

WIN SECURITIES LIMITED
ABN 47 007 346 223

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2025**

DIRECTORS' REPORT

The directors present their report together with the financial statements of the Company, being Win Securities Limited ("the Company") for the year ended 30 June 2025 and the auditor's report thereon.

Directors

The names of the directors in office at any time during or since the end of the year are;

Mr N Alisdair Stewart
Mr Antonino G Ruvo
Mr Jeffery W Herdegen
Mr Jonathan D Duffy

All directors have been in office since the start of the year to the date of this report.

Operating results

The profit of the company for the year after providing for income tax amounted to \$1,525,688.

Significant changes in state of affairs

There were no significant changes in the state of affairs of the Company that occurred during the financial period under review that are not otherwise disclosed in the report to the accounts.

Principal activities

The principal activities of the company during the year were mortgage lending, property and general investment. No significant change in the nature of this activity occurred during the year.

Matters or circumstances arising after the end of the year

No matters or circumstances have arisen since the end of the year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future years.

Future developments and results

Likely developments in the operations of the company and the expected results of those operations in future years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

Dividends paid or declared

Dividends paid or declared since the start of the year are as follows;

- (a) Dividends paid on Cumulative Redeemable Preference Shares totalled \$92,341 during the year.
- (b) Dividends paid on Ordinary Shares totalled \$505,000 during the year.
- (c) There were no other dividends declared on 30 June 2025 for payment for the year then ended.

Share options

No options over issued shares or interests in the company were granted during or since the end of the year and there were no options outstanding at the date of this report.

Directors and officers insurance

During the year, the company paid a premium in respect of a contract insuring the directors of the company, the company secretary, and all executive officers of the company against a liability incurred as a director, secretary or executive officer to the extent deemed appropriate by the directors.

The company has not otherwise, during or since the end of the year, indemnified or agreed to indemnify an officer or auditor of the company against a liability incurred as such as officer or auditor.

DIRECTORS' REPORT

Proceedings on behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Information on directors

N Alisdair Stewart LLB was appointed a Director in 1989. Alisdair is a retired solicitor and previous employee of the Wangaratta legal firm of Slater & Gordon. Alisdair has over 45 years experience in legal, mortgage and property issues and is closely involved in the loan approval process and management of the company.

Antonino Giovanni Ruvolo was appointed the General Manager of the company on 18 June 1990 and appointed a director of the company in June 2003. Antonino was previously employed by the National Australia Bank for ten years between 1980 - 1990. Antonino has over 45 years experience in the finance industry and is responsible for making significant day to day management decisions with respect to the company and is closely involved in the loan application assessment and approval process.

Antonino was appointed the Responsible Manager and Compliance Officer for the Company in 2004.

Jeffory W Herdegen was appointed as a director on 3 November 2016. Jeffory has a Master Rural Science Degree, Bachelor of Arts Degree, Hawkesbury Diploma of Agriculture, Diploma of Financial Services, PS 146 accredited. Jeffory comes with 9 years experience as Managing/Director and Responsible Officer of a similar secured investment company and also has 22 years experience in mortgage lending. He comes with vast knowledge and experience in agriculture and finance. As a director, Jeffory supports the Managing Director as required.

Jeffory was appointed a Responsible Manager for the Company in 2020.

Jonathan D Duffy was appointed as a director on 20 December 2016. Jonathan has extensive experience in commercial and residential property development and investment. Since his appointment he has been closely involved in the loan application assessment and approval process.

Auditors independence declaration

The lead auditors independence declaration for the year ended 30 June 2025 has been received and can be found on the following page of the directors report.

Signed in accordance with a resolution of the Board of Directors

Director
Antonino Giovanni Ruvolo

Director
Jeffory W Herdegen

Dated this 19th day of September 2025

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF WIN SECURITIES LIMITED

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

- (a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

BUSH & CAMPBELL AUDIT PTY LTD
Authorised Audit Company



D T Rosetta
Director

19th September 2025
Wagga Wagga

WIN SECURITIES LIMITED
ABN 47 007 346 223

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED
30 JUNE 2025

	NOTE	2025 \$	2024 \$
Interest revenue	2	6,523,244	6,054,662
Interest expense	3	<u>(3,930,527)</u>	<u>(3,217,238)</u>
Net interest revenue		2,592,717	2,837,424
Non interest revenues	2	760,612	469,007
Impairment expense		(106,000)	(50,000)
Employment expenses		(431,592)	(410,513)
Other expenses		<u>(781,486)</u>	<u>(905,539)</u>
Profit before income tax		2,034,251	1,940,379
Income tax expense	4	<u>(508,563)</u>	<u>(485,095)</u>
Profit for the year		<u><u>1,525,688</u></u>	<u><u>1,455,284</u></u>
Other Comprehensive Income			
- Revaluation of Property (net of tax)		<u>32,019</u>	<u>-</u>
Total Comprehensive Income		<u><u>1,557,707</u></u>	<u><u>1,455,284</u></u>
Earnings Per Share (Dollars per share)	5	10.170	8.430

The accompanying notes form part of these financial statements.

WIN SECURITIES LIMITED
ABN 47 007 346 223

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	NOTE	2025 \$	2024 \$
ASSETS			
Cash and cash equivalents	6	18,709,485	17,601,607
Trade and other receivables	7	64,163	89,169
Loans and advances	8	61,135,376	55,866,389
Current tax assets	14	147,632	132,306
Other current assets	10	73,514	73,098
Property, plant and equipment	11	1,084,946	1,036,746
Investment properties	12	3,290,000	3,235,000
TOTAL ASSETS		<u>84,505,117</u>	<u>78,034,315</u>
LIABILITIES			
Trade and other payables	13	712,071	748,239
Current tax liabilities	14	208,920	291,683
Debentures	15	74,189,974	68,717,656
Provisions	16	180,712	173,664
TOTAL LIABILITIES		<u>75,291,678</u>	<u>69,931,243</u>
NET ASSETS		<u>9,213,439</u>	<u>8,103,072</u>
EQUITY			
Issued capital	17	2,323,479	2,173,479
Reserves	18	126,457	94,437
Retained earnings	19	6,763,503	5,835,156
TOTAL EQUITY		<u>9,213,439</u>	<u>8,103,072</u>

The accompanying notes form part of these financial statements.

WIN SECURITIES LIMITED
ABN 47 007 346 223

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED
30 JUNE 2025

	Reserves	Issued	Retained	Total
	\$	Capital	Earnings	\$
	\$	\$	\$	\$
Balance at 30 June 2023	94,437	1,408,712	6,609,744	8,112,893
Profit	-	-	1,455,284	1,455,284
Other Comprehensive Income	-	-	-	-
Dividends Paid	-	-	(2,229,872)	(2,229,872)
Share Premium Reserve	-	-	-	-
Revaluation Reserve	-	-	-	-
Share Capital Increase(decrease)	-	764,767	-	764,767
Balance at 30 June 2024	94,437	2,173,479	5,835,156	8,103,072
Profit	-	-	1,525,688	1,525,688
Other Comprehensive Income	-	-	-	-
Dividends Paid	-	-	(597,341)	(597,341)
Share Premium Reserve	-	-	-	-
Revaluation Reserve	32,020	-	-	32,020
Share Capital Increase(decrease)	-	150,000	-	150,000
Balance at 30 June 2025	126,457	2,323,479	6,763,503	9,213,439

The accompanying notes form part of these financial statements.

WIN SECURITIES LIMITED
ABN 47 007 346 223

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	NOTE	2025 \$	2024 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Interest received		6,548,250	6,047,130
Commission and management fees		114,615	150,040
Interest paid		(3,949,910)	(2,995,340)
Receipts from customers		394,484	351,569
Payments to suppliers and employees		(1,009,182)	(1,122,144)
Income tax paid		<u>(616,371)</u>	<u>(696,007)</u>
Net cash provided by operating activities	21(b)	<u>1,481,886</u>	<u>1,735,248</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(23,997)	(810,196)
Net (increase)/decrease in loans and advances		(5,374,987)	3,282,466
Net (decrease)/increase in debentures		<u>5,472,317</u>	<u>3,611,313</u>
Net cash provided by/(used in) investing activities		<u>73,334</u>	<u>6,083,584</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Receipts from issue of shares		150,000	764,767
Dividends paid		<u>(597,341)</u>	<u>(2,229,872)</u>
Net cash used in financing activities		<u>(447,341)</u>	<u>(1,465,105)</u>
Net (decrease)/increase in cash held		1,107,878	6,353,727
Cash at beginning of the year		<u>17,601,607</u>	<u>11,247,880</u>
Cash at end of the year	21(a)	<u><u>18,709,485</u></u>	<u><u>17,601,607</u></u>

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2025

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The financial report covers the economic entity of Win Securities Limited. Win Securities Limited is an unlisted Public Company, incorporated and domiciled in Australia.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures the financial statement and notes comply with International Financial Reporting Standards. Material accounting policies adopted in the presentation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

The accounting policies of the company have been applied consistently by the company unless otherwise stated. The financial statements contain comparative amounts which have been reclassified to conform with the current year presentation except where otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2025

(a) Income Tax

The charge for current income tax expense is based on the profit for the year adjusted for the year for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by law.

(b) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured as the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with similar terms to maturity that match the expected timing of the cash flows.

Contributions are made by the company to employee superannuation funds and are charged as expenses when incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2025

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction) based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their estimated useful lives to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired financial period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of assets are;

Class of fixed asset	Depreciation Rate
Freehold buildings	2.50%
Improvements	2.50%
Plant & equipment	5% - 40%

(d) Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions, investments in money market instruments maturing within less than three months and net of bank overdrafts.

(e) Trade and Other Payables

Trade and other payables are stated at their amortised cost. Trade payables are non-interest bearing and are normally settled in accordance with supplier terms.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2025

(f) Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Dividend revenue is recognised when the right to receive a dividend has been established. Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax (GST).

(g) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

As a financial institution Win Securities Ltd is input taxed on all revenue except for revenue from commissions, rents and some fees. An input taxed supply is not subject to GST collection and similarly the GST paid on related or apportioned purchases cannot be recovered.

(h) Provisions

A provision is recognised in the statement of financial position when the entity has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(i) Going Concern

The financial report has been prepared on a going concern basis that considers the continuity of normal operating activities and the realisation of assets and settlement of liabilities in the normal course of business.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2025

(j) Loans and Advances

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an effective market and are subsequently measured at amortised cost using the effective interest method.

Loans and advances represent loans to customers. They are carried at a recoverable amount represented by the gross value of the outstanding balance less the provision for loan impairment.

Provision for impairment

Impairment of a loan is recognised when there is reasonable doubt that not all of the principal and interest can be collected in accordance with the terms of the loan agreement.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets carrying amount and the value of expected future cash flows. Impairment is considered on an individual basis for loans. Impairment is assessed by specific identification in relation to individual loans. For loans and advances, indications that the loan is experiencing difficulty include default or delinquency in interest or principal payments, indication that they will enter bankruptcy or other financial reorganisation and changes in arrears or economic conditions that correlate with defaults.

Bad debts are written off when identified. If a provision for impairment has been recognised in relation to a specific loan, write-offs for bad debts are made against the provision. If no provision for impairment has been recognised, write-offs for bad debts are recognised as expenses in the profit and loss account.

Credit risk exposures

The credit risk on financial assets of the entity that have been recognised in the financial statements is generally the carrying amount less any provisions for impairment.

Interest rate risk exposures

Exposures predominantly arise from assets and liabilities bearing variable interest rates as the entity intends to hold all fixed rate assets and liabilities to maturity.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2025

(k) Investment Properties

Investment properties represent properties held to earn rentals or for capital appreciation or both.

Investment properties are initially recognised at cost. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the entity.

Subsequent to initial recognition at cost, investment properties are re-valued to fair value with changes in the fair value recognised as revenue or expenses in the period that they arise. The properties are not depreciated. The fair value of an investment property is the amount for which the asset could be exchanged between knowledgeable, willing parties in an arms length transaction. Fair value on an investment property is determined annually based on a valuation by an independent valuer who has recognised and appropriate professional qualifications and recent experience in the location and category of investment property being valued. Fair values are determined by the valuer using market information, including prices for similar properties in comparable locations.

Rental revenue from the leasing of investment properties is recognised in the income statement in the periods in which it is receivable, as this represents the pattern of service rendered through the provision of the properties.

(l) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes party to the contractual provisions of the instrument. For financial assets this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled between knowledgeable willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as;

- a. the amount at which the financial asset or financial liability is measured at initial recognition;
- b. less principal repayments;
- c. plus or minus the cumulative amortisation of the difference, if any between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- d. less any reduction in impairment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2025

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payment to receipts (including fees, transactions costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

Impairment

At each reporting date the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairments losses are recognised in the statement of comprehensive income.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

(m) Impairment

The carrying amounts of the entity's assets and deferred tax assets (see accounting policy (a)), are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through profit or loss.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

(n) Reversals of Impairment

Impairment losses, other than in respect of goodwill, are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2025

An impairment loss in respect of a receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(o) Calculation of Recoverable Amount

The recoverable amount of the entity's investments and receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e. the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted

Impairment of receivables is not recognised until objective evidence is available that a loss event has occurred. Significant receivables are individually assessed for impairment. Impairment testing of significant receivables that are not assessed as impaired individually is performed by placing them into portfolios of significant receivables with similar risk profiles and undertaking a collective assessment of impairment. Non-significant receivables are not individually assessed. Instead, impairment testing is performed by placing non-significant receivables in portfolios of similar risk profiles, based on objective evidence from historical experience adjusted for any effects of conditions existing at each balance date.

The recoverable amount of other assets is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

(p) Share Capital

(i) Dividends

Dividends are recognised as a liability in the period in which they are declared.

(ii) Transaction costs

Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax benefit.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2025

(q) Critical accounting judgements and key sources of uncertainty

In the application of the companies accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company. The following are the critical judgements management has made:-

Key estimate - loans

Management uses Independent Valuations in conjunction with other credit assessment material in determining whether a potential borrower has adequate security and in turn determining the likelihood of recovering the loan that is to be made. All real property must be valued by an independent licensed valuer appointed by the company before a loan is made. The valuation is used to determine the maximum loan amount to be advanced taking into account the following Loan to Valuation Ratios ("LVR")

Residential Land	70%
Industrial Land	70%
Commercial Land	70%
Rural Land	70%

The outcome of the analysis may determine whether or not the company will make a loan, the amount of any such loan in terms of the maximum LVR and the length of the loan term. In terms of provisioning against loans, the Board meets on a monthly basis and reviews all loans which have indications of impairment. Indicators of impairment include default or delinquency in interest or principal payments, indicators that a borrower will enter into bankruptcy or other financial reorganisation and changes in arrears or other financial conditions that correlate with default. Where there is objective evidence of impairment, the Board assess the recoverability of a loan by preparing a discounted cash flow. The cash flow requires critical judgements to be made on the timing of the cash inflows and outflows in addition to the actual amounts recovered. The Board uses previous sales evidence obtained from market data to assess the value of inflows and the outflows and critical judgements on the timing of such inflows and outflows in determining the recovery of the loan. Where necessary the Board will engage an independent valuer to prepare an updated valuation report to ensure that the LVR is still within the Boards requirements. If the principal and unpaid interest and fees falls short of the discounted cash flow total, then a provision equal to the shortfall is adopted by the Board. Once the recommendation is approved by the Board a provision is made against the loan.

The Board believe that the chosen valuation techniques and assumptions used are appropriate in determining the recoverability of impaired loans.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2025

1. Recoverable amount of financial and non financial assets

In terms of provisioning against loans, the Board meets on a monthly basis and reviews all loans which have indicators of impairment. For all mortgage loans, independent valuations are commissioned to assess the value of the underlying real property associated with the registered first mortgage security on an ongoing basis.

Where there is objective evidence of impairment the Board assess the recoverability of a loan by preparing a discounted cash flow. The cash flow requires critical judgements to be made on the timing of cash inflows and outflows in determining the recoverability of the loan. If the principal and unpaid interest and fees falls short of the discounted cash flow total then a provision equal to the shortfall is adopted by the board. Once a recommendation is approved by the Board a provision is made against the loan.

Similarly, for non-current assets held for sale, investment and inventory properties, periodic independent valuations from licenced valuers are commissioned in assessing recoverable amount and net realisable values.

The recoverable amount for loans and investment properties are estimates sensitive to several key assumptions in any independent valuation including estimated future sales rates made based on current and future sales in relevant markets and estimated project development potential. Changes in these assumptions could cause the carrying amounts to exceed the recoverable amounts from time to time.

The Board believe that the chosen valuation techniques and assumptions used are appropriate in determining the recoverability of impaired assets.

2. Impairment

The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to the impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in use calculations which incorporate key estimates, are performed in assessing recoverable amounts.

(r) Comparatives

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(s) Amendment to Australian Accounting Standards

The Company has reviewed the impact of recent pronouncements and changes in Australian Accounting Standards and has determined that these pronouncements will not have a material effect on the financial position or performance of the Company in the future.

WIN SECURITIES LIMITED
ABN 47 007 346 223

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2025

	2025	2024
	\$	\$
NOTE 2: INTEREST REVENUE AND INTEREST EXPENSE		
<u>Interest Revenue</u>		
Investment securities, cash and liquid assets	811,022	505,056
Loans and advances	5,712,222	5,549,607
	<u>6,523,244</u>	<u>6,054,662</u>
<u>Non Interest Revenue</u>		
Application fees	379,769	144,704
Commission and management fees	104,196	136,400
Rents received	209,656	177,896
Dishonour fees	2,600	3,290
Sundry income	9,392	6,716
Revaluation of investment properties	55,000	0
	<u>760,612</u>	<u>469,007</u>
Total Revenue	<u>7,283,856</u>	<u>6,523,669</u>
 NOTE 3: PROFIT FROM ORDINARY ACTIVITIES		
Profit from ordinary activities before income tax expense		
has been determined after:		
Depreciation of non-current assets		
- Buildings	9,375	9,375
- Building additions	1,218	1,218
- Plant and equipment	7,897	1,686
Total depreciation	<u>18,490</u>	<u>12,279</u>
Remuneration of accountants and auditors	<u>59,809</u>	<u>62,384</u>
Interest expense	<u>3,930,527</u>	<u>3,217,238</u>
 NOTE 4: INCOME TAX EXPENSE		
(a) The prima facie tax payable on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Prima facie tax payable on profit from ordinary activities before income tax at 25%	508,563	485,095
Less permanent difference	0	0
Income tax expense attributable to profit from ordinary activities	<u>508,563</u>	<u>485,095</u>
(b) The components of income tax expense comprise:		
Current tax expense		
Current period liability	523,889	542,196
Deferred tax expense		
Net movement in deferred tax asset	(15,327)	(57,101)
Total income tax expense	<u>508,563</u>	<u>485,095</u>

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FOR THE YEAR ENDED
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	2025 \$	2024 \$
NOTE 5: EARNINGS PER SHARE		
Net Profit used in calculations of EPS	1,433,347	1,396,346
Number of shares used in calculation of EPS	140,932	140,932
NOTE 6: CASH AND CASH EQUIVALENTS		
Cash at bank	3,043,799	1,975,380
Interest bearing deposits	15,665,686	15,626,227
	<u>18,709,485</u>	<u>17,601,607</u>
NOTE 7: TRADE AND OTHER RECEIVABLES		
Accrued income		
- Mortgage Loans	16,430	45,851
- Investments	47,133	42,718
Bond paid	600	600
	<u>64,163</u>	<u>89,169</u>
NOTE 8: LOANS AND ADVANCES		
Mortgage secured loans	61,052,828	55,596,677
Equipment finance loans	361,548	442,712
Less provision for loan impairment	(279,000)	(173,000)
Net loans and advances	<u>61,135,376</u>	<u>55,866,389</u>
Maturity Analysis		
Not later than 1 year	59,947,251	52,431,149
Later than 1 year but not later than 5 years	1,227,705	3,480,191
Later than 5 years	239,420	128,049

NOTE 9: LOAN ANALYSIS AND IMPAIRMENT

The following table details the Company's financial assets with ageing analysis and impairment provided thereon.

Amounts are considered past due when the debt has not been settled within the terms and conditions agreed between the Company and the counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining the solvency of the counterparty to the transaction and are provided for where there are specific circumstances indicating that the debt may not be fully paid to the company.

LOAN ANALYSIS AND PROVISION FOR IMPAIRMENT

The following table details the Company's financial assets with the ageing analysis and impairment provided thereon. Amounts are to be considered past due when the debt has not been settled within the terms and conditions agreed between the company and the counterparty to the transaction.

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2025	Total	Neither past due nor impaired < 30 days	Past Due and Impaired			> 90 days
			30 - 60 Days	61 - 90 Days		
Mortgage loans	\$61,052,828	\$57,790,457	\$0	\$60,659	\$0	\$3,201,711
Expected loss rate (%)		0.190%		0.44%		5.25%
Specific provision		-	-	-	-	-
Loss allowing provision	\$278,205	\$109,802	\$0	\$267	\$0	\$168,136
Equipment finance loans	\$361,548	\$361,548	\$0	\$0	\$0	\$0
Expected loss rate (%)		0.220%				
Loss allowing provision	\$795	\$795				
Total loss allowing provision	\$279,000	\$110,597	\$0	\$267	\$0	\$168,136
2024	Total	Neither past due nor impaired < 30 days	Past Due and Impaired			> 90 days
			30 - 60 Days	61 - 90 Days		
Mortgage loans	\$55,596,677	\$50,402,362	\$0	\$61,081	\$0	\$5,133,235
Expected loss rate (%)		0.220%		0.82%		1.181%
Specific provision						
Loss allowing provision	\$172,026	\$110,885	\$0	\$501	\$0	\$60,640
Equipment finance loans	\$442,712	\$442,712				
Expected loss rate (%)		0.220%				
Loss allowing provision	\$974	\$974				
Total loss allowing provision	\$173,000	\$111,859	\$0	\$501	\$0	\$60,640

Past due loans include the total outstanding loan balance and not the amount past due. The methodology to determine recoverability and any potential impairment indicators is disclosed on the following page.

NOTES TO THE FINANCIAL STATEMENTS
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Provision for Impairment of Receivables

Loan receivables are assessed for recoverability based on the underlying terms of the contract. A provision for impairment is recognised in accordance with the accounting policies disclosed in Note 1:

Movement in Impairment Provision

	<u>2025</u>	<u>2024</u>
	\$	\$
Balance at beginning of the year	173,000	123,000
Movement in Expected credit loss under AASB 9	106,000	50,000
Specific impairment provision	-	-
Bad Debts recovered	-	-
Bad Debts write off	-	-
Balance at the end of the year	<u>279,000</u>	<u>173,000</u>

Historical debtor collection analysis

The Company, in applying its conservative lending approach, rarely has had bad debts where held security does not cover outstanding debts. Evidence of bad debts, whereby security coverage has been less than outstanding debts, over the last 5 years is shown below.

	2025	2024	2023	2022
	\$	\$	\$	\$
Bad debts	-	-	-	-

	2025	2024	2023	2022
	\$	\$	\$	\$

Past Due Loans

Balance	<u>3,262,370</u>	<u>5,194,316</u>	<u>2,014,453</u>	<u>2,121,645</u>
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"Past-

A loan is classified "Past Due" if an interest rate arrear exists, even if the loan itself has not yet expired.

	<u>2025</u>	<u>2024</u>
	\$	\$
Ageing of past due loans		
0 to 90 days	60,659	61,081
91 to 180 days	-	-
181 to 365 days	3,028,802	5,133,235
>365 days	172,909	-

Expected Credit Loss (ECL) and credit risk assessment.

The company has established a comprehensive system of assessing credit risk. This risk is assessed both at time of the acquisition of the financial instrument and subsequent holding periods:

Assessment at acquisition

This process includes review of the specific details of each new loan including a review of credit and trade references, business purpose declarations and financial position statement reviews, asset verifications including PPSR searches and internal scoring systems designed by management that are well within the Company's trust deed and ASIC benchmarks. The Directors recognise that there is an embedded inherent risk in its lending activities that differs with each loan type and as a result have made an assessment of the ECL in each loan type and applied this ECL to its loan book. The assessment is based on considerations that impact the nature of the loans, the security held, market conditions and historical collection outcomes.

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Subsequent assessment

The Board meets on a monthly basis and reviews all loans in arrears and assesses for indications of impairment. Where there is objective evidence of impairment, the Board assess recoverability by preparing a discounted cash flow. The cash flow requires critical judgments to be made on the timing of cash flows as well as actual amounts recovered. The Board uses previous sales evidence and appraisals from market contacts to assess cash flows. If the principal and unpaid interest and fees fall short of the discounted cash flow total, then a provision for short fall is raised.

The following table identifies the processes and actions the Company performs to satisfy itself of the collectability of their financial assets and their assessment of the embedded expected credit loss in each loan class.

Loan Type	Security and evidence of security Value	Max.Loan Value Ratio	% of loan book (\$)	Default ECL %
Equipment finance loans	1st ranking registered PPSR security over equipment and/or motor vehicles Directors guarantee required Second hand equipment is independently valued by authorised valuers and identified At times additional third party guarantees may be requested.	100%	0.59%	0.19%
Mortgage loans	Mortgages taken over title. The majority (85% by value) of mortgages are first registered mortgages. Second registered mortgages will only be taken when LVR's comply with the trust deed. Registered Valuers or Valuer General valuations are used to support determination of maximum borrowing limits.	Rural - 50% Residential and commercial 70%	99.41%	0.19%

Expected Credit Loss and arrears

The default expected credit loss for each class of loan is considered as the 'in-terms' rate based on the Directors best assumptions and in accordance with methodologies above. When loans enter arrears (which is considered outside of contract terms) the Directors consider the increased credit risk of a future default (notwithstanding the security held). As a result the weighting of the expected credit loss increases to reflect the higher risk of default for each class of loan in various arrears positions. This is in line with the Company's assessment of current market conditions, security held and historical data. The weightings allocated to each class of loans and their respective arrears position is as follows:

	Default rate %	<30 days %	30-60 days %	61-90 days %	>90 days %
Equipment finance loans	0.19	0.19	0.44	0.44	0.44
Mortgage loans	0.19	0.19	0.82	0.9	1.131

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The table below provides additional disclosure as to the use of the Company's expected credit loss parameters:

Loan Type	Default ECL %	Explanation
Equipment	0.19%	Equipment finance loans include leases (and novate leases), commercial hire purchase and chattel mortgages. All equipment finance loans are backed by the underlying asset being financed and must be registerable on the PPSR. In the event the borrower is a Company personal guarantees are obtained from Directors and/or shareholders. The Company will only lend on a first charge basis whereby any other debt on the security must first be refinanced by the Company in order for any other consumer loan to be provided. In addition to only holding first charges the Company, as part of the loan due diligence obtains insurance policies for any security held, with the Company's interest noted. The Company performs a full credit check on any loan applicant and other due diligence to support the borrowers repayment capacity Arrears are monitored on a daily basis and rigorously pursued by management. The arrears policy of the Company dictates collection processes and stipulates that repossession of security will commence after a 60 day period and subsequent to a default notice being issued. On occasion and subject to Board approval as minuted in monthly meetings, repossession may be delayed in certain circumstances. In rare situations where security has been repossessed in the past the Company has been successful in liquidating the security to repay any outstanding debts and collection costs. The Company has considered current market conditions with regard to these loan types and have assessed that they have not significantly changed. As a result the likelihood of a default is considered low.
Mortgage loan	0.19%	The company takes a very conservative approach to mortgage lending as evidenced by the low LVR's used by the company. Registered Valuer's are used to provide independent valuations of security, where mortgages are always registered by the company, prior to any borrowing being provided. These Registered Valuer's are approved and rotated by management and are only appointed subject to satisfying the company's due diligence processes. Where Registered Valuer's are not used, Valuer General valuations are obtained and reviewed to determine appropriateness by management. Where the company's security is by second registered mortgage only, the company reviews the cumulative debt supported by all mortgages to ensure that the LVR is under borrowing limits, taking into account external debts supported by the first mortgage. Security held by the company is reviewed on an annual basis as part of the annual loan review. At this time new Valuer General valuations are obtained to determine the appropriateness of security held and is a calculation of total debt supported by all mortgages where the company holds the second mortgage. This conservative lending approach has resulted in no bad debt ever being recognised on any mortgage backed loan provided by the company. The company has considered current market conditions with regard to these loan types and have assessed that they have not significantly changed. As a result the likelihood of a default is considered low.

NOTES TO THE FINANCIAL STATEMENTS
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	2025	2024
	\$	\$

Impairment losses

A provision for impairment is recognised when there is objective evidence that an individual loan is impaired. Indicators of impairment are delinquency or default on interest and or principal payments, the borrower entering into bankruptcy or other financial reorganisation or changes in arrears.

The company holds first mortgage collateral security over all mortgages and periodically reviews all loans for evidence of impairment.

NOTE 10: OTHER ASSETS

Prepayments	73,514	73,098
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NOTE 11: PROPERTY, PLANT AND EQUIPMENT

Freehold Land & Buildings at independent valuation	1,050,000	980,000
Less accumulated depreciation	-	(9,375)
	<u>1,050,000</u>	<u>970,625</u>

Building Improvements at cost	-	48,731
Less accumulated depreciation	-	(1,456)
	<u>-</u>	<u>47,275</u>

Plant and equipment at cost	357,624	333,627
Less accumulated depreciation	(322,678)	(314,781)
	<u>34,946</u>	<u>18,846</u>

Total property, plant and equipment	<u>1,084,946</u>	<u>1,036,746</u>
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(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the period	Land and Buildings	Building Improvements	Plant and Equipment
Balance at the beginning of the period	970,625	47,275	18,846
Additions	-	-	23,997
Revaluation	88,750	(46,057)	-
Reclassification due to change to principal place of business	-	-	-
Depreciation expense	(9,375)	(1,218)	(7,897)
Carrying amount at the end of the period	<u>1,050,000</u>	<u>-</u>	<u>34,946</u>

The valuation of the freehold land and buildings was conducted on 11 July 2025 by Opteon Valuers 21 Wyndham Street Shepparton Victoria 2630

NOTE 12: INVESTMENT PROPERTIES

Investment properties at independent valuation	3,290,000	3,235,000
Investment property additions - at cost	-	-
Investment property deposits paid	-	-
	<u>3,290,000</u>	<u>3,235,000</u>

The valuation of Investment properties is based upon independent valuations conducted by Opteon Valuers 21 Wyndham Street Shepparton. The Directors consider the valuations to be reflective of current market conditions.

Investment properties are principally comprised of commercial properties located at 35 Reid, 37 Reid, 39 Reid, 41 Reid and 26 Murphy Wangaratta and are leased to third parties.

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	2025 \$	2024 \$
NOTE 13: TRADE AND OTHER PAYABLES		
Trade creditors	29,627	26,967
Other creditors	6,585	15,651
Superannuation payable	0	10,378
Accrued interest	675,859	695,243
	<u>712,071</u>	<u>748,239</u>
NOTE 14: TAX		
ASSETS		
Deferred tax asset	147,632	132,306
Goods and services tax	0	0
Income tax refundable	0	0
	<u>147,632</u>	<u>132,306</u>
LIABILITIES		
Deferred tax liability	180,668	156,245
Income tax	23,976	130,208
Goods and services tax	4,277	5,231
	<u>208,920</u>	<u>291,683</u>
NOTE 15: DEBENTURES		
Debentures	<u>74,189,974</u>	<u>68,717,656</u>
No individual debenture represents 10% or more of total liabilities. The liquidity of the company is reviewed on a monthly basis via management reporting.		
The company does not believe there is any material exposure in respect of the concentration of its debentures and borrowings. All of its debentures and borrowings constitute secured debentures which are lodged for fixed terms. The debenture stock is secured by first ranking floating charges in favour of Sandhurst Trustees Limited over the whole of the assets and undertakings of the Company.		
Maturity Analysis		
Not later than 1 year	69,307,820	61,580,107
Greater than 1 year but not later than 5 years	4,882,153	7,137,549
NOTE 16: PROVISIONS		
CURRENT		
Long service leave	125,923	117,894
Annual leave	54,789	55,770
	<u>180,712</u>	<u>173,664</u>
NOTE 17: ISSUED CAPITAL		
140,932 A Class fully paid ordinary shares	93,712	93,712
1,790,000 fully paid redeemable preference shares	1,790,000	1,640,000
Share premium reserve	439,767	439,767
	<u>2,323,479</u>	<u>2,173,479</u>

The Company's key objective in terms of its capital management are as follows:

- to maintain a sufficient level of capital to provide a buffer against losses arising from unanticipated events and to safeguard its ability to continue as a going concern: and
- to optimise the level and use of its capital resources so that it can provide returns to the company and shareholders and benefits to other stakeholders.

In order to maintain or adjust its capital structure the company may adjust the amount of dividends paid to shareholders, return capital to shareholders or sell assets to reduce debt.

Under ASIC's Regulatory Guide 69 issuers of unsecured notes should maintain a minimum equity ratio, calculated as equity/(total liabilities + equity) of 8% where only a minor part of the companies activity is property development or lending for property development.

As at 30 June 2025 the company's capital ratio was 10.90% (2024 10.38%).

NOTES TO THE FINANCIAL STATEMENTS
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2025
\$

2024
\$

NOTE 18: RESERVES

Asset revaluation reserve	126,457	94,437
	<u>126,457</u>	<u>94,437</u>

The Asset revaluation reserve accounts for the unrealised gains on assets due to revaluation to fair value.

NOTE 19: RETAINED EARNINGS

Retained earnings at the beginning of the year	5,835,156	6,609,744
Net profit attributable to members of the company	1,525,688	1,455,284
Dividends paid	(597,341)	(2,229,872)
Retained earnings at the end of the year	<u>6,763,503</u>	<u>5,835,156</u>

NOTE 20: AUDITORS REMUNERATION

Remuneration of the auditor of the company for auditing or reviewing the financial report	<u>39,569</u>	<u>37,084</u>
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NOTE 21: CASH FLOW INFORMATION

(a) **Reconciliation of Cash**

Cash at the end of the year as shown in the statements of cash flows is reconciled to the related items in the statement of financial position as follows;

Cash on hand	3,043,799	1,975,380
Interest bearing deposits	<u>15,665,686</u>	<u>15,626,227</u>
	<u>18,709,485</u>	<u>17,601,607</u>

(b) **Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax**

Profit from ordinary activities after income tax	1,525,688	1,455,284
Non-cash flows in profit from ordinary activities:		
Depreciation	18,490	12,279
Revaluation of investment properties	(55,000)	-
Changes in assets and liabilities		
(Increase)/decrease in accrued interest receivable	25,005	(7,533)
(Increase)/decrease in other assets	(416)	(2,882)
(Increase)/decrease in deferred tax assets	(15,327)	(57,101)
Increase/(decrease) in deferred tax liability	13,750	-
(Increase)/decrease in valuation of investment properties	(55,000)	198,393
Increase/(decrease) in provision for employee entitlements	7,048	(408)
Increase/(decrease) in provision for loan impairment	106,000	50,000
Increase/(decrease) in payables	2,660	(4,724)
Increase/(decrease) in accrued interest payable	(19,383)	221,898
Increase/(decrease) in income tax payable	(106,232)	(153,811)
Increase/(decrease) in PAYG withholding	(9,003)	9,513
Increase/(decrease) in other withholding tax	(63)	-
Increase/(decrease) in GST payable	219	12,925
(Increase)/decrease in GST refundable	(1,173)	3,905
Increase/(decrease) in superannuation payable	(10,378)	(2,491)
Cash flows from operations	<u>1,481,886</u>	<u>1,735,248</u>

Cash inflows and outflows for loans receivable and payable are disclosed on a net basis as per AASB 107. The principal business activity of the entity is a finance company and the volume of transactions would make it impractical to report on a gross basis.

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	2025	2024
	\$	\$

NOTE 22: KEY MANAGEMENT PERSONNEL COMPENSATION

The Key Management Personnel of the company during the year were:-

Antonino Ruvolo - Executive Director and Chairperson

N Alisdair Stewart - Non-Executive Director

Jeffory Herdegen - Non-Executive Director

Jonathan Duffy - Non-Executive Director

The totals of remuneration paid to KMP of the company during the year are as follows:

Short term employee benefits	135,663	137,482
Post employment benefits	26,012	23,468
Total employee benefits	<u>161,675</u>	<u>160,950</u>

NOTE 23: RELATED PARTY TRANSACTIONS

Profit for the year includes the following items of revenue and expense that resulted from transactions other than compensation with key management personnel or other related parties.

Debentures held by related parties as at 30 June	1,857,267	1,621,738
Interest revenue paid	83,891	154,196

No Director has entered into a material contract with the company since the end of the previous financial year and there are no contracts involving directors interests existing at year end.

The company does not permit loans to Directors, managers, employees or shareholders of the company.

NOTES TO THE FINANCIAL STATEMENTS
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NOTE 24: FINANCIAL RISK MANAGEMENT

The Company's financial instruments consist mainly of cash and deposits with banks, accounts receivable and payable, loans and advances, unsecured notes and unlisted shares.

Specific financial risk exposures

The Company has exposure to the following risks from its use of financial instruments;

- (i) Credit Risk
- (ii) Liquidity Risk
- (iii) Interest rate risk

Financial risk management strategy

The directors' overall risk management strategy seeks to assist the Company in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are reviewed by the directors on a regular basis. These include credit risk policies and cash flow requirements.

(i) Credit risk

Credit risk arises from lending and associated activities. Credit risk is the potential loss that may arise when the counterparty to a financial instrument fails to meet its contractual obligations to the Company. The Company has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Credit risk related to balances with banks and other financial institutions is managed by the Board. Credit risk related to loans and advances is managed by Board policy where a maximum LVR of 70% is allowed after valuation of security property by an independent valuer.

Exposure to credit risk

The maximum exposure at balance date to the Company of credit risk is recognised in the carrying amount of financial assets net of any provisions for impairment of those assets as disclosed in the balance sheet and notes to the financial statements .

An analysis of the Company's loan portfolio by security type and geographic location of the borrower is set out below;

	2025	2024
Loan portfolio by security type		
Equipment	361,548	442,712
Registered first mortgages - non development loans	52,764,008	52,000,195
Registered first mortgages - development loans	8,288,820	3,596,482
	<u>61,414,376</u>	<u>56,039,389</u>
Loan portfolio by geographic region		
New South Wales	6,282,460	2,490,000
Victoria	51,921,261	49,268,416
South Australia	306,504	2,194,026
Western Australia	0	0
Tasmania	1,957,919	1,621,462
Queensland	0	465,486
Australian Capital Territory	946,233	0
	<u>61,414,376</u>	<u>56,039,389</u>

The Directors of the Company have implemented a structured framework of systems and controls to monitor and manage the credit risk of the company. These systems and controls include the following;

- (i) Documented credit risk management policies that are adhered to by all staff involved in the lending process.
- (ii) A systematic process for loan approvals including approval of loans by the board of the Company.
- (iii) An assessment of the financial capacity of the borrower for all loan applications.

NOTES TO THE FINANCIAL STATEMENTS
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NOTE 24: FINANCIAL RISK MANAGEMENT (Continued)

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due as the result of a maturity mismatch in its cash flows. Principally this reflects the need for the company to meet the rights of note holders to be able to redeem their funds as required.

The Company maintains a liquidity risk management policy that establishes practices in order to meet this mismatch under a range of market conditions. The company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate liquid investments are held at all times. Liquidity management is ultimately the responsibility of the board of directors of the company.

The Company prepares quarterly and annual cash flow budgets as part of its over liquidity management strategy. The Company at all times maintains cash or cash equivalents on hand sufficient to meet its projected needs for the next quarter.

The Company estimates incoming cash flows from the maturity profile of its loan portfolio. Outgoing cash flows with respect to maturing Notes are determined by the terms of the Notes and take into account available historical experience of the redemption of Notes.

Liquidity scenarios are modelled by the company over a 12 month rolling time frame and take into account the expected rollover rates of Note holders. The objective of the modelling is to ensure that the Company will have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions and without incurring unacceptable losses or risking damage to the companies reputation.

The Company is exposed to the liquidity risk of meeting at call note holder withdrawals at any time.

(iii) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities due to the risk of any mismatch between the interest rate on borrowings and to that of lending.

Interest rate risk is managed using a mix of fixed rate and floating rate lending together with unsecured notes issued at call and on a fixed term basis.

The Company's exposure to interest rate risk showing the contractual dates for classes of assets and liabilities are disclosed on pages 29 and 30.

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NOTE 24: FINANCIAL RISK MANAGEMENT (Continued)

The Company's exposure to interest rate risk showing the contractual dates for classes of assets and liabilities for 2024 is shown below;

2024

			Fixed Interest Rate						
	Weighted average rate %	Floating interest rate \$	0 - 3 months \$	4 -12 months \$	1 - 5 years \$	Over 5 years \$	No maturity specified \$	Non- interest bearing \$	Total \$
Assets									
Cash & cash equivalents	3.501%	-	17,601,607	-	-	-	-	-	17,601,607
Trade & other receivables		-	-	-	-	-	-	89,169	89,169
Loans & advances	9.621%	-	46,345,298	6,085,851	3,435,240	-	-	-	55,866,389
Investment properties		-	-	-	-	-	-	3,235,000	3,235,000
Property, plant & equipment		-	-	-	-	-	-	1,036,746	1,036,746
Tax assets		-	-	-	-	-	-	132,306	132,306
Other assets		-	-	-	-	-	-	73,098	73,098
Total Assets		-	63,946,905	6,085,851	3,435,240	-	-	4,566,319	78,034,315
Liabilities									
Trade & other payables		-	-	-	-	-	-	748,239	748,239
Interest-bearing liabilities	4.808%	-	24,659,633	36,920,474	7,137,549	-	-	-	68,717,656
Provisions		-	-	-	-	-	-	173,664	173,664
Current tax liabilities		-	-	-	-	-	-	291,683	291,683
Total Liabilities		-	24,659,633	36,920,474	7,137,549	-	-	1,213,586	69,931,243
Net inflow/(outflow)			39,287,272	(30,834,623)	(3,702,309)			3,352,733	8,103,072

WIN SECURITIES LIMITED

ABN 47 007 348 223

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2025

NOTE 24: FINANCIAL RISK MANAGEMENT (Continued)

The Company's exposure to interest rate risk showing the contractual dates for classes of assets and liabilities for 2025 is shown below;

2025

			Fixed Interest Rate						
	Weighted average rate %	Floating interest rate \$	0 - 3 months \$	4 -12 months \$	1 - 5 years \$	Over 5 years \$	No maturity specified \$	Non- interest bearing \$	Total \$
Assets									
Cash & cash equivalents	4.467%	-	18,709,485	-	-	-	-	-	18,709,485
Trade & other receivables		-	-	-	-	-	-	64,163	64,163
Loans & advances	9.764%	-	37,245,312	22,701,939	1,188,125	-	-	-	61,135,376
Investment properties		-	-	-	-	-	-	3,290,000	3,290,000
Property, plant & equipment		-	-	-	-	-	-	1,084,946	1,084,946
Tax assets		-	-	-	-	-	-	147,632	147,632
Other assets		-	-	-	-	-	-	73,514	73,514
Total Assets		-	55,954,797	22,701,939	1,188,125	-	-	4,660,256	84,505,117
Liabilities									
Trade & other payables		-	-	-	-	-	-	712,071	712,071
Interest-bearing liabilities	5.501%	-	20,826,596	48,481,225	4,882,153	-	-	-	74,189,974
Provisions		-	-	-	-	-	-	180,712	180,712
Current tax liabilities		-	-	-	-	-	-	208,920	208,920
Total Liabilities		-	20,826,596	48,481,225	4,882,153	-	-	1,101,704	75,291,678
Net inflow/(outflow)			35,128,202	(25,779,285)	(3,694,029)			3,558,552	9,213,439

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2025

NOTE 24: FINANCIAL RISK MANAGEMENT (Continued)

Sensitivity analysis

The following table illustrates the sensitivities to the Company's exposure to changes in interest rates. The Company does not account for any fixed rate financial assets or liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis

A change of +/- 1% in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. The analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2024.

	Profit or loss		Equity	
	1% p.a. Increase	1% p.a. Decrease	1% p.a. Increase	1% p.a. Decrease
	\$	\$	\$	\$
2025				
Interest bearing financial assets	798,449	(798,449)	798,449	(798,449)
Interest bearing financial liabilities	(741,900)	741,900	(741,900)	741,900
Cash flow sensitivity (net)	56,549	(56,549)	56,549	(56,549)
	Profit or loss		Equity	
	1% p.a. Increase	1% p.a. Decrease	1% p.a. Increase	1% p.a. Decrease
	\$	\$	\$	\$
2024				
Interest bearing financial assets	734,680	(734,680)	734,680	(734,680)
Interest bearing financial liabilities	(687,177)	687,177	(687,177)	687,177
Cash flow sensitivity (net)	47,503	(47,503)	47,503	(47,503)

(iv) Foreign exchange risk

There is no significant direct foreign exchange risk to the Company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2025

NOTE 25: FAIR VALUE MEASUREMENT

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly to indirectly.

Level 3 Unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based in observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Company selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Company are consistent with one or more of the following valuation approaches.

- *Market approach* : valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

- *Income approach* : valuation techniques that convert estimated future cash flows or income and expense into a single discounted present value.

- *Cost approach* : valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Fair Value Measurement

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Company gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available are developed using the best information available about such assumptions are considered unobservable.

The following table provides the fair values of the Company's investment properties measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy.

The Company's investment properties have all been valued at fair value under Level 3 measurements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2025

Fair value hierarchy

The table below shows the assigned level for the Company's assets held at fair value:

		Level 1	Level 2	Level 3	Total
30 June 2025		\$	\$	\$	\$
Recurring fair value measurements	Note				
Investment Properties	12			3,290,000	3,290,000
Freehold Land and Buildings	11			1,050,000	1,050,000

Level 3 measurements

For the purposes of AASB 13, all investment properties constitute one class of asset.

The Company obtains independent valuations of its investment property portfolio on a triennial basis and at the end of each reporting period the financial statements reflect the most up-to-date valuation.

The best evidence of fair value is the current price in an active market for similar assets, the following information is used where necessary:

- Current prices in an active market for different types of properties or similar properties in a less active market;
- Discounted cash flow projections based on management's best estimates of future cash inflows and outflows;

The valuation model considers the present value of net cash flows to be generated from the property, taking into account expected rental growth rate, long term vacancy rates and other costs not paid by the tenants. The expected net cash flows are discounted using a risk-adjusted discount rate which considers the location and condition of the building and lease terms.

All investment property valuations are included in level 3 of the hierarchy. The key unobservable input to the valuation is the price per square metre.

The fair value of investment properties is determined by independent, qualified valuers who have experience in the location of the property. The Directors review the valuation reports and discuss significant movements with the valuers.

The valuation of the property portfolio was performed by Opteon (Goulburn North East VIC) Pty Ltd in June 2023, January 2024 & July 2025. The directors consider the current valuations to be reflective of current market conditions.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2025

Unobservable inputs and sensitivities

Asset/Liability Category	Carrying amount (at fair value)	Key unobservable inputs*	Expected range of inputs	Description of how changes in inputs will affect the fair value
Investment properties	3,290,000	Estimated rental value per square metre	\$195 - \$322 per square metre	Significant increases (decreases) in estimated rental value (per sq. mtr p.a.) and rent growth p.a. in isolation would result in a significant higher (lower) fair value measurement. Significant increases (decreases) in long-term vacancy rate and discount rate in isolation would result in a significantly lower (higher) fair value measurement.
		Estimated sale value per square metre	\$1,950 - \$2,900 per square metre	
		Capitalisation	6-6.5%	

* There were no significant inter-relationships between unobservable inputs that materially affect fair values.

Transfers between levels of the hierarchy

There were no significant transfers between levels of the fair value hierarchy

Highest and best use

The current use of each asset measured at fair value is considered to be its highest and best use.

Asset/Liability Category	Carrying amount (at fair value)	Key unobservable inputs*	Expected range of inputs	Description of how changes in inputs will affect the fair value
Freehold Land and Buildings	1,050,000	Estimated rental value per square metre	\$190 - \$300 per square metre	Significant increases (decreases) in estimated rental value (per sq. mtr p.a.) and rent growth p.a. in isolation would result in a significant higher (lower) fair value measurement. Significant increases (decreases) in long-term vacancy rate and discount rate in isolation would result in a significantly lower (higher) fair value measurement.
		Estimated sale value per square metre	\$3,300 - \$3,700 per square metre	
		Capitalisation	6% - 6.5%	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2025

NOTE 26: SUBSEQUENT EVENTS

Other than as noted below there has not arisen in the interval between the end of the period and the date of this report any item, transaction or event of a material and unusual nature likely to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent periods.

None noted.

NOTE 27: CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

There are no capital commitments or contingent liabilities at balance date.

NOTE 28: SEGMENT REPORTING

Win Securities Limited operates predominantly in the debenture issuing (unlisted, unrated mortgage financing) finance industry within Australia. Customers and clients are predominantly based in regional areas of New South Wales and Victoria.

NOTE 29: COMPANY DETAILS

The registered office of the company is:

WIN Securities Limited
43 Reid Street
Wangaratta Vic 3677

WIN SECURITIES LIMITED
ABN 47 007 348 223

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

FOR THE YEAR ENDED
30 JUNE 2025

Section 295(3A)(a) does not apply to the Company as it does not have any controlled entities and therefore is not required by the Australian Accounting Standards to prepare consolidated financial statements.

DIRECTORS' DECLARATION

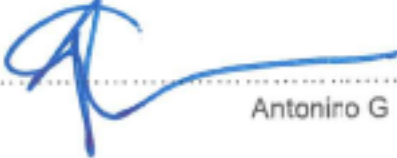
The directors of the Company declare that:

- 1 The financial statements and notes, as set out on pages 1 to 38 are in accordance with the Corporations Act 2001; and

(a) comply with the Accounting Standards which as stated in accounting policy note 1 to the financial statements constitutes compliance with International Financial Reporting Standards; and

(b) give a true and fair view of the financial position as at 30 June 2025 of the Company and of its performance for the period ended on that date
- 2 In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- 3 The consolidated entity disclosure statement is true and correct.

This declaration is made in accordance with a resolution of the Board of Directors.

Director.....
Antonino G Ruvolo

Director.....
Jeffery W Herdegen

19th September 2025

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF:
WIN SECURITIES LIMITED**

Opinion

We have audited the accompanying financial report of Win Securities Limited, which comprises the Statement of Financial Position as at 30 June 2025, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes and the Directors' Declaration.

In our opinion, the financial report of Win Securities Limited is in accordance with the *Corporations Act 2001*, including:

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

Basis for Opinion

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

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

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

Directors' Responsibility for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the Directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibility

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 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 the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

BUSH & CAMPBELL AUDIT PTY LTD
Authorised Audit Company

A handwritten signature in blue ink, appearing to read 'DRM', is placed over a light blue rectangular background.

David Rosetta
Director

Wagga Wagga
19 September 2025