KPMG

# WELAB SKY LIMITED

Directors' Report and Financial Statements
Year ended December 31, 2024

# Directors' Report

The directors submit their report together with the audited financial statements of Welab Sky Limited (the "Company") for the year ended December 31, 2024 (the "year").

## Principal activity

The principal activity of the Company is investment holding. The principal activity of its joint venture is set out in Note 8 to the financial statements.

## Results and appropriations

The results of the Company for the year are set out in the statement of comprehensive income on page 6.

The directors do not recommend the payment of a dividend for the year (2023: Nil).

## Shares issued in the year

Details of the shares issued during the year ended December 31, 2024 and share capital as at December 31, 2024 are set out in Note 12 to the financial statements.

## Directors

The directors of the Company during the year and up to the date of this report were:

LOONG Pui Chi, Simon
LEUNG Chun Man Ernest
LAM Sze Wai
HALIM Gunawan
LI Siu Hin
WONG Yu Tsang Alex
RATJATAWAN Jiraksa

There being no provision to the contrary in the Company's Articles of Association for retirement by rotation, all directors continue in office.

## Directors' material interests

Except for the significant related party transactions as disclosed in Note 15 to the financial statements, no other contracts of significance in relation to the Company's business to which the Company, its ultimate holding company or its fellow subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Under the equity incentive plan arranged by the ultimate holding company, Welab Holdings Limited 匯立金融控股有限公司 ("Welab Holdings"), certain directors have been granted share based awards ("Awards") to acquire shares in Welab Holdings as follows:

| *Number of Awards* | | | | |
|---|---|---|---|---|
| *Outstanding balance as at January 1, 2024* | *Granted during the year* | *Converted during the year* | *Cancelled during the year* | *Outstanding balance as at December 31, 2024* |
| 1,460,307 | 72,300 | 6,012 | - | 1,526,595 |

The Awards outstanding as at December 31, 2024 had a weighted average exercise price of US$8.07 per share (2023: US$8.43 per share).

## Management contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

## Business review

No business review is presented for the year as the Company has been able to claim an exemption under section 388(3) of the Hong Kong Companies Ordinance Cap. 622 since it falls within the reporting exemption.

## Permitted indemnity provisions

A permitted indemnity provision (as defined in section 469 of the Hong Kong Companies Ordinance) for the benefit of the directors of the Company is currently in force and was in force throughout the year.

## Auditors

KPMG retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board

Simon Loong

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LOONG Pui Chi, Simon
Director
Hong Kong, April 11, 2025

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# Independent auditor's report to the members of Welab Sky Limited

*(Incorporated in Hong Kong with limited liability)*

## Opinion

We have audited the financial statements of Welab Sky Limited ("the Company") set out on pages 6 to 36, which comprise the balance sheet as at December 31, 2024, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and notes, comprising material accounting policy information and other explanatory information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at December 31, 2024 and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

## Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. 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 HKICPA's *Code of Ethics for Professional Accountants* ("the Code") and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The directors are responsible for the other information. The other information comprises all the information included in the annual 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 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, 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.

# Independent auditor's report to the members of Welab Sky Limited (continued)

*(Incorporated in Hong Kong with limited liability)*

## Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Hong Kong Companies Ordinance, 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. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs 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 HKSAs, we exercise professional judgement 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.

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# Independent auditor's report to the members of Welab Sky Limited (continued)

*(Incorporated in Hong Kong with limited liability)*

**Auditor's responsibilities for the audit of the financial statements (continued)**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to 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 the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

11 APR 2025

# Statement of comprehensive income for the year ended December 31, 2024

| | *Note* | *2024* US$'000 | *2023* US$'000 |
|---|---|---|---|
| Service fee income | 15(a) | 6,449 | 6,156 |
| Engineering and product development expenses | 5 | (6,403) | (6,156) |
| General and administrative expenses | 5 | (237) | (436) |
| Foreign exchange (loss)/gain, net | | (171) | 168 |
| **Operating loss** | | (362) | (268) |
| Interest income, net | | 615 | 1,123 |
| Other gains, net | | 255 | 15,020 |
| Share of loss of a joint venture | | (10,452) | (1,471) |
| **(Loss)/profit before income tax** | | (9,944) | 14,404 |
| Income tax expense | 7 | (1) | (1) |
| **(Loss)/profit for the year** | | (9,945) | 14,403 |
| **Other comprehensive income:** | | | |
| *Items that may be reclassified to profit or loss:* | | | |
| Currency translation differences | | (12,566) | 2,596 |
| Share of other comprehensive loss of a joint venture | | (429) | (17) |
| **Total comprehensive (loss)/income for the year** | | (22,940) | 16,982 |

The notes on pages 11 to 36 form part of these financial statements.

# Balance sheet at December 31, 2024

| | Note | *2024* US$'000 | *2023* US$'000 |
| --- | --- | --- | --- |
| **ASSET** | | | |
| **Non-current assets** | | | |
| Investment in a joint venture | 8 | 272,652 | 268,715 |
| **Current assets** | | | |
| Financial assets measured at fair value through profit or loss | 3.2 | 19,960 | 19,705 |
| Deposits, prepayments and other receivables | 9 | 3,833 | 13,812 |
| Cash and cash equivalents | 10 | 11,332 | 25,410 |
| | | 35,125 | 58,927 |
| **Total assets** | | 307,777 | 327,642 |

# Balance sheet at December 31, 2024

| | Note | 2024 US$'000 | 2023 US$'000 |
|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | |
| **EQUITY** | | | |
| Share capital | 12 | 259,286 | 259,286 |
| Other reserves | 13 | 37,552 | 47,703 |
| Retained earnings | | 10,064 | 20,009 |
| **Total equity** | | 306,902 | 326,998 |
| **LIABILITIES** | | | |
| **Current liabilities** | | | |
| Amount due to the ultimate holding company | 11 | 26 | 29 |
| Amounts due to fellow subsidiaries | 11 | 682 | 460 |
| Accruals and other payables | 14 | 167 | 155 |
| | | 875 | 644 |
| **Total liabilities** | | 875 | 644 |
| **Total equity and liabilities** | | 307,777 | 327,642 |

Approved and authorised for issue by the Board of Directors on April 11, 2025

LOONG Pui Chi, Simon
Director

LAM Sze Wai
Director

The notes on pages 11 to 36 form part of these financial statements.

# Statement of changes in equity for the year ended December 31, 2024

| | *Note* | *Share capital* US$'000 | *Other reserves* US$'000 | *Retained earnings* US$'000 | *Total* US$'000 |
|---|---|---|---|---|---|
| **Balance as at January 1, 2023** | | 259,286 | 45,124 | 5,606 | 310,016 |
| Profit for the year | | - | - | 14,403 | 14,403 |
| **Other comprehensive income** | | | | | |
| Currency translation differences | 13 | - | 2,596 | - | 2,596 |
| Share of other comprehensive loss of a joint venture | 13 | - | (17) | - | (17) |
| **Total comprehensive income for the year** | | - | 2,579 | 14,403 | 16,982 |
| **Balance as at December 31, 2023 and January 1, 2024** | | 259,286 | 47,703 | 20,009 | 326,998 |
| Loss for the year | | - | - | (9,945) | (9,945) |
| **Other comprehensive income** | | | | | |
| Currency translation differences | 13 | - | (12,566) | - | (12,566) |
| Share of other comprehensive loss of a joint venture | 13 | - | (429) | - | (429) |
| **Total comprehensive loss for the year** | | - | (12,995) | (9,945) | (22,940) |
| **Transactions with owners:** | | | | | |
| Increase in share of joint venture's net assets arising from the joint venture partner's capital injection | 13 | - | 2,844 | - | 2,844 |
| **Total transactions with owners** | | - | 2,844 | - | 2,844 |
| **Balance as at December 31, 2024** | | 259,286 | 37,552 | 10,064 | 306,902 |

The notes on pages 11 to 36 form part of these financial statements.

# Statement of cash flows
# for the year ended December 31, 2024

| | *Note* | *2024* US$'000 | *2023* US$'000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| (Loss)/profit before income tax | | (9,944) | 14,404 |
| Foreign exchange loss/(gain), net | | 171 | (148) |
| Interest income | | (615) | (1,123) |
| Fair value change of derivative financial instruments | | (255) | (15,020) |
| Share of loss of a joint venture | | 10,452 | 1,471 |
| Operating cash flow before changes in working capital | | (191) | (416) |
| Decrease in deposits, prepayments and other receivables | | 2,321 | 3,507 |
| Increase/(decease) in accruals and other payables | | 12 | (192) |
| **Net cash generated from operations** | | 2,142 | 2,899 |
| Interest received | | 708 | 1,090 |
| Income tax paid | | (1) | (1) |
| **Net cash generated from operating activities** | | 2,849 | 3,988 |
| **Cash flows from investing activities** | | | |
| Payment/prepayment for investment in a joint venture | 8 | (17,120) | (5,725) |
| **Net cash used in investing activities** | | (17,120) | (5,725) |
| **Cash flows from financing activities** | | | |
| Increase in amounts due to group companies | | 219 | 352 |
| **Net cash generated from financing activities** | | 219 | 352 |
| **Net decrease in cash and cash equivalents** | | (14,052) | (1,385) |
| Cash and cash equivalents at beginning of the year | 10 | 25,410 | 26,792 |
| Effect of exchange rate changes on cash and cash equivalents | | (26) | 3 |
| **Cash and cash equivalents at end of the year** | 10 | 11,332 | 25,410 |

The notes on pages 11 to 36 form part of these financial statements.

# Notes to the financial statements

## 1 General information

Welab Sky Limited (the "Company") is a limited liability company incorporated in Hong Kong. The Company's registered office is Unit 2205-2212, 22/F, K11 Atelier King's Road, 728 King's Road, Quarry Bay, Hong Kong.

The Company's principal activity is investment holding. As at December 31, 2024, the Company held approximately 49.61% (2023: approximately 49.56%) equity interest in PT Bank Jasa Jakarta ("BJJ"). The principal activity of its joint venture is set out in Note 8 to the financial statements.

As of December 31, 2024, Welab Holdings Limited 匯立金融控股有限公司 ("Welab Holdings") holds approximately 33% (2023: approximately 33%) of the total number of issued shares of the Company and has the right to exercise approximately 82% (2023: approximately 82%) of the total votes available to the shareholders at a general meeting of shareholders of the Company. Also, Welab Holdings has control over the Company through its right under the Company's Articles of Association to appoint a majority of the members of the board of directors of the Company. The directors regard Welab Holdings, a company incorporated in the British Virgin Islands, as the immediate and the ultimate holding company.

The financial statements are presented in thousands of United States dollars ("US$'000") unless otherwise stated.

## 2 Summary of material accounting policies

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### *2.1 Statement of compliance and basis of preparation*

The financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (HKFRSs, which term collectively includes Hong Kong Accounting Standards (HKASs) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants and the requirements of the Hong Kong Companies Ordinance (Cap. 622).

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets measured at fair value through profit or loss.

The preparation of financial statements of the Company in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements of the Company are disclosed in Note 4.

## 2 Summary of material accounting policies (continued)

### *2.1 Statement of compliance and basis of preparation (continued)*

### *(a) Amendments to standards adopted by the Company*

The Company has applied the following amendment to standards for the first time for its annual reporting period commencing January 1, 2024:

- Amendments to HKAS 1, *Presentation of financial statements - Classification of liabilities as current or non-current* ("2020 amendments") and amendments to HKAS 1, *Presentation of financial statements - Non-current liabilities with covenants* ("2022 amendments")
- Amendments to HKFRS 16, *Leases - Lease liability in a sale and leaseback*
- Amendments to HKAS 7, *Statement of cash flows* and HKFRS 7, *Financial instruments: Disclosures - Supplier finance arrangements*

The adoption of the above amendment to standards did not have any significant impact on the material accounting policies of the Company and the presentation of the financial statements.

### *(b) New standards and amendments to standards not yet adopted by the Company*

A number of new standards and amendments to standards that are relevant to the Company but not yet effective for the financial year beginning at January 1, 2024 and have not been early adopted by the Company.

| *Standards* | *Effective for annual periods beginning on or after* |
|---|---|
| Amendments to HKAS 21, *The effects of changes in foreign exchange rates - Lack of exchangeability* | January 1, 2025 |
| Amendments to HKFRS 9, *Financial instruments* and HKFRS 7, *Financial instruments: disclosures - Amendments to the classification and measurement of financial instruments* | January 1, 2026 |
| Annual improvements to HKFRS Accounting Standards - *Volume 11* | January 1, 2026 |
| HKFRS 18, *Presentation and disclosure in financial statements* | January 1, 2027 |
| HKFRS 19, *Subsidiaries without public accountability: disclosures* | January 1, 2027 |

The Company is in the process of assessing the impacts of these new standards and amendments to standards to the results of operations and financial position of the Company. The Company expects to adopt these new standards and amendments to standards and interpretations when they become effective.

## 2 Summary of material accounting policies (continued)

### 2.2 Joint ventures

A joint venture is an arrangement whereby the Company and other parties contractually agree to share control of the arrangement and have rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method, after initially being recognized at cost in the balance sheet.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained equity interest is not remeasured. Instead, the investment continues to be accounted for under the equity method.

### 2.3 Equity method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Company's share of the post-acquisition profits or losses of the investee in profit or loss, and the Company's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associate and joint venture are recognized as a reduction in the carrying amount of the investment.

When the Company's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Company does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Company and the associate and joint venture are eliminated to the extent of the Company's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Company.

The carrying amounts of equity-accounted investments is tested for impairment in accordance with the policy described in Note 2.4.

### 2.4 Impairment of non-financial assets

Investment in an associate and joint venture is tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting period.

## 2 Summary of material accounting policies (continued)

### *2.5 Functional currency and foreign currency translation*

#### *(a) Functional and presentation currency*

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in US$, which is the Company's functional and presentation currency.

#### *(b) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as fair value through other comprehensive income are recognized in other comprehensive income.

#### *(c) Foreign operations*

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

(ii) income and expenses for each statement of comprehensive income are translated at average exchange rates; and

(iii) all resulting exchange differences are recognized in other comprehensive income.

On equity method, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognized in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

## 2 Summary of material accounting policies (continued)

### *2.6 Financial assets*

### *2.6.1 Classification*

The Company classifies its financial assets in the following measurement categories:

- Fair value through profit or loss ("FVPL");
- Fair value through other comprehensive income ("FVOCI"); or
- Amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election, on a case by case basis, at the time of initial recognition to account for the equity investment at FVOCI.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

### *2.6.2 Recognition and derecognition*

Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

### *2.6.3 Measurement*

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are recorded in profit or loss.

Debt instruments

Business model assessment:

The business model reflects how the Company manages the assets in order to generate cash flows. That is, whether the Company's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of other business model and measured at FVPL. Factors considered by the Company in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

## 2 Summary of material accounting policies (continued)

### *2.6 Financial assets (continued)*

### *2.6.3 Measurement (continued)*

SPPI test:

The Company assesses the contractual terms of instruments to identify whether the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' ("SPPI"). Financial assets that are consistent with a basic lending arrangement are considered to meet the SPPI criterion. In a 'basic lending arrangement', consideration for the time value of money and credit risk are typically the most significant elements of interest. It may also include consideration for other basic lending risks such as liquidity risks, costs associated with holding the financial assets for a period of time (e.g., servicing or administrative costs) and a profit margin.

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI.

- FVPL: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on an investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss and presented in "Other income" in the statement of comprehensive income in the period in which it arises.

## 2 Summary of material accounting policies (continued)

### *2.7 Impairment of financial assets*

*Assets carried at amortized cost*

For all financial assets, the Company makes periodic collective assessments as well as individual assessment on their recoverability based on historical settlement records and past experience.

### *2.8 Financial liabilities*

All financial liabilities are classified at inception and recognized initially at fair value, net of transaction costs incurred.

Financial liabilities are subsequently stated at amortized cost. Any difference between proceeds net of transaction costs and the redemption value is recognized in the statement of comprehensive income over the period of the financial liabilities using the effective interest method.

Financial liabilities are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

### *2.9 Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount reported in the balance sheet where the Company currently has a legally enforceable right to offset the recognized amounts, and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

### *2.10 Cash and cash equivalents*

In the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions and demand deposits and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## 2 Summary of material accounting policies (continued)

### *2.11 Share capital*

Ordinary shares and convertible preferred shares issued by the Company are classified as equity in accordance with the substance of the contractual terms of the instruments. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

When the Company determines whether a financial instrument is an equity instrument rather than a financial liability, the instrument is an equity instrument if, and only if, both conditions (i) and (ii) below are met.

(i) The instrument includes no contractual obligation:

- To deliver cash or another financial asset to another entity; or
- To exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company.

(ii) If the instrument will or may be settled in the Company's own equity instruments, it is:

- A non-derivative that includes no contractual obligation for the Company to deliver a variable number of its own equity instruments; or
- A derivative that will be settled only by the Company exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments. For this purpose, rights, options or warrants to acquire a fixed number of Company's own equity instruments for a fixed amount of any currency are equity instruments if the Company offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. Also, for these purposes the Company's own equity instruments do not include instruments that have all the features and meet the conditions, or instruments that are contracts for the future receipt or delivery of the issuer's own equity instruments.

Certain warrants are issued in connection with issuance of the convertible preferred shares. Such warrants were recognised separately as financial instruments and measured at FVPL in accordance with Note 2.6.3.

## 2 Summary of material accounting policies (continued)

### *2.12 Current and deferred income tax*

Income tax expense comprises current and deferred tax.

*(a) Current income tax*

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

*(b) Deferred income tax*

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities and assets are not recognized for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

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

## 2 Summary of material accounting policies (continued)

### *2.13 Revenue recognition*

Revenue is recognized when services are provided to the customer. Depending on the terms of the contract and the applicable laws, services may be provided over time or at a point in time. Services are provided over time if the Company's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates and enhances an asset that the customer controls as the Company performs; or
- does not create an asset with an alternative use to the Company has an enforceable right to payment for performance completed to date.

If service transfers over time, revenue is recognized over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognized at a point in time when the customer obtains the service.

The progress towards complete satisfaction of the performance obligation is measured based on one of the following methods that best depict the Company's performance in satisfying the performance obligation:

- direct measurements of the value transferred by the Company to the customer; or
- the Company's efforts or inputs to the satisfaction of the performance obligation.

When determining the transaction price to be allocated for different performance obligations, the Company first determines the service fees that the Company is entitled in the contract period and adjusts the transaction price for variable considerations. The Company includes in the transaction price some or all of an amount of variable considerations only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

If a contract involves multiple services, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost plus margin.

A receivable is recorded when the Company has an unconditional right to consideration. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due.

The Company provides business development, implementation and operations services to customers. Revenue from the services is recognized over time, using an input method to measure progress towards complete satisfaction of the services. The input method recognizes revenue based on the proportion of the actual costs incurred relative to the estimated total costs for satisfaction of the services.

## 2 Summary of material accounting policies (continued)

### *2.14 Interest income*

Interest income is recognized as it accrues under the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating the interest income over the year. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or, when appropriate, a shorter period to the net carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

### *2.15 Related parties*

(a) A person, or a close member of that person's family, is related to the Company if that person:

- (i) has control or joint control over the Company;
- (ii) has significant influence over the Company; or
- (iii) is a member of the key management personnel of the Company or the Company's parent.

(b) An entity is related to the Company if any of the following conditions applies:

- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the Company's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

## 3 Financial risk management

### *3.1 Financial risk factor*

The Company is exposed to various kinds of financial risks including market risk, credit risk and liquidity risk. The Company's risk management objectives and policies seek to minimize the potential adverse effects on its financial performance.

(a) *Market risk*

(i) *Foreign currency risk*

The Company mainly operates with most of the transactions settled in Hong Kong dollars ("HK$"), Indonesian Rupiah ("IDR") and US$. In respect of transactions settled in HK$, the Company did not have significant exposure to foreign exchange risk during the year as the HK$ is pegged against the US$. The Company did not have material IDR financial instruments exposure as of December 31, 2024.

The Company manages its foreign exchange risks by performing regular reviews. Details of the Company's financial assets measured at fair value through profit or loss, deposits, prepayments and other receivables, cash and cash equivalents, amounts due to group companies, and accruals and other payables are disclosed in Notes 3.2, 9, 10, 11 and 14 to the financial statements, respectively.

Since the Company's presentation currency is in US$, the Company is required to translate the results and financial position of BJJ (Note 8) from IDR to US$ for inclusion in the financial statements of the Company by the equity method. Fluctuation of the IDR against the US$ will result in unrealized gain or loss from time to time, which is reflected as movement in other reserves in the statement of changes in equity.

(ii) *Interest rate risk*

The Company's interest rate risk arises from its cash and cash equivalents which expose the Company to cash flow interest rate risk.

The Company manages its interest rate risk by monitoring the exposure to interest rate risk for the respective period and the expected next repricing dates or maturity dates for its interest-bearing assets and liabilities. The Company assesses and monitors its potential financial impact by conducting a sensitivity analysis which is based on a reasonably possible change in interest rates. The Company endeavors to mitigate any impact of prospective interest rate movements that could reduce future net profit, while balancing the cost of such risk mitigation measures.

## 3 Financial risk management (continued)

### *3.1 Financial risk factor (continued)*

The sensitivity analysis on net profit/loss is based on reasonably possible changes in interest rates with the assumption that all variable interest rates move by the same margin and the structure of financial assets and financial liabilities held at the period end remains unchanged. The potential impact (favorable/unfavorable) on the Company's net profit/loss by an upward and a downward parallel shift of interest rates by 100 basis points ("bps") would be:

| | *2024* US$'000 | *2023* US$'000 |
|---|---|---|
| Upward parallel shift of 100 bps for yield curve | 113 | 254 |
| Downward parallel shift of 100 bps for yield curve | (113) | (254) |

*(b) Credit risk*

Credit risk refers to the risk that debtors will default on their obligations to repay the amounts due to the Company, resulting in financial loss to the Company. The Company's credit risk is mainly attributable to cash and cash equivalents, financial assets measured at fair value through profit or loss, and deposits, prepayments and other receivables. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

The credit and concentration risks on cash and cash equivalents are limited as the Company has placed funds with creditworthy and reputable licensed financial institutions.

For all financial assets, the Company makes periodic collective assessments as well as individual assessment on their recoverability based on historical settlement records and past experience.

The maximum credit risk exposure of the Company in relation to its financial asset without taking into account of any collateral and other credit enhancements is presented below:

| | *2024* US$'000 | *2023* US$'000 |
|---|---|---|
| Financial assets measured at fair value through profit or loss | 19,960 | 19,705 |
| Deposits, prepayments and other receivables | 3,833 | 13,812 |
| Cash and cash equivalents | 11,332 | 25,410 |
| | 35,125 | 58,927 |

## 3 Financial risk management (continued)

### *3.1 Financial risk factor (continued)*

*(c) Liquidity risk*

The Company regularly monitors its liquidity requirements to ensure that it always maintains sufficient funding from its operations as and when required to meet its liquidity requirements in the short and longer term.

The table below presents the cash flows receivable and payable by the Company under financial liabilities and financial assets held for managing liquidity risk by remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows, and the Company manages the liquidity risk based on the estimation of future cash flows.

| | *Carrying amount* US$'000 | *Total contractual undiscounted cash flows* US$'000 | *Within 1 year or on demand* US$'000 | *More than 1 year* US$'000 |
|---|---|---|---|---|
| **As at December 31, 2024** | | | | |
| Financial assets measured at fair value through profit or loss | 19,960 | 19,960 | 19,960 | - |
| Deposits, prepayments and other receivables | 3,833 | 3,833 | 3,833 | - |
| Cash and cash equivalents | 11,332 | 11,332 | 11,332 | - |
| **Total financial assets** | 35,125 | 35,125 | 35,125 | - |
| Amount due to the ultimate holding company | 26 | 26 | 26 | - |
| Amounts due to fellow subsidiaries | 682 | 682 | 682 | - |
| Accruals and other payables | 167 | 167 | 167 | - |
| **Total financial liabilities** | 875 | 875 | 875 | - |
| **As at December 31, 2023** | | | | |
| Financial assets measured at fair value through profit or loss | 19,705 | 19,705 | 19,705 | - |
| Deposits, prepayments and other receivables | 13,812 | 13,812 | 13,812 | - |
| Cash and cash equivalents | 25,410 | 25,410 | 25,410 | - |
| **Total financial assets** | 58,927 | 58,927 | 58,927 | - |
| Amount due to the ultimate holding company | 29 | 29 | 29 | - |
| Amounts due to fellow subsidiaries | 460 | 460 | 460 | - |
| Accruals and other payables | 155 | 155 | 155 | - |
| **Total financial liabilities** | 644 | 644 | 644 | - |

## 3 Financial risk management (continued)

### *3.2 Fair value estimation*

The Company has adopted HKFRS 13 in respect of disclosures about the degree of reliability of fair value measurements. This requires the Company to measure fair value and classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The Company's financial instruments carried at fair value as at the end of year by level of inputs to valuation techniques used to measure fair value are categorized into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).

- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).

- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety should be determined on the basis of the lowest input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes "observable" requires significant judgement by the management. Management consider observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

As at December 31, 2024, the Company's financial assets and liabilities, including deposits, prepayments and other receivables, cash and cash equivalents, amounts due to group companies, and accruals and other payables are recognized according to the amortized cost. Based on the estimate of the management, the carrying values of these financial assets and liabilities approximate to their fair values. (2023: Same)

## 3 Financial risk management (continued)

### *3.2 Fair value estimation (continued)*

The following table presents the Company's assets and liabilities that are measured at fair value as at December 31, 2024 and 2023:

| | *As at December 31, 2024* | | | |
|---|---|---|---|---|
| | *Level 1* | Level 2 | *Level 3* | *Total* |
| **Assets** | US$'000 | US$'000 | US$'000 | US$'000 |
| Financial assets measured at fair value through profit or loss | | | | |
| - Warrants | - | - | 19,960 | 19,960 |

| | *As at December 31, 2023* | | | |
|---|---|---|---|---|
| | *Level 1* | Level 2 | *Level 3* | *Total* |
| **Assets** | US$'000 | US$'000 | US$'000 | US$'000 |
| Financial assets measured at fair value through profit or loss | | | | |
| - Warrants | - | - | 19,705 | 19,705 |

There were no transfers among Level 1, Level 2 and Level 3 and there were no changes in valuation techniques during the year ended December 31, 2024 (2023: Same).

The Company has a team headed by chief financial officer (CFO) performing valuations for the financial instruments, including warrants which are categorized into Level 3 of the fair value hierarchy. A valuation report with analysis of changes in fair value measurement is prepared by the team at each reporting date, and is reviewed and approved by the CFO.

<u>Information about Level 3 fair value measurements</u>

In connection with the issuance of the convertible preferred shares of the Company, warrants to subscribe for additional preferred shares of the Company were also issued to certain shareholders (the "Warrants"). In February 2024, the Warrants were amended to extend the expiration date from February 7, 2024 to February 7, 2025. The fair value of warrants is determined using the binomial lattice model and the significant unobservable inputs used in the fair value measurement are as follows:

| | *As at December 31, 2024* | | | | |
|---|---|---|---|---|---|
| | *Valuation techniques* | *Significant unobservable inputs* | *Range* | *Reasonable possible shift* | *Change in valuation* US$'000 |
| Warrants | Binomial lattice model | Volatility | 60% (2023: 60%) | +/- 100 bps (2023: +/- 100 bps) | 13/(13) (2023: 20/(23)) |
| | | Share price of the Company | US$1.08 per share (2023: US$1.12 per share) | +/- 1% (2023: +/- 1%) | 71/(56) (2023: 137/(108)) |

## 3 Financial risk management (continued)

### *3.2 Fair value estimation (continued)*

The movements during the year in the balance of warrants are as follows:

| | *2024* US$'000 | *2023* US$'000 |
|---|---|---|
| At January 1 | 19,705 | 4,685 |
| Unrealized gains recognized in profit or loss | 255 | 15,020 |
| At December 31 | 19,960 | 19,705 |

### *3.3 Capital management*

The Company's primary objectives when managing capital are to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefit for other stakeholders. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholder or issue new shares.

## 4 Critical accounting estimates and judgements

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. 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.

*Classification of convertible preferred shares*

The Company determines whether a financial instrument is an equity instrument rather than a financial liability based on certain conditions (Note 2.11). In applying the policy, the Company has concluded that convertible preferred shares issued by the Company has:

- no contractual obligation to deliver cash or financial assets to the holders of convertible preferred shares, or

- no contractual obligation to exchange financial assets or financial liabilities with the holders of convertible preferred shares under conditions that are potentially unfavourable to the Company.

See Note 12 for the details of convertible preferred shares.

## 5 Expenses by nature

| | *2024* US$'000 | *2023* US$'000 |
|---|---|---|
| Information technology, product development and communication expenses | 6,403 | 6,310 |
| Auditor's remuneration | 141 | 149 |
| Travelling and entertainment expenses | 55 | 72 |
| Legal and professional fees | 36 | 50 |
| Others | 5 | 11 |
| | 6,640 | 6,592 |

## 6 Directors' remuneration

### *(a) Directors' emoluments*

No fees or emoluments were received or receivable by the directors in respect of their services to the Company during the year (2023: Nil).

### *(b) Directors' retirement benefits and termination benefits*

None of the directors received or will receive any retirement benefits or termination benefits during the year (2023: Nil).

### *(c) Consideration provided to third parties for making available directors' services*

During the year ended December 31, 2024, the Company did not pay consideration to any third parties for making available directors' services (2023: Nil).

### *(d) Information about loans, quasi-loans and other dealings in favor of directors, controlled bodies corporate by and connected entities with such directors*

There are no loans, quasi-loans and other dealing arrangements in favor of directors, controlled bodies corporate by and connected entities with such directors for the year (2023: Nil).

### *(e) Directors' material interests in transactions, arrangements or contracts*

No significant transactions, arrangements and contracts in relation to the Company's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2023: Nil).

## 7 Income tax

### *(a) Taxation in the statement of profit or loss represents:*

| | *2024* US$'000 | *2023* US$'000 |
|---|---|---|
| Current income tax | | |
| - Hong Kong | - | - |
| - Overseas | 1 | 1 |
| Income tax expense | 1 | 1 |

No provision for Hong Kong profits tax has been made as the Company has no estimated assessable profits for the year ended December 31, 2024 (2023: Nil).

### *(b) Reconciliation between tax expense and accounting profit at applicable tax rates*

The Company incorporated in Hong Kong are subject to profit tax at a rate of 16.5%. Taxation in overseas is charged at the appropriate current rates of taxation ruling in the relevant jurisdictions.

| | *2024* US$'000 | *2023* US$'000 |
|---|---|---|
| (Loss)/profit before income tax | (9,944) | 14,404 |
| Tax calculated at applicable rates | (1,641) | 2,377 |
| Income not subject to tax | (143) | (2,691) |
| Expenses not deductible for tax purposes | 1,753 | 243 |
| Unrecognized tax losses | 32 | 72 |
| | 1 | 1 |

## 8 Investment in a joint venture

| | *2024* US$'000 | *2023* US$'000 |
|---|---|---|
| Investment in a joint venture | | |
| - BJJ | 272,652 | 268,715 |

During the year ended December 31, 2022, the Company issued an aggregate of 102,000,000 new Series A-1 convertible preferred shares at the subscription price of US$1.00 per share for a consideration of US$102,000,000 to new third party investors of the Company. The fundraising proceeds were mainly used for acquisition of equity interest in BJJ.

In July 2022, the Company entered into a series of transactions with a joint venture partner to form a joint venture to hold the investment in BJJ and entered an amended share sale and purchase and share subscription agreement with the selling shareholders. Following the consummation of these transactions in September 2022, the Company acquired additional BJJ shares in a secondary transfer, and the joint venture partner acquired BJJ shares by subscribing to BJJ's primary issuance of new shares. The equity interest in BJJ held by the Company increased from 24.00% as of December 31, 2021 to approximately 49.56% as of December 31, 2022 and the joint venture partner held an equal equity interest of approximately 49.56% in BJJ.

In October 2023, the Company entered into an advance shares subscription agreement with the joint venture partner, BJJ and the minority shareholder of BJJ for a share subscription of BJJ. The amount of advance shares subscription paid by the Company and the joint venture partner were US$5,725,000 and US$7,036,000, respectively ("Phase 1 Advance Capital Injection") (Note 9), which will be used to pay the price of BJJ's shares.

In March 2024, the Company entered into another advance shares subscription agreement with the relevant parties. The amount of advance shares subscription paid by the Company and the joint venture partner were approximately US$17,120,000 and US$21,440,000, respectively ("Phase 2 Advance Capital Injection"), which will also be used to pay the price of BJJ's shares.

In June 2024, the payments made to BJJ during the Phase 1 Advance Capital Injection and Phase 2 Advance Capital Injection were then used to pay the price of BJJ's shares and consequently, the Company entered into a shares subscription agreement with the joint venture partner and BJJ for the subscription of BJJ's shares. Following the completion of subscription, the Company and the joint venture partner held equal equity interest of approximately 49.61% in BJJ.

The Company accounted for its investment in BJJ as a joint venture using equity method.

| *Name* | *Place of business/ country of incorporation* | *% of ownership interest* | | *Principal activities* |
|---|---|---|---|---|
| | | *2024* % | *2023* % | |
| PT Bank Jasa Jakarta | Indonesia | approximately 49.61 | approximately 49.56 | Banking services |

## 8 Investment in a joint venture (continued)

Summarized financial information of BJJ and a reconciliation to the carrying amount in the financial statements, are disclosed below:

| | *2024* US$'000 | *2023* US$'000 |
|---|---|---|
| Total assets | 812,059 | 727,755 |
| Total liabilities | (415,311) | (328,344) |
| Total equity | 396,748 | 399,411 |
| Included in the above assets and liabilities: | | |
| Cash and cash equivalents | 61,299 | 40,223 |
| Other financial assets (excluding other assets) | 713,220 | 659,288 |
| Financial liabilities (excluding other liabilities) | (409,848) | (323,601) |
| Interest income | 54,349 | 46,621 |
| Interest expense | (17,271) | (12,516) |
| Depreciation and amortization | (3,550) | (1,188) |
| Income tax credit/(expense) | 4,056 | (26) |
| Loss for the year | (21,073) | (2,968) |
| Other comprehensive loss | (908) | (60) |
| Total comprehensive loss | (21,981) | (3,028) |

Reconciliation to the Company's interest in BJJ:

| | *2024* US$'000 | *2023* US$'000 |
|---|---|---|
| BJJ's net assets | 396,748 | 399,411 |
| Company's share of BJJ's net assets | 196,823 | 197,966 |
| Less: Company's share of advance shares subscription | - | (6,434) |
| Goodwill on acquisition | 75,829 | 77,183 |
| Carrying amount of the investment | 272,652 | 268,715 |

## 9 Deposits, prepayments and other receivables

| | *2024* US$'000 | *2023* US$'000 |
|---|---|---|
| Prepayments, deposits and interest receivables | 60 | 153 |
| Advanced shares subscription (Note 8) | - | 5,764 |
| Others | 3,773 | 7,895 |
| | 3,833 | 13,812 |

The carrying amounts of deposits, prepayments and other receivables are denominated in the following currencies:

| | *2024* US$'000 | *2023* US$'000 |
|---|---|---|
| US$ | 3,832 | 8,045 |
| IDR | 1 | 5,767 |
| | 3,833 | 13,812 |

## 10 Cash and cash equivalents

| | *2024* US$'000 | *2023* US$'000 |
|---|---|---|
| Cash at banks | 11,332 | 25,410 |

The carrying amounts of cash and cash equivalents are denominated in the following currencies:

| | *2024* US$'000 | *2023* US$'000 |
|---|---|---|
| US$ | 8,694 | 23,599 |
| IDR | 2,623 | 1,744 |
| HK$ | 15 | 67 |
| | 11,332 | 25,410 |

## 11 Amounts due to group companies

The amounts due to group companies are unsecured, interest-free, have no fixed repayment terms and are denominated in US$.

## 12 Share capital

| | *Number of shares* | *Class A ordinary shares* US$'000 | *Convertible preferred shares* US$'000 | *Total* US$'000 |
|---|---|---|---|---|
| **Class A ordinary and convertible preferred share, issued and fully paid:** | | | | |
| **As at January 1, 2023, December 31, 2023 and at December 31, 2024** | 374,262,271 | - | 259,286 | 259,286 |

*Notes:*

(a) *Ordinary shares*

During the year ended December 31, 2022, the number of Class A ordinary shares of the Company increased from 78,208,701 as of December 31, 2021 to 114,262,271 as of December 31, 2022 following the issuance of an aggregate 36,053,570 Class A ordinary shares to Welab Holdings.

The holders of Class A ordinary shares are entitled to ten votes per share and the holders of Class B ordinary shares are entitled to one vote per share at all general meetings of the Company or its shareholders, on a poll and with respect to all actions by written resolutions. The holders of ordinary shares are entitled to receive dividends on a pari passu basis, but the holders of preferred shares shall first receive, or simultaneously receive, a dividend prior to ordinary shares. All ordinary shares rank equally with regard to the Company's residual assets.

## 12 Share capital (continued)

*(b) Convertible preferred shares*

Holder of each convertible preferred share has such number of votes equivalent to the whole number of Class B ordinary shares into which such holder's total convertible preferred shares are convertible immediately after the close of business on the record date for determining the voting entitlement of the Company's shareholders or, if no such record date is established, at the date such vote is taken or any written consent of the Company's shareholder is first solicited. When dividends are declared by the Board of Directors of the Company, holders of preferred shares shall first receive, or simultaneously receive, a dividend on each outstanding preferred share on a pari passu basis with each other (determined on an as-converted to Class B ordinary shares basis), and prior to the ordinary shares.

Each convertible preferred share is convertible, at the option of the holder, at any time after the date of issuance of such convertible preferred share according to a conversion ratio, and the number of Class B ordinary shares which a holder shall be entitled upon conversion of each preferred share shall be the quotient of the original issue price for such convertible preferred shares divided by the then effective conversion price are, which is initially the original issue price and is subject to adjustment for share splits, share dividends, combinations and recapitalizations and certain other events. Each convertible preferred share is automatically converted according to the then effective conversion ratio upon the consummation of certain initial public offering or the date specified by written consent or agreement of holders of a majority of the outstanding Series A preferred shares (including any Class B ordinary shares issued upon conversion thereof) voting together as a single class on an as-converted basis.

In the event of liquidation, dissolution, winding up or deemed liquidation event of the Company (collectively known as "Liquidation Event"), the assets available for distribution shall be distributed in the following order:

(i) each holder of preferred shares shall be entitled to receive an amount equal to the higher of (a) the original issue price (as adjusted for any share splits, share dividends, combinations, recapitalizations and similar transactions) of such preferred shares then held by such holder plus any dividends declared and unpaid per share, and (b) such amount that such holder of preferred shares would receive for each such preferred share, assuming it has been converted into Class B ordinary shares immediately before Liquidation Event. If, upon any such Liquidation Event, the assets of the Company shall be insufficient to make payment of the liquidation preference in full on all preferred shares, then such assets shall be distributed among the holders of preferred shares ratably in proportion to the full amounts to which they would otherwise be respectively entitled thereon; and

(ii) after the distributions in full for (i) above, the remaining assets will be distributed proportionally among the holders of ordinary shares.

## 13 Other reserves

| | *Exchange reserve* US$'000 | *Other reserve* US$'000 | *Total* US$'000 |
|---|---|---|---|
| **Balance as at January 1, 2023** | (15,902) | 61,026 | 45,124 |
| Currency translation differences | 2,596 | - | 2,596 |
| Share of other comprehensive loss of a joint venture | - | (17) | (17) |
| **Balance as at December 31, 2023** | (13,306) | 61,009 | 47,703 |
| Currency translation differences | (12,566) | - | (12,566) |
| Share of other comprehensive loss of a joint venture | - | (429) | (429) |
| Increase in share of joint venture's net assets arising from the joint venture partner's capital injection (Note 8) | - | 2,844 | 2,844 |
| **Balance as at December 31, 2024** | (25,872) | 63,424 | 37,552 |

*Other reserve*

The Company's share of movements in other comprehensive income of a joint venture are recognized in other comprehensive income as described in Note 2.3.

As a result of the capital injection into BJJ by the Company and the joint venture partner as disclosed in Note 8, the net assets of BJJ shared by the Company increased by US$2,844,000 which was recorded as an increase in other reserve.

## 14 Accruals and other payables

| | *2024* US$'000 | *2023* US$'000 |
|---|---|---|
| Accrued legal and professional fees | 146 | 134 |
| Others | 21 | 21 |
| | 167 | 155 |

The carrying amounts of accruals and other payables are denominated in US$.

## 15 Related party transactions

### (a) Transactions with related parties

Save as disclosed in Note 8, Note 11 and Note 12 to the financial statements, the Company had the following material related party transactions:

| | 2024<br>US$'000 | 2023<br>US$'000 |
|---|---|---|
| Service fee income received from a joint venture | 6,449 | 6,156 |
| Technology services fee paid to a fellow subsidiary | (6,403) | (6,310) |

### (b) Balances with related parties

Amounts due to group companies are based on terms mutually agreed with the respective group companies.

### (c) Key management compensation

The directors are considered as the Company's key management and their compensations are set out in Note 6.