

Daylesford District Community Developments Limited

ABN: 72 149 942 067

Interim Financial Report

For the Half-Year Ended 31 December 2025

Daylesford District Community Developments Limited
ABN: 72 149 942 067
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Daylesford District Community Developments Limited

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Directors' Report

For the Half Year Ended 31 December 2025

Your Directors submit the Financial Report of Daylesford District Community Developments Limited (the Company) for the half year ended 31 December 2025.

Directors

The names of Directors who held office during or since the end of the half-year were:

Philip Roy Gay John Cottrell James Arthur Foster Carol Louise Ross Margaret Catherine Hodge (resigned 25 November 2025)	Joan Mary Janssen Shanthi Kumar Phillip Lavelle (resigned 25 November 2025) Karen McAloon Michael Sneddon
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Principal activities

The principal activities of the Company during the course of the financial period were providing community bank branch services under management rights to operate a franchised branch of Bendigo and Adelaide Bank Limited.

Review of operations

The net profit after tax for the Company for the 6 months ended 31 December 2025 was \$95,830 (December 2024: \$33,711).

Revenue was \$511,113, which was \$21,297 higher than the previous corresponding period. Net interest margins were 3% lower than the previous period. This was offset by footings growth, which were on average \$14.6M higher than the previous corresponding period.

Expenses were \$361,382, which was \$43,212 lower than the previous corresponding period, mainly due to employee expenses which were \$40,833 lower than the previous corresponding period. Employee expenses benefitted from staff vacancies which were filled by half year's end.

Charitable donations and sponsorships expense was \$21,958, which was \$18,392 lower than the previous corresponding period. Sponsorships expenses in the second half of the year are expected to be significantly higher than the first half.

Cash flow from operating activities was \$106,767, compared to the previous corresponding period of \$55,389, reflecting our improved profitability. Cash, cash equivalents and financial assets were \$286,014 as at 31 December 2025. The balance of the loan relating to the Company's commercial property in Hepburn Springs was \$419,047 at 31 December 2025 compared to \$431,775 at 30 June 2025.

Net debt (loan amount less cash, cash equivalents and financial assets) was \$117,476 at 31 December 2025, compared to \$171,128 at 30 June 2025.

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.

Significant changes in the state of affairs

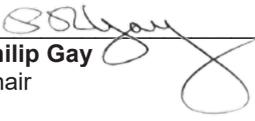
There were no significant changes in the state of affairs of the Company that occurred during the financial period under review not otherwise disclosed in this Report.

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Directors' Report

Auditor's independence declaration

The Auditor's independence declaration under Section 307C of the Corporations Act 2001 is set out on page 4.

The Directors' Report is signed in accordance with a resolution of the Board of Directors at Daylesford on 13 March 2026.



Philip Gay
Chair



Shanthi Kumar
Treasurer

Dated: 13th March 2026

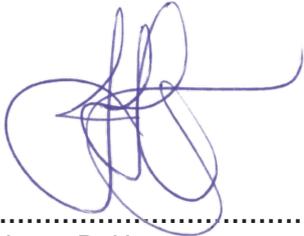
Daylesford District Community Developments Limited

Auditors Independence Declaration under Section 307C of the Corporations Act 2001 to the Board of Daylesford District Community Developments Limited

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2025 there have been:

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

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A handwritten signature in blue ink, appearing to read "J. Hargreaves", is written over a horizontal dotted line.

Jason D. Hargreaves
Director

180 Eleanor Drive, Lucas

12th March 2026

Statement of Profit or Loss and Other Comprehensive Income

For the half year ended 31 December 2025

	31 December 2025 \$	31 December 2024 \$
Revenue	511,113	489,816
Expenses		
Employee benefits expense	226,140	266,973
Depreciation	28,283	27,733
Administration and general costs	42,643	43,361
Finance costs	10,050	12,310
Other occupancy expense	27,363	30,974
IT costs	15,398	15,227
Advertising and marketing	5,253	630
ATM costs	4,287	4,011
Board expenses	1,965	3,375
	<u>361,382</u>	<u>404,594</u>
Operating profit before charitable donation and sponsorships	149,731	85,222
Charitable donations and sponsorships	<u>21,958</u>	<u>40,350</u>
Profit before income tax	127,773	44,872
Income tax expense	<u>31,943</u>	<u>11,161</u>
Profit for the half-year	<u>95,830</u>	<u>33,711</u>
Other comprehensive income		
Gain on the revaluation of equity instruments at fair value	<u>295</u>	<u>190</u>
Total comprehensive income for the half-year	<u>96,125</u>	<u>33,901</u>
Profit attributable to members of the Company	<u>96,125</u>	<u>33,901</u>
Total comprehensive income attributable to members of the Company	<u>96,125</u>	<u>33,901</u>
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the Company (cents per share):		
- basic earnings per share	16.02	5.65
- diluted earnings per share	16.02	5.65

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 31 December 2025

	31 December 2025 \$	30 June 2025 \$
Assets		
Current assets		
Cash and cash equivalents	286,014	245,571
Trade and other receivables	100,185	82,445
Financial assets	15,557	15,076
Other assets	513	638
Prepayments	26,644	29,778
Total current assets	428,913	373,508
Non-current assets		
Property, plant and equipment	792,513	794,725
Deferred tax assets	40,131	51,280
Right of use assets	50,144	75,217
Total non-current assets	882,788	921,222
Total assets	1,311,701	1,294,730
Liabilities		
Current liabilities		
Borrowings	18,949	17,557
Current tax liabilities	23,312	866
Trade and other payables	116,346	167,186
Lease liabilities	53,087	57,949
Provisions	36,003	37,107
Total current liabilities	241,697	280,665
Non-current liabilities		
Borrowings	400,098	414,218
Deferred tax liabilities	15,113	21,448
Lease liabilities	-	23,549
Provisions	5,310	7,492
Total non-current liabilities	420,521	466,707
Total liabilities	668,218	747,372
Net assets	643,483	547,358
Equity		
Issued capital	455,519	455,519
Retained earnings	187,964	91,839
Total equity	643,483	547,358

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the half year ended 31 December 2025

	Issued Capital \$	Retained earnings \$	Total equity \$
Balance at 1 July 2024	455,519	66,053	521,572
Profit for the year	-	33,711	33,711
Other comprehensive income for the half-year	-	190	190
Total comprehensive income for the half-year	-	33,901	33,901
Balance at 31 December 2024	<u>455,519</u>	<u>99,954</u>	<u>555,473</u>
Balance at 1 July 2025	455,519	91,839	547,358
Profit for the year	-	95,830	95,830
Other comprehensive income for the half-year	-	295	295
Total comprehensive income for the half-year	-	96,125	96,125
Balance at 31 December 2025	<u>455,519</u>	<u>187,964</u>	<u>643,483</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the half year ended 31 December 2025

	31 December 2025 \$	31 December 2024 \$
Cash flows from operating activities		
Receipts from customers	493,498	503,548
Payments to suppliers and employees	(371,998)	(399,070)
Interest paid	(10,050)	(12,310)
Income tax paid	(4,683)	(36,779)
Net cash provided by operating activities	<u>106,767</u>	<u>55,389</u>
Cash flows from investing activities		
Purchase of property, plant, and equipment	(999)	(14,242)
Purchase of investments	(186)	(229)
Net cash flows used in investing activities	<u>(1,185)</u>	<u>(14,471)</u>
Cash flows from financing activities		
Repayment of borrowings	(12,728)	(9,924)
Repayment of lease liabilities	(28,411)	(25,934)
Dividends paid	(24,000)	(48,001)
Net cash used in financing activities	<u>(65,139)</u>	<u>(83,859)</u>
Net increase / (decrease) in cash and cash equivalents	40,443	(42,941)
Cash and cash equivalents at beginning of period	245,571	261,013
Cash and cash equivalents at end of period	<u>286,014</u>	<u>218,072</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the Half Year Ended 31 December 2025

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 of 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 Daylesford District Community Developments Limited ("the Company"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Company. It is therefore recommended that this Financial Report be read in conjunction with the Annual Financial Statements of the Company for the year ended 30 June 2025, together with any public announcements made during the following half-year.

2. Events after the reporting period

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

3. Contingent assets and liabilities

In July 2024 the Company was notified by Bendigo and Adelaide Bank (BABL) of credit losses arising from a breach of lending procedures. The Company has provisioned \$50,000 to reflect its contractual obligation to cover credit losses. The outcome depends on the resolution of a matter between BABL and the respective customer. The Company is in discussion with BABL about the credit losses and there is the potential for the Company's liability to exceed \$50,000.

4. Segment reporting

The economic entity operates in the financial services sector where it provides banking services to its clients. The economic entity operates in one geographic area being Daylesford and surrounding district.

5. Dividends

	31 December 2025 \$	31 December 2024 \$
Dividends recorded during the half year:		
Franked dividend	-	-

6. Earnings per share

Basic earnings per share (cents)	16.02	5.65
Earnings used in calculating basic diluted earnings per share	96,125	33,901

7. Fair Value Measurement

Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categories fair value measurements into one of three possible levels based on the lowest level that an input this is significant to the measurement can be categorised into as follows:

<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The Company's non-financial assets measured and recognised at fair value at 31 December 2025 and 30 June 2025 on a recurring basis are as follows:

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
31 December 2025				
Assets				
Freehold land and buildings	-	746,819	-	746,819
30 June 2025				
Assets				
Freehold land and buildings	-	748,074	-	748,074

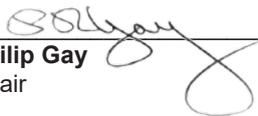
Daylesford District Community Developments Limited
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Directors' Declaration

In accordance with a resolution of the Directors of Daylesford District Community Developments Limited, the Directors of the Company declare that:

1. The Financial Statements and Notes as set out on pages 5 to 10 are in accordance with the *Corporations Act 2001* and:
 - i) comply with Australian Accounting Standards which, as stated in accounting policy Note 1(a) to the Financial Statements, constitutes compliance with International Financial Reporting Standards (IFRS); and
 - ii) give a true and fair view of the Company's financial position as at 31 December 2025 and of the performance for the year 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.

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



Philip Gay
Chair



Shanthi Kumar
Treasurer

Signed at Daylesford on 13th March 2026.

Independent Auditor's Review Report

To the Directors of Daylesford District Community Development Ltd

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

Directors' Responsibility for the Half-Year Financial Report

The directors of the company 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 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. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the 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 2025p 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*. As the auditor of Daylesford District Community Development Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the Directors of Daylesford District Community Development Limited, would be in the same terms if given to the Directors as at the time of this auditor's report. Liability limited by a scheme approved under Professional Standards Legislation.

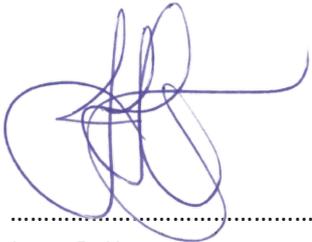
Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Daylesford District Community Development Limited is not in accordance with the *Corporations Act 2001* including:

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

CountPro Audit Pty Ltd

CountPro Audit Pty Ltd

A handwritten signature in blue ink, appearing to read 'J. Hargreaves', is written over a dotted line.

Jason D. Hargreaves

Director

180 Eleanor Drive, Lucas

13th March 2026