

Company registration number: 152608

Backed Assets (JE) Limited

Financial statements

31 December 2025

Backed Assets (JE) Limited

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Backed Assets (JE) Limited

Directors and other information

Directors	Mr James Cunningham-Davis Mrs Lindsay Bracegirdle Mr Roberto Klein Mr Roy Matas Mr Mark Greenberg Mr Andrew Price	(Appointed 19 January 2024 and resigned 5 January 2026) (Appointed 5 January 2026) (Appointed 26 January 2026)
Secretary	Cavendish Secretaries Limited	
Company number	152608	
Registered office	First Floor, La Chasse Chambers Ten La Chasse St Helier Jersey JE2 4UE	

Backed Assets (JE) Limited

Directors report Year ended 31 December 2025

The directors present their report and the financial statements of the company for the year ended 31 December 2025.

Activities

The principal activity of the company is to issue security tokens representing actual securities or shares thereby enabling access to investment products via blockchain or decentralised finance technology.

The company merged with Backed Assets GmbH, a limited liability company incorporated in Switzerland, with a view to amalgamate both companies' businesses on 23 February 2024.

Directors

The directors who served the company during the year and subsequently were as follows:

Mr James Cunningham-Davis

Mrs Lindsay Bracegirdle

Mr Roberto Klein

Mr Roy Matas

(Appointed 19 January 2024 and resigned 5 January 2026)

(Appointed 23 July 2024, resigned 5 January 2026 and reappointed 26 January 2026)

Mr Mark Greenberg

(Appointed 5 January 2026)

Mr Andrew Price

(Appointed 26 January 2026 as an alternate director to Mr M Greenberg)

Results and Dividends

The results of the company for the period are set out in the Statement of Comprehensive Income on page 6.

The directors do not recommend the payment of a dividend.

Events after the end of the reporting period

In the opinion of the directors, there have been no significant events affecting the company since the year end which would have a material effect on the financial statements other than the following:

- The acquisition of the company's parent, Backed Finance AG by Payward Europe Limited. The date of completion was 5 January 2026.
- The company entered into a Support Services Agreement with Payward Inc. dated 5 January 2026, under which the latter committed to cover the company's ongoing expenditure.
- Furthermore, the company has entered a Contribution Agreement dated 6 January 2026, whereby Backed Finance AG will contribute a loan receivable of approximately \$6,075,435 which would extinguish the loan payable held by the company and terminate all intercompany loan agreements, and a further \$16,823,000 additional finance to be reflected as a cash balance held.

Backed Assets (JE) Limited

**Directors report (continued)
Year ended 31 December 2025**

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board of directors on 05/05/2026..... and signed on behalf of the board by:

James Cunningham-Davis

Cavendish Secretaries Limited
Secretary

Backed Assets (JE) Limited

Directors responsibilities statement Year ended 31 December 2025

The directors are responsible for preparing the directors report and the financial statements in accordance with applicable law and regulations.

The Companies (Jersey) Law 1991 requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report

To the members of Backed Assets (JE) Limited

Opinion

We have audited the financial statements of Backed Assets (JE) Limited (the 'Company') for the year ended 31 December 2025 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements:

- give a true and fair view of the financial position of the Company as at 31 December 2025 and of its financial performance and its cash flows for the year then ended;
- are in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', Section 1A 'Small Entities' (FRS 102 Section 1A); and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Jersey, including the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Company; or
- the Company financial statements are not in agreement with the accounting records; or
- we have not received proper returns adequate for our audit from branches not visited by us; or

- we have not obtained all the information and explanations, which to the best of our knowledge and belief, are necessary for the purposes of our audit.

Director's responsibilities for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements which give a true and fair view in accordance with FRS 102, Section 1A, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 ISAs 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 these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 statements 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 statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Adam Cichocki**

**For and on behalf of
Grant Thornton Limited**
Chartered Accountants
St Helier, Jersey

Date: 05 May 2026

Backed Assets (JE) Limited

**Statement of comprehensive income
Year ended 31 December 2025**

	Note	2025 US\$	2024 US\$
Turnover	5	182,159	105,888
Direct costs		(153,464)	(136,849)
Gross profit/(loss)		<u>28,695</u>	<u>(30,961)</u>
Other operating expenses		(2,505,463)	(625,682)
Operating loss		<u>(2,476,768)</u>	<u>(656,643)</u>
Loss on financial assets at fair value through profit or loss		(19,652)	(9,280)
Distributions received	6	144	66
Other interest receivable and similar income	7	-	94
Interest payable and similar expenses	8	(306,215)	(34,475)
Loss before taxation		<u>(2,802,491)</u>	<u>(700,238)</u>
Tax overprovision/(tax charge) for the year		-	634
Loss for the financial year and total comprehensive income		<u><u>(2,802,491)</u></u>	<u><u>(699,604)</u></u>

All the activities of the company are from continuing operations.

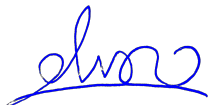
Backed Assets (JE) Limited

**Statement of financial position
31 December 2025**

	Note	2025	US\$	2024	US\$
Current assets					
Intangible assets	9	2,174,029		26,855	
Financial assets	10	202,541,434		21,524,205	
Debtors	11	114,902		5,234	
Cash at bank and in hand		576,869		184,542	
		<u>205,407,234</u>		<u>21,713,981</u>	
Creditors: amounts falling due within one year					
	12	<u>(206,692,597)</u>		<u>(21,724,810)</u>	
Net current liabilities					
			<u>(1,285,363)</u>		<u>(10,829)</u>
Total assets less current liabilities					
			<u>(1,285,363)</u>		<u>16,026</u>
Creditors: amounts falling due after more than one year					
	13		<u>(1,925,000)</u>		<u>(423,898)</u>
Net liabilities					
			<u>(3,210,363)</u>		<u>(407,872)</u>
Capital and reserves					
Other reserves	15		1,507,244		1,507,244
Profit and loss account			<u>(4,717,607)</u>		<u>(1,915,116)</u>
Shareholder deficit					
			<u>(3,210,363)</u>		<u>(407,872)</u>

These financial statements were approved by the board of directors and authorised for issue on , and are signed on behalf of the board by:

05/05/2026



Director

Company registration number: 152608

Backed Assets (JE) Limited

**Statement of changes in equity
Year ended 31 December 2025**

	Other reserves	Profit and loss account	Total
	US\$	US\$	US\$
At 1 January 2024	1,507,244	(1,215,512)	291,732
Loss for the year	-	(699,604)	(699,604)
Total comprehensive income for the year	-	(699,604)	(699,604)
At 31 December 2024 and 1 January 2025	1,507,244	(1,915,116)	(407,872)
Loss for the year	-	(2,802,491)	(2,802,491)
Total comprehensive income for the year	-	(2,802,491)	(2,802,491)
At 31 December 2025	1,507,244	(4,717,607)	(3,210,363)

Backed Assets (JE) Limited

Statement of cash flows
Year ended 31 December 2025

	2025	2024
	US\$	US\$
Cash flows from operating activities		
Loss for the financial year	(2,802,491)	(699,604)
<i>Adjustments for:</i>		
Foreign currency losses on financial assets	34,255	-
Realised losses on financial assets	19,652	9,280
Dividend income	(144)	(66)
Other interest receivable and similar income	-	(94)
Interest payable and similar expenses	306,215	34,475
Tax on loss	-	(634)
Accrued expenses	159,853	29,254
Foreign currency (gains)	(100)	(744)
Realised (gains) on financial assets	(19,652)	-
<i>Changes in:</i>		
(Increase)/decrease in stocks	(183,164,403)	26,702,653
(Increase) in trade and other debtors	(109,668)	(5,234)
Increase/(decrease) in trade and other creditors	180,944,575	(26,796,843)
Cash generated from operations	(4,631,908)	(727,557)
Realised gains on financial assets	(34,155)	(8,536)
Dividend income	144	66
Tax paid	-	634
Net cash used in operating activities	<u>(4,665,919)</u>	<u>(735,393)</u>
Cash flows from financing activities		
Proceeds from borrowings	3,863,359	127,914
Proceeds from loans from group undertakings	1,501,102	423,898
Interest paid	(306,215)	(34,475)
Interest received	-	94
Net cash from financing activities	<u>5,058,246</u>	<u>517,431</u>
Net increase/(decrease) in cash and cash equivalents	392,327	(217,962)
Cash and cash equivalents at beginning of year	<u>184,542</u>	<u>402,504</u>
Cash and cash equivalents at end of year	<u>576,869</u>	<u>184,542</u>

Backed Assets (JE) Limited

Notes to the financial statements Year ended 31 December 2025

1. General information

The company is a private company limited by shares, registered in Jersey. The address of the registered office is First Floor, La Chasse Chambers, Ten La Chasse, St Helier, Jersey, JE2 4UE. The principal activity of the company is to issue tokens representing actual securities or shares thereby enabling access to investment products via blockchain or decentralised finance technology.

The company merged with Backed Assets GmbH, a limited liability company incorporated in Switzerland, with a view to amalgamate both companies' businesses on 23 February 2024.

2. Statement of compliance

The financial statements give a true and fair view and comply, in all material respects, with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', Section 1A 'Small Entities' (FRS 102 Section 1A) and Companies (Jersey) Law 1991.

The amalgamation of companies described in Note 1 has been accounted for using the merger accounting method.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss.

The financial statements are prepared in United States Dollars, which is the functional and presentational currency of the entity.

In preparing these financial statements, the directors have made the following judgements which have the most significant effect on the amounts recognised in the financial statements.

The directors have exercised judgement in assessing whether the company is a going concern, taking into account forecast cash flows and available financing for a period of at least twelve months from the date of approval of the financial statements.

The principal accounting policies adopted in the preparation of the financial statements are set out below and have been consistently applied within the financial statements:

Backed Assets (JE) Limited

Notes to the financial statements (continued)

Year ended 31 December 2025

Going concern

The financial statements have been prepared on a going concern basis, which assumes that the company will continue in operational existence for the foreseeable future, being a period of at least twelve months from the date of approval of these financial statements.

As at the financial year end, the company has incurred significant operating losses, and based on the cashflow projection for the forthcoming 12 months to May 2027, it is anticipated to incur a further loss of \$3,404,528. However management have implemented measures to mitigate any uncertainty by entering a Support Services Agreement with Payward Inc., whereby the latter committed to cover the company's ongoing expenditure.

Furthermore, the company entered into a Contribution Agreement dated 5 January 2026, whereby Backed Finance AG contributed a loan receivable of approximately \$6,075,435, which extinguished the loan payable held by the company and terminated all intercompany loan agreements. Furthermore, the company received an additional \$16,823,000 in financing.

The directors are therefore satisfied that the use of going concern assumption is appropriate.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for services rendered, net of discounts and taxes.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. 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 capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Backed Assets (JE) Limited

Notes to the financial statements (continued)

Year ended 31 December 2025

Foreign currencies

Transactions entered into by the company in currencies other than the currency of the primary environment in which it operates ("the functional currency") are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are retranslated at the rates ruling at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items and on the retranslation of monetary items are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income, in which case the exchange differences are also recognised in other comprehensive income.

Financial risk management

The company is exposed to credit risk, liquidity risk and market risk arising from financial instruments issued and held in the course of its activities, which primarily comprise the issuance of tokenised securities and investments held at fair value through profit or loss.

Credit risk arises from cash balances, settlement receivables and reliance on third-party custodians. The company manages this risk by holding funds with regulated institutions and limiting exposure to individual counterparties.

Liquidity risk arises from obligations to settle and redeem tokenised securities. The company manages liquidity risk through cash flow forecasting and maintaining adequate cash reserves.

Market risk includes exposure to changes in the value of underlying assets backing tokenised securities and foreign exchange movements on non-USD denominated balances.

Backed Assets (JE) Limited

Notes to the financial statements (continued) Year ended 31 December 2025

Intangible assets

Digital assets, including stablecoins, are recognised as intangible assets where they meet the definition of identifiable non-monetary assets without physical substance.

An asset is identifiable when:

- a) It is separable, i.e. capable of being separated or divided from the entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, asset or liability; or
- b) It arises from contractual or other legal rights regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

Digital assets are recognised when:

- a) the Company controls the digital assets as a result of past events and has the ability to direct their use and restrict access to them;
- b) it is probable that future economic benefits associated with the digital assets will flow to the Company; and
- c) the cost of the digital assets can be measured reliably.

On initial recognition, digital assets are measured at cost, including directly attributable transaction costs such as exchange commissions and network fees.

Subsequent to initial recognition, the Company applies the revaluation model where an active market exists. Digital assets are revalued to fair value at each reporting date based on prices in the principal market in which the assets are traded.

Revaluation gains are recognised in other comprehensive income and accumulated in equity, except to the extent that they reverse a previous revaluation decrease recognised in profit or loss. Revaluation losses are recognised in profit or loss, except to the extent that they offset an existing revaluation surplus for the same asset, in which case they are recognised in other comprehensive income.

Digital assets are not amortised but are tested annually for impairment and whenever there is an indication of impairment.

Amortisation

The company has determined that the digital assets have an indefinite useful life. There is no foreseeable limit to the period over which the assets are expected to generate cash inflows. Consequently these tokens are not amortised.

Impairment

Because the digital assets have an indefinite useful life, they are subject to annual impairment testing, even if no indicators of impairment exist. If the carrying amount of the tokens exceed their recoverable amount, an impairment loss is recognised in Profit or Loss. Reversal of impairment losses is permitted if the fair value increases in subsequent periods.

Backed Assets (JE) Limited

Notes to the financial statements (continued)

Year ended 31 December 2025

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss.

Other financial instruments, including derivatives and token liabilities, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Backed Assets (JE) Limited

Notes to the financial statements (continued)

Year ended 31 December 2025

4. Judgements in applying accounting policies under key sources of estimation uncertainty

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

As the company makes estimates and assumptions concerning the future, the resulting accounting estimates will by definition, seldom equal the related actual result. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities are:

Going concern

The directors have assessed the company's ability to continue as a going concern, noting that the company is loss-making. However, having taken steps to mitigate any uncertainty by entering into a Support Services Agreement with Payward Inc. dated 5 January 2026 under which the latter committed to cover the company's ongoing expenditure and a Contribution Agreement dated 6 January 2026 with Backed Finance AG, the directors are therefore satisfied that the use of the going concern assumption is appropriate.

5. Turnover

Turnover arises from:

	2025	2024
	US\$	US\$
Commissions receivable	181,753	105,118
Miscellaneous income	406	770
	<u>182,159</u>	<u>105,888</u>

6. Distributions received

	2025	2024
	US\$	US\$
Distributions received	144	66
	<u>144</u>	<u>66</u>

7. Other interest receivable and similar income

	2025	2024
	US\$	US\$
Bank deposits	-	94
	<u>-</u>	<u>94</u>

Backed Assets (JE) Limited

Notes to the financial statements (continued) Year ended 31 December 2025

8. Interest payable and similar expenses

	2025	2024
	US\$	US\$
Bank and loan interest payable	306,215	34,475

9. Intangible assets

	2025	2024
	US\$	US\$
Digital assets	2,174,029	26,855

10. Financial assets

	2025	2024
	US\$	US\$
Securities held	202,541,434	21,524,205

The carrying amount of the financial assets pledged as collateral is \$202,471,243 (2024: \$21,508,729). The terms and conditions relating to this pledge are reflected in the Security Agreement between Backed Assets (JE) Limited and Security Agent Services Ltd dated 24 June 2025.

11. Debtors

	2025	2024
	US\$	US\$
Other debtors	114,902	5,234

Backed Assets (JE) Limited

**Notes to the financial statements (continued)
Year ended 31 December 2025**

12. Creditors: amounts falling due within one year

	2025	2024
	US\$	US\$
Trade creditors	10,816	28,755
Accruals and deferred income	218,399	58,546
Shareholder Loan - Backed Finance AG	3,991,273	127,914
3rd party liabilities	202,472,109	21,509,595
	<u>206,692,597</u>	<u>21,724,810</u>

The loan due to Backed Finance AG (a related party by virtue of being the shareholder of the company) is unsecured and repayable on demand. This loan made up of a number of loans that are all repayable within one year after the date that each loan advance was received. Each of the loans bear interest at 4.25%. Additional net advances totalling \$3,863,359 were advanced in the year ended 31 December 2025 (2024: advances of \$127,914).

The shareholder loan was settled in full in January 2026 under the terms of the Contribution Agreement whereby Backed Finance AG contributed a loan of approximately \$6,075,435 which would extinguish this shareholder loan payable.

13. Creditors: amounts falling due after more than one year

	2025	2024
	US\$	US\$
Shareholder loan - Backed Finance AG	1,925,000	423,898
	<u>1,925,000</u>	<u>423,898</u>

The loan due to Backed Finance AG (a related party by virtue of being the shareholder of the company) is made up of a number of loans that are all repayable 10 years after the date that each loan advance was received. Each of the loans bear interest at 6%. Additional advances totalling \$1,501,102 were advanced in the year ended 31 December 2025 (2024: advances of \$423,898).

The shareholder loan was settled in full in January 2026 under the terms of the Contribution Agreement whereby Backed Finance AG contributed a loan of approximately \$6,075,435 which would extinguish this shareholder loan payable.

14. Called up share capital

Authorised share capital

Unlimited number of no par value Ordinary Shares

Issued, called up and fully paid

	2025		2024	
	No	US\$	No	US\$
Ordinary shares of no par value each	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>

Backed Assets (JE) Limited

Notes to the financial statements (continued)

Year ended 31 December 2025

15. Reserves

Other Reserves is made up of the following reserves in relation to Backed Assets GmbH as at 31 December 2023, and upon the merger:

	2025	2025
	US\$	CHF
Common stock	297,125	250,000
Premium from formation	33,504	28,190
Other capital contribution	1,176,615	990,000
	<u>1,507,244</u>	<u>1,268,190</u>

16. Events after the end of the reporting period

In the opinion of the directors, there have been no significant events affecting the company since the year end which would have a material effect on the financial statements other than the following:

The acquisition of the company's parent, Backed Finance AG by Payward Europe Limited. The date of completion was 5 January 2026.

The company entered into a Support Services Agreement with Payward Inc. dated 5 January 2026, whereby the parent company committed to cover the ongoing expenditure for the company.

Furthermore, the company has entered a Contribution Agreement dated 6 January 2026, whereby Backed Finance AG will contribute a loan receivable of approximately \$6,075,435 which would extinguish the loan payable held by the company and terminate all intercompany loan agreements, and a further \$16,823,000 additional finance to be reflected as a cash balance held.

Backed Assets (JE) Limited

Notes to the financial statements (continued)

Year ended 31 December 2025

17. Related party transactions

The company has increased the short term Shareholder loan during the year from Backed Finance AG which is a related party by virtue of being the sole shareholder of the company. The balance at 31 December 2025 amounts to \$3,991,273 (2024:\$127,914). This short term loan bears interest at 4.25%.

The company has further increased during the year the long term loan from Backed Finance AG. The balance at 31 December 2025 amounts to \$1,925,000 (2024:\$423,898). This long term loan bears interest at 6%.

The company has accrued loan interest payable on the short term loan due to Backed Finance AG, a related party by virtue of being its sole shareholder, in the amount of \$83,791 (2024: \$7,606).

The company has accrued loan interest payable on the long term loan due to Backed Finance AG, a related party by virtue of being its sole shareholder, in the amount of \$59,418 (2024: \$8,346).

The company received gross commissions on redemption of bIB01 from Backed Finance AG of \$nil in the year (2024:\$1,258), which is a related party by virtue of it being the company's sole shareholder, and made payments upon redemption of \$nil to Backed Finance AG (2024:\$386,775).

James Cunningham-Davis (through his control of Lexinvest Limited) and Lindsay Bracegirdle are also shareholders (and directors) of Cavendish Fiduciary (Jersey) Limited and its subsidiaries which provided professional services on an arms length basis to the company during the period . During the year, \$429,360 (2024: \$237,490) was charged for services and disbursements to the company by Cavendish Fiduciary (Jersey) Limited and as at 31 December 2025, \$nil (2024: \$27,927) was owed to Cavendish Fiduciary (Jersey) Limited.

James Cunningham-Davis is the ultimate beneficial owner of Connect 2 Accounting which provided bookkeeping services on an arms length basis to the company during the year. During the year, \$99,716 (2024: \$31,288) was charged for services to the company by Connect 2 Accounting, and as at 31 December 2025, \$5,715 (2024: \$31,288) was owed to Connect 2 Accounting.

18. Controlling party

In the opinion of the Directors, there is no one controlling party of the company as at 31 December 2025. The company's immediate parent is Backed Finance AG (registered office Baarerstrasse 14, 6300 Zug, Switzerland).










JAC 20251231 Backed Assets (JE) Limited - Final GT Reviewed

Final Audit Report

2026-05-05

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