

Inner East Community Finance Limited

27 February 2026

Market Announcement
National Stock Exchange (NSX)

BY ELECTRONIC LODGEMENT

Dear Sir/Madam

2025/26 INTERIM REPORT

Inner East Community Finance Limited (NSX: IEC) attaches its Interim Report for the half year ended 31 December 2025.

Yours sincerely

Steve Miller
Company Secretary
Inner East Community Finance Limited

For further information contact:
Bob Stensholt
Chair
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Company Secretary
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Inner East Community Finance Ltd

ABN: 96 099 590 593

Interim Financial Report for the half-year ended 31 December 2025

Inner East Community Finance Ltd

Directors' Report

For the half-year ended 31 December 2025

The Directors present their report, together with the financial statements, on Inner East Community Finance Ltd for the half-year ended 31 December 2025.

Directors

The following persons were Directors of Inner East Community Finance Ltd during or since the end of the half-year:

Robert Einar Stensholt
Juliann Ruth Byron
Coral Therese Ross

Neil Jonathan Dalrymple
Nicholas Coker
Steven George Miller

Principal activities

The principal activities of the company during the course of the financial period were the provision of banking services under a franchise agreement with Bendigo and Adelaide Bank Ltd (Bendigo Bank) including the management rights to operate branches in Ashburton, Balwyn, Canterbury and Surrey Hills and in the areas of Hawthorn, Kew and Kew East.

Review and results of operations

Operations have continued to perform in line with expectations. The net profit of the company for the financial period was \$239,614 (2024 profit: \$365,256)

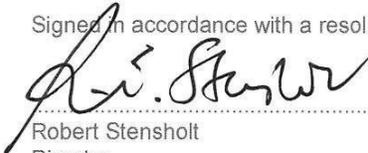
Matters subsequent to the end of the reporting period

There are no matters or circumstances that have arisen since the end of the half year reporting period that have significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company.

Auditor's independence declaration

The auditor's independence declaration under Section 307C of the *Corporations Act 2001* is set out on page 2 for the half year ended 31 December 2025.

Signed in accordance with a resolution of the Directors at Canterbury.



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Robert Stensholt

Director

Dated: 25 February 2026



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Auditors Independence Declaration under section 307C of the *Corporations Act 2001* to the Directors of Inner East Community Financial Limited

In accordance with s 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Inner East Community Financial Limited. As the lead audit partner for the review of the financial report of Inner East Community Financial Limited for the half-year ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) The auditor independence requirements set out in the *Corporations Act 2001* in relation to the review; and
- (ii) Any applicable code of professional conduct in relation to the review.

RSD Audit

A handwritten signature in dark ink, appearing to read 'Mahesh', written over a horizontal line.

Mahesh Silva
Partner
41A Breen Street
Bendigo VIC 3550

Dated: 26 February 2026

Inner East Community Finance Ltd

Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 December 2025

	2025	2024
	\$	\$
Revenue	3,957,452	3,976,639
Expenses		
Employment expenses	2,057,429	1,817,190
Depreciation and amortisation	389,636	390,863
Administration and general costs	238,972	290,500
Interest on finance leases	51,246	53,227
Occupancy expenses	230,861	242,013
IT expenses	86,061	71,088
ATM expenses	6,141	8,152
	<u>3,060,346</u>	<u>2,873,033</u>
Profit before charitable donations & sponsorship	<u>897,106</u>	<u>1,103,606</u>
Charitable donations and sponsorship	575,390	590,489
Profit before income tax expense	<u>321,716</u>	<u>513,117</u>
Income tax expense	82,102	147,861
Profit after income tax expense	<u>239,614</u>	<u>365,256</u>
Total comprehensive income attributable to the ordinary shareholders of the company	<u>239,614</u>	<u>365,256</u>
Earnings per share	\$	\$
- Basic earnings per share	<u>0.09</u>	<u>0.14</u>

The accompanying notes form part of these financial statements

Inner East Community Finance Ltd

Statement of Financial Position

As at the half-year ended 31 December 2025

	31 December 2025	30 June 2025
	\$	\$
ASSETS		
Current Assets		
Cash and cash equivalents	2,762,472	2,425,421
Trade and other receivables	710,334	648,599
Financial assets	2,000,000	2,000,000
Current tax asset	-	19,228
Other assets	160,662	170,636
Total Current Assets	5,633,468	5,263,884
Non-Current Assets		
Property, plant and equipment	916,499	992,245
Right-of-use assets	2,422,667	2,594,440
Intangible assets	389,900	700,877
Deferred tax assets	794	-
Total Non-Current Assets	3,729,860	4,287,562
Total Assets	9,363,328	9,551,446
LIABILITIES		
Current Liabilities		
Trade and other payables	733,069	720,025
Current tax liability	21,717	-
Lease liabilities	315,840	305,525
Employee benefits	435,603	384,854
Total Current Liabilities	1,506,229	1,410,404
Non-Current Liabilities		
Trade and other payables	36,561	51,961
Lease liabilities	2,389,649	2,563,046
Employee benefits	17,189	9,936
Deferred tax liability	-	8,821
Total Non-Current Liabilities	2,443,399	2,633,764
Total Liabilities	3,949,628	4,044,168
Net Assets	5,413,700	5,507,278
Equity		
Issued capital	1,085,927	1,108,102
Retained earnings	4,327,773	4,399,176
Total Equity	5,413,700	5,507,278

The accompanying notes form part of these financial statements

Inner East Community Finance Ltd

Statement of Changes in Equity

For the half-year ended 31 December 2025

	Note	Issued capital \$	Retained earnings \$	Total equity \$
Balance at 1 July 2025		<u>1,108,102</u>	<u>4,399,176</u>	<u>5,507,278</u>
<i>Comprehensive income for the half year</i>				
Profit for the half year		-	239,614	239,614
<i>Transactions with owners in their capacity as owners</i>				
Share buy-backs		(22,175)	-	(22,175)
Dividends paid or provided	5	-	(311,017)	(311,017)
Balance at 31 December 2025		<u>1,085,927</u>	<u>4,327,773</u>	<u>5,413,700</u>
Balance at 1 July 2024		<u>1,134,177</u>	<u>4,254,141</u>	<u>5,388,318</u>
<i>Comprehensive income for the half year</i>				
Profit for the half year		-	365,256	365,256
<i>Transactions with owners in their capacity as owners</i>				
Share buy-backs		(1,375)	-	(1,375)
Dividends paid or provided	5	-	(315,517)	(315,517)
Balance at 31 December 2024		<u>1,132,802</u>	<u>4,303,880</u>	<u>5,436,682</u>

The accompanying notes form part of these financial statements

Inner East Community Finance Ltd

Statement of Cash Flows

For the half-year ended 31 December 2025

	2025	2024
	\$	\$
Cash Flows From Operating Activities		
Receipts from customers	4,203,657	4,318,498
Interest received	81,462	81,862
Payments to suppliers and employees	(3,331,463)	(3,436,015)
Interest paid	(51,246)	(53,227)
Income tax paid	(50,772)	(719,157)
Net cash flows generated by operating activities	851,638	191,961
Cash Flows From Investing Activities		
Proceeds from disposal of financial assets	-	600,000
Purchase of property, plant and equipment	(2,913)	(3,066)
Purchase of intangible assets	(15,400)	(13,999)
Purchase of financial assets	-	-
Net cash flows from/(used in) investing activities	(18,313)	582,935
Cash Flows From Financing Activities		
Repayment of leases	(163,082)	(143,457)
Dividends paid	(311,017)	(315,517)
Payment for share buy-back	(22,175)	(1,375)
Net cash flows used in financing activities	(496,274)	(460,349)
Net increase in cash held	337,051	314,547
Cash and cash equivalents at beginning of period	2,425,421	1,859,313
Cash and cash equivalents at end of period	2,762,472	2,173,860

The accompanying notes form part of these financial statements

Note 1: Summary of Significant Accounting Policies

(a) Basis of preparation

These general purpose interim financial statements for the half-year reporting period ended 31 December 2025 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Inner East Community Finance Ltd (the Company). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Company

This financial report does not include all the notes of the type normally included in an annual financial report. Accordingly the report shall be read in conjunction with the annual financial report for the year ended 30 June 2025 and any public announcements made by the company during the period.

(b) Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The Company has considered the implications of new or amended Accounting Standards, but determined that their application to the financial statements is either not relevant or not material.

(c) Critical Accounting Estimates and Judgements

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Company's last annual financial statements for the year ended 30 June 2025.

Note 2: Events after the End of the Interim Period

There have been no events subsequent to reporting date that would materially affect the financial statements at the reporting date.

Note 3: Contingent Assets and Liabilities

Since the last annual reporting date there has been no material change of any contingent assets or contingent liabilities.

Note 4: Segment Reporting

The economic entity operates in a single service sector where it facilitates community banking services in the inner east region of Melbourne, in the state of Victoria pursuant to one franchise agreement with Bendigo Bank.

Inner East Community Finance Ltd

Notes to the Financial Statements

For the half-year ended 31 December 2025

Note 1: Summary of Significant Accounting Policies (cont.)

	2025	2024
	\$	\$
Note 5: Dividends		
A final fully franked dividend of 12 cents per share for the year ended 30 June 2025 was declared in the half year period to 31 December 2025 (Dec 2024: 12 cents)	311,017	315,517
Note 6: Earnings per Share		
Basic earnings per share	0.09	0.14
Earnings used in calculating basic earnings per share	239,614	365,256
Weighted average number of ordinary shares used in calculating basic earnings per share.	2,594,763	2,629,674

Inner East Community Finance Ltd

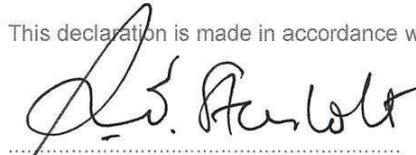
Directors Declaration

For the half-year ended 31 December 2025

In accordance with a resolution of the Directors of Inner East Community Finance Ltd, the Directors of the Company declare that:

- (1) the financial statements and notes set out on pages 3 to 8 are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and
 - (b) giving a true and fair view of the entity's financial position as at 31 December 2025 and of its performance for the half-year ended on that date, and;
- (2) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Robert Stensholt
Director

Dated this 25 February 2026

Independent Auditor's Review Report to the Members of Inner East Community Financial Limited

Conclusion

We have reviewed the half-year financial report of Inner East Community Financial Limited, which comprises the statement of financial position as at 31 December 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

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

Basis for Conclusion

We conducted our review in accordance with *ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Directors' Responsibility for the Half-Year Financial Report

The directors of Inner East Community Financial Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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



Mahesh Silva
Partner/Principal
RSD Audit
41A Breen Street, Bendigo VIC 3550

Dated: 26/02/2026