

APPENDIX I

ACCOUNTANTS’ REPORT

The following is the text of a report set out on pages I-1 to I-48, received from the Company’s reporting accountants, Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this document.

ACCOUNTANTS’ REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF EXTRANSFER LIMITED AND UBS SECURITIES HONG KONG LIMITED AND CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG SECURITIES LIMITED

Introduction

We report on the historical financial information of Extransfer Limited (the “Company”) and its subsidiaries (together, the “Group”) set out on pages I-3 to I-48, which comprises the consolidated statements of financial position of the Group as at 31 December 2023, 2024 and 2025, the statements of financial position of the Company as at 31 December 2023, 2024 and 2025, and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows of the Group for each of the three years ended 31 December 2025 (the “Track Record Period”) and material accounting policy information and other explanatory information (together, the “Historical Financial Information”). The Historical Financial Information set out on pages I-3 to I-48 forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [REDACTED] (the “Document”) in connection with the [REDACTED] of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

Directors’ responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 3 to the Historical Financial Information, and for such internal control as the directors of the Company determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants’ responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 “Accountants’ Reports on Historical Financial Information in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants’ judgment, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity’s preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 3 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors of the Company, as well as evaluating the overall presentation of the Historical Financial Information.

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

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants’ report, a true and fair view of the Group’s and the Company’s financial position as at 31 December 2023, 2024 and 2025 and of the Group’s financial performance and cash flows for the Track Record Period in accordance with the basis of preparation set out in Note 3 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-3 have been made.

Dividends

We refer to Note 15 to the Historical Financial Information which states that no dividend has been paid or declared by the Company in respect of the Track Record Period.

[Deloitte Touche Tohmatsu]
Certified Public Accountants
Hong Kong
[REDACTED]

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HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants’ report.

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, have been prepared in accordance with the accounting policies which conform with IFRS Accounting Standards issued by the International Accounting Standards Board (the “IASB”) and were audited by us in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the “Underlying Financial Statements”).

The Historical Financial Information is presented in United States Dollar (“USD”) and all values are rounded to the nearest thousand (USD’000) except when otherwise indicated.

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CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Year ended 31 December		
		2023	2024	2025
		USD'000	USD'000	USD'000
Revenue				
Contracts with customers	6	88,029	132,206	210,096
Interest under effective interest method	6	26,728	29,894	38,364
Total revenue	6	114,757	162,100	248,460
Cost of sales	8	(5,082)	(10,344)	(19,862)
Gross profit		109,675	151,756	228,598
Other income	7	352	1,310	1,014
Selling expenses	8	(53,074)	(81,288)	(96,040)
Administrative expenses	8	(28,501)	(40,777)	(49,808)
Research and development expenses	8	(21,992)	(34,910)	(39,621)
Operating profit/(loss)		6,460	(3,909)	44,143
Finance income	10	1,790	1,948	1,420
Finance costs	10	(127)	(172)	(234)
Fair value changes of convertible and redeemable preferred shares	33	(161,874)	(352,487)	(523,639)
Other gains and losses	11	1,007	411	(3,425)
Loss before tax		(152,744)	(354,209)	(481,735)
Income tax (expenses)/credits	12	(128)	1,157	(1,788)
Loss for the year		(152,872)	(353,052)	(483,523)
Loss per share				
Basic and diluted (USD)	16	(0.91)	(2.09)	(2.86)
Other comprehensive (expense)/income				
<i>Item that may be reclassified to profit or loss:</i>				
Exchange differences on translation of foreign operations		(1,649)	(1,587)	5,920
Other comprehensive (expense)/income for the year, net of income tax		(1,649)	(1,587)	5,920
Total comprehensive expense for the year		(154,521)	(354,639)	(477,603)

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	As at 31 December		
		2023	2024	2025
		USD'000	USD'000	USD'000
Assets				
Non-current assets				
Property and equipment	17	2,018	2,452	3,300
Right-of-use assets	18(a)	2,204	4,631	4,418
Intangible assets	19	122	96	49,693
Deferred tax assets	35	2,161	3,336	6,417
Goodwill	20	–	–	12,579
Prepayments and other receivables	22	29,025	3,624	3,054
Restricted cash	24	125	125	1,362
Total non-current assets		35,655	14,264	80,823
Current assets				
Prepayments and other receivables	22	13,800	32,783	10,915
Term deposits	24	–	–	3,217
Client funds	25	867,784	1,113,762	2,108,572
Financial assets at fair value through profit or loss (“FVTPL”)	26	2,824	1,391	–
Cash and cash equivalents	24	109,949	134,177	153,351
Total current assets		994,357	1,282,113	2,276,055
Total assets		1,030,012	1,296,377	2,356,878
Liabilities				
Non-current liabilities				
Contract liabilities	32	635	1,126	202
Lease liabilities	18(b)	286	2,363	1,593
Deferred tax liabilities	35	28	42	12,428
Total non-current liabilities		949	3,531	14,223
Current liabilities				
Trade and other payables	29	13,336	20,177	28,988
Client funds payables	30	868,112	1,113,925	2,108,770
Borrowings	31	–	7,952	–
Contract liabilities	32	2,209	3,227	3,241
Lease liabilities	18(b)	1,814	2,117	2,641
Income tax payable		–	2	92
Convertible and redeemable preferred shares . .	33	538,065	890,552	1,414,191
Total current liabilities		1,423,536	2,037,952	3,557,923
Net current liabilities		(429,179)	(755,839)	(1,281,868)
Total liabilities		1,424,485	2,041,483	3,572,146
Capital and reserves				
Share capital	27	1	1	1
Reserves		(394,474)	(745,107)	(1,215,269)
Total deficits		(394,473)	(745,106)	(1,215,268)
Total equity and liabilities		1,030,012	1,296,377	2,356,878

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COMPANY STATEMENTS OF FINANCIAL POSITION

	<i>Notes</i>	As at 31 December		
		2023	2024	2025
		<i>USD’000</i>	<i>USD’000</i>	<i>USD’000</i>
Assets				
Non-current assets				
Investments in subsidiaries	23	98,824	106,409	129,461
Amounts due from subsidiaries	34	77,859	74,762	60,352
Total non-current assets		<u>176,683</u>	<u>181,171</u>	<u>189,813</u>
Current asset				
Cash and cash equivalents	24	–	2,177	348
Total current asset		<u>–</u>	<u>2,177</u>	<u>348</u>
Total assets		<u>176,683</u>	<u>183,348</u>	<u>190,161</u>
Liabilities				
Current liabilities				
Other payables	29	1,018	1,018	–
Convertible and redeemable preferred shares . .	33	538,065	890,552	1,414,191
Amounts due to subsidiaries	34	3,834	6,431	6,993
Total current liabilities		<u>542,917</u>	<u>898,001</u>	<u>1,421,184</u>
Net current liabilities		<u>(542,917)</u>	<u>(895,824)</u>	<u>(1,420,836)</u>
Total liabilities		<u>542,917</u>	<u>898,001</u>	<u>1,421,184</u>
Capital and reserves				
Share capital	27	1	1	1
Reserves	28	(366,235)	(714,654)	(1,231,024)
Total deficits		<u>(366,234)</u>	<u>(714,653)</u>	<u>(1,231,023)</u>
Total equity and liabilities		<u>176,683</u>	<u>183,348</u>	<u>190,161</u>

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CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the Company					Total
	Share capital	Share-based payment reserve	Other reserve (note i)	Translation reserve	Accumulated losses	
	USD’000	USD’000	USD’000	USD’000	USD’000	
As at 1 January 2023	<u>1</u>	<u>1,974</u>	<u>(10,182)</u>	<u>(3,968)</u>	<u>(229,613)</u>	<u>(241,788)</u>
Loss for the year	–	–	–	–	(152,872)	(152,872)
Other comprehensive expense for the year	–	–	–	(1,649)	–	(1,649)
Total comprehensive expense for the year	–	–	–	(1,649)	(152,872)	(154,521)
Recognition of share-based payments (Note 37)	–	2,115	–	–	–	2,115
Repurchase of share options	–	(279)	–	–	–	(279)
As at 31 December 2023	<u>1</u>	<u>3,810</u>	<u>(10,182)</u>	<u>(5,617)</u>	<u>(382,485)</u>	<u>(394,473)</u>
Loss for the year	–	–	–	–	(353,052)	(353,052)
Other comprehensive expense for the year	–	–	–	(1,587)	–	(1,587)
Total comprehensive expense for the year	–	–	–	(1,587)	(353,052)	(354,639)
Recognition of share-based payments (Note 37)	–	5,836	–	–	–	5,836
Repurchase of share options	–	(1,830)	–	–	–	(1,830)
As at 31 December 2024	<u>1</u>	<u>7,816</u>	<u>(10,182)</u>	<u>(7,204)</u>	<u>(735,537)</u>	<u>(745,106)</u>
Loss for the year	–	–	–	–	(483,523)	(483,523)
Other comprehensive income for the year	–	–	–	5,920	–	5,920
Total comprehensive income (expense) for the year	–	–	–	5,920	(483,523)	(477,603)
Recognition of share-based payments (Note 37)	–	7,558	–	–	–	7,558
Repurchase of share options	–	(117)	–	–	–	(117)
As at 31 December 2025	<u>1</u>	<u>15,257</u>	<u>(10,182)</u>	<u>(1,284)</u>	<u>(1,219,060)</u>	<u>(1,215,268)</u>

Note:

- (i) The other reserve arises from the repurchase of ordinary shares in 2021. The repurchased ordinary shares have been cancelled, and as of each Track Record Period end date, the Group does not hold any treasury shares.

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CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended 31 December		
	2023	2024	2025
	<i>USD’000</i>	<i>USD’000</i>	<i>USD’000</i>
OPERATING ACTIVITIES			
Loss before tax	(152,744)	(354,209)	(481,735)
Adjustments for:			
Depreciation of property and equipment	1,437	1,735	1,553
Depreciation of right-of-use assets	3,047	2,904	2,528
Amortisation of intangible assets	2	24	42
Loss on disposal of property and equipment	–	81	53
(Gain)/loss on early termination of leases	(286)	(96)	60
Interest income	(28,518)	(31,842)	(39,784)
Finance costs	127	172	234
Share-based payment expenses	2,201	5,836	7,558
Net foreign exchange (gains)/losses	(321)	(855)	2,047
Gain on fair value changes of financial assets at FVTPL	(186)	(56)	(7)
Loss on fair value changes of convertible and redeemable preferred shares	161,874	352,487	523,639
Operating cash flows before movements in working capital	(13,367)	(23,819)	16,188
Decrease/(increase) in prepayments and other receivables	1,564	(2,663)	(2,784)
Increase in client funds	(8,910)	(245,978)	(994,810)
Increase in trade and other payables	3,088	6,841	9,186
Increase in client funds payables	8,913	245,813	994,845
Increase/(decrease) in contract liabilities	94	1,509	(1,627)
Cash (used in)/generated from operations	(8,618)	(18,297)	20,998
Income taxes refunded	11	–	–
Interest received	19,360	39,017	36,973
Income taxes paid	–	(2)	(99)
NET CASH FROM OPERATING ACTIVITIES	10,753	20,718	57,872
INVESTING ACTIVITIES			
Interest received	1,722	2,040	1,424
Purchases of property and equipment	(631)	(2,266)	(2,439)
Proceeds on disposal of property and equipment	120	4	40
Purchases of intangible assets	(124)	–	(165)
Upfront payments for right-of-use assets	–	–	(23)
Payments for rental deposits	(766)	(1,150)	(670)
Refund of rental deposits	909	991	600
Purchases of financial assets at FVTPL	(32,904)	(8,596)	(1,391)
Proceeds from disposal of financial assets at FVTPL	37,447	10,085	2,789
Placement of term deposits	–	–	(3,217)
Net cash outflow on acquisition of a subsidiary (Note 40)	–	–	(26,340)
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	5,773	1,108	(29,392)

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	Year ended 31 December		
	2023	2024	2025
	<i>USD’000</i>	<i>USD’000</i>	<i>USD’000</i>
FINANCING ACTIVITIES			
Interest paid	(127)	(164)	(243)
Payments on repurchase of share options	(365)	(1,830)	(117)
Payments on repurchase of share capital (<i>Note 36</i>) . .	–	–	(1,018)
Repayments of lease liabilities	(3,190)	(2,834)	(2,573)
New bank loans raised	141	8,361	–
Repayments of borrowings	(141)	(417)	(7,944)
NET CASH (USED IN)/FROM FINANCING ACTIVITIES	<u>(3,682)</u>	<u>3,116</u>	<u>(11,895)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	12,844	24,942	16,585
Cash and cash equivalents at beginning of the year . .	98,394	109,949	134,177
Effect of foreign exchange rate changes	(1,289)	(714)	2,589
Cash and cash equivalents at end of the year	<u>109,949</u>	<u>134,177</u>	<u>153,351</u>

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NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 14 June 2017 as an exempted company with limited liability under the laws of the Cayman Islands. The addresses of the registered office and the principal place of business are disclosed in the section “Corporate Information” of the Document.

Pursuant to the concert party agreement entered into by Mr. Deng Guobiao, Ms. Yao Weichun, Mr. Liu Yanfang, Mr. Deng Xianliang and Mr. Zheng Kai and their respective wholly-owned companies on July 12, 2017, Ms. Yao Weichun, Mr. Liu Yanfang, Mr. Deng Xianliang and Mr. Zheng Kai and their respective wholly-owned companies agreed to act in concert with Mr. Deng Guobiao and his wholly-owned company in exercising shareholders’ voting rights pertaining to the Company in accordance with Mr. Deng Guobiao’s instructions, for so long as they, directly or indirectly through their respective wholly-owned companies, hold equity interests in the Company. Accordingly, Mr. Deng Guobiao, Ms. Yao Weichun, Mr. Liu Yanfang, Mr. Deng Xianliang, Mr. Zheng Kai, Wormhole Transfer Limited, Globe Transfer Limited, EWTP Transfer Limited, World Transfer Limited and Atta Financial Limited constitute a group of Controlling Shareholders as defined in the Document.

The principal activity of the Group is to provide small and medium-sized cross-border trade enterprises with global payment service.

The Historical Financial Information is presented in the currency of USD, which is the Company’s functional currency.

2. ADOPTION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

For the purpose of preparing and presenting the Historical Financial Information for the Track Record Period, the Group has consistently applied the accounting policies which conform with IFRS Accounting Standards issued by the IASB, which are effective for the accounting period beginning on 1 January 2025, throughout the Track Record Period.

New and amendments to IFRS Accounting Standards in issue but not yet effective

At the date of this report, the following new and amendments to IFRS Accounting Standards have been issued which are not yet effective:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards — Volume 11 ²
IFRS 18	Presentation and Disclosure in Financial Statements ³
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency ³

1 Effective for annual periods beginning on or after a date to be determined.

2 Effective for annual periods beginning on or after 1 January 2026

3 Effective for annual periods beginning on or after 1 January 2027

Except for the new IFRS Accounting Standard mentioned below, the directors of the Company anticipate that the application of all other amendments to IFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 *Presentation of Financial Statements*. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (the title of which will be changed to *Basis of Preparation of Financial Statements* upon effective of IFRS 18) and IFRS 7 *Financial Instruments: Disclosures*. Minor amendments to IAS 7 *Statement of Cash Flows* and IAS 33 *Earnings per Share* are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January, 2027, with early application permitted. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

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3. BASIS OF PREPARATION OF HISTORICAL FINANCIAL INFORMATION

The Historical Financial Information has been prepared in accordance with accounting policies which conform with IFRS Accounting Standards issued by the IASB. For the purpose of preparation of the Historical Financial Information, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the Historical Financial Information includes applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

No statutory financial statements of the Company have been prepared since its date of incorporation as it is incorporated in the jurisdiction where there are no statutory requirements.

As at 31 December 2025, the Group is in a net current liabilities position of approximately USD1,281,868,000 in which the balance consists of convertible and redeemable preferred shares of approximately USD1,414,191,000. According to the seventh amended and restated memorandum and articles of association of the Company approved on 26 February 2026 (the “2026 restated charter”), the mandatory redemption date of the preferred shares has been extended from 30 September 2026 to 30 September 2028, details were disclosed in Note 33. After taking into account of the Group’s cash flow projection and the expected working capital requirements, the directors of the Company are satisfied that the Group is able to meet in full its financial obligations as they fall due for a period of twelve months from the date of this report. Accordingly, the directors of the Company consider that it is appropriate that the Historical Financial Information is prepared on a going concern basis.

4. MATERIAL ACCOUNTING POLICY INFORMATION

Basis of consolidation

The Historical Financial Information incorporates the financial statements of the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statements of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group’s accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Business combinations

A business is an integrated set of activities and assets which includes an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired processes are considered substantive if they are critical to the ability to continue producing outputs, including an organized workforce with the necessary skills, knowledge, or experience to perform the related processes or they significantly contribute to the ability to continue producing outputs and are considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Acquisitions of businesses, other than business combination under common control, are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

The identifiable assets acquired and liabilities assumed must meet the definitions of an asset and a liability in the *Conceptual Framework for Financial Reporting* (the “Conceptual Framework”) except for transactions and events within the scope of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* or IFRIC 21 *Leases*, in which the Group applies IAS 37 or IFRIC 21 instead of the Conceptual Framework to identify the liabilities it has assumed in a business combination. Contingent assets are not recognised.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 *Income Taxes* and IAS 19 *Employee Benefits*, respectively;

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- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 *Share-based Payment* at the acquisition date; and
- lease liabilities are recognized and measured at the present value of the remaining lease payments (as defined in IFRS 16 *Leases*) as if the acquired leases were new leases at the acquisition date, except for leases for which (a) the lease term ends within 12 months of the acquisition date; or (b) the underlying asset is of low value. Right-of-use assets are recognized and measured at the same amount as the relevant lease liabilities, adjusted to reflect favorable or unfavorable terms of the lease when compared with market terms.

Goodwill is measured as the excess of the sum of the consideration transferred and the fair value of the acquirer’s previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group’s cash-generating units (or group of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and is not larger than an operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in an annual period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that annual period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units).

Investments in subsidiaries

Investments in subsidiaries are included in the statements of financial position of the Company at cost less any identified impairment losses.

Revenue from contracts with customers

Information about the Group’s accounting policy relating to revenue from contracts with customers is provided in Note 6(b).

Leases

The Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee

Short-term leases

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognised as expense on a straight-line basis or another systematic basis over the lease term.

Right-of-use assets

The cost of right-of-use assets includes:

- the amount of the initial measurement of the lease liability; and
- any lease payments made at or before the commencement date.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statements of financial position.

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Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include fixed payments.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever a lease contract is modified and the lease modification is not accounted for as a separate lease.

The Group presents lease liabilities as a separate line item on the consolidated statements of financial position.

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability, less any lease incentives receivable, based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the Historical Financial Information, the assets and liabilities of the Group’s operations are translated into the presentation currency of the Group (i.e. USD) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

On the disposal of a foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Government grants are presented under “other income”.

Taxation

Income tax expense represents the sum of current and deferred income tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from “profit/(loss) before tax” because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of each reporting period.

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Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Historical Financial Information and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of each reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies IAS 12 *Income Taxes* requirements to the lease liabilities, and the related assets separately. The Group recognises a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized and a deferred tax liability for all taxable temporary differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Employee benefits

Retirement benefit costs

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another IFRS Accounting Standard requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries) after deducting any amount already paid.

Share-based payments

Equity-settled share-based payment transactions

Share options granted to employees

Equity-settled share-based payments to employees (including directors of the Company) are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share-based payment reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payment reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

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When the share options are exercised, the amount previously recognised in share-based will be transferred to share capital and share premium.

Property and equipment

Property and equipment are tangible assets that are held for use in the supply of services or for administrative purposes. Property and equipment are stated in the consolidated statements of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The below items of property and equipment, after taking into account the residual values, are depreciated on a straight-line basis over the following period:

Electronic equipment	3-5 years
Office equipment	5 years
Leasehold improvements	Over the term of lease

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortization and any accumulated impairment losses. Amortization for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The below item of intangible asset is amortised on a straight-line basis over the following period:

Software	3-5 years
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Internally-generated intangible assets research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses (if any), on the same basis as intangible assets that are acquired separately.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses.

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The below item of intangible asset acquired in a business combination has an indefinite useful life, with no foreseeable limit on its duration:

License indefinite useful life

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment on property and equipment, right-of-use assets and intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its property and equipment, right-of-use assets and intangible assets with finite useful lives to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any). Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

The recoverable amount of property and equipment, right-of-use assets and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, corporate assets are allocated to relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Cash and cash equivalents

Cash and cash equivalents presented on the consolidated statements of financial position include:

- (a) cash, which comprises of cash on hand and demand deposits, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and
- (b) cash equivalents, which comprises of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

For the purposes of the consolidated statements of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Client funds and client funds payables

The Group recognises amounts held by customers within the Group as client funds and client funds payables, respectively, which are accounted for as financial assets and financial liabilities measured at amortised cost. The liability is recognised upon receipt of cash and is derecognised when cash is delivered to the beneficiary. The Group is subject to various regulatory safeguarding compliance requirements in respect of client funds, which may vary across the different jurisdictions in which the Group operates. In addition, pursuant to IAS 32 *Financial Instruments: Presentation*, the Group considers it does not have a legally enforceable right to set off these financial assets and liabilities, or an intention to settle them on a net basis or settle them simultaneously.

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Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with IFRS 15 *Revenue from Contracts with Customers*. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability and of allocating interest income and interest expense over the reporting period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a settlement date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established generally by regulation or convention in the market place concerned.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income:

- the financial asset is held within a business model whose objective is achieved by both selling and collecting contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL.

Amortized cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortized cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortized cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

Financial assets at FVTPL

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss is included in the “other gains and losses” line item.

Impairment of financial assets subject to impairment assessment under IFRS 9

The Group performs impairment assessment under expected credit loss (“ECL”) model on financial assets which are subject to impairment assessment under IFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“12m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date.

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In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

ECL on financial assets is estimated by reference to past due status of the individual debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtor, future economic conditions of the industry in which the debtors operate and an assessment of both the current the forecast direction of conditions at the reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- For financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'Other gains and losses' line item (Note 11) as part of the net foreign exchange gains/(losses);
- For financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'Other gains and losses' line item as part of the gain/(loss) from changes in fair value of financial assets at FVTPL (Note 11).

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities at amortized cost

Financial liabilities including trade and other payables, client funds payables and borrowings are subsequently measured at amortized cost, using the effective interest method.

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Preferred shares

The preferred shares are initially recognised at fair value. The Group does not account for the embedded derivatives separately from the host contract and designates the entire preferred shares as financial liabilities at FVTPL with fair value change recognised in “fair value changes of convertible and redeemable preferred shares” in profit or loss.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group’s obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the ‘Other gains and losses’ line item in profit or loss (Note 11) as part of net foreign exchange gains/(losses).

For financial liabilities that are measured as at FVTPL, the fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss for financial liabilities.

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group’s accounting policies, management of the Group is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Fair value measurement of financial liability at FVTPL

No quoted prices in an active market are available for the Group’s financial liabilities at FVTPL. These financial liabilities were determined by the management of the Company with the assistance of an independent qualified professional valuer not connected to the Group, which has appropriate qualifications and experience in valuation of similar financial instruments. The fair value of these financial liabilities is established by using valuation techniques as disclosed in Note 33. Valuation techniques are certified by the valuer before being implemented for valuation and are calibrated to ensure that outputs reflect market conditions. Valuation models established by the valuer make the maximum use of market inputs and rely as little as possible on the Group’s specific data. However, it should be noted that some inputs, such as possibilities under different scenarios such as [REDACTED], liquidation and redemption, or discount for lack of marketability as appropriate, require management estimates. The estimates and assumptions are reviewed periodically by the management of the Company and adjusted if necessary. Should any of the estimates and assumptions change, it may lead to a change in the fair value of financial liabilities at FVTPL. The fair value of financial liabilities at FVTPL at 31 December 2023, 2024 and 2025 was USD538,065,000, USD890,552,000 and USD1,414,191,000, respectively.

Deferred tax asset

As at 31 December 2023, 2024 and 2025, no deferred tax asset has been recognised on the tax losses of USD62,788,000, USD110,970,000 and USD140,211,000, respectively, for certain subsidiaries due to the uncertainty of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the foreseeable future, which is a key source of estimation uncertainty. In cases where the actual future taxable profits generated are less or more than expected, or change in facts and circumstances which result in revision of future taxable profits estimation, a material reversal or further recognition of deferred tax assets may arise, which would be recognised in profit or loss for the period in which such a reversal or further recognition takes place.

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6. REVENUE AND SEGMENT INFORMATION

(a) Disaggregation of revenue

	Year ended 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
Revenue from contracts with customers			
Payment services	87,234	129,999	208,187
Value-added services	795	2,207	1,909
	<u>88,029</u>	<u>132,206</u>	<u>210,096</u>
Interest under effective interest method			
Interest income on client funds	26,728	29,894	38,364
Total revenue	<u>114,757</u>	<u>162,100</u>	<u>248,460</u>
Geographical markets			
Chinese Mainland	74,310	102,488	145,798
Rest of the world	13,719	29,718	64,298
Revenue from contracts with customers	<u>88,029</u>	<u>132,206</u>	<u>210,096</u>
Timing of revenue recognition			
At a point in time	87,234	128,738	206,288
Over time	795	3,468	3,808
Revenue from contracts with customers	<u>88,029</u>	<u>132,206</u>	<u>210,096</u>

(b) Performance obligations for contracts with customers and revenue recognition policies

Payment services

The Group generates revenue primarily from payment services, which include foreign exchange services, pay-out and withdrawal services. A customer enters into a contract with the Group upon completing registration and a digital business verification via the Group’s application software or website, following which the customer can apply for collection accounts and access the aforementioned payment services. The customer agrees to the contractual terms by formally accepting the terms and conditions of the relevant service.

Revenue is recognised at a point in time when the performance obligation has been satisfied. For pay-out and withdrawal services, revenue is recognised upon delivery of funds to the recipient. For currency conversions, it is recognised when the conversion is executed.

The Group offers promotional programs. For fixed-fee promotional plans, customers pay a fixed fee in exchange for unlimited use of pay-out and withdrawal services over a defined period. Revenue is recognised on a straight-line basis over the specified service period. Revenue from other promotional plans is recognised at a point in time upon redemption, based on the proportion of the actual discount utilised to the aggregate face value of the vouchers.

Value-added services

The Group generates revenue from value-added services, which primarily comprise treasury management services and software services.

Revenue from treasury management services is recognised over time as the services are rendered, based on a fixed percentage applied to the daily net asset value of funds held under management for customers. The Group does not recognise related financial assets or liabilities in its statements of financial position.

Revenue from software services is derived from subscription-based or usage-based contracts with customers. For subscription-based contracts, revenue is recognised on a straight-line basis over the subscription period. For usage-based contracts, revenue is recognised based on customers’ actual utilisation of pre-purchased service units, using an output method measured by units consumed relative to total units purchased.

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(c) Transaction price allocated to the remaining performance obligation for contracts with customers

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) arose from software services as at 31 December 2023, 2024 and 2025 and the expected timing of recognising revenue are as follows:

	As at 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
Within one year	1,131	1,536	1,025
More than one year but not more than two years	349	927	202
More than two years	286	199	–
Total	<u>1,766</u>	<u>2,662</u>	<u>1,227</u>

As at 31 December 2023, 2024 and 2025, contracts for payment services and treasury management services were for the services to be rendered within one year or less. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

(d) Segment information

For management purposes, the Group is organised into one single business unit that includes primarily rendering of services based on cross-border trade payment. Other services are not individually material. Management reviews the overall results and financial position of the Group as a whole based on the same accounting policies set out in Note 4 to the Historical Financial Information. Accordingly, the Group has only one single operating segment and no further analysis of the single segment is presented.

(e) Geographical information

The Group’s external revenue is presented based on the geographical location of the respective parties, which are detailed below:

	Year ended 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
Chinese Mainland	94,624	122,461	167,778
Rest of the world	20,133	39,639	80,682
	<u>114,757</u>	<u>162,100</u>	<u>248,460</u>

Information about the Group’s non-current assets (except for deferred tax assets and financial instruments) based on the geographical location of the assets is presented below:

	Year ended 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
Chinese Mainland	32,118	6,884	69,456
Rest of the world	464	295	534
	<u>32,582</u>	<u>7,179</u>	<u>69,990</u>

(f) Information about major customers

No customer contributes over 10% of the total revenue of the Group during the Track Record Period.

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7. OTHER INCOME

	Year ended 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
Government grants (i)	250	580	774
Value-added tax refund	–	569	–
Others	102	161	240
	<u>352</u>	<u>1,310</u>	<u>1,014</u>

(i) The government grants were mainly incentives provided by local government authorities in the People’s Republic of China (the “PRC”) to reward the Group’s support and contribution for the development of local economies, which are recognised in the consolidated statements of profit or loss upon receipt of these cash rewards. There were no unfulfilled conditions or contingencies relating to these grants.

8. EXPENSES BY NATURE

	Year ended 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
Staff costs (Note 9)	88,002	134,596	163,626
Payment channels’ processing fee	3,098	6,541	13,220
Server usage fees	1,398	3,371	5,847
Marketing expenses	3,327	6,330	4,723
Depreciation and amortization	4,486	4,663	4,123
Professional service expenses	1,329	2,777	4,073
Office expenses	4,150	4,130	3,124
Travelling expenses	1,687	2,986	2,995
Service charges	583	1,333	2,767
Auditors’ remuneration	159	197	248
Others	430	395	585
Total cost of sales, selling expenses, administrative expenses and research and development expenses	<u>108,649</u>	<u>167,319</u>	<u>205,331</u>

9. STAFF COSTS

	Year ended 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
Directors’ emoluments (Note 13)	1,017	1,343	2,103
Other staff costs:			
Salaries, allowances and other benefits	48,119	65,559	80,467
Performance-related bonuses	31,584	54,512	64,940
Retirement benefit scheme contributions (i)	5,081	7,346	8,558
Share-based payments (Note 37)	2,201	5,836	7,558
Total staff costs	<u>88,002</u>	<u>134,596</u>	<u>163,626</u>

(i) The majority of the Group’s employees are located in Chinese Mainland. The employees of the Group’s PRC subsidiaries are members of the state-managed retirement benefit scheme operated by the PRC government. The subsidiaries are required to contribute a certain percentage of their payroll to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the required contributions under the scheme.

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10. FINANCE INCOME/COSTS

	Year ended 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
Finance income			
Interest income from deposits with financial institutions . . .	1,790	1,948	1,420

	Year ended 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
Finance costs			
Interest on lease liabilities	125	143	184
Interest on bank borrowings	2	29	50
	<u>127</u>	<u>172</u>	<u>234</u>

11. OTHER GAINS AND LOSSES

	Year ended 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
Gain from changes in fair value of financial assets at FVTPL	186	56	7
Loss on disposal of property and equipment	–	(81)	(53)
Gain/(loss) on early termination of leases	286	96	(60)
Net foreign exchange gains/(losses)	478	250	(3,393)
Others	57	90	74
	<u>1,007</u>	<u>411</u>	<u>(3,425)</u>

12. INCOME TAX EXPENSES (CREDITS)

	Year ended 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
Current tax	–	4	189
Deferred tax (<i>Note 35</i>)	128	(1,161)	1,599
	<u>128</u>	<u>(1,157)</u>	<u>1,788</u>

Cayman Islands

The Company is incorporated as an exempted company with limited liability under the laws of the Cayman Islands and is not subject to Cayman Island income tax.

Hong Kong

The Company’s subsidiaries domiciled in Hong Kong are subject to a two-tiered income tax rate for taxable income earned in Hong Kong. The first 2 million Hong Kong dollars (“HKD”) of profits earned by these companies are subject to be taxed at an income tax rate of 8.25%, while the remaining profits will continue to be taxed at the existing tax rate, 16.5%. To avoid abuse of the two-tiered tax regime, each group of connected entities can nominate only one entity to benefit from the two-tiered tax rate. No provision of Hong Kong Profit Tax was made in the Historical Financial Information as the Group had no assessable profit subject to Hong Kong Profit Tax during the Track Record Period.

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Chinese Mainland

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for the Track Record Period.

Certain subsidiaries operating in Chinese Mainland were approved to be high and new technology enterprises (“HNTE”) and were entitled to a reduced EIT rate of 15%. The HNTE certificates need to be renewed every three years so as to enable those subsidiaries to enjoy the reduced EIT rate of 15%.

According to the relevant laws and regulations in the PRC, enterprises engaging in research and development activities were entitled to claim 200% of their research and development expenses so incurred as tax deductible expenses when determining their assessable profits for that year and period after 1 September 2022 (the “Super Deduction”).

Other countries

Corporate income tax in other jurisdictions had been calculated on the estimated assessable profit for the year at the respective prevailing rates, ranging from 9% to 30%. During the Track Record Period, except for Malaysia and Australia, no provision of other countries’ profit tax was made in the Historical Financial Information as the Group had no assessable profit subject to profit tax in these countries.

The taxation for the Track Record Period can be reconciled to the loss before tax per the consolidated statements of profit or loss and other comprehensive income as follows:

	Year ended 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
Loss before tax	(152,744)	(354,209)	(481,735)
Tax at the PRC statutory income tax rate of 25%	(38,186)	(88,552)	(120,434)
Super Deduction for research and development expenses	(2,480)	(7,846)	(8,363)
Tax effect of expenses not deductible for tax purpose	15	19	129
Tax effect of income not taxable for tax purpose	(4,999)	(7,761)	(9,748)
Utilisation of tax losses and temporary difference previously not recognised	–	(127)	(75)
Tax effect of tax losses and temporary difference not recognised	5,607	13,753	9,360
Effect of different tax rates of group entities operating in other jurisdictions	40,171	89,357	130,919
Income tax expenses (credits) for the year	128	(1,157)	1,788

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13. DIRECTORS’ AND CHIEF EXECUTIVE’S EMOLUMENTS

Details of the remuneration to the directors of the Company during the Track Record Period for their services rendered to the entities comprising the Group are as follows:

	Salaries, allowances and other benefits	Retirement benefit scheme contributions	Performance- related bonuses	Share-based payments	Total
	<i>USD’000</i>	<i>USD’000</i>	<i>USD’000</i>	<i>USD’000</i>	<i>USD’000</i>
For the year ended 31 December 2023					
Executive directors					
Mr. Liu Yanfang	183	6	50	–	239
Mr. Deng Guobiao (Chief Executive of the Company)	158	6	43	–	207
Ms. Yao Weichun	158	6	43	–	207
Mr. Deng Xianliang	138	10	36	–	184
Mr. Zheng Kai	131	4	45	–	180
Non-executive directors					
Mr. Mao Chengyu	–	–	–	–	–
Mr. Hu Shuo	–	–	–	–	–
Mr. Gan Zixin	–	–	–	–	–
Mr. Jiang Dawei	–	–	–	–	–
	<u>768</u>	<u>32</u>	<u>217</u>	<u>–</u>	<u>1,017</u>
For the year ended 31 December 2024					
Executive directors					
Mr. Liu Yanfang	222	10	100	–	332
Mr. Deng Guobiao (Chief Executive of the Company)	177	10	97	–	284
Ms. Yao Weichun	175	10	41	–	226
Mr. Deng Xianliang	163	10	67	–	240
Mr. Zheng Kai	160	6	95	–	261
Non-executive directors					
Mr. Mao Chengyu	–	–	–	–	–
Mr. Hu Shuo	–	–	–	–	–
Mr. Gan Zixin	–	–	–	–	–
Mr. Jiang Dawei	–	–	–	–	–
	<u>897</u>	<u>46</u>	<u>400</u>	<u>–</u>	<u>1,343</u>
For the year ended 31 December 2025					
Executive directors					
Mr. Liu Yanfang	255	10	239	–	504
Mr. Deng Guobiao (Chief Executive of the Company)	211	10	239	–	460
Ms. Yao Weichun	208	10	223	–	441
Mr. Deng Xianliang	178	10	163	–	351
Mr. Zheng Kai	176	8	163	–	347
Non-executive directors					
Mr. Mao Chengyu	–	–	–	–	–
Mr. Hu Shuo	–	–	–	–	–
Mr. Gan Zixin	–	–	–	–	–
Mr. Jiang Dawei	–	–	–	–	–
	<u>1,028</u>	<u>48</u>	<u>1,027</u>	<u>–</u>	<u>2,103</u>

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The executive directors’ and chief executive’s emoluments shown above were paid for their services in connection with the management of the affairs of the Company and the Group during the Track Record Period.

During the Track Record Period, there was no arrangement under which a director waived or agreed to waive any remuneration, and no emoluments were paid by the Group to any of the directors of the Company or the five highest paid individuals (including directors) as an inducement to join or upon joining the Group or as compensation for loss of office.

14. FIVE HIGHEST PAID EMPLOYEES

The five individuals whose emoluments were the highest in the Group for the years ended 31 December 2023, 2024 and 2025, include 0, 0 and 1 director whose emolument is reflected in analysis shown in Note 13 above. Details of the remuneration of the remaining 5, 5 and 4 individuals for the years ended 31 December 2023, 2024 and 2025 are as follows:

	Year ended 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
Share-based payments	166	1,021	1,544
Salaries, allowances and other benefits	1,240	985	880
Performance-related bonuses	210	254	378
Retirement benefit scheme contributions	26	30	40
	<u>1,642</u>	<u>2,290</u>	<u>2,842</u>

The remaining highest paid individuals fell within the following bands:

	Year ended 31 December		
	2023	2024	2025
	No. of employees	No. of employees	No. of employees
Emolument bands:			
HKD2,000,001 to HKD2,500,000	2	–	–
HKD2,500,001 to HKD3,000,000	2	3	–
HKD3,000,001 to HKD3,500,000	1	–	–
HKD3,500,001 to HKD4,000,000	–	–	–
HKD4,000,001 to HKD4,500,000	–	–	1
HKD4,500,001 to HKD5,000,000	–	2	–
HKD5,000,001 to HKD5,500,000	–	–	–
HKD5,500,001 to HKD6,000,000	–	–	2
HKD6,000,001 to HKD6,500,000	–	–	1
	<u>5</u>	<u>5</u>	<u>4</u>

15. DIVIDENDS

No dividend was paid or declared by the Company for each of the years ended 31 December 2023, 2024 and 2025, nor has any dividend been declared by the Company since the end of the Track Report Period.

16. LOSS PER SHARE

(a) Basic loss per share

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

	Year ended 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
Loss for the year attributable to the owners of the Company	(152,872)	(353,052)	(483,523)
Weighted average number of ordinary shares outstanding for basic loss per share (’000)	168,838	168,838	168,838
Basic loss per share (USD per share)	<u>(0.91)</u>	<u>(2.09)</u>	<u>(2.86)</u>

Note: The Group entered into and completed a share split arrangement in February 2026. Pursuant to the arrangement, one ordinary share was split into twenty ordinary shares as disclosed in Note 42(a). For the purpose of determining the loss per share, the number of shares outstanding was deemed to be the weighted average number of ordinary shares as if the share split had occurred on 1 January 2023.

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(b) Diluted loss per share

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume the conversion of all dilutive potential ordinary shares.

During the Track Record Period, the Company had two categories of potential ordinary shares: share options granted under the employee equity incentive plan (the “ESOP”) and preference shares. As the Company incurred losses for the years ended 31 December 2023, 2024 and 2025, these potential ordinary shares were not included in the calculation of diluted loss per share as their inclusion would be anti-dilutive. Accordingly, the amounts of diluted loss per share for the years ended 31 December 2023, 2024 and 2025 were the same as basic loss per share of the respective year.

17. PROPERTY AND EQUIPMENT

The Group

	Electronic equipment	Office equipment	Leasehold improvements	Total
	<i>USD’000</i>	<i>USD’000</i>	<i>USD’000</i>	<i>USD’000</i>
COST				
As at 1 January 2023	2,353	13	1,183	3,549
Additions	269	31	331	631
Disposals	(108)	(4)	(66)	(178)
Exchange adjustments	(39)	–	(20)	(59)
As at 31 December 2023	<u>2,475</u>	<u>40</u>	<u>1,428</u>	<u>3,943</u>
DEPRECIATION				
As at 1 January 2023	351	2	209	562
Charge for the year	784	5	648	1,437
Disposals	(57)	(1)	–	(58)
Exchange adjustments	(10)	–	(6)	(16)
As at 31 December 2023	<u>1,068</u>	<u>6</u>	<u>851</u>	<u>1,925</u>
CARRYING VALUES				
As at 1 January 2023	<u>2,002</u>	<u>11</u>	<u>974</u>	<u>2,987</u>
As at 31 December 2023	<u><u>1,407</u></u>	<u><u>34</u></u>	<u><u>577</u></u>	<u><u>2,018</u></u>

	Electronic equipment	Office equipment	Leasehold improvements	Total
	<i>USD’000</i>	<i>USD’000</i>	<i>USD’000</i>	<i>USD’000</i>
COST				
As at 1 January 2024	2,475	40	1,428	3,943
Additions	1,310	4	952	2,266
Disposals	(92)	(21)	(44)	(157)
Exchange adjustments	(36)	(1)	(16)	(53)
As at 31 December 2024	<u>3,657</u>	<u>22</u>	<u>2,320</u>	<u>5,999</u>
DEPRECIATION				
As at 1 January 2024	1,068	6	851	1,925
Charge for the year	1,034	7	694	1,735
Disposals	(66)	(6)	–	(72)
Exchange adjustments	(25)	–	(16)	(41)
As at 31 December 2024	<u>2,011</u>	<u>7</u>	<u>1,529</u>	<u>3,547</u>
CARRYING VALUES				
As at 1 January 2024	<u>1,407</u>	<u>34</u>	<u>577</u>	<u>2,018</u>
As at 31 December 2024	<u><u>1,646</u></u>	<u><u>15</u></u>	<u><u>791</u></u>	<u><u>2,452</u></u>

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	Electronic equipment	Office equipment	Leasehold	Total
	<i>USD’000</i>	<i>USD’000</i>	<i>USD’000</i>	<i>USD’000</i>
COST				
As at 1 January 2025	3,657	22	2,320	5,999
Additions	1,852	15	572	2,439
Acquired on the acquisition of Shanghai Anxinhui (<i>Note 40</i>)	16	–	–	16
Disposals	(645)	(10)	(59)	(714)
Exchange adjustments	58	1	53	112
As at 31 December 2025	<u>4,938</u>	<u>28</u>	<u>2,886</u>	<u>7,852</u>
DEPRECIATION				
As at 1 January 2025	2,011	7	1,529	3,547
Charge for the year	1,070	6	477	1,553
Disposals	(612)	(9)	–	(621)
Exchange adjustments	33	3	37	73
As at 31 December 2025	<u>2,502</u>	<u>7</u>	<u>2,043</u>	<u>4,552</u>
CARRYING VALUES				
As at 1 January 2025	<u>1,646</u>	<u>15</u>	<u>791</u>	<u>2,452</u>
As at 31 December 2025	<u>2,436</u>	<u>21</u>	<u>843</u>	<u>3,300</u>

18. LEASES

(a) Right-of-use assets

The Group

	Leased Properties
	<i>USD’000</i>
As at 1 January 2023	
Carrying amount	<u>5,735</u>
As at 31 December 2023	
Carrying amount	<u>2,204</u>
As at 31 December 2024	
Carrying amount	<u>4,631</u>
As at 31 December 2025	
Carrying amount	<u>4,418</u>

	Year ended 31 December		
	2023	2024	2025
	<i>USD’000</i>	<i>USD’000</i>	<i>USD’000</i>
Depreciation of right-of-use assets	3,047	2,904	2,528
Expense relating to short-term leases	882	584	280
Total cash outflow for leases	4,197	3,561	3,060
Additions to right-of-use assets	<u>2,905</u>	<u>6,198</u>	<u>4,218</u>

During the Track Record Period, the Group leases various properties for its operations. Lease contracts are entered into for fixed terms of 1 year to 4 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

The Group regularly entered into short-term leases for properties. As at 31 December 2023, 2024 and 2025, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed above.

Restrictions or covenants on leases

In addition, lease liabilities of USD2,100,000, USD4,480,000, USD4,234,000 are recognised with related right-of-use assets of USD2,204,000, USD4,631,000, USD4,418,000 as at 31 December 2023, 2024 and 2025, respectively. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

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Leases committed

As at 31 December 2023, 2024 and 2025, the Group entered into new leases for properties that have not yet commenced, with average non-cancellable period of 2 years, excluding period under extension options, the total future undiscounted cash flows over the non-cancellable period amounted to USD34,678, USD25,348 and USD1,145,268, respectively.

(b) Lease liabilities

The Group

	As at 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Lease liabilities payable:			
Within one year	1,814	2,117	2,641
Within a period of more than one year but not exceeding two years	268	1,611	1,391
Within a period of more than two years but not exceeding five years	18	752	202
	<u>2,100</u>	<u>4,480</u>	<u>4,234</u>
Less: Amount due for settlement within 12 months shown under current liabilities	<u>(1,814)</u>	<u>(2,117)</u>	<u>(2,641)</u>
Amount due for settlement after 12 months shown under non-current liabilities	<u>286</u>	<u>2,363</u>	<u>1,593</u>

The incremental borrowing rate applied to lease liabilities is 3.85% as at 31 December 2023, 2024 and 2025.

Lease obligations that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

	HKD USD'000
As at 31 December 2023	<u>348</u>
As at 31 December 2024	<u>116</u>
As at 31 December 2025	<u>288</u>

19. INTANGIBLE ASSETS

	Software	License	Total
	USD'000	USD'000	USD'000
COST			
As at 1 January 2023	–	–	–
Additions	124	–	124
Exchange adjustments	–	–	–
As at 31 December 2023	<u>124</u>	–	<u>124</u>
AMORTIZATION			
As at 1 January 2023	–	–	–
Charge for the year	2	–	2
Exchange adjustments	–	–	–
As at 31 December 2023	<u>2</u>	–	<u>2</u>
CARRYING VALUES			
As at 1 January 2023	–	–	–
As at 31 December 2023	<u>122</u>	–	<u>122</u>

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	<u>Software</u>	<u>License</u>	<u>Total</u>
	<i>USD’000</i>	<i>USD’000</i>	<i>USD’000</i>
COST			
As at 1 January 2024	124	–	124
Additions	–	–	–
Exchange adjustments	(2)	–	(2)
As at 31 December 2024	<u>122</u>	–	<u>122</u>
AMORTIZATION			
As at 1 January 2024	2	–	2
Charge for the year	24	–	24
Exchange adjustments	–	–	–
As at 31 December 2024	<u>26</u>	–	<u>26</u>
CARRYING VALUES			
As at 1 January 2024	<u>122</u>	–	<u>122</u>
As at 31 December 2024	<u>96</u>	–	<u>96</u>

	<u>Software</u>	<u>License</u>	<u>Total</u>
	<i>USD’000</i>	<i>USD’000</i>	<i>USD’000</i>
COST			
As at 1 January 2025	122	–	122
Acquired on the acquisition of Shanghai Anxinhui (<i>Note 40</i>)	–	48,382	48,382
Additions	165	–	165
Exchange adjustments	5	1,089	1,094
As at 31 December 2025	<u>292</u>	<u>49,471</u>	<u>49,763</u>
AMORTIZATION			
As at 1 January 2025	26	–	26
Charge for the year	42	–	42
Exchange adjustments	2	–	2
As at 31 December 2025	<u>70</u>	–	<u>70</u>
CARRYING VALUES			
As at 1 January 2025	<u>96</u>	–	<u>96</u>
As at 31 December 2025	<u>222</u>	<u>49,471</u>	<u>49,693</u>

20. GOODWILL

USD’000

COST AND CARRYING VALUE	
As at 1 January 2023, 31 December 2023 and 2024	–
Arising on acquisition of a subsidiary (<i>Note 40</i>)	12,302
Exchange adjustments	277
As at 31 December 2025	<u>12,579</u>

21. IMPAIRMENT ASSESSMENT ON GOODWILL AND INTANGIBLE ASSETS

For the purpose of impairment tests, goodwill and intangible assets with indefinite useful life as set out in Notes 19 and 20, which arose from the acquisition of Shanghai Anxinhui Payment Co., Ltd.(the “Shanghai Anxinhui”), have been allocated to a cash-generating unit (“CGU”), which is the only single business unit that includes primarily rendering of services based on cross-border trade payment of the Group.

The recoverable amount of the cash-generating unit containing goodwill and intangible assets with indefinite useful lives was determined based on value-in-use calculations by using the discounted cash flow method, based on 5-year period financial projections, following the business plan approved by the management, plus a terminal value related to cash flows beyond the projection period extrapolated at an estimated terminal growth rates of 1.50%. Pre-tax discount rate of 15% was used to reflect market assessment of time value and the specific risks relating to the cash-generating units. Other key assumptions for the value-in-use calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on the unit’s past performance and management’s expectations for the market development.

As at 31 December 2025, the recoverable amount is significantly above the carrying amount of the cash-generating unit. Management believes that any reasonably possible change in any of these assumptions would not result in impairment.

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22. PREPAYMENTS AND OTHER RECEIVABLES

The Group

	As at 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Current			
Prepayments	1,626	30,110	5,203
Recoverable value-added tax	831	1,083	2,250
Interest receivables	9,863	646	2,036
Rental deposits	1,059	429	415
Others	421	515	1,011
	<u>13,800</u>	<u>32,783</u>	<u>10,915</u>
Non-current			
Service guarantee deposits	509	2,580	1,936
Rental deposits	278	1,044	1,118
Prepayments (Note)	28,238	–	–
	<u>29,025</u>	<u>3,624</u>	<u>3,054</u>

Note: The balance represented prepayments made in 2022 for the acquisition of Shanghai Anxinhui. As the acquisition was subject to regulatory approval and was expected to be completed in 2025, the amount was classified as a non-current asset as at 31 December 2023. The amount was reclassified to current asset as at 31 December 2024.

23. INVESTMENTS IN SUBSIDIARIES

The Company

	As at 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Investment costs	90,820	92,569	108,064
Contributed related to share-based payments granted to employees of subsidiaries	8,004	13,840	21,397
	<u>98,824</u>	<u>106,409</u>	<u>129,461</u>

24. CASH AND CASH EQUIVALENTS/RESTRICTED CASH/TERM DEPOSITS

The Group

Cash and cash equivalents include demand deposits and short-term deposits with an original maturity of three months or less.

Restricted cash include the amount in the bank account for guarantee deposits. The Group is required to maintain a minimum cash balance pursuant to the requirements for its business operations.

Term deposits are bank deposits with terms ranging over three months to one year.

The ranges of effective interest rate of the Group’s cash and cash equivalents, restricted cash and term deposits are as follows:

	As at 31 December		
	2023	2024	2025
Interest rate per annum:			
– Demand deposits and short-term deposits	0.05%-5.90%	0.05%-3.90%	0.05%-3.70%
– Restricted cash	0.05%	0.05%	0.05%-0.30%
– Term deposits	–	–	1.20%

The Company

Demand deposits carry interests at prevailing market interest rates of 0.05%-0.10%, 0.05% per annum as at 31 December 2024 and 2025, respectively.

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25. CLIENT FUNDS

	As at 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
Client funds in bank institutions (Note)	831,937	922,496	1,691,282
Client funds in other financial institutions (Note)	35,847	191,266	417,290
Total	<u>867,784</u>	<u>1,113,762</u>	<u>2,108,572</u>

Note: This represents funds temporarily held in accounts pending pay-out/withdrawals or further instructions from customers. The Group has implemented commercially reasonable administrative and technical measures to protect and safeguard the client funds, including holding the client funds in designated banks and other financial institution accounts segregated from the Group’s bank deposits and the client funds will not be used for its operating expenses or for any other corporate purposes. Therefore, the management of the Group determined such amount is presented separately from the Group’s bank deposits.

26. FINANCIAL ASSETS AT FVTPL

The Group’s balances as at 31 December 2023 and 2024 represent structured deposits issued by banks with guaranteed principal and non-guaranteed return.

27. SHARE CAPITAL

The movement of share capital of the Company is set out as below:

	Par Value per Share	Number of ordinary shares	Share capital
	USD		USD
Authorised			
As at 1 January 2023, 31 December 2023, 2024 and 2025 . .	<u>0.0001</u>	<u>500,000,000</u>	<u>50,000</u>
	Par Value per Share	Number of ordinary shares	Share capital
	USD		USD
Issued and fully paid			
As at 1 January 2023, 31 December 2023, 2024 and 2025 . .	<u>0.0001</u>	<u>8,441,912</u>	<u>844</u>

28. RESERVES OF THE COMPANY

The Company

	Share-based payment reserve	Other reserve	Accumulated losses	Total
	USD’000	USD’000	USD’000	USD’000
As at 1 January 2023	1,974	(10,182)	(198,030)	(206,238)
Loss for the year	–	–	(161,833)	(161,833)
Recognition of share-based payments (Note 37)	2,115	–	–	2,115
Repurchase of share options	(279)	–	–	(279)
As at 31 December 2023	<u>3,810</u>	<u>(10,182)</u>	<u>(359,863)</u>	<u>(366,235)</u>
Loss for the year	–	–	(352,425)	(352,425)
Recognition of share-based payments (Note 37)	5,836	–	–	5,836
Repurchase of share options	(1,830)	–	–	(1,830)
As at 31 December 2024	<u>7,816</u>	<u>(10,182)</u>	<u>(712,288)</u>	<u>(714,654)</u>
Loss for the year	–	–	(523,811)	(523,811)
Recognition of share-based payments (Note 37)	7,558	–	–	7,558
Repurchase of share options	(117)	–	–	(117)
As at 31 December 2025	<u>15,257</u>	<u>(10,182)</u>	<u>(1,236,099)</u>	<u>(1,231,024)</u>

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29. TRADE AND OTHER PAYABLES

The Group

	As at 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Staff costs and welfare accruals	9,532	15,358	20,791
Trade payables (a)	664	1,334	3,235
Payable to suppliers	587	697	1,985
Value-added and other tax payables	962	1,211	1,390
Guarantee deposits	380	545	953
Payable for share repurchase (Note 36(b))	1,018	1,018	–
Others	193	14	634
	<u>13,336</u>	<u>20,177</u>	<u>28,988</u>

(a) Trade payables

Trade payables are unsecured and usually paid within 90 days of recognition. The aging analysis of the trade payables based on the invoice date at the end of each reporting period is as follows:

	As at 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
0 to 90 days	499	1,254	2,843
91 to 365 days	119	80	392
Over 365 days	46	–	–
	<u>664</u>	<u>1,334</u>	<u>3,235</u>

The Company

	As at 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Payable for share repurchase (Note 36(b))	1,018	1,018	–
	<u>1,018</u>	<u>1,018</u>	<u>–</u>

30. CLIENT FUNDS PAYABLES

	As at 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
Client funds payables (i)	868,112	1,113,925	2,108,770
	<u>868,112</u>	<u>1,113,925</u>	<u>2,108,770</u>

(i) The balance represents funds processed by the Group for merchants and other customers, which are awaiting to be settled with merchants and other customers as requested.

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31. BORROWINGS

The Group

	As at 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
At amortised cost:			
Bank loans (i)	–	7,952	–
	=	<u>7,952</u>	=

The carrying amounts of the above borrowings are analysed based on contractual repayment date as follows:

	As at 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
The carrying amounts of the borrowings are repayable			
within one year	–	7,952	–
	=	<u>7,952</u>	=

(i) As at 31 December 2024, the Group has entered into several short-term agreements with certain banks in the Chinese Mainland. The borrowings were unsecured and the interest rates ranged from 2.60% to 3.45% per annum as at 31 December 2024.

The exposures of the Group’s borrowings are as follows:

	As at 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
Fixed-rate borrowings	–	7,952	–
	=	<u>7,952</u>	=

32. CONTRACT LIABILITIES

The Group has recognised the following revenue-related contract liabilities:

	As at 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
Payment services coupons	1,078	1,691	2,216
Software services	1,766	2,662	1,227
Total	<u>2,844</u>	<u>4,353</u>	<u>3,443</u>
Current	2,209	3,227	3,241
Non-current	635	1,126	202
Total	<u>2,844</u>	<u>4,353</u>	<u>3,443</u>

As at 1 January 2023, contract liabilities of the Group amounted to USD2,750,000.

(i) The following table shows how much of the revenue recognised that was included in the balance of contract liabilities at the beginning of the year.

	Year ended 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
Payment services Coupons	2,550	1,078	1,691
Software services	200	1,131	1,536
Total	<u>2,750</u>	<u>2,209</u>	<u>3,227</u>

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33. CONVERTIBLE AND REDEEMABLE PREFERRED SHARES

Convertible and redeemable preferred shares

Since the date of incorporation and up to 31 December 2025, the Company has completed a series of financing by issuing convertible and redeemable preferred shares of the Company. The details are set out below:

	Date of issuance	Purchase price (USD/share)	Number of shares	Total cash consideration <i>(USD’000)</i>
Series Seed Preferred Shares	12 July 2017	0.8901	3,333,334	2,967
Series A Preferred Shares	29 September 2018	3.6585	1,589,447	5,815
Series B Preferred Shares	27 September 2019	5.2403	2,074,922	10,873
Series C-1 Preferred Shares	30 September 2020	13.4690	779,571	10,500
Series C-2 Preferred Shares	7 January 2021	15.9082	660,037	10,500
Series D Preferred Shares	10 September 2021	52.0021	2,638,390	137,202

The number of shares will be adjusted in accordance with the share split plan set out in the written resolutions of the shareholders of the Company passed on 26 February 2026, as detailed in Note 42.

The rights, preferences and privileges of the Series Seed Preferred Shares, Series A Preferred Shares, Series B Preferred Shares, Series C-1 Preferred Shares, Series C-2 Preferred Shares and Series D Preferred Shares (collectively, “Preferred Shares”) are as follows:

Conversion rights

Any Preferred Share may, at the option of the holder thereof, be converted at any time after the date of issuance of such shares, without the payment of any additional consideration, into fully-paid and non-assessable ordinary shares based on the then-effective applicable conversion price, as adjusted. The conversion price is subject to adjustments when new securities of the Company are issued at a price per share lower than the applicable conversion price of convertible preferred shares.

Each Preferred Share shall automatically be converted, based on the then-effective applicable conversion price, as applicable, without the payment of any additional consideration, into fully-paid and non-assessable ordinary shares upon the earlier of (i) the closing of Qualified [REDACTED] (shall mean, a firm commitment [REDACTED] of the Ordinary Shares of the Company (or depositary receipts or depositary shares therefor) in the United States pursuant to an effective registration statement under the Securities Act with an [REDACTED] (net of [REDACTED]) that implies a market capitalization of the Company immediately prior to such [REDACTED] of not less than USD3,000,000,000 and results in gross [REDACTED] (net of [REDACTED]) to the Company of at least USD300,000,000, or in a [REDACTED] of the ordinary shares of the Company (or depositary receipts or depositary shares therefor) in another jurisdiction which results in the ordinary shares trading publicly on a recognised international securities exchange approved by the holders of at least a majority of the voting power of the outstanding Preferred Shares (the “Majority Preferred Holders”), so long as such [REDACTED] satisfies the foregoing market capitalization and gross [REDACTED] requirements), or (ii) the date specified by written consent or agreement of the Majority Preferred Holders.

As amended in the 2026 restated charter, Qualified [REDACTED] shall mean, a firm commitment [REDACTED] of the Ordinary Shares of the Company (or depositary receipts or depositary shares therefor) in the United States pursuant to an effective registration statement under the Securities Act, a [REDACTED] of the Ordinary Shares of the Company (or depositary receipts or depositary shares therefor) on The Stock Exchange of Hong Kong Limited, or a [REDACTED] of the Ordinary Shares of the Company (or depositary receipts or depositary shares therefor) in another jurisdiction which results in the Ordinary Shares [REDACTED] on a recognized international securities exchange approved by the majority preferred holders.

Redemption rights

At any time after the earlier of the occurrence of the following events:

- (i) the Qualified [REDACTED] has not been completed on or prior to September 30, 2026 (extended to September 30, 2028 according to the 2026 restated charter);
- (ii) the applicable securities exchanges reject an [REDACTED] of the Company or the [REDACTED] jointly appointed by the Company and the [REDACTED] reasonably determine that the Company is not qualified to initiate an [REDACTED];
- (iii) any material breach of the transaction documents by any company within the Group (the “Group Company”), founder or founder holding Company, which has not been cured within 30 business days;
- (iv) the holders of the ordinary shares disapprove a merger and acquisition proposal in which the Company is valued at USD3,000,000,000 or more (extended to USD5,000,000,000 according to the 2026 restated charter);
- (v) the occurrence of any dishonesty of any founder, including, among others, any undisclosed sales income out of account or records, which materially and adversely affects any Group Company or any holder(s) of Preferred Shares;

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- (vi) any material change in applicable laws and regulations that would prohibit or otherwise make it illegal or impractical to continue to operate the business under the then-existing equity structure of the Group Companies, which could not be solved by alteration or adjustment of the equity structure of the Group Companies after good faith consultation among the Company and the holder(s) of Preferred Shares and would cause a material adverse effect on the business of the Group Companies;
- (vii) willful and active participation in any money laundering activities by any Group Company;
- (viii) the termination of the contract with the partnership banks (such as DBS), which termination would cause a material adverse effect on the business of the Group Companies; or
- (ix) any other Preferred Shares become redeemable, any holder(s) of Preferred Shares may request redemption of all or part of the outstanding Preferred Shares held by such holders, in which case the Company shall pay to the holders a price equal to the higher of (a) one hundred percent (100%) of the issue price, plus a simple annual rate of ten percent (10%) on the issue price, and any accrued but unpaid dividends on each redeeming preferred share, and (b) the fair market value of such redeeming preferred shares.

Liquidation preferences

In the event of any liquidation, dissolution, or winding up of the Company, after payment of debts and claims of creditors and any amounts preferred by law, the remaining assets shall be distributed in the following order:

First, Series D Preferred Shares shall receive an amount per share equal to 100% of the original issue price, plus 8% simple interest, and any unpaid dividends (ratably if funds are insufficient); followed by Series C-2, Series C-1, Series B, Series A, and finally Series Seed Preferred Shares, each in full before the next junior series receives any distribution (with ratable distributions within each series if funds are inadequate). Pursuant to the 2026 restated charter, the Company issued the Series E Preferred Shares, which are entitled preferences senior to all other series of Preferred Shares, including the Series D Preferred Shares.

After all preferred shares have received their full liquidation amounts, any remaining assets shall be distributed to the Preferred Shares and Ordinary Shares on an as-if-converted basis, excluding any shares under the ESOP that have not been vested pursuant to the ESOP.

Dividend rights

Each holder of the Preferred Shares is entitled to receive noncumulative dividends at a simple rate of 8% of the Preferred Shares issue price per annum when, as, and if declared by the board, and in a strict order of priority: Series E first as amended in the 2026 restated charter, followed by Series D, Series C-2, Series C-1, Series B, Series A, and Series Seed, each prior to the next. Any remaining dividends shall be paid to the holders of the Preferred Shares and the ordinary shares on an as-if-converted basis. To date, the board has not declared any such dividends.

Voting rights

The holders of a preferred share shall be entitled to such number of votes as equals the whole number of ordinary shares into which such holder’s collective preferred shares are convertible immediately after the close of business on the record date of the determination of the Company’s members entitled to vote or, if no such record date is established, at the date such vote is taken or any written consent of the Company’s members is first solicited.

The movements of the fair value of the preferred shares are set out as below:

	As at 31 December,		
	2023	2024	2025
	<i>USD’000</i>	<i>USD’000</i>	<i>USD’000</i>
Convertible and redeemable preferred shares:			
Carrying amounts at the beginning of the year	376,191	538,065	890,552
Changes in fair value	<u>161,874</u>	<u>352,487</u>	<u>523,639</u>
Carrying amounts at the end of the year	<u>538,065</u>	<u>890,552</u>	<u>1,414,191</u>

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The Group applied the discounted cash flow method to determine the underlying equity value of the Group and adopted option-pricing method and equity allocation model to determine the fair value of the Preferred Shares. The directors of the Company considered that the change in the fair value of the preferred shares attributable to the change in credit risk of the Group is minimal. Key assumptions are set out as below:

	As at 31 December		
	2023	2024	2025
Expected volatility	50.79%	51.63%	43.39%
Risk-free interest rate	4.07%	4.23%	3.53%
Discount rate	17%	16%	15%
Discount for lack of marketability (“DLOM”)	20%	15%	10%

34. AMOUNTS DUE FROM/TO SUBSIDIARIES

The Company

Amounts due from subsidiaries

	As at 31 December,		
	2023	2024	2025
	USD’000	USD’000	USD’000
XTransfer Limited	77,623	74,524	58,414
XTransfer Global Pte. Ltd.	–	2	1,702
XTransfer Financial Services (HK) Limited	225	225	225
XTransfer Inc.	11	11	11
	<u>77,859</u>	<u>74,762</u>	<u>60,352</u>

Amounts due from subsidiaries of USD77,859,000, USD74,762,000 and USD60,352,000 as at 31 December 2023, 2024 and 2025 respectively were unsecured, non-trade in nature, interest free, repayable on demand and not expected to be repaid within one year from each Track Record Period end.

Amounts due to subsidiaries

	As at 31 December,		
	2023	2024	2025
	USD’000	USD’000	USD’000
XTransfer Limited	3,576	5,062	5,296
XTransfer Lending Services Limited	–	1,009	1,007
XTransfer UK Limited	258	358	378
XTransfer AU Pty Ltd.	–	–	310
Shanghai Duochang Network Technology Co., Ltd.	–	2	2
	<u>3,834</u>	<u>6,431</u>	<u>6,993</u>

Amounts due to subsidiaries of USD3,834,000, USD6,431,000 and USD6,993,000 as at 31 December 2023, 2024 and 2025 respectively were unsecured, non-trade in nature and interest free.

35. DEFERRED TAX ASSETS/LIABILITIES

For the purpose of presentation in the consolidated statements of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

	As at 31 December,		
	2023	2024	2025
	USD’000	USD’000	USD’000
Deferred tax assets	2,161	3,336	6,417
Deferred tax liabilities	(28)	(42)	(12,428)
	<u>2,133</u>	<u>3,294</u>	<u>(6,011)</u>

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The following are the major deferred tax assets (liabilities) recognised and movements thereon during the Track Record Period:

	Revaluation on intangible asset	Tax losses	Right-of-use assets	Lease liabilities	Others	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
As at 1 January 2023	–	2,142	(1,055)	1,174	–	2,261
Credit (charge) to profit or loss	–	10	697	(835)	–	(128)
As at 31 December 2023	–	2,152	(358)	339	–	2,133
Credit (charge) to profit or loss	–	1,165	(532)	528	–	1,161
As at 31 December 2024	–	3,317	(890)	867	–	3,294
(Charge) credit to profit or loss	–	(1,532)	(32)	22	(57)	(1,599)
Acquisition of a subsidiary	(12,096)	4,503	–	–	56	(7,537)
Exchange adjustments	(272)	102	–	–	1	(169)
As at 31 December 2025	(12,368)	6,390	(922)	889	–	(6,011)

As at 31 December 2023, 2024 and 2025, no deferred tax asset has been recognised in respect of unused tax losses of approximately USD62,788,000, USD110,970,000 and USD140,211,000, and temporary difference of approximately USD5,917,000, USD12,240,000 and USD20,139,000, respectively, due to the uncertainty of future profit streams. The expiry dates of the unrecognised tax losses are disclosed in the following table. Remaining losses may be carried forward indefinitely.

	As at 31 December,		
	2023	2024	2025
	USD'000	USD'000	USD'000
2024	181	–	–
2025	–	–	–
2026	82	–	–
2027	2,421	577	467
2028	6,783	483	352
2029	–	25,062	25,003
2030	–	–	14,065
2031	–	–	–
2032	–	1,598	1,598
2033	–	6,300	6,300
	9,467	34,020	47,785

Under the Law of the PRC on Enterprise Income Tax, withholding tax is imposed on dividends declared in respect of profits earned by the Group’s PRC subsidiaries on or after 1 January 2008. Deferred tax liabilities have not been recognised in the consolidated statements of financial position in respect of taxable temporary differences associated with the accumulated undistributed profits of the Group’s PRC subsidiaries. The amounts of such temporary differences were approximately nil, nil and USD844,000 as at 31 December 2023, 2024 and 2025, respectively. These taxable temporary differences have not been recognised as deferred tax liabilities because the Group is able to control the timing of the reversal of such temporary differences and it is probable that such temporary differences will not reverse in the foreseeable future.

36. RELATED PARTY TRANSACTIONS

Other than as disclosed elsewhere in this report, the Group has following transactions and balances with related parties during the Track Record Period:

(a) Name and relationship

Names	Relationships
EWTP Transfer Limited (i)	Shareholder
Globe Transfer Limited (ii)	Shareholder
World Transfer Limited (iii)	Shareholder

- (i) EWTP Transfer Limited was owned by Mr. Liu Yanfang as to 100%.
- (ii) Globe Transfer Limited was owned by Ms. Yao Weichun as to 100%.
- (iii) World Transfer Limited was owned by Mr. Deng Xianliang as to 100%.

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(b) The Group had the following related party balances during the Track Record Period

Amounts due to related parties

	Year ended 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
EWTP Transfer Limited	458	458	–
Globe Transfer Limited	439	439	–
World Transfer Limited	121	121	–
	<u>1,018</u>	<u>1,018</u>	–
			–

In 2021, the Group entered into agreements with ordinary shareholders to repurchase a portion of its ordinary shares. For the year ended 31 December 2023 and 2024, the corresponding repurchase consideration had not yet been paid, resulting in amounts due to related parties. Such amounts were settled in 2025.

(c) Compensation of key management personnel

The remuneration of directors and other members of key management during the Track Record Period was as follows:

	Year ended 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
Salaries, allowances and other benefits	950	1,118	1,281
Performance-related bonuses	271	501	1,184
Share-based payments	36	286	318
Retirement benefit scheme contributions	42	56	58
	<u>1,299</u>	<u>1,961</u>	<u>2,841</u>

37. SHARE-BASED PAYMENT TRANSACTIONS

Share option scheme

The Company has granted share options to certain employees of the group with a service condition of 2 or 4 years from the grant date. Regardless of whether an option has become vested and exercisable, the option shall not be exercised before the consummation of (i) an [REDACTED] of the Company, or (ii) a Corporate Transaction or a Change in Control (as defined below), except as approved by the administrator. All schemes are accounted for on an equity-settled basis.

“Change in Control” means (as determined by the administrator acting reasonably) a change in ownership or control of the Company effected through the direct or indirect acquisition by any person or related group of Persons (other than an acquisition from or by the Company or by a company-sponsored employee benefit plan or by an affiliate of the Company) of beneficial ownership of securities possessing more than fifty percent (50%) of the total combined voting power of the Company’s outstanding securities pursuant to a tender or exchange offer made directly to the Company’s shareholders which a majority of the directors who are not affiliates or associates of the offeror do not recommend such shareholders accept.

“Corporate Transaction” means any of the following transactions:

- (1) a merger, amalgamation, consolidation or other business combination of the Company with or into any person, in which the Company is not the surviving entity, or any other transaction or series of transactions, as a result of which the shareholders of the Company immediately prior to such transaction or series of transactions will cease to own a majority of the voting power of the surviving entity immediately after consummation of such transaction or series of transactions, except for a transaction the principal purpose of which is to change the state in which the Company is incorporated;
- (2) the sale, transfer, exclusive license or other disposition of all or substantially all of the assets of the Company and its subsidiaries and affiliates;
- (3) the complete liquidation or dissolution of the Company;
- (4) any reverse merger or series of related transactions culminating in a reverse merger (including, but not limited to, a tender offer followed by a reverse merger) in which the Company is the surviving entity but (A) the ordinary shares outstanding immediately prior to such merger are converted or exchanged by virtue of the merger into other property, whether in the form of securities, cash or otherwise, or (B) in which securities possessing more than fifty percent (50%) of the total combined voting power of the Company’s outstanding securities are transferred to a person or persons different from those who held such securities immediately prior to such merger or the initial transaction culminating in such merger, but excluding any such transaction or series of related transactions that the administrator determines shall not be a corporate transaction; or

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- (5) acquisition in a single or series of related transactions by any person or related group of persons (other than the Company or by a Company-sponsored employee benefit plan) of beneficial ownership of securities possessing more than fifty percent (50%) of the total combined voting power of the Company’s outstanding securities, but excluding any such transaction or series of related transactions that the administrator determines shall not be a corporate transaction.

The exercise price of all granted options to senior management, mid-level employees and staff is USD0.01 per ordinary share.

There are four types of vesting schedule of the granted options:

- (1) The option shall vest in four equal yearly installments over four years after the vesting commencement date (i.e., the grant date). The option representing 25% of the shares shall vest at the end of each anniversary date after the vesting;
- (2) The option shall vest in three installments over four years after the vesting commencement date in the following manner: The option representing 50% of the shares shall vest at the end of second anniversary date after the vesting. The option representing 25% of the shares shall vest at the end of third anniversary date after the vesting; The option representing 25% of the shares shall vest at the end of fourth anniversary;
- (3) The option shall vest in thirty-seven installments over four years after the vesting commencement date in the following manner: The option representing 25% of the shares shall vest at the end of the first anniversary date after the vesting. The option representing the remaining 75% of the shares shall equally vest in thirty-six installments at the end of every month in the subsequent three years after the first anniversary date after the vesting commencement date; and
- (4) The option shall vest in two equal yearly installments over two years after the vesting commencement date. The option representing 50% of the shares shall vest at the end of each anniversary date after the vesting;

The vesting commencement date varies depending on the grant agreement of each grantee. The Group has no legal or constructive obligation to repurchase or settle the options in cash. Upon termination of the grantee’s continuous service for any reason, all unvested options shall be terminated immediately without further effect. As for any vested options and any shares obtained by the grantee upon exercise of the option, the Company shall have the right (but not the obligation) to repurchase all or any portion thereof at any time within three (3) years after the termination of the grantee’s continuous service. The repurchase price shall be as follows:

- (1) The consideration payable for the vested portion of the option or the shares obtained by the grantee upon exercise of the option shall be made in cash or by cancellation of purchase money indebtedness owed to the Company by the grantee;
- (2) The amount of consideration payable for the vested portion of the option or the shares obtained by the grantee upon exercise of the option shall be: (x) in the event of termination of the grantee’s continuous service other than for cause, the fair market value of such vested option or such shares on the termination date (after deducting (if have not already done so) the exercise price that would be payable on such vested option or such shares had such vested option been exercised immediately prior to the termination date); and (y) in the event of termination of the grantee’s continuous service for cause, the nominal value of such vested option or such shares, unless otherwise determined by the administrator; and
- (3) In the event that the grantee discloses the number of the option or shares granted to him/her or any other person to any third party (including other employees of the Company), the Company shall have the right to repurchase from the grantee, all or any portion of the option or shares (vested or unvested) without any consideration at any time.

Movements in the options granted under the share option scheme are as below:

	Year ended 31 December		
	2023	2024	2025
Outstanding, start of the year	2,114,085	2,057,510	2,210,249
Granted during the year	295,118	483,425	148,340
Forfeited during the year	(329,843)	(255,166)	(180,041)
Repurchased during the year	(21,850)	(75,520)	(2,220)
Outstanding, end of year	<u>2,057,510</u>	<u>2,210,249</u>	<u>2,176,328</u>
Exercisable, end of year	<u>1,436,120</u>	<u>1,650,877</u>	<u>2,043,212</u>

The share options outstanding at 31 December 2023, 2024 and 2025 had a weighted average remaining contractual life of 6.68 years, 6.27 years and 5.36 years.

No options have been granted to directors before and throughout the Track Record Period.

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The weighted average grant date fair value of options granted was USD27.7 per option, USD42.66 per option, and USD83.72 per option during the year ended 31 December 2023, 2024 and 2025, respectively. The Company estimates the fair value of the share options on the grant date using the Black-Scholes option-pricing model. The Black-Scholes option-pricing model requires estimates of highly subjective assumptions, which greatly affect the fair value of each share option. The main inputs used to estimate the fair value of the share options are as follows:

	As at 31 December		
	2023	2024	2025
Equity Value per share (USD)	37.40	71.57	121.39
Expected volatility	54.30%	51.88%	49.21%
Risk-free interest rate	3.88%	4.58%	4.18%
Expected Dividend yield	0.00%	0.00%	0.00%
Exercise price (USD)	0.01	0.01	0.01

The risk-free interest rate was based on market yield rate of US government bonds with the term corresponding to the contractual life of the options. Expected volatility was determined by using the historical volatility of the comparable companies.

The variables and assumptions used in computing the fair value of the share options are based on the directors of the Company’s best estimate. The value of an option varies with different variables of certain subjective assumptions.

For the years ended 31 December 2023, 2024 and 2025, the share-based payment expenses were USD2,201,000, USD5,836,000 and USD7,558,000 respectively.

38. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group’s liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were or future cash flows will be, classified in the Group’s consolidated statements of cash flows as cash flows from financing activities.

	Lease liabilities	Convertible and redeemable preferred shares	Borrowings	Total
	USD’000	USD’000	USD’000	USD’000
As at 1 January 2023	6,291	376,191	–	382,482
Net financing cash flows	(3,315)	–	(2)	(3,317)
<i>Non-cash changes</i>				
Finance costs	125	–	2	127
Fair value changes of convertible and redeemable preferred shares	–	161,874	–	161,874
New leases entered	2,905	–	–	2,905
Lease modified	(197)	–	–	(197)
Early termination of leases	(3,479)	–	–	(3,479)
Exchange adjustments	(230)	–	–	(230)
As at 31 December 2023	2,100	538,065	–	540,165
Net financing cash flows	(2,977)	–	7,923	4,946
<i>Non-cash changes</i>				
Finance costs	143	–	29	172
Fair value changes of convertible and redeemable preferred shares	–	352,487	–	352,487
New leases entered	6,198	–	–	6,198
Early termination of leases	(894)	–	–	(894)
Exchange adjustments	(90)	–	–	(90)
As at 31 December 2024	4,480	890,552	7,952	902,984
Net financing cash flows	(2,757)	–	(8,003)	(10,760)
<i>Non-cash changes</i>				
Finance costs	184	–	50	234
Fair value changes of convertible and redeemable preferred shares	–	523,639	–	523,639
New leases entered	4,195	–	–	4,195
Early termination of leases	(2,043)	–	–	(2,043)
Exchange adjustments	175	–	1	176
As at 31 December 2025	4,234	1,414,191	–	1,418,425

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39. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

General information of subsidiaries

Details of the principal subsidiaries directly and indirectly held by the Company during the Track Record Period and on the date of this report are set out below:

Company name	Notes	Country/place and date of incorporation	Registered capital/issued and fully paid share capital	Effective interests held by the Group as at			Date of this report	Principal activities
				31 December	31 December	31 December		
				2023	2024	2025		
Subsidiaries directly held:								
XTransfer Limited	(i),(iv)	Hong Kong, 21 June 2017	USD80,000,000/ USD80,000,000	100%	100%	100%	100%	Payment services
XTransfer Financial Services (HK) Limited	(i),(v)	Hong Kong, 7 December 2018	HKD28,000,000/ HKD28,000,000	100%	100%	100%	100%	Financial services
Subsidiaries indirectly held:								
Shenzhen Xinhuibao Network Technology Co., Ltd.* (深圳信匯寶網絡技術有限公司)	(i),(vi)	PRC, 27 January 2021	RMB100,000,000/ RMB60,000,000	100%	100%	100%	100%	Network technology
Shanghai Duochang Network Technology Co., Ltd.* (上海奪暢網絡技術有限公司)	(i),(ii)	PRC, 22 September 2017	RMB3,000,000,000/ RMB1,870,000,000	100%	100%	100%	100%	Network technology services
Shanghai Duoqing Network Technology Co., Ltd.* (上海奪境網絡技術有限公司)	(i),(vi)	PRC, 9 October 2020	RMB500,000,000/ RMB210,000,000	100%	100%	100%	100%	Network technology services
Shanghai Anxincheng Network Technology Co., Ltd.* (上海安信成網絡技術有限公司)	(i),(iii)	PRC, 17 November 2022	RMB1,000,000,000/ RMB330,000,135	100%	100%	100%	100%	Network technology services
Shanghai Anxinhui Payment Co., Ltd.* (上海安信匯支付有限公司)	(i),(vii)	PRC, 28 July 1999	RMB208,170,000/ RMB208,170,000	–	–	100%	100%	Payment services

* English name is for identification purpose only.

The above table lists the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the net profit of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

Notes:

- (i) All subsidiaries comprising the Group are limited liabilities companies or corporations.
Subsidiaries located in PRC have adopted 31 December as their financial year end date. XTransfer Limited had changed its financial year end date from 31 March to 31 December in 2025, while the other subsidiaries located in Hong Kong still adopt 31 March as their financial year end date.
- (ii) This company prepares its financial statements under China Accounting Standards for Business Enterprises (“CASBE”). Its statutory audited financial statements for the years ended 31 December, 2023, 2024 and 2025 were audited by Zhonghui Certified Public Accountants LLP registered in the PRC.
- (iii) This company prepares its financial statements under CASBE. Its statutory audited financial statements for the period ended 31 December 2023 was audited by Reanda Certified Public Accountants LLP registered in the PRC and its financial statements for the year ended 31 December 2024 and 2025 were audited by Zhonghui Certified Public Accountants LLP registered in the PRC.
- (iv) The financial statements of XTransfer Limited for the year ended 31 March 2023, 2024 and 2025 were prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) and were audited by Deloitte Touche Tohmatsu, Certified Public Accountants registered in Hong Kong. In addition, XTransfer Limited has changed its financial year end from 31 March to 31 December in 2025, and the financial statements of XTransfer Limited for the years ended 31 December 2025, if applicable, have not been issued as of the date of this report.

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- (v) The financial statements of XTransfer Financial Services (HK) Limited for the year ended 31 March 2023, 2024 and 2025 were prepared in accordance with HKFRSs and were audited by Zhonghui Anda CPA Limited registered in Hong Kong. The financial statements of XTransfer Financial Services (HK) Limited for the year ended 31 March 2026, if applicable, have not been issued as of the date of this report.
- (vi) No statutory audited financial statements were issued for these entities as there was no requirement to issue audited accounts by the local authorities.
- (vii) This company has been included in the group’s consolidated scope since 3 June 2025 and prepares its financial statements under CASBE. Its statutory audited financial statements for the year ended 31 December 2025 was audited by Zhonghui Certified Public Accountants LLP registered in the PRC.
- (viii) None of the subsidiaries had issued any debt securities at 31 December 2023, 2024 and 2025.

40. ACQUISITION OF A SUBSIDIARY

On 3 June, 2025, the Group acquired an 100% interest in Shanghai Anxinhui. Shanghai Anxinhui is principally engaged in payment business, and was acquired with the objective of expanding the Group’s relevant business. The acquisition has been accounted for as acquisition of business using the acquisition method.

Consideration transferred

	<i>USD’000</i>
Prepayments in 2022	27,828
Cash paid in 2025	49,444
Total	<u>77,272</u>

Assets acquired and liabilities recognised at the date of acquisition

	<i>USD’000</i>
Property and equipment	16
Intangible assets	48,382
Prepayments and other receivables	1,156
Restricted cash	1,209
Cash and cash equivalents	23,104
Deferred tax assets	4,559
Trade and other payables	(643)
Contract liabilities	(717)
Deferred tax liabilities	(12,096)
	<u>64,970</u>

The fair value of other receivables acquired at the acquisition date was approximately equal to their contractual amounts less allowance for doubtful debts, where the contractual amounts was USD7,349,000 and the allowance for doubtful debts was USD7,015,000.

Goodwill arising on acquisition

	<i>USD’000</i>
Consideration transferred	77,272
Less: recognised amounts of net assets acquired	64,970
Goodwill arising on acquisition	<u>12,302</u>

The acquisition of Shanghai Anxinhui generated goodwill, as the Group’s payment network is expected to expand significantly post-acquisition, enhancing its ability to serve the clients. These benefits were not recognised separately from goodwill because they did not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on this acquisition is expected to be deductible for tax purposes.

Net cash outflow on acquisition of Shanghai Anxinhui

	<i>USD’000</i>
Cash paid in 2025	49,444
Less: cash and cash equivalents balances acquired	23,104
	<u>26,340</u>

Impact of acquisition on the results of the Group

Included in the loss for the year is USD654,000 attributable to the additional business generated by Shanghai Anxinhui. Revenue for the year does not include any amount generated from Shanghai Anxinhui, as Shanghai Anxinhui had not yet provided payment services to external customers of the Group from the acquisition date to 31 December 2025.

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Had the acquisition of Shanghai Anxinhui been completed on 1 January 2025, revenue for the year of the Group from continuing operations would have been USD253,574,000 and the loss for the year from continuing operations would have been USD485,385,000. The [REDACTED] information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2025, nor is it intended to be a projection of future results.

In determining the ‘[REDACTED]’ revenue and profit of the Group had Shanghai Anxinhui been acquired at the beginning of the current year, the directors of the Company calculated depreciation of property and equipment based on the recognised amounts of property and equipment at the date of the acquisition.

41. FINANCIAL INSTRUMENTS

41.1 Categories of Financial Instruments

The Group

	As at 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
Financial assets			
Financial assets at amortised cost	989,988	1,253,278	2,273,018
Financial assets at FVTPL	2,824	1,391	–
Financial liabilities			
Financial liabilities at amortised cost	870,954	1,125,485	2,115,577
Financial liabilities at FVTPL	538,065	890,552	1,414,191
Lease liabilities	2,100	4,480	4,234

The Company

	As at 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
Financial assets			
Financial assets at amortised cost	77,859	76,939	60,700
Financial liabilities			
Financial liabilities at amortised cost	4,852	7,449	6,993
Financial liabilities at FVTPL	538,065	890,552	1,414,191

41.2 Financial Risk Management Objectives and Policies

The Group’s major financial assets and liabilities include other receivables, cash and cash equivalents, restricted cash, term deposits, client funds, financial assets at FVTPL, trade and other payables, client funds payables, borrowings, lease liabilities and convertible and redeemable preferred shares. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The Group’s risk management objectives are to achieve a proper balance between risks and yield, minimize the adverse impacts to the Group’s operation performance. Based on these risk management objectives, the Group’s basic risk management strategy is to identify and analyse the Group’s exposure to various risks, establish an appropriate tolerance to risk, implement risk management, and monitor regularly and effectively these exposures to ensure the risks are controlled at a reasonable level.

(a) Market risk

(i) Currency risk

Currency risk arises when future commercial transactions or recognized financial assets and liabilities are denominated in a currency that is not the respective functional currency of the Group’s entities. The carrying amounts of the Group’s foreign currency denominated assets and liabilities at the end of each reporting period were as follows:

	Assets			Liabilities		
	2023/12/31	2024/12/31	2025/12/31	2023/12/31	2024/12/31	2025/12/31
	USD’000	USD’000	USD’000	USD’000	USD’000	USD’000
<i>Intra-group balances</i>						
RMB	11,600	5,948	6,123	(62,115)	(106,665)	(225,830)
USD	3,095	2,882	3,229	(8,770)	(9,557)	(19,930)
HKD	1,007	1,239	1,552	(4)	(1,028)	(1,129)
EUR	780	1,564	2,574	(20)	(20)	(3,003)
GBP	1,673	175	1,475	(702)	(1,405)	(2,114)
Others	163	1,286	2,909	(1)	(489)	(941)
<i>Other monetary items</i>						
RMB	233,699	409,244	610,624	(224,144)	(352,560)	(597,250)
EUR	30,138	77,619	125,671	(30,029)	(77,591)	(125,290)

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	Assets			Liabilities		
	2023/12/31	2024/12/31	2025/12/31	2023/12/31	2024/12/31	2025/12/31
	USD’000	USD’000	USD’000	USD’000	USD’000	USD’000
USD	8,542	13,363	40,893	(1,051)	(4,250)	(10,141)
Nigeria Naira (“NGN”)	–	17,008	37,800	–	(17,008)	(37,802)
HKD	6,743	12,230	24,916	(6,637)	(11,657)	(24,811)
Australian Dollar (“AUD”)	6,831	15,748	6,357	(6,805)	(15,687)	(6,286)
GBP	6,626	6,682	6,436	(6,480)	(6,398)	(6,153)
JPY	4,509	11,027	15,572	(4,508)	(11,017)	(15,557)
Others	2,221	12,859	55,476	(2,180)	(12,800)	(45,662)

The management of the Group monitors foreign exchange exposure and will consider hedging significant foreign exchange exposure should the need arises.

Sensitivity analysis

The following table details the Group’s sensitivity to a 5% increase and decrease in the functional currencies against respective foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management’s assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rates. A negative or positive number below indicates a decrease or increase, respectively, in post-tax profit where the foreign currencies strengthened against the functional currencies. For a 5% weakening of foreign currencies, there would be an equal and opposite impact on the result for the year.

	As at 31 December		
	2023	2024	2025
	USD’000	USD’000	USD’000
RMB	(1,739)	(1,880)	(8,658)
USD	107	133	614

The impact of other currencies is not presented, since the outstanding monetary items denominated in other currencies are not significant and their impact is immaterial.

(ii) Interest rate risk

The Group’s and the Company’s fair value interest rate risk relates primarily to fixed-rate short-term deposits (Note 24), restricted cash (Note 24), term deposits (Note 24), fixed-rate client funds (Note 25), lease liabilities (Note 18) and fixed-rate bank borrowings (Note 31). The Group is also exposed to cash flow interest risk in relation to variable-rate demand deposits (Note 24) and variable-rate client funds (Note 25) which carry prevailing market interests.

The fair value interest rate risk on the financial assets at FVTPL is limited because the periods of these investment products are short.

The management of the Company considers that the overall interest rate risk exposure to the Group and the Company is not significant and no sensitivity analysis is presented for the Group and the Company.

(b) Credit risk and impairment assessment

Credit risk refers to the risk that the Group’s and the Company’s counterparties default on their contractual obligations resulting in financial losses to the Group and the Company. The Group’s and the Company’s credit risk exposures are primarily attributable to other receivables, cash and cash equivalents, restricted cash, term deposits, client funds, amounts due from subsidiaries. The Group and the Company do not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

Other receivables and amounts due from subsidiaries

The Group and the Company assessed the ECL for other receivables and amounts due from subsidiaries on 12m ECL basis as the Group and the Company have considered that credit risks on these financial assets have not increased significantly since initial recognition. In determining the ECL, the Group and the Company have taken into account the historical default experience and forward-looking information as appropriate. The Group and the Company have considered the consistently low historical default rate in connection with payments and the Group and the Company also actively monitor the outstanding amounts owed by each debtor and identify any credit risks in a timely manner in order to reduce the risk of a credit related loss. In this regard, the directors of the Company concluded that credit risk inherent in the Group’s other receivables, and the Company’s amounts due from subsidiaries is insignificant.

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Cash and cash equivalents, restricted cash, term deposits and client funds

The credit risk on cash and cash equivalents, restricted cash, term deposits and client funds is limited because the counterparties are financial institutions with high credit ratings or sound credit standing. The directors of the Company concluded that credit risk inherent in the Group’s cash and cash equivalents, restricted cash, term deposits and client funds and the Company’s cash and cash equivalents is insignificant.

(c) *Liquidity risk*

The Group and the Company

The Group and the Company aim to maintain sufficient cash and cash equivalents for its business development and expansion. Due to the dynamic nature of the underlying businesses, the policy of the Group and the Company is to regularly monitor liquidity risk and to maintain adequate cash and cash equivalents to meet the Group’s and the Company’s liquidity requirements.

The table below analyses the Group’s and the Company’s financial liabilities that will be settled into relevant maturity grouping based on the remaining period at each balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Weighted average interest rate per annum	On demand or less than 1 year	1-2 years	2-5 years	Total un-discounted cash flows	Total carrying amounts
	%	USD’000	USD’000	USD’000	USD’000	USD’000
As at 31 December 2023						
Trade and other payables . . .	–	2,842	–	–	2,842	2,842
Client funds payables	–	868,112	–	–	868,112	868,112
Convertible and redeemable preferred shares (<i>note i</i>)	10.00	538,065	–	–	538,065	538,065
Lease liabilities	3.85	1,937	273	18	2,228	2,100
		<u>1,410,956</u>	<u>273</u>	<u>18</u>	<u>1,411,247</u>	<u>1,411,119</u>
As at 31 December 2024						
Trade and other payables . . .	–	3,608	–	–	3,608	3,608
Borrowings						
– fixed rate	2.86	8,004	–	–	8,004	7,952
Client funds payables	–	1,113,925	–	–	1,113,925	1,113,925
Convertible and redeemable preferred shares (<i>note i</i>)	10.00	890,552	–	–	890,552	890,552
Lease liabilities	3.85	2,119	1,953	765	4,837	4,480
		<u>2,018,208</u>	<u>1,953</u>	<u>765</u>	<u>2,020,926</u>	<u>2,020,517</u>
As at 31 December 2025						
Trade and other payables . . .	–	6,807	–	–	6,807	6,807
Client funds payables	–	2,108,770	–	–	2,108,770	2,108,770
Convertible and redeemable preferred shares (<i>note i</i>)	10.00	1,414,191	–	–	1,414,191	1,414,191
Lease liabilities	3.85	2,776	1,421	203	4,400	4,234
		<u>3,532,544</u>	<u>1,421</u>	<u>203</u>	<u>3,534,168</u>	<u>3,534,002</u>

The Company’s financial liabilities are repayable on demand or within one year.

Note:

- (i) According to the preferred shares redemption terms (refer to Note 33), the redemption price of the preferred shares shall be the higher of the issuance cost plus the applicable return and the fair value. This fair value is the best estimate based on the situations at the end of 2023, 2024 and 2025, and cannot reflect the valuation under the future redemption scenarios.

41.3 Fair Value Measurements of Financial Instruments

This note provides information about how the Group determines fair value of main financial assets and liabilities. The directors of the Company have delegated finance team to determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value, the Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. Where observable inputs are not available, the Group and the Company also consider to engage third party qualified valuers to perform the valuation, if necessary.

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Fair value of the Group’s and the Company’s financial assets and liabilities at FVTPL that are measured at fair value on a recurring basis

The following table gives information about how the fair values of these financial assets and liabilities are determined (in particular, the valuation techniques and inputs used). The determination of the fair value for convertible and redeemable preferred shares is set out in Note 33.

The Group

Financial assets	Fair value			Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable unobservable inputs
	As at 31 December					
	2023	2024	2025			
	USD’000	USD’000	USD’000			
Structured deposits	2,824	1,391	–	Level 2	Quoted value from banks and financial institutions based on expected return with reference to underlying investments.	N/A

The Group and the Company

Financial liabilities	Fair value			Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable unobservable inputs
	As at 31 December					
	2023	2024	2025			
	USD’000	USD’000	USD’000			
Preferred shares	538,065	890,552	1,414,191	Level 3	Refer to Note 33	Discount rate DLOM Expected volatility Relationship of unobservable inputs to fair value: The higher the discount rate, the lower the fair value The higher the DLOM, the lower the fair value The higher the expected volatility, the lower the fair value

Sensitivity analysis

Fair value of convertible and redeemable preferred shares is most significantly affected by discount rate. A 5% decrease in the discount rate, holding all other variables constant, would increase the fair value of the convertible redeemable preferred shares by USD35 million, USD64 million and USD98 million respectively as at 31 December 2023, 2024 and 2025. A 5% increase in the discount rate, holding all other variables constant, would decrease the fair value of the convertible redeemable preferred shares by USD31 million, USD57 million and USD87 million respectively as at 31 December 2023, 2024 and 2025.

The reconciliation of Level 3 fair value measurements of convertible and redeemable preferred shares is disclosed in Note 33.

There were no transfers between Levels 1, 2 and 3 during the Track Record Period

Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis

For the financial assets and financial liabilities that are not measured at fair value on a recurring basis, the directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortized cost in the Historical Financial Information approximate their fair values.

42. EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in the report, subsequent to 31 December 2025, the following significant events took place:

- (a) Pursuant to the written resolutions of the shareholders of the Company passed on 26 February 2026, the shareholders resolved to, among other things, conduct the share split pursuant to which each share in the Company’s then issued and unissued share capital and Preferred Shares was split into 20 shares of the corresponding class. The share split became effective upon equity change registration on the same day.

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- (b) Pursuant to the written resolutions of the shareholders of the Company passed on 26 February 2026, the Company conducted Series E financing, in which the investors (i) subscribed from the Company, in aggregate, 3,063,673 newly issued shares at a total cash consideration of USD20.31 million and (ii) purchased 5,608,447 ordinary shares and 2,263,152 Series A Preferred Shares from the existing shareholders of the Company at a total consideration of USD48.69 million. On the same date and after the Series E financing, those ordinary shares and Series A Preferred Shares mentioned above were re-classified and re-designated into 7,871,599 Series E Preferred Shares, which resulted in decreasing of net equity amounting to USD34.78 million.

43. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements of the Group, the Company or any of its subsidiaries, have been prepared in respect of any period subsequent to 31 December 2025.