Grounds has over 35 years' experience in Financial Services, in both urban and regional locations, and has undertaken a range of senior management and executive roles focusing on leadership, clients, operations, marketing, business analysis/project management and organisational change and improvement. Mr Grounds holds a Bachelor of Arts (Economics), Graduate Diploma of Management, Graduate Diploma of Financial Administration and a Master's Degree in Business Administration. Mr Grounds was a member of the company's Governance, People and Culture Committee, until his resignation on 31 July 2025.

Vincent PACE

Mr Pace is the Chief Financial Officer of People First Bank. Mr Pace has over 20 years' experience in executive finance, treasury and operations roles in the banking and utilities sectors. Before being appointed Chief Financial Officer at People First Bank, he was the People First Banks' Chief Operating Officer. Mr Pace was Chief Financial Officer at People's Choice Credit Union prior to this. Mr Pace is a Director of Mutual Marketplace, a specialist procurement business delivering savings for the Australian mutual industry. Mr Pace holds a Bachelor of Commerce and a Masters in Accounting and is a FCPA. Mr Pace was a member of the company's Digital Committee, until his resignation on 31 July 2025.

Anna-Leena RISKU

Ms Risku's career spans more than 30 years experience in the IT industry and over 10 years in the Financial Services sector in mutual banking and superannuation. She has both local and international executive experience across finance, operations and strategy. Having chaired various Audit and Governance committees, Ms Risku is an experienced company director and a Fellow of the Australian Institute of Company Directors (FAICD), where she is part of the education faculty. She currently serves as an

Directors' Report (continued)

For the six month period ended 31 December 2025

independent member on RSL NSW's Audit & Risk Committee and was previously a member of a Finance Advisory Committee for a local council. Ms Risku was the Chair of the company's Audit Committee and was a member of the Risk Committee and the Contracts & Pricing Committee, until her resignation on 31 July 2025.

Robert RYAN

Mr Ryan is the Chief Executive Officer of IMB Limited. Mr Ryan joined IMB Limited in 1999. Mr Ryan is a Director and Deputy Chair of The Flagstaff Group. Mr Ryan is a member of the University of Wollongong (UOW) Council and was elected to the position of Deputy Chancellor in January 2018. Mr Ryan is also a Director of the UOW Enterprises Board in Dubai (UOWD) and Hong Kong (CCCU) and is Chairman of the UOWD Board in Dubai. Prior to joining IMB, Mr Ryan held the positions of Managing Director, Chief Financial Officer and Company Secretary at Australian Resources Limited. Mr Ryan has extensive experience in finance and management at a senior executive and board level, has been involved in the formulation and implementation of strategic business plans, financial restructuring, staff management and development, as well as evaluation of acquisitions and divestments. Mr Ryan was a member of the company's Audit and Digital Committee's, until his resignation on 31 July 2025.

Bruce WHITE

Mr White has been working in the finance and manufacturing industries for close to 30 years. Mr White has 19 years exposure to the operation of payment schemes in Australia. In his prior role, Mr White was Newcastle Greater Mutual Group Limited's Chief Information Officer and had executive management responsibility of the Bank's technology and payments functions. Mr White is a Director and Chair of the Audit and Risk committee at Newcastle Anglican. Mr White holds a Master of Business Administration from Charles Sturt University and is a Graduate Member of the Australian Institute of Company Directors. Mr White was the Chair of the company's Digital Committee, until his resignation on 31 July 2025.

Graeme WILLIS (Chair)

Mr Willis has had a career spanning over 40 years within financial services, including board and executive management positions with major European and Australasian banks. He is a former Non-Executive Director of Bank First and the Royal Automobile Club of Victoria. Mr Willis has completed a Management Development program at the Harvard Business School. Mr Willis is a Senior Fellow of the Financial Services Institute of Australasia (FINSIA), Fellow of the Australian Institute of Company Directors, Fellow of the Chartered Institute of Bankers (Scotland) and Fellow of the Governance Institute of Australia. Mr Willis was appointed Chair of the Board on 30 October 2018 and was a member of the company's Risk Committee, the Contracts and Pricing Committee and Chair of the Governance, People and Culture Committee, until his resignation on 31 July 2025.

Company Secretary

Allan MCGREGOR

Mr McGregor has over 25 years of experience working in risk management, compliance, project management, governance, company secretarial and internal audit. During this time Mr McGregor has gained extensive experience through roles in the banking, insurance, foreign exchange and energy industries in Australia including broader involvement in the Asia Pacific region. Mr McGregor holds a Bachelor of Science Degree and Master of Commerce in Finance and is a member of the Governance Institute of Australia.

Directors' Report (continued)

For the six month period ended 31 December 2025

Directors' Meetings

The number of Directors' meetings (including meetings of committees of directors) and the number of meetings attended by each of the directors of BCAU during the six month period ended 31 December 2025 is set out below.

	Board	Audit	Risk	Governance, People & Culture
Number of meetings held:				
	6	3	2	1
Number of meetings attended				
C Bels	3	-		1
M Colless	3	-		-
D Grounds	3	-		1
V Pace	3	-		-
A Risku	3	-		-
R Ryan	-	-		-
B White	-	-		-
G Willis	3	-	-	-
M Andre	3	-	2	-
W Gaertner	3	2	-	-
M Hansen	3	3	-	-
M Lawrence	3	3	2	-
M Ruparel	2	-	-	-
M Van den Berg	2	-	1	-
M Tibbles	3	-	-	-

The above table excludes circular resolutions passed by the Board or Board Committees.

Directors' Report (continued)

For the six month period ended 31 December 2025

Changes in the State of Affairs

On 1 August 2025, a share sale agreement between ASL, the ASL ordinary shareholders and Banking Circle S.A. (a European based payments bank) was executed with Banking Circle S.A. acquiring 100% of the ordinary shares of ASL. This share sale was completed following the approval of shareholders, as well as the required regulatory approvals, including approval from the Australian Prudential Regulatory Authority (APRA).

Following the acquisition of BCAU by Banking Circle S.A, BCAU has changed its financial year end from 30 June to 31 December to align with the Banking Circle group. As such this financial report presents the financial period from 1 July 2025 to 31 December 2025, whilst the prior year comparatives represent the full year ended 30 June 2025.

There are no other significant changes in the company's state of affairs during the year ended 30 June 2025.

Principal Activities

The principal activities of Banking Circle for the six month period ended 31 December 2025 were providing clients with payment processing, settlement and associated services for ATM/eftpos, VISA, Mastercard, Direct Entry, BPAY, NPP, PEXA, Financial Crime and high value transactions. Banking Circle acts as a focal point for its clients to participate in the payments systems and developing payments services and strategies.

Banking Circle is an Authorised Deposit-taking Institution (ADI) subject to prudential supervision by APRA and operates an Exchange Settlement Account (ESA) at the Reserve Bank of Australia (RBA) which is used for the settlement of payment obligations of clients.

Review of Operations

The company posted a Net Profit After Tax of \$676,901 for the 6-month period ended 31 December 2025 (Full year ended 30 June 2025: Net Loss After Tax of \$1,803,254).

A growing client base, growing deposits and improved net interest earnings has underpinned an improved financial performance on the prior period. Furthermore, the prior period saw an impairment charge on intangible assets of \$2.9m being recognised.

Remuneration of directors and key management personnel

Information about the remuneration of key management personnel is disclosed in the Remuneration Report of this document and Note 29 of the Financial Statements. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing, and controlling the activities of Banking Circle, directly or indirectly, including any director (whether executive or otherwise) of Banking Circle.

Transactions with directors and key management personal

Transactions with key management personnel are disclosed in Note 29.

Directors' Report (continued)

For the six month period ended 31 December 2025

Proceedings on behalf of ASL

No person has applied for leave of the Court to bring proceedings on behalf of BCAU or interfere in any proceedings to which Banking Circle is a party for the purpose of taking responsibility on behalf of Banking Circle for all or part of those proceedings. Banking Circle was not a party to any such proceedings during the year

Capital adequacy

The capital adequacy ratio as at 31 December 2025 was 18.61% (30 June 2025: 19.09%). This remains above the minimum level required to be maintained as determined by the Board's risk appetite and APRA Prudential Standards. Further details in note 26.

Future developments

Information on likely developments in the operations of the Company and the expected results of operations have not been included in this annual financial report because the Directors believe it would be likely to result in unreasonable prejudice to the Company.

Indemnification of Officers and Auditors

Insurance premiums have been paid to insure each of the Directors and Officers of the company against any costs and expenses incurred by them in defending any legal proceeding arising out of their conduct while acting in their capacity as a Director or Officer of the company. In accordance with normal commercial practice, disclosure of the premium amount and the nature of the insured liabilities is prohibited under the terms of the contracts. No additional cover has been provided for the benefit of the auditors of the company. The company has recognised an expense of \$17,586 in relation to this.

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, 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 Ernst & Young Australia during or since the financial year.

Environmental Regulation

The company's operations are not currently regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Dividend

No dividend was declared nor paid during the period ended 31 December 2025 (30 June 2025: \$Nil).

Subsequent events

Banking Circle S.A, BCAU's parent company, has operated in Australia since 2023 through BC Payments Australia. On 19 January 2026 Banking Circle Australia entered into an Asset Transfer Deed with BC Payments Australia (BCPA) to acquire the Client Contracts of BCPA with the client contracts being transferred effective 1 March 2026. This is in line with Banking Circle S.A's strategy to combine its operations in Australia under the Banking Circle entity and brand.

On 1 March 2026 the employees of BCPA were transferred to become employees of Banking Circle.

Directors' Report (continued)

For the six month period ended 31 December 2025

Other than the matters outlined above, no matter or circumstance has arisen subsequent to the period end that has significantly affected, or may significantly affect, the operations to the entity, the results of those operations, or the state of affairs of the entity in future financial years.

Rounding off of amounts

The company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with that Corporations Instrument amounts in the directors' report are rounded off to the nearest dollar, unless otherwise indicated.

Going concern

The Directors have at the time of approving the financial statements, a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is included after this report.

Declaration

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

On behalf of the Directors



Matthew Lawrance
Director



Wolfgang Gaertner
Director

Sydney, 23 April 2026



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with confidence**

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Auditor's independence declaration to the directors of Australian Settlements Limited

As lead auditor for the audit of the financial report of Australian Settlements Limited for the financial period ended 31 December 2025, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

Ernst & Young

Ernst & Young

A handwritten signature in black ink, appearing to read 'Jim Chuang', with a stylized flourish at the end.

Jim Chuang
Partner
23 April 2026

Statement of Profit or Loss and Other Comprehensive Income
For the six month period ended 31 December 2025

	Note	31 December 2025	Restated 30 June 2025
		\$	\$
Continuing operations			
Income			
Interest income	2	9,492,486	16,976,912
Interest expense	2	(6,892,498)	(12,730,520)
Net interest income		2,599,988	4,246,392
Fee Income	3	6,493,167	11,740,405
Processing costs		(1,408,653)	(2,511,873)
Net fee income		5,084,514	9,228,532
Other income	3	957,723	2,604,711
Net non-interest income		6,042,237	11,833,243
Gross profit		8,642,225	16,079,635
Expenses			
Employee benefit expense	4	(4,095,928)	(7,410,076)
Technology expense		(2,279,377)	(4,688,393)
Professional Services expense		(818,976)	(1,274,133)
Occupancy expense	5	(212,065)	(282,950)
Other expenses		(169,200)	(394,463)
Depreciation and amortisation expense	6	(350,400)	(1,477,545)
Impairment of Intangible Assets	14	-	(2,926,500)
Profit/(Loss) for the period before income tax		716,279	(2,374,425)
Income tax benefit/(expense)	7	(39,378)	571,171
Profit/(Loss) for the period from continuing operations after income tax		676,901	(1,803,254)
Other comprehensive income for the period, net of income tax		-	-
Total comprehensive income/(loss) for the period attributable to the owners of the company		676,901	(1,803,254)

Statement of Financial Position
As at 31 December 2025

	Note	31 December 2025 \$	Restated 30 June 2025 \$	Restated 1 July 2024 \$
Assets				
Cash and cash equivalents	8	464,456,432	379,401,757	293,322,033
Investment securities at amortised cost	9	102,746,085	79,173,110	76,035,072
Trade and interest receivables	10	3,573,410	2,997,030	3,118,220
Other assets	11	1,026,806	1,071,412	971,908
Plant and equipment	12	1,129,453	1,165,550	1,708,617
Right-of-use assets	13	3,207,984	79,417	317,668
Intangible assets	14	1,366,284	1,155,078	4,847,143
Net deferred tax assets	7	1,087,296	1,126,675	555,504
Total assets		578,593,750	466,170,029	380,876,165
Liabilities				
Trade and other payables	15	2,328,726	5,188,118	3,416,830
Provisions	16	1,566,318	2,055,984	1,681,300
Deposits and borrowings	17	558,835,896	447,801,306	362,550,590
Lease liability	18	3,168,920	107,604	407,172
System participant shares	19	-	28	29
Total liabilities		565,899,860	455,153,040	368,055,921
Net assets		12,693,890	11,016,989	12,820,244
Equity				
Contributed equity	20	4,979,005	3,979,005	3,979,005
Retained earnings	21	7,714,885	7,037,984	8,841,239
Total equity attributable to the Members of the company		12,693,890	11,016,989	12,820,244

Statement of Changes in Equity

For the six month period ended 31 December 2025

	Contributed Equity	Equity investment revaluation reserve	Retained Earnings	Total Equity
	\$	\$	\$	\$
Balance at 30 June 2024	3,979,005	488,662	10,841,239	15,308,906
Adjustments	-	(488,662)	(2,000,001)	(2,488,663)
Restated balance at 30 June 2024	3,979,005	-	8,841,238	12,820,243
Profit (Loss) for the year	-	-	(1,803,254)	(1,803,254)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	(1,803,254)	(1,803,254)
Balance at 30 June 2025	3,979,005	-	7,037,984	11,016,989
Profit (Loss) for the period	-	-	676,901	676,901
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	676,901	676,901
Capital injection from BCSA	1,000,000	-	-	1,000,000
Balance at 31 December 2025	4,979,005	-	7,714,885	12,693,890

Statement of Cash Flows

For the six month period ended 31 December 2025

	Note	31 December 2025 \$	Restated 30 June 2025 \$
Cash flow from operating activities			
Interest received		8,938,876	17,231,694
Interest paid		(6,863,337)	(12,524,501)
Fees & other income received		8,073,606	14,969,888
Payments to suppliers and employee		(12,895,016)	(15,241,553)
Net income tax received / (paid)		-	-
Cashflow from operating activities before changes in operating assets and liabilities		(2,745,871)	4,435,528
Net (increase)/decrease in investments securities		(23,572,975)	(3,138,038)
Net increase (decrease) in deposits & borrowings		111,034,590	85,250,716
Net cash (used in)/from operating activities	23	84,715,744	86,548,206
Cash flows from investing activities			
Purchase of plant and equipment and intangibles		(525,512)	(168,914)
Net cash from/(used in) investing activities		(525,512)	(168,914)
Cash flows from financing activities			
Proceeds from issue of shares		1,000,000	-
System participation shares		(28)	-
Repayment of lease liabilities		(135,529)	(299,568)
Net cash (used in)/from financing activities		864,443	(299,568)
Net increase (decrease) in cash and cash equivalents		85,054,675	86,079,724
Cash and cash equivalents at the beginning of the financial year/period		379,401,757	293,322,033
Cash and cash equivalents at end of the year/period	23	464,456,432	379,401,757

Notes to the Financial Statements

For the six month period ended 31 December 2025

Note 1 - Summary of material Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated. The financial statements have been prepared for BCAU as an individual entity.

a) Basis of preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. BCAU is a for profit entity for the purpose of preparing the financial statements.

All amounts are presented in Australian dollars.

(i) Compliance with IFRS

These financial statements also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities, which are measured at fair value.

(iii) Changes in financial year end

Following the acquisition of BCAU by Banking Circle S.A, BCAU has changed its financial year end from 30 June to 31 December to align with the Banking Circle group. As such this financial report presents the financial period from 1 July 2025 to 31 December 2025, whilst the prior year comparatives represent the full year ended 30 June 2025, making them not comparable.

b) Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. Management is also required to exercise its judgement in the process of applying the company's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

c) Presentation format

The Statement of Financial Position has been prepared in order of liquidity.

d) Income Tax

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax is determined using tax rates and laws that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or deferred tax liability is settled.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

e) Financial instruments

BCAU initially recognises financial assets on the trade date at which the company becomes a party to the contractual provisions of the instrument.

Financial assets are initially measured at fair value. If the financial asset is not subsequently measured at fair value through profit or loss, then the initial measurement includes transaction costs that are directly attributable to the asset's acquisition or origination. The company subsequently measures financial assets at either amortised cost or fair value.

Premiums or discounts are amortised using the effective interest method. Any decline in value of these investments leading to the inability to recover the investment or part thereof are recorded, and any impairment is recognised in the Statement of Profit or Loss.

All recognised financial assets are measured at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Specifically:

- Debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are subsequently measured at amortised cost.
- Debt investments that are held within a business model whose objective is both to collect the contractual cash flows and to sell the debt instruments, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are subsequently measured at fair value through other comprehensive income (FVTOCI).
- All other debt investments and equity investments are subsequently measured at fair value through profit or loss (FVTPL).

When a debt investment measured at FVTOCI is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. In contrast, for an equity investment designated as measured at FVTOCI, the cumulative gain or loss previously recognised in other comprehensive income is not subsequently reclassified to profit or loss.

Financial assets are not reclassified subsequent to their initial recognition, except when there is a change to business model for managing financial assets.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired. Derecognition also occurs when the rights to receive cash flows from financial assets have been transferred together with substantially all of their risks and rewards. Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expired.

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

f) Plant and equipment

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

The carrying amount of plant and equipment is reviewed annually to ensure it is not stated above its recoverable amount. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit and loss during the financial period in which they are incurred.

The depreciable amount of all fixed assets, including leased assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the primary lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable asset are:

Computer hardware & software	3 to 10 years
Office equipment	3 to 15 years
Furniture and fittings	5 to 15 years
Intangible assets	3 to 10 years

Assets' residual values and useful lives are reviewed and adjusted if appropriate at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in profit or loss.

g) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the primary lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

h) Intangible assets

Internally generated intangible assets include costs incurred in developing products or systems that are expected to contribute to future financial benefits through the generation of revenue and/or cost reduction. The costs are only capitalised if they can be reliably measured during the development of the asset. Recognition of an internally generated intangible asset will only take place if it can be demonstrated that it is technically feasible to complete the asset and the company has the intention and ability to complete the asset so that it can be made available for sale or use. Intangible assets are amortised from the point in time that they are available for sale or in use as intended by management. Amortisation is calculated on a straight-line basis, over a period ranging from 3 to 10 years.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

i) Software-as-a-service (SaaS)

SaaS arrangements are service contracts providing the Company with the right to access the cloud provider's application software over a contract period. As such, the Company does not receive a software intangible asset at the contract commencement date.

The accounting treatment of costs incurred in relation to SaaS arrangements are set out below:

- Fee for use of application software and customisation costs are recognised as an operating expense over the term of the service contract; and

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

- Configuration costs, data conversion and migration costs, testing costs, training costs and customisation costs are recognised as an operating expense as the service is received.
- Costs incurred for the development of software code that enhances or modifies, or creates additional capability to, existing on premise systems and meets the definition of and recognition criteria for an intangible asset, are recognised as intangible software assets.

j) Impairment of assets

At each reporting date the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets may be impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

k) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the primary lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate.

Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties.

When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss of the carrying amount of the right-of-use asset is fully written down.

l) Employee benefits

- (i) Short-term obligations

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

Liabilities recognised for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 month after the end of the period in which the employees render the related service, are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

(ii) Other long-term employee benefit obligations

The liability for long service leave and annual leave which is not expected to be settled within 12 month after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are discounted using market yields at the end of the reporting period on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Share-based payments

Under the Employee Stock Option Plan (ESOP), share options in Banking Circle MidCo, a Banking Circle group company, are granted to certain directors, senior executives and employees of the Company.

The Company's ESOP are provided as grants to employees based on the individual performance of employees. The employees do not pay any amount for the stock options. The stock options are subject to vesting requirements and exercise prices as further detailed in each grant. The share options can be exercised up to 10 years after the grant date. There are no cash settlement alternatives.

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

Cost of share-based compensation, being the fair value of the equity instrument at grant date, is expensed to the income statement and other comprehensive income over the vesting period with a corresponding adjustment to the share-based payment reserve. The cost is reviewed and adjusted accordingly at each balance sheet date to reflect the number of equity instruments expected to vest ultimately.

m) Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

An onerous lease contract liability is recognised when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The liability is determined by estimating the present value of the minimum future contractual payments the Company is obligated to make under the onerous contract.

n) Contributed equity

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

o) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three month or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings.

p) Revenue recognition

Revenue is recognised upon satisfying the performance obligations by the company. The principal sources of revenue are interest income, fee income and other income.

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

(i) Interest Income

Interest Income is recognised on a time proportion basis using the effective interest on the financial asset in accordance with AASB 9. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the company estimates cash flows considering all fees paid or received between parties, transaction costs, premiums incurred or discounts received in relation to the contract that are an integral part of the effective interest rate.

(ii) Fee and Other Income

Fee and Other Income relate to specific transaction delivery, settlement activity or related events and are generally charged to a client on a monthly basis. In accordance with AASB 15, Fee and Other Income is recognised at a point in time when the performance obligation is satisfied. However, when they are charged for services provided over a period, the income is recorded over time. All performance obligations for these services are expected to be completed in one year.

All revenue is stated net of the amount of goods and services tax (GST).

q) Goods and Services Tax

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

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

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

r) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for expected credit loss. Trade receivables are generally due for settlement within 30 days.

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

s) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method

t) Deposits and borrowings

Deposits represent the funds lodged by Clients held to cover their settlement obligations, and other funds deposited. For further information refer to Note 17.

u) Foreign currency translation

The company has expenses payable in foreign currencies. Payments of these expenses are translated into Australian dollars at the time of remittance. The exposures of these foreign currency payments is not material against the company's overall expenses.

v) Adoption of new and revised Australian Accounting Standards

New and amended Australian Accounting Standards that are effective for the current year

The company has adopted all new and amended Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for reporting periods beginning on or after 1 July 2025.

New and revised Australian Accounting Standards and Interpretations on issue but not yet effective

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

- **Amendments to IFRS 9 and IFRS 7:** Amendments to the Classification and Measurement of Financial Instruments
- **Annual Improvements to IFRS Accounting Standards – Volume 11:** Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, and IAS 7 Statement of Cash Flows
- **IFRS 18:** Presentation and Disclosures in Financial Statements

The Directors do not expect that the adoption of the standards listed above will have a material impact on the financial statements of the company in future periods.

w) Restatement of prior period equity investment at FVTOCI

During the financial period, the company identified an error in the prior period relating to the fair value measurement of the equity investment in AP+ held at FVTOCI. The investment had previously been

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

recognised at a positive fair value; however upon reassessment, management determined that significant restrictions attached to the investment resulted in management assessing the fair value at the reporting date being nil. Accordingly, the comparative information has been restated to reflect the investment at a fair value of nil.

As a result of this restatement:

- the previously recognised carrying value of the investment has been derecognised; and
- cumulative fair value movements previously recognised in other comprehensive income have been reversed, with a corresponding adjustment to the FVTOCI reserve.

The company has applied the correction retrospectively in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*.

The impacts of restating the prior period comparatives are as follows:

i) Statement of Profit or Loss and Other Comprehensive Income

	As previously reported (\$)	Restatement adjustment (\$)	Restated (\$)
For the year ended 30 June 2025			
Other comprehensive income for the period, net of income tax			
Movement in reserve for investment in equity instruments designated as at FVTOCI	44,171	(44,171)	-
Total other comprehensive income, net of income tax	44,171	(44,171)	-
Total comprehensive income/(loss) for the period attributable to the owners of the company	(1,759,083)	(44,171)	(1,803,254)

ii) Statement of Financial Position

	As previously reported (\$)	Restatement adjustment (\$)	Restated (\$)
As at 30 June 2025			
Assets			
Net deferred tax assets	949,064	177,611	1,126,675
Equity instruments at FVTOCI	2,710,445	(2,710,445)	-
Total assets	468,702,863	(2,532,834)	466,170,029
Net Assets	13,549,823	(2,532,834)	11,016,989
Equity			
Reserves	532,833	(532,833)	-
Retained earnings	9,037,985	(2,000,001)	7,037,984
Total equity attributable to the Members of the Company	13,549,823	(2,532,834)	11,016,989

Notes to the Financial Statements (continued)
For the six month period ended 31 December 2025

iii) **Statement of changes in equity**

For the year ended 30 June 2025	As previously reported	Restatement adjustment	Restated
	\$	\$	\$
Reserves	532,833	(532,833)	-
Retained earnings	9,037,985	(2,000,001)	7,037,984
Total equity	13,549,823	(2,532,834)	11,016,989

Notes to the Financial Statements (continued)
For the six month period ended 31 December 2025

Note 2 – Interest income and interest expense

Interest income and Interest expense	31 December 2025	30 June 2025
	\$	\$
Interest revenue		
Cash and cash equivalents	7,838,507	13,929,355
Investment securities at amortised cost	1,653,979	3,047,557
Total interest revenue	9,492,486	16,976,912
2025		
Interest expense		
Deposits	6,860,418	12,700,233
Borrowings Subordinated debt: Tranche 1	431	6,063
Leases	31,649	24,224
Total Interest expense	6,892,498	12,730,520
Net interest income/(expense)	2,599,988	4,246,392

The subordinated debt was repaid in July 2025.

Note 3 – Fees and other income

	31 December 2025	30 June 2025
	\$	\$
Fee Income	6,493,167	11,740,405
Other income		
Project Income	417,475	2,011,860
Other Income	540,248	592,851
Total other income	957,723	2,604,711
Total fee and other Income	7,450,890	14,345,116

Notes to the Financial Statements (continued)
For the six month period ended 31 December 2025

Note 4 – Employee benefit expense

	31 December 2025	30 June 2025
	\$	\$
Salary and salary related expenses	3,953,752	7,324,992
Other employment expenses	142,176	85,084
Total employee benefit expense	4,095,928	7,410,076

Note 5 – Occupancy expense

The Company entered into a new prime Sydney CBD lease effective November 2025 to accommodate the growing team of BCAU. This resulted in higher occupancy costs. Note 13 has further details in relation to Right-of-use assets.

	31 December 2025	30 June 2025
	\$	\$
Depreciation: Right-of-use assets	186,350	238,251
Other outgoings	25,715	44,699
Total occupancy expenses	212,065	282,950

Note 6 – Depreciation and amortisation expense

	31 December 2025	30 June 2025
	\$	\$
Depreciation		
Computer hardware and software	266,572	527,103
Office equipment	2,919	279
Furniture and fittings	8,735	26,456
Total depreciation plant and equipment	278,226	553,838
Amortisation		
Software licences at cost	30,546	61,092
Internally generated intangible	41,628	862,615
Total amortisation of intangible assets	72,174	923,707
Total depreciation and amortisation	350,400	1,477,545

Notes to the Financial Statements (continued)
For the six month period ended 31 December 2025

Note 7 – Taxes

(a) Income tax expense

	31 December 2025	30 June 2025
	\$	\$
Current income tax (benefit)/payable	-	-
Deferred tax – origination and reversal of temporary differences	39,378	(571,171)
Total income tax (benefit)/expense reported in the statement of profit or loss and other comprehensive income	39,378	(571,171)

(b) Numerical reconciliation of income tax expense to prima facie tax payable

	31 December 2025	30 June 2025
	\$	\$
Accounting profit/(loss) for the year before income tax	716,279	(2,374,425)
Tax at the Australian tax rate @ 30% (30 June 2025: 25%)	214,884	(593,607)
Tax effect of:		
Non-deductible expenditure	6,628	3,938
Capitalised lease preparation Costs	(7,761)	
Adjustment of deferred tax assets and liabilities of previous years	-	18,498
Additional temporary differences related to ROU Asset	50,962	-
Adjustment arising from the change in tax rates	(225,335)	
Income tax (benefit)/expense	39,378	(571,171)

Notes to the Financial Statements (continued)
For the six month period ended 31 December 2025

(c) Deferred tax balances

	31 December 2025	30 June 2025
	\$	\$
Deferred tax assets		
<i>Amounts recognised in profit or loss:</i>		
Property, plant, and equipment	36,937	29,407
Intangible Assets	137,271	124,298
Employee benefits	300,074	236,480
Leases	950,676	26,901
Provision for lease make good	43,201	18,750
Accrued expenses	166,658	239,432
Tax losses	343,539	424,193
Business Capital Cost	224,439	195,946
Deferred tax assets	2,202,793	1,297,308

Movement in deferred tax assets

Opening balance at 1 July	1,297,308	1,261,451
Charged to the income statement	905,483	35,859
Closing balance at 30 June	2,202,793	1,297,308

Deferred tax liabilities		
<i>Amounts recognised in profit or loss:</i>		
Property, plant, and equipment	153,100	150,780
Right of use asset	962,395	19,853
Deferred tax liabilities	1,115,496	170,633
Net deferred tax assets/(liabilities)	1,087,297	1,126,675

Movement in deferred tax liabilities

Opening balance	170,633	705,944
Charged to the income statement	944,863	(535,311)
Closing balance	1,115,496	170,633

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

(d) Unused losses

As at 31 December 2025, the company has cumulative unused tax losses of \$1,145,129 (30 June 2025: \$1,696,771), equating to a future tax benefit of \$343,539 (30 June 2025: \$424,193). A deferred tax asset of \$343,539 has been recognised to reflect this (30 June 2025: \$424,193).

(e) Recoverability of deferred tax assets

Management has assessed the recoverability of the cumulative unused tax losses and the temporary timing differences as at 31 December 2025. Deferred tax assets relating to unused losses and deductible temporary differences are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Management has determined that sufficient profits will be available against which the deferred tax asset can be utilised. This assessment is based on the latest multi-year forecast approved by the Board. The company is expected to generate taxable income from 2026 onwards.

(f) Pillar Two Global Minimum Tax (Pillar Two)

The Banking Circle group is not in scope for the OECD Pillar Two directive as its consolidated revenue is below the EUR 750m threshold in the relevant period. Accordingly, no amounts related to Pillar Two are recognised or disclosed in these financial statements.

Note 8 – Cash and cash equivalents

	Note	31 December 2025 \$	30 June 2025 \$
Exchange Settlement Account (RBA)		412,169,141	328,544,901
Deposits with Australian ADIs		51,637,016	50,671,867
Term Deposits held against bank guarantees – Rental Guarantee	30	650,275	184,989
Total Cash and Cash Equivalents	23	464,456,432	379,401,757

(a) Exchange Settlement Account (ESA)

BCAU holds funds from clients to cover settlement obligations. Part of these funds are held in an Exchange Settlement Account (ESA) with the RBA in accordance with the RBA's requirement.

(b) Deposits with Australian ADIs

These cash balances represent part of the client deposit. Clients hold above the settlement funding requirements as a tool of their own short-term liquidity management. Some of these funds are held in at call accounts with Australian ADIs. Interest is calculated and earned on these balances at prevailing market rates. It also includes liquid assets of BCAU.

(c) Maturity period

Refer to note 25 for BCAU's exposure to liquidity risk and the maturity profile.

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

(d) Fair value measurement

The fair value of cash and cash equivalents are not materially different to the carrying amount due to the short-term nature of these instruments. Refer to note 26 for information on fair value measurement.

(e) Expected credit losses

The cash balances are denominated in Australian Dollars and held with APRA regulated Australian financial institutions. These balances are considered to meet the definition of a low-risk investment and have been considered on this basis for the allowance for credit losses. The expected credit loss is \$Nil for 31 December 2025 (30 June 2025: \$Nil).

Note 9 – Investment securities at amortised cost

	31 December 2025	30 June 2025
	\$	\$
Government Securities	59,294,617	50,456,434
Fixed bonds/Floating Rate Notes (FRN)	43,451,468	28,716,676
Total Investment securities at amortised cost	102,746,085	79,173,110
With Banks	43,451,468	28,716,676
With Australian government and semi-government issuers	59,294,617	50,456,434
Total Investment securities at amortised cost by concentration	102,746,085	79,173,110

(a) Maturity profile

The financial assets at amortised cost are held for less than 12 months (30 June 2025: less than 12 month). Refer to note 25 for BCAU's exposure to liquidity risk.

(b) Fair value measurement

The fair value of financial assets at amortised cost is not materially different to the carrying amount due to the short-term nature of these instruments. Refer to note 26 for information on fair value measurement.

(c) Expected credit losses

The investment securities are denominated in Australian Dollars and held with APRA regulated Australian financial institutions and Australian Governments. These receivables are considered to meet the definition of a low-risk investment and have been considered on this basis for the allowance for credit losses. The expected credit loss is \$Nil for 31 December 2025 (30 June 2025: \$Nil).

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

Note 10 – Trade and interest receivables

	31 December 2025	30 June 2025
	\$	\$
Current		
Interest receivable – RBA ESA	1,121,463	915,415
Interest receivable – ADIs	664,333	531,653
Interest receivable – Government Securities	547,727	332,845
Trade receivables	1,226,745	1,213,780
Receivables from related parties	13,142	
Accrued Income	-	3,337
Total trade and interest receivables	3,573,410	2,997,030

(a) Interest receivable – RBA

Interest receivable represents interest not yet received from the RBA on funds held in BCAU's ESA. This is due for receipt on the first working day of the following financial period.

(b) Interest receivable – ADI and Government securities

Interest receivable represents interest not yet received from the investment securities held with ADI's and Governments. This is due for receipt in the following financial period.

(c) Trade receivables

Trade receivables are non-interest bearing and are generally on 30-day terms.

(d) Maturity profile

The trade and interest receivable amounts are expected to be recovered within the next 12 month (30 June 2025: within the next 12 month). Refer to note 25 for BCAU's exposure to liquidity risk.

(e) Fair value measurement

The fair value of trade and interest receivables are not materially different to the carrying amount due to the short-term nature of these instruments. Refer to note 26 for information on fair value measurement.

(f) Expected credit losses

The trade and interest receivables are short-term in nature and dependent on the terms and conditions of the related contract, where one exists. The expected credit loss is \$Nil for 31 December 2025 (30 June 2025: \$Nil).

Notes to the Financial Statements (continued)
For the six month period ended 31 December 2025

Note 11 – Other assets

	31 December 2025	30 June 2025
	\$	\$
Prepayments and deposits	1,026,806	1,071,412
Total other assets	1,026,806	1,071,412

(a) Maturity profile

The other assets amounts are expected to be recovered within the next 12 month (30 June 2025: within the next 12 month).

(b) Fair value measurement

The fair value of other assets is not materially different to the carrying amount due to the short-term nature of these instruments.

Note 12 – Plant and equipment

	31 December 2025	30 June 2025
	\$	\$
Computer hardware and software		
At cost	7,088,154	6,918,726
Accumulated depreciation and amortisation	(6,028,484)	(5,761,911)
Total Computer hardware and software	1,059,670	1,156,815
Office equipment		
At cost	156,958	84,256
Accumulated depreciation	(87,175)	(84,256)
Total Office equipment	69,783	-
Furniture and fittings		
At cost	327,014	327,014
Accumulated depreciation	(327,014)	(318,279)
Total Furniture and fittings	-	8,735
Total plant and equipment	1,129,453	1,165,550

Notes to the Financial Statements (continued)
For the six month period ended 31 December 2025

Movements in carrying amounts

	31 December 2025	30 June 2025
	\$	\$
Computer hardware and software		
Carrying amount at beginning of year	1,156,815	1,673,147
Additions	169,428	10,773
Depreciation expense	(266,573)	(527,105)
Total Computer hardware and software	1,059,670	1,156,815
Office equipment		
Carrying amount at beginning of year	-	279
Additions	72,702	
Depreciation expense	(2,919)	(279)
Total Office equipment	69,783	-
Furniture and fittings		
Carrying amount at beginning of year	8,735	35,191
Depreciation expense	(8,735)	(26,456)
Total Furniture and fittings	-	8,735
Total plant and equipment	1,129,453	1,165,550

(a) Maturity profile

Plant and equipment with remaining expected useful lives of less than 12 month after the balance date is \$Nil (30 June 2025: \$8,735). All other remaining items of plant and equipment have expected useful lives longer than 12 months after the balance date for both current and prior period.

(b) Impairment of plant and equipment

Plant and equipment are tested for impairment in accordance with AASB 136 Impairment of Assets. The company has analysed its plant and equipment for impairment and has concluded there is no indication the assets are impaired (30 June 2025: \$Nil).

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

Note 13 – Right-of-use assets

	31 December 2025	30 June 2025
	\$	\$
Buildings		
Right-of-use	4,838,889	1,523,972
Accumulated depreciation	(1,630,905)	(1,444,555)
Total right-of-use assets	3,207,984	79,417

Movements in carrying amounts

	31 December 2025	30 June 2025
	\$	\$
Buildings		
Carrying amount at beginning of year	79,417	317,668
Additions	3,314,917	-
Depreciation expense	(186,350)	(238,251)
Total Buildings	3,207,984	79,417
Total right-of-use assets	3,207,984	79,417

(a) Maturity profile

During the period the company terminated its previous lease and entered into a new lease with a lease term of 5 years, ending in December 2030.

(b) Make-good provisions and bank guarantee

A make-good provision is recorded in the provisions, refer to Note 16. As at 31 December 2025, the Company holds two bank guarantees, one relating to the new office premises and one relating to the former office, refer to Note 30.

(c) Impairment of right-of-assets

Under AASB 16 Right-of-use assets, the assets are tested for impairment in accordance with AASB 136 Impairment of Assets. The company has analysed its right-of-use assets for impairment and has concluded there is no indication the right-of-use assets are impaired. (30 June 2025: \$Nil)

Notes to the Financial Statements (continued)
For the six month period ended 31 December 2025

Note 14 – Intangible assets

	31 December 2025	30 June 2025
	\$	\$
Software licences at cost	610,915	610,915
Internally generated intangible at cost	7,515,186	7,515,186
Software development - Work in progress	283,382	-
Less: Accumulated amortisation	(7,043,199)	(4,044,523)
Less: Impairment expense	-	(2,926,500)
Total intangible assets	1,366,284	1,155,078

Movements in carrying amounts

	31 December 2025	30 June 2025
	\$	\$
Carrying amount at beginning of year	1,155,078	4,847,143
Additions	283,381	158,141
Amortisation	(72,175)	(923,706)
Impairment of intangible assets	-	(2,926,500)
Carrying amount at end of year	1,366,284	1,155,078

(a) Maturity profile

Intangible assets with remaining expected useful lives of less than 12 month after the balance date is \$Nil. All other remaining items of intangible assets have expected useful lives longer than 12 months after the balance date for both current and prior period.

(b) Impairment of intangible assets and work in progress

No impairment loss was recognised during the period ended 31 December 2025 (30 June 2025: \$2,926,500).

Notes to the Financial Statements (continued)
For the six month period ended 31 December 2025

Note 15 – Trade and other payables

	31 December 2025	30 June 2025
	\$	\$
<i>Current</i>		
Trade payables	280,423	288,733
Other payables	795,065	3,561,777
Income received in advance	180,057	261,508
Accrued interest payable on deposits and borrowings	1,073,181	1,076,100
Total trade and other payables	2,328,726	5,188,118

(a) Trade payables

Trade payables are non-interest bearing and are generally on 30 days terms.

(b) Other payables and income received in advance

The other payables are expected to be paid within the next 12 month.

(c) Accrued interest payable on deposits and borrowings

This represents the interest payable, monthly in arrears on funds placed by clients and in the prior period also included interest paid quarterly on subordinated debt.

(d) Maturity profile

Trade and other payables are expected to be paid within the next 12 month. Refer to note 25 for the liquidity risk management and maturity profile of the trade and other payables.

(e) Fair value measurement

The carrying values of trade and other payables are considered to be a reasonable approximation of fair value. Refer to note 26 for information on fair value measurement.

Notes to the Financial Statements (continued)
For the six month period ended 31 December 2025

Note 16 – Provisions

	31 December 2025	
	\$	
<i>Current</i>		
Employee entitlements	1,001,604	1,748,549
Other	467,375	225,893
Total current provisions	1,468,979	1,974,442
<i>Non-current</i>		
Employee entitlements	97,339	81,542
Total provisions	1,566,318	2,055,984

Movements in carrying amounts

	31 December 2025	30 June 2025
	\$	\$
Provisions		
Carrying amount at beginning of year	2,055,984	1,681,300
Additional provision and utilisation during the year	713,836	1,267,966
Release of provisions	(1,203,502)	(893,282)
Carrying amount at end of year	1,566,318	2,055,984

(a) Provisions for employee entitlements

The provision includes short-term incentives, annual leave and long service leave which cover the Company's liabilities and obligations. This provision is calculated based on expected payments. Where the payments are expected to be more than one year in the future, it factors in the expected period of service by employees, as well as salary increases. These future obligations are discounted using a market observable rate.

(b) Other provisions

The provision includes make good and other provisions which cover the Company's liabilities and obligations. This provision is calculated based on expected payments. These future obligations are discounted using a market observable rate.

Notes to the Financial Statements (continued)
For the six month period ended 31 December 2025

Note 17 – Deposits and borrowings

	31 December 2025	30 June 2025
	\$	\$
Client Mandated funds	180,146,419	177,575,355
Other Client funds	378,689,477	269,159,042
Perpetual subordinated debt	-	1,066,909
Total deposits and borrowings	558,835,896	447,801,306
At call	558,835,896	446,734,397
No maturity specified	-	1,066,909
Total deposits and borrowings by maturity	558,835,896	447,801,306
Authorised Deposit Institutions	350,846,149	330,389,841
Other organisations	207,989,747	117,411,465
Total deposits by concentration	558,835,896	447,801,306

All deposits and borrowings are unsecured. Deposits are from clients who utilise the company's exchange settlement function with the RBA.

(a) Client Mandated funds

BCAU holds funds from clients to cover settlement obligations.

(b) Other Client funds

These funds represent clients voluntary funds held with BCAU.

(c) Perpetual subordinated debt

A total of \$1,066,909 in perpetual subordinated debt was repaid in full In July 2025, and the subordinated deeds and loan agreements were terminated.

(d) Maturity profile

Deposits are at call. Refer to note 25 for the liquidity risk management based on contractual undiscounted payments.

(e) Fair value measurement

The fair value of deposits and borrowings at amortised cost is not materially different to the carrying amount due to the at call and/or short-term nature of these instruments. Refer to note 26 for information on fair value measurement

(f) Interest payable on borrowings

The accrual is recorded in note 15 under trade and other payables.

Notes to the Financial Statements (continued)
For the six month period ended 31 December 2025

Note 18 – Lease liability

	31 December 2025	30 June 2025
	\$	\$
Lease liabilities	3,168,920	107,604
Total lease liabilities	3,168,920	107,604

Movements in carrying amounts

	31 December 2025	30 June 2025
	\$	\$
Buildings		
Lease Liability	107,604	407,170
Additions	3,145,099	-
Accretion of interest	31,649	24,224
Payments	(115,432)	(323,790)
Total Lease Liabilities	3,168,920	107,604
Analysed as:		
Current	512,144	107,604
Non-current	2,656,776	-

During the reporting period, the company terminated its previous office lease and entered into a new office lease commencing in November 2025 with a lease term of five years. Refer to note 25 for the liquidity risk management based on contractual undiscounted payments. The company does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the company's finance function.

The Statement of Profit & Loss shows the following amounts relating to leases:

	31 December 2025	30 June 2025
	\$	\$
Profit and loss impact relating to leases		
Depreciation charge on right-of-use assets	186,350	238,251
Interest expense on lease liabilities	31,649	24,224
Total profit and loss impact relating to leases	217,999	262,475

The total cash outflow for leases for the period ending 31 December 2025 was \$115,432 (30 June 2025: \$299,568).

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

Note 19 – System participant shares

	31 December 2025 \$	30 June 2025 \$	31 December 2025 Shares	30 June 2025 Shares
Fully paid system participant shares at \$1	-	28	-	28

(a) Redeemable preference shares

Each System Participant of BCAU was required to hold one fully paid system participant share. The effect of holding the share was to bind the System Participant to BCAU's By-Laws including the settlement procedures and rules. These shares were redeemable and did not carry any voting rights or the right to dividends.

Following the acquisition of ASL by Banking Circle S.A. the 28 \$1 system participation shares were redeemed with effect from the acquisition date, 1 August 2025.

Note 20 – Contributed equity

	31 December 2025 \$	30 June 2025 \$
Authorised		
Issued and fully paid ordinary shares	1,054,627	54,627
Issued and fully paid non-voting shares	3,924,378	3,924,378
Total contributed equity	4,979,005	3,979,005

On 8 October 2025, the Company received a capital injection of \$1,000,000 from its parent entity Banking Circle S.A. in exchange for 1,000,000 ordinary shares.

(a) Ordinary shares

Fully paid ordinary shares carry one vote per share and carry the rights to dividends.

(b) Non-voting shares

Fully paid non-voting shares do not carry any voting rights but do carry the rights to dividends.

(c) Capital management

The company manages its capital to ensure that the company can fund its operations and continue as a going concern, with sufficient capital being maintained to exceed both externally imposed prudential requirements and internally defined capital limits, whilst optimising its capital structure to maximise the beneficial use of available capital.

The company's debt and capital include ordinary share capital and financial liabilities, supported by financial assets. The externally imposed minimum prudential capital requirement placed on the company by APRA is calculated under Basel III (refer note 24). There have been no other changes in the strategy adopted by the company to manage its capital since the prior year.

Notes to the Financial Statements (continued)
For the six month period ended 31 December 2025

Note 21 – Retained earnings

	31 December 2025	30 June 2025
	\$	\$
Balance at beginning of the year	7,037,984	8,841,238
Profit/(Loss) for the year	676,901	(1,803,254)
Balance at the end year	7,714,885	7,037,984

Note 22 – Dividends

No dividend was declared nor paid during the six month period ended 31 December 2025 (FY2025: \$Nil).

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

Note 23 – Cash flow information

(a) Reconciliation of cash

For the purposes of the statement of cash flows, cash and cash equivalents includes cash at bank and short term deposits. Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	Note	31 December 2025 \$	30 June 2025 \$
Cash and cash equivalents	8	464,456,432	379,401,757

(b) Reconciliation of profit/loss after income tax to cash flows from operations

	31 December 2025 \$	30 June 2025 \$
Profit/Loss after tax	676,901	(1,803,254)
Non-cash flows in profit		
Depreciation and amortisation	536,750	1,715,798
Impairment of intangible assets		2,926,500
Changes in assets and liabilities		
(Increase)/decrease in trade and interest receivables	(576,750)	121,190
(Increase)/decrease in other assets	44,606	(99,504)
Increase/(decrease) in trade and other payables	(3,590,305)	1,931,490
Increase/(decrease) in net deferred tax liabilities	39,379	(571,171)
Increase/(decrease) in provisions	123,178	214,477
Cash flows from operating activities before changes in operating assets and liabilities	(2,745,871)	4,435,526
Net (increase)/decrease in increase in investment securities	(23,572,975)	(3,138,038)
Net Increase in Deposits/(decrease) and borrowings	111,034,590	85,250,716
Net Cash flows used in operating activities	84,715,744	86,548,204

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

Note 24 – Capital adequacy

	31 December 2025	30 June 2025
	\$	\$
Tier 1 capital	10,665,312	9,129,714
Tier 2 capital	-	-
Total regulatory capital	10,665,312	9,129,714
Risk weighted assets	57,319,501	47,964,935
Capital adequacy ratio	18.61%	19.03%

The company's regulator, Australian Prudential Regulation Authority (APRA), sets minimum capital requirements for the company. The Board determines the internal capital requirement of the Bank. In implementing current capital requirements, APRA requires the Company to maintain a prescribed ratio of capital to total of risk-weighted assets.

The capital ratio is analysed in two tiers:

- Tier 1 capital, which includes ordinary share capital, retained earnings after prudential deductions
- Tier 2 capital, which includes other elements which, to varying degrees, fall short of the quality of Tier 1 capital

The company does not hold any Tier 2 capital.

Note 25 – Financial risk management

Overview

BCAU is a specialist provider of payment settlement services and a prudentially regulated Authorised Deposit-taking Institution (ADI) under the supervision of APRA. As such, BCAU is committed to maintaining a sound risk management framework to ensure the ongoing safety, resilience, and integrity of its operations and services to clients.

The risk management approach at BCAU is guided by the APRA Prudential Standard CPS 220 – Risk Management, and is designed to identify, assess, monitor, and manage material risks that may affect

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

the business. BCAU recognises that effective risk management is integral to protecting its financial soundness, fulfilling regulatory obligations, and achieving long-term strategic objectives.

BCAU's risk management framework and the oversight of it is the responsibility of the Board.

The Three Lines of Defence approach to risk management has been adopted by BCAU, which reinforces a culture where all employees are responsible for identifying and managing risk. BCAU embeds risk culture and maintains an awareness of risk management responsibilities through regular communication, training and other targeted approaches that support the risk management framework.

Senior management are responsible for implementing BCAU's risk management strategy and risk management framework and for developing policies, processes, procedures and controls, and for identifying and managing risk in BCAU's activities.

The Risk Committee assists the Board to fulfil its oversight of the implementation and operation of BCAU's risk management framework and the review and approval of associated policies. The Chief Risk Officer assists the Risk Committee and senior management to develop and maintain best practice risk management frameworks whilst promoting a sustainable risk and compliance culture. As part of their participation in the decision-making process, the Chief Risk Officer provides challenge to ensure that material decisions are risk based.

The Audit Committee oversees management's compliance with the Company's financial risk management policies and procedures. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of management controls and procedures, the results of which are reported to the Audit Committee.

Monitoring and controlling risk is primarily conducted using the limits and tolerances in the Risk Appetite Statement (RAS) by the Board. The RAS qualifies the appetite or tolerance level for business risks and summarises the limits and management controls that apply to manage the impact of a particular risk. These parameters are reviewed annually.

Risk Information is compiled monthly and analysed to identify and manage risks early. This information is provided to Risk Committee, and the Board. Detailed reporting is provided to the Risk Committee, and the Board receives summarised risk reporting on key risk measures. More detailed analysis and review of risks is undertaken on a periodic basis by the Risk Committee with reporting of outcomes to the Board.

Financial Risks

The company's principal financial instruments comprise deposits from Clients, perpetual subordinated debt (terminated in the current period), cash, at call deposits, short-term deposits, bank issued securities and government securities. The main purpose of these financial instruments is to manage the company's settlement operations. The company has other financial assets and liabilities, such as trade receivables and payables, which arise directly from its operations.

The company holds the following financial instruments:

Notes to the Financial Statements (continued)
For the six month period ended 31 December 2025

	Note	31 December 2025 \$	30 June 2025 \$
Financial assets			
Cash and cash equivalents	8	464,456,432	379,401,757
Investment securities at amortised cost	9	102,746,085	79,173,110
Trade and interest receivables	10	3,573,410	2,997,030
Total financial assets		570,775,927	461,571,897
<i>*Unlisted equities</i>			
Financial liabilities			
Trade and other payables	15	2,328,726	5,188,118
Leases Liabilities	18	3,168,920	107,604
Deposits and borrowings	17	558,835,896	447,801,306
Total financial liabilities		564,333,542	453,097,028

Liquidity risk

The company's primary liquidity risk is derived from its function of settling payments system obligations on behalf of Clients who provide BCAU with funds which are used to meet their settlement obligations. The Board sets the level of the funds required appropriate to the level of risk. The amount of funds required is recalculated as at the last business day of each calendar month to reflect changes in the settlement obligations. Clients cannot withdraw settlement funds when BCAU has a settlement exposure to that Client.

The tables below detail the undiscounted cash flows of financial assets and liabilities based on the earliest date the company can be required to pay. The tables include both interest and principal payable and as a result may not reconcile to items on the balance sheet.

Maturity analysis for financial assets and liabilities:

Notes to the Financial Statements (continued)
For the six month period ended 31 December 2025

31 December 2025	Less than 6 months	6-12 months	1-5 years	5+ years	At call	No maturity specified	Total
	\$	\$	\$	\$	\$	\$	\$
Cash and cash equivalents	650,275	-	-	-	463,806,157	-	464,456,432
Investment securities at amortised cost	67,723,535	35,022,551	-	-	-	-	102,746,085
Trade & interest receivables	3,573,410	-	-	-	-	-	3,573,410
Total financial assets	71,947,220	35,022,551	-	-	463,806,157	-	570,775,928
Trade and other payables	2,328,726	-	-	-	-	-	2,328,726
Deposits and borrowings	-	-	-	-	558,835,896	-	558,835,896
Lease liabilities	252,346	259,798	2,656,776	-	-	-	3,168,920
Total financial liabilities	2,581,072	259,798	2,656,776	-	558,835,896	-	564,333,542

30 June 2025	Less than 6 months	6-12 months	1-5 years	5+ years	At call	No maturity specified	Total
	\$	\$	\$	\$	\$	\$	\$
Cash and cash equivalents	184,989	-	-	-	379,216,768	-	379,401,757
Investment securities at amortised cost	46,470,037	32,703,073	-	-	-	-	79,173,110
Trade & interest receivables	2,997,030	-	-	-	-	-	2,997,030
Total financial assets	49,652,056	32,703,073	-	-	379,216,768	-	461,571,897
Trade and other payables	5,188,118	-	-	-	-	-	5,188,118
Deposits and borrowings	-	-	-	-	446,734,397	1,066,909	447,801,306
Lease liabilities	107,604	-	-	-	-	-	107,604
Total financial liabilities	5,295,722	-	-	-	446,734,397	1,066,909	453,097,028

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in the company suffering a financial loss. The company's primary credit risk relates to cash and cash equivalents and investments held to maturity which is mitigated by the fact that these assets are held exclusively with the RBA, Australian ADIs and Australian governments, and in accordance with the company's Large Exposures Policy. Other receivable balances are monitored on an on-going basis and are generally of a short-term nature. At the reporting date, the carrying value of all classes of financial assets best represents the maximum credit risk exposure, without taking account of the value of any collateral or other security, in the event other parties fail to perform their obligations under financial instruments. Concentrations of credit risk, where applicable, are identified in the notes to the respective financial assets.

There were no material amounts of collateral held as security at 31 December 2025 (30 June 2025: \$Nil).

The company uses the ratings of reputable ratings agencies to assess the credit quality of all investment exposures, where applicable, using the credit quality assessment scale in APRA Prudential Guidance APG 112. The credit quality assessment scale within this standard has been complied with. The table below indicates Standard and Poor's equivalent rating as determined by APRA's credit rating grade tables. Exposures may be rated by Standard and Poor's, Moody's Investors Service Incorporated or Fitch Ratings. The exposure values are as follows:

Investment Securities – amortised costs	31 December 2025		30 June 2025	
	Number of institutions	Carrying value \$	Number of institutions	Carrying value \$
ADI rated AA+ to AA--	3	102,746,085	3	79,173,110
Total		102,746,085		79,173,110

Cash and cash equivalents	31 December 2025		30 June 2025	
	Number of institutions	Carrying value \$	Number of institutions	Carrying value \$
AAA	1	412,169,141	1	328,544,901
ADI rated AA+ to AA--	3	52,287,291	3	50,856,856
Total		464,456,432		379,401,757

The expected credit loss is \$Nil for 31 December 2025 (30 June 2025: \$Nil).

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

Market risk

Foreign exchange risk

The company is not exposed to any material fluctuations in foreign currencies.

Price risk

The company is not exposed to any material commodity price risk. The company does not trade in the financial instruments it holds on its books. The company operates a hold to maturity liquid portfolio and does not conduct any proprietary trading activities (buying and selling securities for short-term capital gains) or operate any trading books that expose it to any other form of market risk.

Interest rate risk

Interest rate risk refers to the risk that variable interest rates may change or the risk that the company may be required to sell assets with a fixed interest rate. Financial instruments that expose the company to these risks are set out in the following tables.

31 December 2025		\$	Weighted Average Interest Rate
<i>Cash and cash equivalents</i>			
Within one year	Fixed Rate	650,275	3.33%
Within one year	Floating Rate	463,806,157	3.77%
<i>Investment securities at amortised cost</i>			
Within one year	Fixed Rate	67,000,887	3.55%
Within one year	Floating Rate	35,745,198	3.90%
<i>Trade and other receivables</i>			
Within one year	Non-interest bearing	3,573,410	0.00%
Total financial assets		570,775,927	
<i>Deposits and borrowings</i>			
Within one year	Floating Rate	558,835,896	2.88%
No maturity specified	Floating Rate	-	0.00%
No maturity specified	Non-interest bearing	-	0.00%
<i>Lease liabilities</i>			
Within one year	Fixed rate	512,144	12.72%
<i>Trade and other payables</i>			
Within one year	Non-interest bearing	2,328,726	0.00%
Total financial liabilities		561,676,766	

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

30 June 2025		\$	Weighted Average Interest Rate
<i>Cash and cash equivalents</i>			
Within one year	Fixed Rate	184,898	2.90%
Within one year	Floating Rate	379,216,768	3.78%
<i>Investment securities at amortised cost</i>			
Within one year	Fixed Rate	58,170,402	3.31%
Within one year	Floating Rate	21,002,708	4.20%
<i>Trade and other receivables</i>			
Within one year	Non-interest bearing	2,997,030	0.00%
Total financial assets		461,571,806	
<i>Deposits and borrowings</i>			
Within one year	Floating Rate	446,734,397	3.40%
No maturity specified	Floating Rate	115,887	4.85%
No maturity specified	Non-interest bearing	951,022	0.00%
<i>Lease liabilities</i>			
Within one year	Fixed rate	107,604	9.74%
<i>Trade and other payables</i>			
Within one year	Non-interest bearing	5,188,118	0.00%
Total financial liabilities		453,097,026	

The company's exposure to the risk of changes in market interest rates relates primarily to the funds held in government securities and bank issued securities. This risk is mitigated by holding the securities for short durations.

Sensitivity analysis

The company has performed a sensitivity analysis relating to its exposures to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current period results and equity which could result from a change in interest rates. At 31 December 2025, the effect on profit and equity as a result of changes in interest rates, with all other variables remaining constant, would be as follows:

	31 December 2025 \$	30 June 2025 \$
Change in revenue		
Increase in interest rates by 1%	159,741	84,642
Decrease in interest rates by 1%	(159,741)	(84,642)
Change in equity		
Increase in interest rates by 1%	159,741	84,642
Decrease in interest rates by 1%	(159,741)	(84,642)

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

The above interest rate sensitivity analysis has been performed on the assumption that all other variables remain unchanged and has been calculated on net interest revenue. No sensitivity analysis has been performed on foreign exchange risk, as the company has only minor exposure to foreign currency fluctuations.

Operational Risks

BCAU recognises that managing operational risk is critical to ensuring the integrity and reliability of its services as a provider of settlement and payment infrastructure to its clients. Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people, systems, or external events, and is one of BCAU's most significant risk categories given the nature of its business. This includes risks from a wide a variety of causes associated with BCAU's processes, personnel, cyber, technology and infrastructure and from external factors such as legal and regulatory requirements. BCAU's objective is to manage operational risk as to balance the avoidance of financial loss and damage to the company's reputation against excessive cost and control procedures.

These risks are managed and monitored through internal controls that are based on policies, procedures, guidelines and a governance structure that provides an appropriate segregation of duties, management oversight and the implementation of policies and systems to reduce the likelihood of incidents occurring and minimise the consequences of them if they do occur. Comprehensive reporting and Key Risk Indicators (KRIs) have been established to monitor risks. These KRIs are reported to the Risk Committee at each meeting. This is supported by the use on independent internal audit to determine whether controls are designed and operating effectively to maintain risk exposures with acceptable levels.

Note 26 – Fair value of financial assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or in its absence, the most advantageous market to which the company has access at that date. The company measures fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1 – quoted prices (unadjusted) in active markets for identical instruments.
- Level 2 – valuation techniques for which all significant inputs are based on observable market data.
- Level 3 – valuation techniques for which all significant inputs are not based on observable market data.

When applicable, the fair value of an instrument is calculated using the quoted price in an active market for that instrument. A market is regarded as active if all transactions take place with sufficient frequency and volume to provide pricing information on an ongoing basis. For all other financial instruments, fair values are determined using other techniques.

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

If the input used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

As at 31 December 2025 there were no transfers between levels (30 June 2025: Nil).

Methodologies and assumptions

Fair values have been determined for measurement and/or disclosure purposes based on the following methodologies and assumptions:

Financial instruments carried at fair value

The company does not have any financial instruments carried at fair value.

Financial instruments carried at amortised cost

- **Cash and cash equivalents, trade and interest receivables and trade and other payables:** These are measured at amortised cost and maturing within 12 months. The carrying value approximates their fair value as they are short term in nature.
- **Investment securities at amortised costs:** These are carried at amortised cost. The amortised cost carrying value approximates fair value.
- **Deposits and borrowings:** These are carried at amortised cost and the amortised cost carrying value approximates fair value.

Note 27 – Related party transactions

(a) Key management personnel

Key management personnel are those persons with authority and responsibility for planning, directing, and controlling Banking Circle's activities, directly or indirectly, including any director (whether executive or otherwise) of Banking Circle. The Directors and key management personnel of Banking Circle during or since the end of the six month period ended 31 December 2025 were:

Key management personnel

- Mark Tibbles, Chief Executive Officer and Executive Director
- Anthony Roberts, Chief Financial Officer (retired 12 December 2025)

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

- Victor Andersson, Chief Financial Officer (commenced 19 January 2026)
- Paul Klauzner, Chief Information Officer
- Allan McGregor, Company Secretary & Chief Compliance Officer
- Andrew Rigg, Chief Client Officer
- Rubi Westman, Chief Risk Officer

Directors appointed 1 August 2025

- Michel Andre
- Wolfgang Gaertner
- Michael Hansen
- Matthew Lawrance
- Mishal Ruparel
- Marie-Anne Van den Berg

Directors resigned 31 July 2025

- Claudia Bels
- Mark Colless
- Dale Grounds
- Anna-Leena Risku
- Vincent Pace
- Robert Ryan
- Bruce White
- Graeme Willis

(b) Key management personnel interest

The following former directors have or had interests in contracts pursuant to which the company provides services to their organisations:

- Mr M Colless as Deputy Chief Financial Officer of Newcastle Greater Mutual Group Limited
- Mr D Grounds as Chief Executive Officer of The Capricornian Ltd
- Mr V Pace as Chief Financial Officer of Heritage and People's Choice Limited
- Mr R Ryan as Chief Executive Officer of IMB Limited

(c) Related party transactions and balances

Banking Circle Payments Australia has been a client of BCAU for a number of years. Following the acquisition of BCAU by Banking Circle S.A., Banking Circle Payments Australia became a related party as both entities are within the Banking Circle Group and have the same ultimate parent entity.

The related party transactions outlined below represent the transactions between Banking Circle Payments Australia and Banking Circle.

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

Please note that the capital injection received from BCAU's direct parent entity Banking Circle S.A is outlined in Note 20. All related party transactions were conducted under arm's length principle. All transactions/services were made on normal commercial terms and conditions and at market rates

The following transactions occurred with related parties:

	31 December 2025	30 June 2025
	\$	\$
Comprehensive income items:		
Fee Income (Note 3)	53,395	-
Interest expense (Note 2)	972,976	-
Balance sheet items		
Receivables from related parties (Note 10)	13,142	-
Trade and other payables (Note 15)	247,337	-
Client Deposits (Note 17)	106,431,069	-

These related party transactions represent transactions between BCAU and Banking Circle Payments Australia which became a related party following the acquisition of ASL by Banking Circle S.A. on 1 August 2025.

(d) Remuneration of key management personnel

The compensation made to directors and other members of key management personnel of the company is set out below in aggregate for each of the categories specified in AASB 124 Related Party Disclosures.

	31 December 2025	30 June 2025
	\$	\$
Short term employee benefits	1,531,311	2,657,528
Other long-term employee benefits	139,359	50,146
Total compensation for key management personnel	1,670,670	2,707,674

Short term benefits are salaries and wages, paid annual leave and sick leave and short incentives payments.

Other long-term benefits are the net increase in the long service leave provision and superannuation. There are no post-employment benefits or termination benefits payments (30 June 2025: \$Nil).

No key management personnel or staff have transacted with the company during the reporting period ended 31 December 2025. (30 June 2025: \$Nil).

No loans to key management personnel or staff have been made during the reporting period ended 31 December 2025 (30 June 2025: \$Nil).

Notes to the Financial Statements (continued)
For the six month period ended 31 December 2025

Note 28 – Remuneration of auditors

	31 December 2025	30 June 2025
	\$	\$
Audit services		
Audit of financial statement	91,520	83,500
Group audit reporting	18,720	
Total remuneration for audit services	110,240	83,500
Statutory assurance services		
Other statutory services	81,300	46,000
Total remuneration for assurance services	191,540	46,000
Other non-audit services		
Other services	-	58,000
Total remuneration for non-audit services	-	58,000
Total remuneration for audit & other assurance activities	191,540	187,500

During the period the company changed its external auditor from Deloitte to EY. EY was appointed as the auditor 13 November 2025.

Audit Services includes the audit of the company's financial statements as well as audit reporting for group audit purposes of the company's parent entity.

Statutory assurance services consist of fees for services that are required by legislation to be provided by the auditor, including certain reporting to APRA.

Other non-audit services consist of engagements that are not the direct audit of financial reports.

BCAU has processes in place to maintain the independence of the external auditor, including the nature of expenditure on non-audit services. The auditor also has specific internal processes in place to ensure auditor independence.

Note 29 – Financial reporting by segment

The company operates predominantly in one business and one geographical segment. The company's operations are confined to Australia and involve providing clients with settlement

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

and associated services for ATM/eftpos, VISA, Mastercard, Direct Entry, BPAY, PEXA, NPP, Financial Crime and high value transactions, acting as a focal point for financial and other organisations to participate in payment systems, and developing payments services and strategies.

Note 30 – Contingent liabilities/assets

(a) Legal disputes, litigations, and claims

For all litigation exposures where loss is probable and can be reliably estimated an appropriate provision is made.

As at 31 December 2025, the company has no contingent liabilities or assets (30 June 2025: \$Nil).

(b) Bank guarantees

The Company provided bank guarantees in respect of the leases over its premises of \$184,989 for the former office and \$465,286 for the new office premise. See note 8 for details.

(c) Commitments

As of the date of this report, the company has made a commitment purchase software license for USD200,000. The commitment is expected to be settled within the first half of 2026.

The Directors are not aware of any other commitments (including capital commitments) as at the end of the financial period or arising since balance date other than those disclosed in Note 32 as subsequent events.

Note 31 – Settlement obligations

BCAU is liable to settle the liabilities of any System Participant which cannot meet their settlement obligations. BCAU holds funds from each System Participant specifically for this purpose. As at 31 December 2025 all System Participants within the settlements system met their settlement obligations.

Note 32 – Subsequent events occurring after the reporting period

Banking Circle S.A, BCAU's parent company, has operated in Australia since 2023 through an entity called Banking Circle Payments Australia. On 19 January 2026 BCAU entered into an Asset Transfer Deed with Banking Circle Payments Australia (BCPA) to acquire the Client Contracts of BCPA for with the client contracts being transferred effective 1 March 2026. In addition, all employees of BCPA became employees of BCAU effective the same day, 1 March 2026. As part of the employees transferring, BCAU took on the relevant employee provisions. The net consideration for this transaction was BCPA paying \$201,073 to BCAU.

Notes to the Financial Statements (continued)

For the six month period ended 31 December 2025

Other than the matters outlined above, no matter or circumstance has arisen subsequent to the period end that has significantly affected, or may significantly affect, the operations to the entity, the results of those operations, or the state of affairs of the entity in future financial years.

Note 33 - Company details

Banking Circle is the trading name of Australian Settlements Limited. Australian Settlements Limited (ABN 14 087 822 491) (ASL) is an Authorised Deposit-taking Institution (ADI) and operates an Exchange Settlement Account (ESA) at the Reserve Bank of Australia. The ESA is used for the settlement of payment obligations between Clients, and other clearers.

The registered office and principal place of business of the company is:

Banking Circle (ASL)

Level 11, 345 George Street

Sydney, NSW, 2000

Note 34 – Authorisation of financial statements

The financial report for the period ended 31 December 2025 was authorised for issue in accordance with a resolution of the Directors on 23 April 2026.

Consolidated Entity Disclosure Statement

Australian Settlements Limited (trading as Banking Circle Austra) is a Financial Services Body Corporate is incorporated in Australia and is an Australian Tax Resident.

There are no trusts, partnerships, or joint ventures within the entity.

In determining tax residency, the entity has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in Tax Ruling TR2018/5.

Directors' Declaration

In the directors' opinion:

- (a) the financial statements and notes set out on pages 18 to 65 are in accordance with the *Corporations Act 2001*, including:
- i. complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
 - ii. giving a true and fair view of the entity's financial position as at 31 December 2025 and of its performance for the period ended on that date, and
 - iii. the consolidated entity disclosure statement, required by section 295(3A) of the *Corporations Act 2001*, is true and correct. ASL is not required to prepare consolidated statements, and
- (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.

Note 1a confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

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

On behalf of the Directors,



Matthew Lawrance
Director



Wolfgang Gaertner
Director

Sydney, 23 April 2026



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Independent auditor's report to the members of Australian Settlements Limited

Opinion

We have audited the financial report of Australian Settlements Limited (the Company), which comprises the statement of financial position as at 31 December 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, 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 the Company is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the Company's financial position as at 31 December 2025 and of its financial performance for the period-ended on that date; and
- b. 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 Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information is the remuneration report and directors' report accompanying the financial report.

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.



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Responsibilities of the directors for the financial report

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

- ▶ 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
- ▶ 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:

- ▶ 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
- ▶ 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 relating 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 judgment 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 Company'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



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events or conditions that may cast significant doubt on the Company'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 Company 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.

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

Ernst & Young

Ernst & Young

A handwritten signature in black ink, appearing to read 'Jim Chuang', with a stylized flourish at the end.

Jim Chuang
Partner
Sydney
23 April 2026