AMICORP Fund Services

AMICORP FS (UK) PLC

Annual Report & Financial Statements

2023

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REDEFINING EXPECTATIONS FOR INSTITUTIONAL INVESTORS, FUND MANAGERS AND FAMILY OFFICES WORLDWIDE

AMICORP FS (UK) PLC

ANNUAL REPORT 2023

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HIGHLIGHTS

FY2023 FINANCIAL HIGHLIGHTS

- Total revenue increased by 7.6% to US$12.8 million (FY22: US$11.9 million), largely driven by a 60.3% increase in revenues by the Governance and Compliance Services division to US$1.3 million (FY22: US$0.8 million)
- Gross profit of US$8.8 million, equivalent to a 68.8% margin
- Adjusted EBITDA1 of US$1.9 million, representing a 14.7% margin
- EBITDA of US$0.9 million, after offsetting the one-time exceptional IPO expenses of US$1.0 million

FY2023 STRATEGIC HIGHLIGHTS

- Successful IPO on the Main Market of the London Stock Exchange on 8 June 2023, alongside a placing of new Ordinary Shares raising US$6.5 million before expenses and a placing of existing Ordinary Shares of US$9.7 million
- Successful completion of the demerger of Amicorp Luxembourg S.A., leading to the formation of Amicorp Fund Services Luxembourg S.A. and allowing for an operational expansion in this strategically important fund services market
- Completion of share transfer of Amicorp Fund Services (Mumbai) Private Limited which became a wholly owned subsidiary of the Group
- Investment of US$222k in future growth, through expanding its sales force by c.50% and undertaking automation projects to accelerate growth in 2024 and beyond

2023 OPERATIONAL HIGHLIGHTS

- The number of funds grew by 13% with AMIF's client base reaching 501[2] funds (FY22: 444[2] funds), laying a solid foundation for the future growth of Fund Administration
- Opening of Brazil office at the start of 2023 following receipt of regulatory approval
- Undergoing application process for fund administration licenses in the Dubai International Financial Centre ('DIFC') and Astana International Financial Centre ('AIFC')
- Development of Governance and Compliance Services to expand the Group's offerings including ESG and corporate governance support
- Expansion of Business Process Outsourcing ('BPO') Services to include VC back office offering

[1] Adjusted EBITDA is calculated by removing exceptional IPO related costs from the Group's EBITDA.

[2] FY23: 501 funds of which 297 are active. FY22: 444 funds of which 274 are active.

ABOUT

Amicorp FS (UK) Plc ('AMIF', the 'Group' or the 'Company') is an international specialist fund services group that works with a broad mix of clients including institutional investors, fund managers (private equity, venture capital and hedge funds) as well as family offices to provide a suite of specialist services across global markets. AMIF provides local and global expertise to over 500 funds and overseeing assets under administration ('AUA') totalling more than US$7 billion.

AMIF provides a comprehensive and tailored range of services which are all underpinned by market recognised technology solutions that support clients from a single point of contact.

These include:

1 FUND ADMINISTRATION AND INVESTOR SERVICES	Fund accounting, fund administration, in-house NAV calculation, investor services including Register & Transfer Agency services, booking of subscriptions & redemptions, audit liaison/support, real time oversight over investment performance.
2 GOVERNANCE AND COMPLIANCE SERVICES	FATCA and CRS reporting services, Fiduciary, Anti-Money Laundering ('AML') officer services in compliance with international rules and regulations including administrative support to the Board and Committees of the Board
3 BPO SERVICES	Simplifying accounting and administration services through automated accounting processes and providing management insight into business operations through regular and consistent management reporting

INVESTMENT CASE

- Stable long-term revenue growth that mirrors that of the asset management industry, expanding across all its key markets targeting organic growth and M&A
- Significant in-house expertise built up over 15 years to provide clients with a tailored, full-service offering
- Track record with strong cashflow visibility and recurring revenue model
- Gross profit margin consistently over 65% and AUA in excess of US$7 billion
- Enhancing IT automation for fund administration and regulatory and compliance processes to improve future margins
- Retained clientele with average lifespan of 5-10 years plus strong diversification, no single fund client accounts for >5% of revenue

RELATIONSHIP WITH AMICORP GROUP

AMIF is run independently of its largest shareholder, Amicorp Group, a global organisation. Besides fund administration, Amicorp Group offers a wide array of corporate management, capital market, and financial services worldwide, supported by a network of international professionals and experts.

Under the Intragroup Outsourcing Agreement, Amicorp Fund Services Asia Limited, being a wholly owned subsidiary of AMIF, has committed to providing business process outsourcing services, including accounting and administration, to general partners, investment management firms, special purpose acquisition vehicles, and Amicorp Group clients. These services are offered in exchange for fees set at an agreed hourly rate. The fees are reviewed annually and may increase by up to 10% per annum. The agreement spans an initial three-year term with the option from Amicorp Group to extend for an additional two years.

PRINCIPAL MARKETS

Geographically, the Group has strategically established its presence in locations which are either traditional fund domiciles or areas where frequent investment and investment management activities are observed. The Group currently has relationship and sales offices and representation providing fund administration services in:

- LatAm: Curaçao, Bahamas, Barbados, Chile, Brazil and Mexico
- Europe: Luxembourg, Malta and Cyprus
- MEAI: Singapore, Hong Kong, China, India and Mauritius

The nature of the Group's operations in certain regions requires some of its subsidiaries to be licensed or regulated by the local financial services authority in that jurisdiction. Details of the various regulatory licences or authorisations held by subsidiaries of the Group are as follows:

Country	Regulator	Group company	Licence/authorisation
Malta	Malta Financial Services Authority ('MFSA')	Amicorp Fund Services Malta Limited	Fund Administration Services
Curaçao	Central Bank of Curaçao and St Maarten	Amicorp Fund Services NV	(i) Fund Administrator (ii) Trust Services (both licences for Curaçao and St Maarten)
Chile	La Comisión para el Mercado Financiero ('CMF')	Administradora de Fondos de Inversion Amicorp SA Amicorp Administradora General de Fondos SA	Fund Administrator (private funds) Fund Administrator (public funds and private funds)
Brazil	Comissão de Valores Mobiliários **('CVM')** Brazilian Association of Financial and Capital Market Entities **('ANBIMA')**	AFS Brazil LTDA	Fund Administration Services
Bahamas	Securities Commission of the Bahamas	Amicorp Fund Services N.V. (Bahamas)	Restricted Investment Fund Administrator
Barbados	Financial Services Commission, Barbados	Amicorp Fund Services N.V. (Barbados)	Mutual Fund Administrator
Hong Kong	Hong Kong Companies Registry	Amicorp Fund Services Asia Limited	Trust or Company Service Provider License
Luxembourg	Luxembourg Commission de Surveillance du Secteur Financier **('CSSF')**	Amicorp Fund Services Luxembourg SA	Registered Agent and Administrative agent of financial sector. Applicable licence currently held by Amicorp Luxembourg SA pending regulatory approval of transition to Amicorp Fund Services Luxembourg SA

The information below provides the total revenue derived from external customers using the Group's services broken down by geographical region of contracting Group entities for the financial years ended 31 December 2020, 2021, 2022 and 2023, respectively:

	Year ended 31 December (US$'000)			
	FY23	**FY22**	**FY21**	**FY20**
LATAM	2,446	2,027	2,313	2,326
EUROPE	3,211	2,920	2,609	1,992
MEAI[1]	7,157	6,962	7,051	6,421
	12,814	**11,909**	**11,973**	**10,739**

	Year ended 31 December			
	FY23	**FY22**	**FY21**	**FY20**
LATAM	19.1%	17.00%	19.30%	21.70%
EUROPE	25.1%	24.50%	21.80%	18.50%
MEAI[1]	55.8%	58.50%	58.90%	59.80%

[1]*MEAI refers to geographical region of Middle East, Asia and India.*

The Group has experienced a welcome diversification of its revenues, from MEAI to Europe. Such movement helps supports the long-term business goal by reducing the impact of short-term market volatility, allowing the Group's portfolio to benefit from the growth potential of different geographic regions over time and reducing country specific risks, individual sector challenges and everyday competitive pressures.

PRODUCTS AND SERVICES

FUND ADMINISTRATION AND INVESTOR SERVICES

AMIF offers a full spectrum of fund administration services, including Net Asset Value ('NAV') calculations, Register and Transfer Agency services, and other key investor-relations services.

These are backed by innovative technology solutions that streamline onboarding processes and provide timely, reliable and easy access to investment data and performance. It includes a fully automated KYC/AML process for investors, that uses the Group's own risk ratings model to help clients make better informed decisions.

Fund Administration services include:

1. **FUND ONBOARDING**

Whilst the Group does not provide any legal, tax or fund structuring advisory services, it does coordinate with various professional parties and conduct administrative reviews of fund documentation relevant to its fund administration services, to facilitate the successful launch of a fund.

2. **REGISTRAR AND TRANSFER AGENCY**

The Group, in its capacity as a fund administrator, implements and applies Know-Your-Client ('KYC') and AML policies and procedures adopted by the relevant funds, meeting the applicable regulatory requirements by collecting relevant KYC documents from investors. The Group also handles investor registry management for the fund by maintaining an updated database of investors, recording changes in share ownership (such as subscriptions, transfers or redemptions), and issuing statements and reports to investors regarding their holdings.

3. **NET ASSET VALUE CALCULATION**

The Group acts as an independent party to maintain funds' financial records, carry out periodic reconciliations of trade transactions, fee computations, as well as calculating the NAV of the funds in line with the Private Placing Memorandum ('PPM') issued in respect of the relevant fund.

4. **PREPARATION OF FINANCIAL STATEMENTS**

As fund administrators, the Group works closely with fund auditors, providing relevant audit support in terms of provision of schedules and draft of financial statements.

The Group's fund administration services also include:

- Due diligence processes on investors (for example to identify any politically exposed persons ('PEPs')) or individuals involved in criminal activities or corruption
- Performing risk screening and ongoing monitoring procedures
- Communicating with asset managers and local regulators to ensure regulatory compliance
- Processing subscription, transfer and redemption requests
- Maintaining registers of investors; and
- Treasury management.

GOVERNANCE AND COMPLIANCE SERVICES

AMIF's team of qualified professionals and fund experts are on hand to represent the interests of stakeholders worldwide and ensure they are served in the best possible way.

Governance and Compliance services include periodic reporting to fund directors and asset managers, due diligence on any underlying investments, and a range of fiduciary services to ensure the Group's client's funds are in good standing and fully compliant with all applicable rules and regulations.

As Compliance Officers or Money-Laundering Reporting Officers ('MLROs') of any fund, AMIF executes one of the most stringent KYC and AML procedures as required by law.

As a global service provider, the Group is extremely vigilant in tracking local and international rules and regulations, so it can offer peace of mind when it comes to compliance and any reporting obligations relating to Foreign Account Tax Compliance Act ('FATCA') and Common Reporting Standard ('CRS'), and other tax and legal frameworks.

Governance and Compliance services include:

1. **AML SERVICES**

AML has become such a high profile global concern that any person who violates the AML regulations faces a substantial personal fine plus possible imprisonment. Such regulations are generally applicable to the Group's clients. Not only does the Group design and implement bespoke KYC and AML policies and procedures for funds and client structures to assist them in maintaining a proper risk framework as required in the relevant jurisdiction, but it also provides them with relevant AML officer functions to provide general oversight of the compliance function of their entities.

2. **DIRECTORSHIP SERVICES**

Fund directors have important and wide-ranging fiduciary responsibilities. The directors of a fund are ultimately responsible for overseeing, supervising and monitoring the activities of the fund. Because of the complexities and associated responsibilities/liabilities of being a fund director, many funds decide to outsource this function to a specialist third party that can provide an Independent Director and related governance services. The Group provides directorship services to these clients, as well as asset managers, family offices and financial professionals to enhance governance and provide independent oversight of the clients' business activities.

3. **BOARD SUPPORT SERVICES**

The Group provides board support and related administrative services including but not limited to the arrangement of board meetings, preparation of meeting agendas, preparation and presentation of board packs (namely AML reports, NAV reports, suspicious transaction reports, exceptional reports, regulatory updates and compliance reports) and provision of minutes.

4. **FATCA, CRS AND OTHER TAX REPORTING SERVICES**

In 2014 the OECD established a 'Standard for Automatic Exchange of Financial Account Information in Tax Matters' known as the CRS. This legislation is based on the FATCA and the Intergovernmental Agreements ('IGAs') in the USA. More than 100 jurisdictions worldwide have implemented CRS in their domestic legislation. The Group provides services to assist the proper classification, necessary registration and reporting of funds for FATCA, CRS and other tax reporting obligation, and to ensure tax compliance of the fund.

5. **ESG SERVICES**

The Group launched a new service line to help investors and businesses analyse, report and develop their Environmental, Social and Governance ('ESG') performance levels, and address mounting regulatory requirements. This specialist support also provides an ESG Rating and a light 'Gap Analysis', to help businesses identify any shortcomings and highlight where improvements can be made.

The new ESG Services come at a time when financial markets participants within the European Union, including asset managers, private equity and venture capital funds, banks and institutional investors, are required under the Sustainable Finance Disclosure Regulation ('SFDR') to now report their sustainable economic activities on an annual basis.

BPO SERVICES

AMIF's BPO team takes away the burden of managing back-office tasks so the Group's clients can focus on core objectives.

AMIF incorporates automated processes to help simplify and enhance the accounting and administration, with regular management reports of the client's fund or the associated special purpose vehicles ('SPVs') so the Group's clients have the insights they need at every stage.

1. **ACCOUNTING AND CORPORATE SERVICES**

The Group provides accounting and/or corporate services to general partners, investment management companies and special purpose vehicles associated with the Group's fund clients to meet their demand for streamlining their resources.

With the surge in numbers of family offices and private investment companies, the Group also extended such service offering beyond its existing fund clientele to cope with the increasing demands of these entities through its streamlined accounting system.

2. **OTHER BACK-OFFICE SUPPORT SERVICES**

The Group also customises its back-office support services to investment companies which rely on outsourcing as a strategic approach to enhance their own competitive advantage and achieve long-term growth objectives. Leveraging existing competences and relationships with industry participants, the Group provides a full-service solution to support the following areas:

- CFO and CFO-assist services for asset management companies
- KYC and AML outsourcing services
- Assistance in backlog clearance by providing a team of analysts and subject matter experts support when required
- Investor and shareholder reporting
- Portfolio consolidation and data analysis

CHAIRMAN'S STATEMENT

OVERVIEW

I am pleased to introduce AMIF's maiden Annual Report to stakeholders following the Company's listing on the London Stock Exchange in June 2023.

During the past 15 years, our management team have built a specialist fund services provider to the asset management industry. AMIF is well positioned in its markets with a strongly diversified mix of customers, services and geographies, to provide a 'one-stop-shop' for clients, who typically require reoccurring services over a period of years.

AMIF has a clear strategy for growth specifically in emerging markets with significant expansion opportunities amongst its current client base and an opportunity to tap into larger funds via its existing network. The growth prospects are underpinned by a scalable operating platform that has seen significant recent investment.

RESULTS OVERVIEW

Following its IPO, AMIF has continued its operational and revenue development, driven by consistent organic growth and increased diversification. The Group's Governance and Compliance Services division has shown improvement in FY23 revenue to US$1.3 million in FY23 (FY22: US$0.8 million), which represents growth of 60.3%.

The trend of asset managers and fund providers outsourcing back-office functions has continued as a result of escalating compliance requirements and rising staff costs. With AMIF's proven track record, comprehensive fund administration services, and extensive knowledge of regulatory landscapes across various regions, particularly in emerging markets, the Group is well-positioned to capture market share in this environment.

Moreover, an increasing number of family offices, multinational companies and investors are looking to structure their cross-border investments through fund structures, therefore leading to more diversified opportunities for the Group.

AMIF remains committed to innovation and substantial investment in its business, ensuring the Group's operational platform can support AMIF's expansion goals. This strategic approach will facilitate the rollout of our systems and processes to a broader client base, driving higher operating margins and reinforcing our capital-light business model.

STAKEHOLDER ENGAGEMENT

AMIF is committed to keeping its shareholders and potential investors informed through timely updates. To ensure that all existing and future stakeholders are able to track the Group's progress and obtain updates as soon as available, we encourage registration to AMIF's alert service via the Group's investor relations website.

BOARD COMPOSITION AND GOVERNANCE

There are no changes to the Board since the Group's listing in 2023, comprising a balance of three Executive and three Non-Executive Directors who bring the required range of skills and experience to support AMIF's strategic objectives. AMIF has adopted the principles of the Quoted Companies Alliance Code for corporate governance and established both Audit and Remunerations committees.

DIVIDEND POLICY

AMIF intends to adopt a stable dividend policy that will seek to maximise shareholder value and reflect its strong earnings potential and cash flow characteristics, while allowing it to retain sufficient capital to fund ongoing operating requirements and to invest in the Group's long-term growth.

There is currently no fixed ratio on dividend pay-out but this is something the Board will consider as AMIF grows.

OUTLOOK FOR THE GROUP

The outlook for the markets in which we operate remains positive. Asset managers are experiencing an environment with multiple challenges, including increasing volatility, fee compression, rising costs and technological change.

In the face of these challenges, an increasing number of managers and family offices are looking to outsource their fund administration services to a specialist provider with the ability to roll out a suite of services to multiple funds with minimal incremental cost drag.

As fund managers outsource middle and back office functions due to increasingly complex compliance requirements and inflationary staff costs, it is logical to find fund administration providers that have already invested in their technology and risk platforms, who can provide services that can accommodate the latest changes in their jurisdiction.

AMIF provides a wide suite of services across LatAm, Europe and MEAI, meaning our business can act as one-stop shop for fund managers that need services across Fund Administration, Governance and Compliance and Business Process Outsourcing.

AMIF is well-positioned to act as an acquirer of choice in the fragmented fund services market, given its size, comprehensive range of services, and established track record. The Board is optimistic about the outlook for the Group.

Toine Knipping
Chairman

30 April 2024

STRATEGIC REPORT

MARKET

CLIENT PROFILE

AMIF mainly serves the following core customer groups:

- **Institutions** – The Group provides sophisticated support to institutional funds and investors that includes using automated systems via AMIF's technology platform to streamline any fund's subscription and redemption processes and its day-to day operations.

- **Fund Managers** – AMIF supports its clients throughout the fund's lifecycle by providing structuring solutions, full administrative support, regular reporting to investors, and meeting the regulatory and reporting requirements associated with any relevant investment structure.

- **Family Offices** – Clients benefit from the Group's tailor-made structures that streamline and bring value-add benefits to the management of the family business regardless of where these are located. AMIF understands the need for solid regulatory regimes to ensure the sustainability of the fund structure.

The Group's fund clients are private equity, venture capital and other alternative fund managers who implement multiple investment strategies across various assets. The funds are typically organised into different fund structures, predominantly corporate entities and limited partnerships domiciled in popular fund jurisdictions such as the Cayman Islands, Luxembourg and Singapore.

Moreover, investment funds can be open-ended or closed-ended. Private equity funds tend to be structured as closed-ended, whilst hedge funds tend to be structured as open-ended. The Board believes that fund administration services for both open-ended and closed-ended alternative funds and family offices will continue to provide growth opportunities for the Group and its competitors.

INDUSTRY OVERVIEW AND COMPETITOR LANDSCAPE

The Group operates in a dynamic global industry in which players are typically classified as:

Financial Institutions ('FIs')

Several fund administrators are affiliates of international banks and provide fully-fledged services, including, custodial, banking, trade execution, FX transactions, prime brokerage, leveraging and fund administration services for asset managers.

Independent fund administrators

These fund administrators are not linked to FIs but provide front, middle and back office services to their fund clients. Their size in terms of workforce, AuA and number of fund clients are typically similar to FI affiliated fund administrators. Recently, several banks have disposed of their fund administration businesses to independent fund administrators driven by increasingly complex and demanding regulatory requirements.

Specialist fund administrators

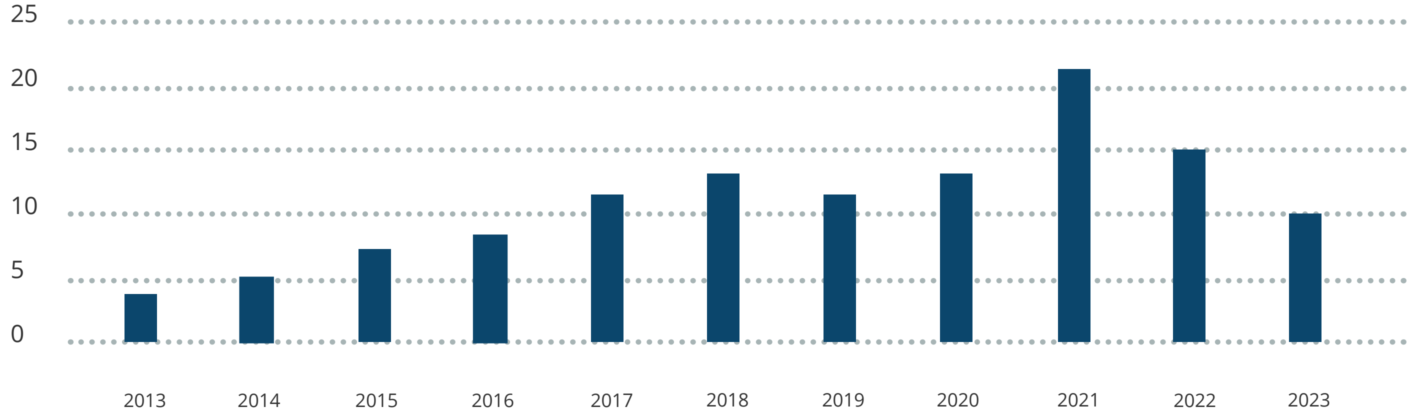
These administrators provide back office and niche services, such as directorships, AML officers and regulatory-related services, which are often more appealing to asset managers in specific asset classes, private equity, venture capital and family offices which tend to demand more bespoke services to meet complex regulatory requirements, investors' needs as well as their own internal compliance/risk requirements.

The Group positions itself as specialist fund administrator, tailoring its services to meet fund clients' and family office clients' specific needs.

INDUSTRY CONSOLIDATION – FUND ADMINISTRATOR

According to Fund Recs - who provide reconciliation software to the funds industry - fund administration has experienced over 100 merger and acquisition ('M&A') transactions over the last decade. While listed companies such as JTC Plc (LSE), SS&C Technologies Holdings, Inc. (NASDAQ) and SEI Investments Company (NASDAQ) were involved in some of these transactions, fund administrators backed by private equity have been playing a more active consolidator role in the industry.

M&A Activity in Fund Administration, 2013 - 2023



Source: https://www.fundrecs.com/blog/a-complete-history-of-fund-administration-mergers-and-acquisitions

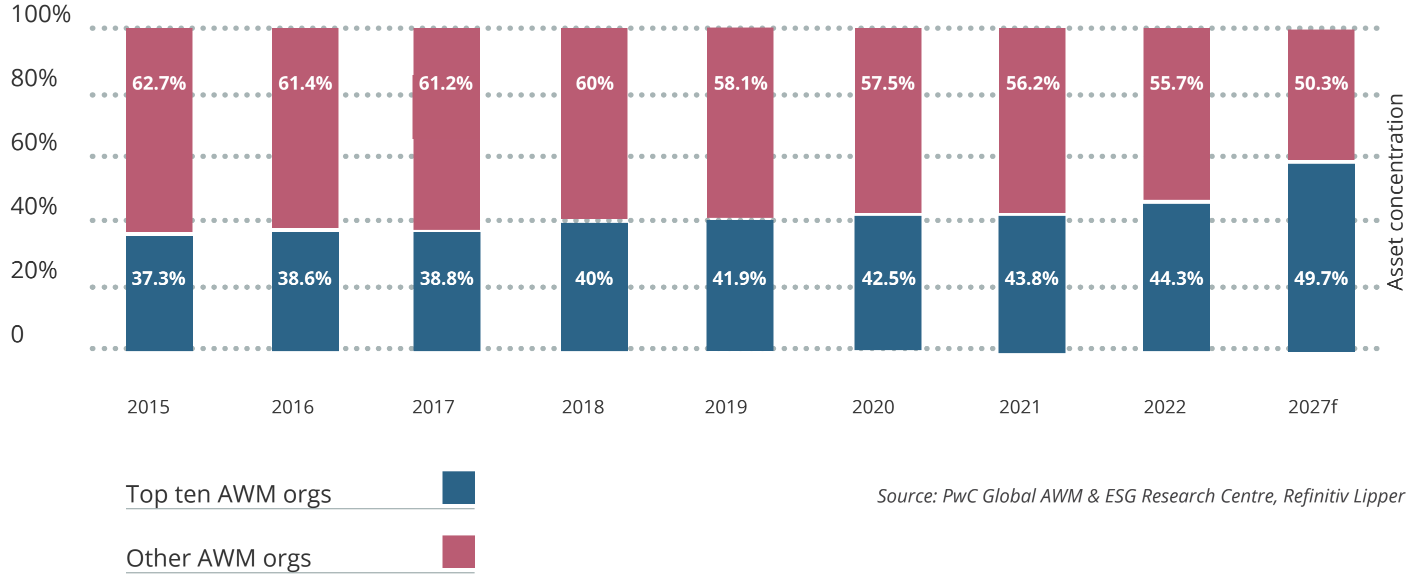
The Group's listing on the London Stock Exchange in 2023 granted it access to capital markets, which provided the Group with the opportunity to raise funds for strategic expansion opportunities such as project investments and acquisitions.

Despite industry consolidation among fund administrators in recent years, the market remains fragmented. There are asset managers with varying scales of Asset under Management ('AUM'), ranging from tens of millions to multi-billions, from small and mid-caps to major global players such as Blackstone and KKR. The FI and independent fund administrators tend not to take on funds below a certain AUM threshold. This creates potential opportunities for the Group to provide bespoke administrative support to those fund managers, such as compliance and regulatory services and other value-added outsourced assistance.

INDUSTRY CONSOLIDATION – ASSET MANAGER

Industry consolidation does not only happen among fund administrators, but also within the asset management industry. As outlined in PwC's 2023 Global Asset and Wealth Management Survey, nearly three-quarters of asset managers (73%) are considering a strategic consolidation with another asset manager in the coming months, in order to gain access to new segments, clients or opportunities, increase market share and reduce competition, and mitigate risks and diversify product offering.

PwC expects the top ten traditional asset managers to control around half of mutual fund AUM by 2027, up from 42.5% in 2020.



Source: PwC Global AWM & ESG Research Centre, Refinitiv Lipper

While consolidation could drive efficiencies within asset managers' operations, it could also pose integration challenges and attract regulatory scrutiny due to increase in size and market impact. AMIF sees the diverse demands arising from these M&A activities and is committed to adapting its systems and procedures to support the consolidated asset manager's operational model. This will help them to achieve operational efficiency, as well as provide compliance support to meet their regulatory obligations.

MARKET SIZE AND GROWTH

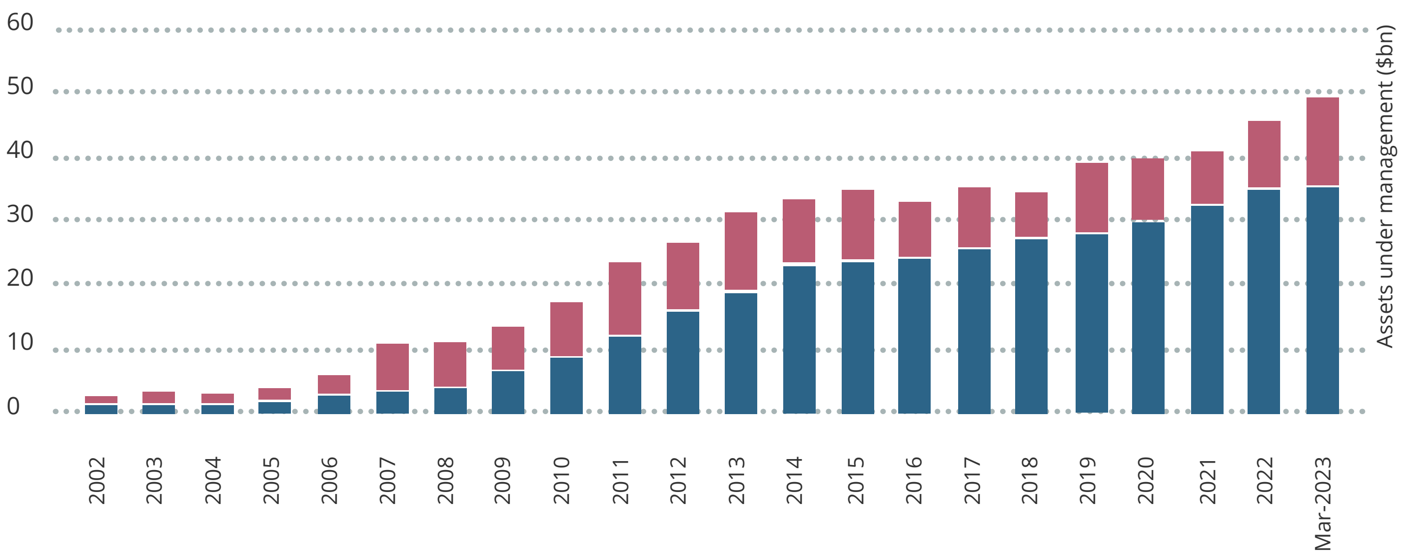
The following summarise the trends of AMIF's key target markets:

LatAm

The Group has a significant presence in Latin America ('LatAm') which is progressively developing into a central hub for private equity and venture capital, characterised by a diverse array of economic and geographic investment prospects across the region. Revenue from AMIF's LatAm operation has increased by 20.7% to US$2,446k in FY23 (FY22: US$2,027k).

As of March 2023, the AUM for private equity in Latin America, encompassing venture capital, expanded to US$49.2 billion. This represents an increase of 7.4% from the US$45.8 billion recorded in December 2022.

Private equity and venture capital assets under management in Latin America, 2002 - Mar 2023



Unrealized value ($bn)

Dry powder[1] ($bn)

Source: Preqin Pro. Data as October 2023

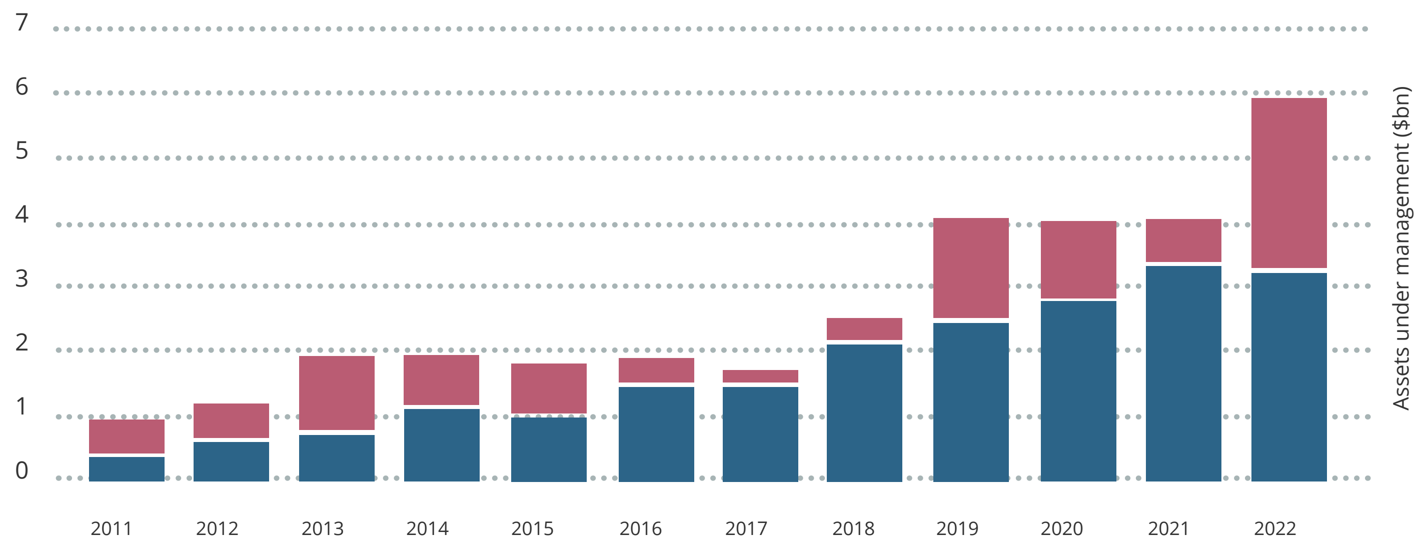
[1]Dry powder is a common phase that refers to the amount of cash reserves or liquid assets available for use.

The outlook of LatAm might still depend on uncertainties such as economic volatilities, inflation, and political instability. However, there are government and central bank initiatives to decrease inflation, anticipated reductions in interest rates, and recent trade agreements which might set the tailwind for enhanced economic growth.

In the face of a tough macroeconomic landscape, Mexico has maintained consistent growth in AUM and available capital across nearly all private capital asset classes monitored by Preqin, with venture capital being the sole exception, aligning with the global trend of 2023. Although these modest increases should be considered within the broader scope of fundraising and transaction volumes, they suggest that Mexico's trajectory could be noteworthy (refer to Fig. 1). It is also supported by latest data suggesting that the AUM for private equity in the alternative sector in Mexico saw a 42% increase in Q2 2023 compared to the levels recorded in 2021.

Since its initial exploration its Mexico in 2021, the Group has further expanded its investment in resources in the country. In 2023, the team has grown to three experienced employees who have collectively added to the strong pipeline and operation readiness to this relatively new office.

Private equity assets under management in Mexico, 2011 - 2022



Unrealized value ($bn)

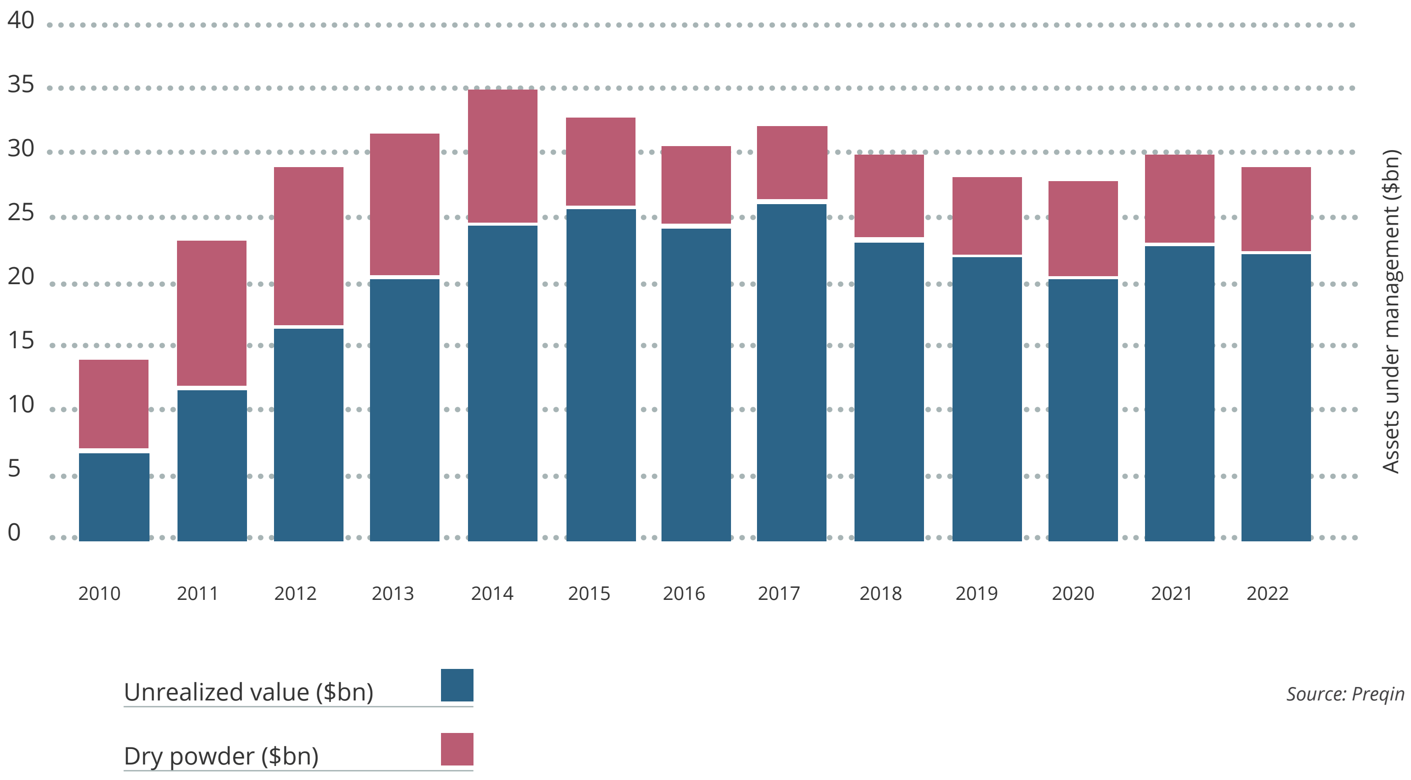
Dry powder ($bn)

Source: Preqin Pro. Data as of July 2023

Outside Mexico, the asset management industry in Brazil is also significant in size, reflecting the country's status as one of the largest economies in LatAm. Despite a slight drop compared to the historical high in 2014, the private capital AUM of Brazil remained at a level of US$29.8 billion in June 2022 (Fig. 1), with private equity and venture capital holding the majority of it.

Pursuant to the grant of licence in early 2023, the Brazil office of the Group has been spending tremendous efforts to establish Amicorp Fund Services as a FIP administrator in Brazil. Such efforts continued throughout the rest of 2023 to attract business and opportunities.

Brazil private capital assets under management, December 2010 - June 2022



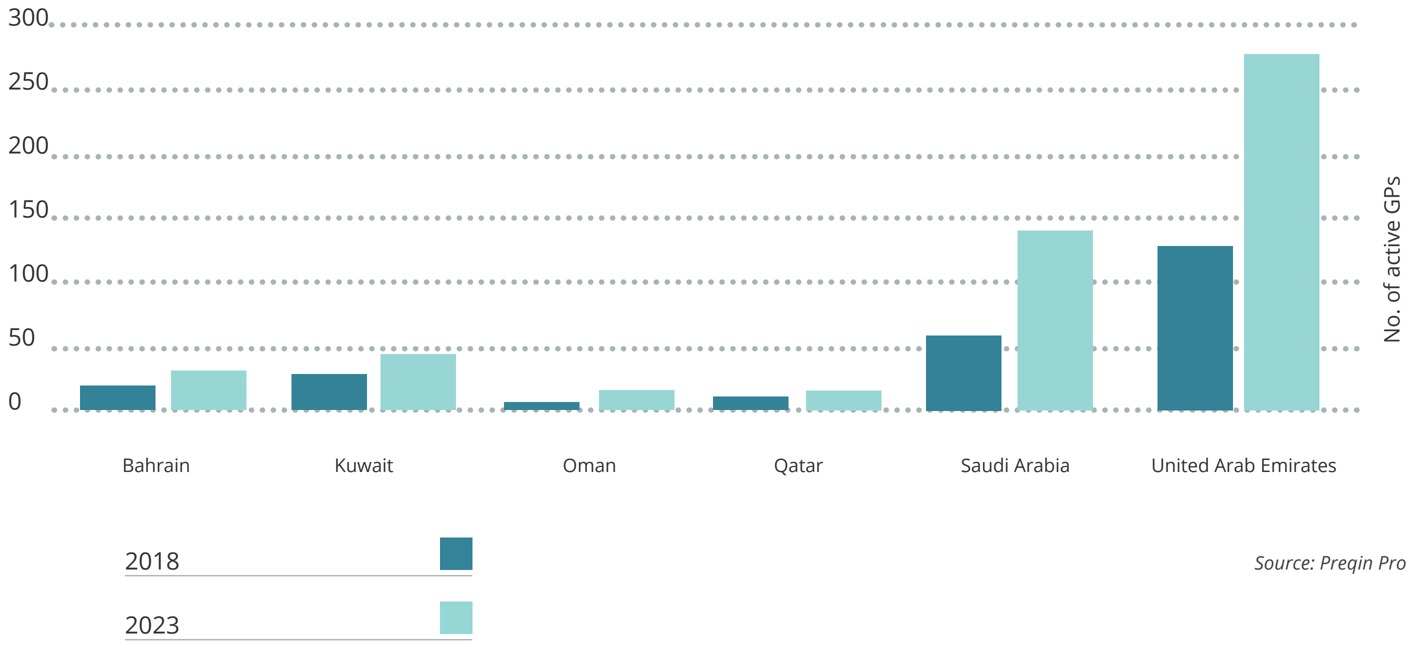
Source: Preqin

MEAI

The role of the Middle East in the global alternatives industry has been changing. Initially a simple source of capital, it has evolved into a region that is backed by promising economic growth and offers interesting investment opportunities.

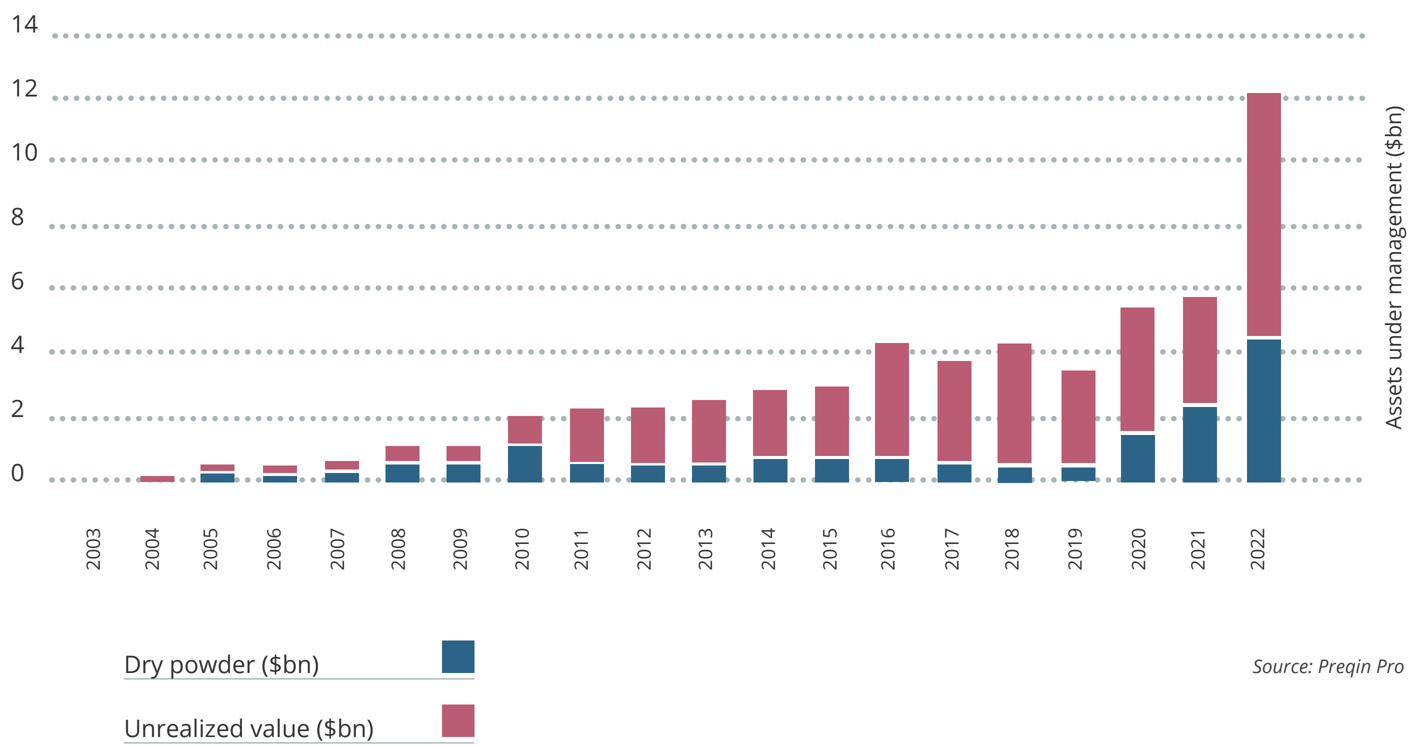
The number of active General Partners ('GP's) in the United Arab Emirates ('UAE') and Saudi Arabia has doubled in 2023 compared to 2018. AUM in private capital in the Gulf Cooperation Council ('GCC') hit US$1 billion in December 2008 and has since climbed steadily, reaching US$5.8 billion as of December 2021 before more than doubling to US$12.3 billion in 2022, according to Preqin data.

Number of active GPs by GCC country, 2018 vs. 2023



Source: Preqin Pro

AUM over time by unrealized value and dry powder in GCC, December 2003 - December 2022



Source: Preqin Pro

The Group believes that its establishment and expansion in UAE are essential initiatives to pave the way for future business growth. While the license application process for the fund administration license in the DIFC has been undergoing since March 2023, the Group is also assessing the feasibility of applying for a fund administration license in Saudi Arabia.

DRIVERS FOR GROWTH

Global tax transparency

There is increasing global international collaboration on minimum taxes, measures to tackle tax avoidance, improve the coherence of international tax rules and ensure a more transparent tax environment, which has led to increasing complexity of double-tax agreements ('DTAs'), introduction of the OECD's action plan in relation to Base Erosion of Profit Shifting ('BEPS') and stringent requirements for economic substance.

Against this backdrop, fund vehicles and structures can provide an attractive alternative for cross-border investment structuring by asset managers, family offices and financial institutions. Pre-existing obsolete investment structures are expected to be replaced by fund structures which could bring in significant cost savings arising from additional compliance cost, as well as better visibility and transparency in terms of asset protection and tax planning.

With relevant licenses in place and extensive experience across AMIF's team, a range of structuring solutions could be offered based on different investment strategies to open up new opportunities. They include:

- **Segregated Portfolio Companies (SPCs)** in the Cayman Islands, which offer flexible and efficient corporate structures with a range of benefits, including portfolio segregation, limited liability, tax-neutrality, and ease of set-up within a favourable regulatory environment
- A trio of options in Luxembourg:
  - **SICARs (Société d'Investissement en Capital à Risque)**, offering fiscally efficient structures aimed at Venture Capital and Private Equity investments
  - SIFs (Specialised Investment Funds), investment funds aimed at well-informed investors, typically institutional and professional investors, that can be used to invest in all types of assets
  - **RAIFs (Reserved Alternative Investment Funds)**, alternative investment funds managed by an authorized external alternative investment fund manager ('AIFM'). They offer flexibility as they can be structured as a common fund, a corporate fund or as a partnership, and are quick to set up since unlike regulated funds such as SIFs and SICARs, no prior approval is needed from the CSSF for a RAIF
- And **Variable Capital Company (VCC) Funds**, available in Singapore and Mauritius, which are more recent options that are growing rapidly in popularity because of the flexibility, diversity and protections they can offer

Regulatory drivers:

The continuous tightening of the regulatory framework in which funds operate provides growth opportunities for the Group's business from two perspectives.

1. Previous exemptions in some fund jurisdictions for close-ended private equity funds, to mandatorily appoint independent fund administrators have been removed and the expectation is that all major fund jurisdictions will eventually require all funds to appoint independent fund administrations.
2. The growing complexity of reporting requirements in both fund jurisdictions and around the globe arising from KYC/AML, ESG, FATCA, CRS etc., cause asset managers to look for fund administrators to assist in order to comply with relevant requirements.

While SFDR is now in place to make it compulsory for qualifying financial markets participants within the European Union to report their sustainable economic activities on an annual basis. Other regulatory authorities of the world, for example The Cayman Islands Monetary Authority ("CIMA") is exploring equivalent ESG frameworks and these standards are expected to follow suit in the very near future.

Market & cost drivers from asset manager, family offices and financial institutions:

The asset management industry has grown significantly in the last five years and AMIF believes that growth will continue in the short to medium-term.

However, after a decade of growth, the industry has faced challenges in recent years, such as rising interest rates and macroeconomic uncertainty, impacting earnings. In response to these challenges, the industry shifted focus to expense management in 2023, recognising the need to improve efficiency.

Asset managers are leveraging cost strategies and also under pressure to outsource their operation to external parties to control their operational costs such as:

- Centralising Functions: Centralising support functions like fund operations and IT for consistency and economies of scale
- Relocating to Lower-Cost Locations: Moving functions to lower-cost areas to save on costs, especially for routine processes
- Outsourcing Functions: Outsourcing to service providers can lead to significant efficiency improvements
- Deploying Support Staff Effectively: Adjusting non-investment employee concentration across functions for better efficiency
- Sizing Investment Teams Appropriately: Aligning the size and seniority of investment teams with potential returns

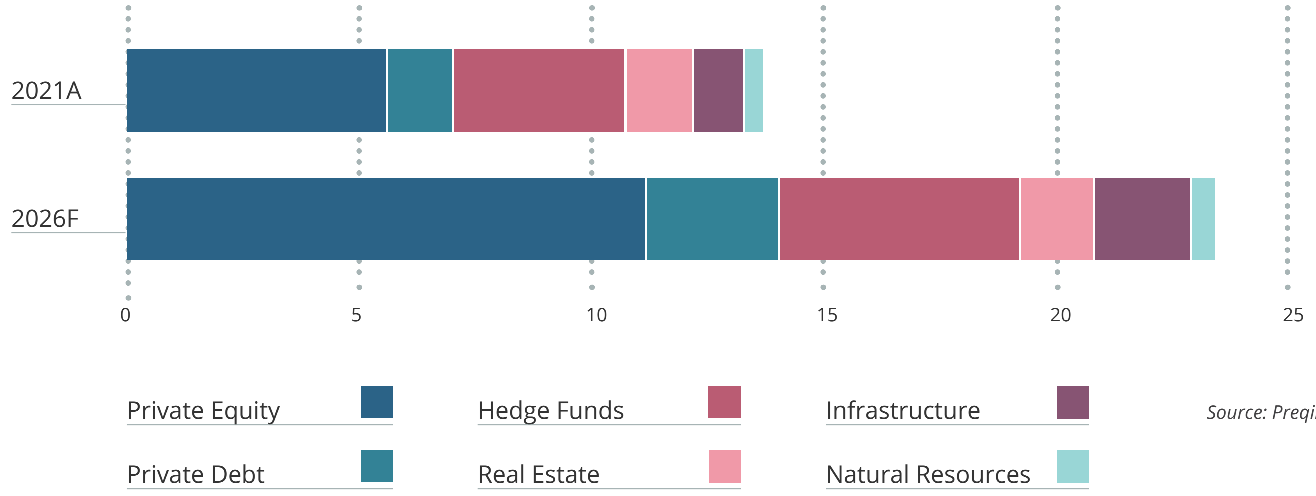
The above factors and specifically, increased regulation, rising internal costs and growing demand for transparency from investors are driving a trend in outsourcing of fund administration work by asset managers, which the Board expects to continue to provide opportunities for fund service providers.

Growth in investment flows:

The growth and development of AMIF are closely tied to the growth of the asset management industry which has witnessed robust expansion in recent years.

According to Preqin, a firm specialising in investment data and insights, the worldwide AUM in alternative funds is projected to reach US$23.3 trillion by 2026, representing a CAGR of 9.3% from the US$13.7 trillion at the end of 2021 which is largely driven by the surge in private capital and hedge funds. Given the strong correlation between the fund administration business and the asset management industry, a stable and sustained growth of the latter presents a promising market opportunity for AMIF.

The Group has been servicing hedge funds ever since the beginning of the business. With its extended qualification and experience over the last decade, AMIF has also developed relevant expertise in dealing with various other alternative asset classes, including but not limited to venture capital, private debt, private equity and real estate. Therefore, it is well-equipped to ride on the tide of the expanding alternative investment industry.



Source: Preqin Forecasts

BUSINESS MODEL

Buy & build model in specialist fund services

Managing essential functions for alternative and traditional investment funds in growth markets

Clients

1 INSTITUTIONS

2 FUND MANAGER
Private Equity
Venture Capital
Real Estate
Hedge Fund

3 FAMILY OFFICES

4 GOVERNANCE AND COMPLIANCE

Market drivers

REGULATION REQUIRING INDEPENDENT FUND MANAGEMENT

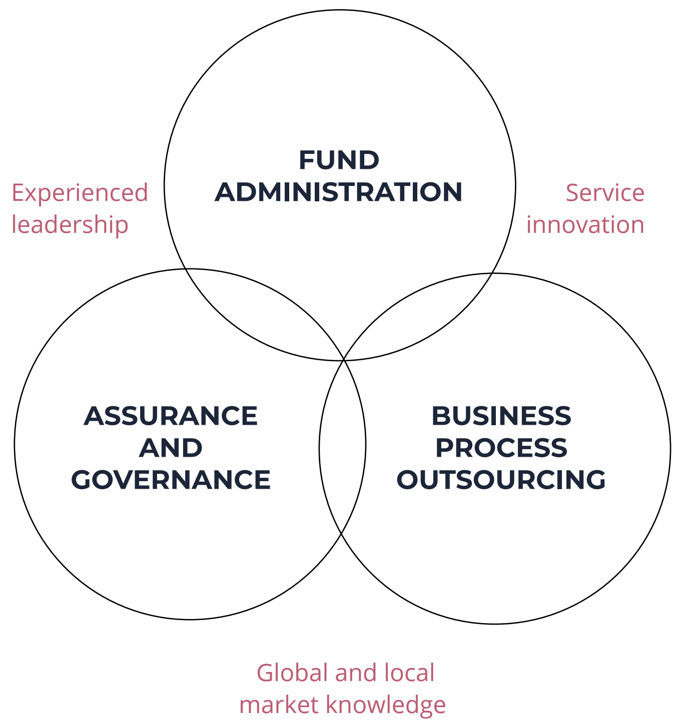
INVESTORS DEMANDING FEE TRANSPARENCY

GLOBAL TAX TRANSPARENCY

INDUSTRY FRAGMENTATION

CUSTOMER OUTSOURCING

Comprehensive, tailored services



Competitive advantage

DIVERSE CLIENT PROFILE & SERVICE OFFER

PREDICTABLE, NON-CYCLICAL REVENUES

GEOGRAPHIC PRESENCE AND BARRIERS TO ENTRY

AUTOMATION & TECHNOLOGY TO ENABLE SCALING

ACQUISITION & CONSOLIDATION

Value

INVESTOR
Revenue up 7.6%
Gross margin 69%
Cashflow visibility

CUSTOMER
Cost saving
Product innovation
Jurisdiction – 14
Global licences - 8
Client retention (av. 7.5 years)

EMPLOYEE
Professional development
Global opportunities
Employee satisfaction

REGULATOR
Governance and compliance services
Transparency and visibility

STRATEGY

AMIF's growth strategy is a combination of leveraging its existing sales teams for organic growth and pursuing targeted M&A activities to achieve various strategic enhancements, from expanding client bases to improving operational efficiencies.

To date, the Group's business development has largely been based on organic growth with its sales team spreading into MEAI, Europe and LatAm and its fund clients are mostly comprised of 'start-up' asset managers with initial AUM in the approximate range of US$10 million to US$20 million. The Group is well placed to support these 'start-up' asset managers by leveraging its experience and expertise in applicable regulatory, financial, compliance, structuring, taxation and reporting requirements.

In addition to traditional asset managers, the Group supports family offices who choose to establish their own fund structures in order to more efficiently and transparently manage their assets spread over multiple jurisdictions within a well-defined regulatory framework.

AMIF's strategy is to continue to grow its revenues organically as well as via potential acquisitions.

CHIEF EXECUTIVE'S STATEMENT/OPERATING REVIEW

Introduction

2023 was a transformative year for AMIF highlighted by the Group's progress in generating continued organic revenue growth as well as its successful IPO on the London Stock Exchange, which marked a new chapter in the Group's corporate development and established a strong platform for the future growth of AMIF.

Overview

In FY23, AMIF has successfully driven its operational performance agenda which has seen the Group expanding its sales team to boost organic growth and extending its services into ESG and ('ERM'), which supports the accelerated growth from the Governance and Compliance Services division.

AMIF has also expanded its BPO Services division into portfolio administration and other back-office services to become a one-stop solution provider for all reporting needs to investment managers globally.

Listing rationale

London retains its status as the world's leading market for financial services and the Board believes that the Group's listing on the London Stock Exchange in 2023 provided AMIF with the platform and direct access to capital markets and wider investor communities to enable the Group to expand its business globally. This was a significant milestone for AMIF which will aid the Group's expansion plans and provide new investors with the opportunity to participate in AMIF's growth story.

It will also enable the Group to take full advantage of the continued growth in the outsourcing of fund administration services due to diversification within the asset management industry and increasing regulatory and compliance requirements.

Fundraising and use of IPO proceeds

The placing that accompanied AMIF's IPO raised US$16.2 million before expenses, of which US$6.5 million was raised to enable the Group to take advantage of continued growth in the outsourcing of fund administration services, which has arisen as a result of diversification in the asset management industry and increasing regulatory and compliance requirements. The Board is pleased with the decision to list, which has already led to an increase in the number of inbound enquiries due to AMIF's enhanced profile and status as a publicly listed company.

The table below shows an update on use of net IPO proceeds, after deducting placing and admission expenses of US$800k:

Anticipated use of proceeds	Current update
IT expenses related to automation process, including licensing fee and consultancy fee (US$1 million)	US$90k deployed towards development of digital onboarding portal and NAV automation (refer to Investment in IT section)
Depositary lite license in Luxembourg (US$1 million)	Demerger completed, creating the condition to start the licensing application of depositary lite license (refer to Licence Development section)
Expansion of Governance and Compliance services (US$1 million)	US$114k deployed towards expansion of team and development of ESG services (refer to Growth Plans section)

Anticipated use of proceeds	Current update
Setting up licensed fund administration in strategic markets (US$1 million)	The Republic of Ireland was researched as a possible new jurisdiction but after careful appraisals the Board decided to redirect focus to emerging markets including UAE and Kazakhstan (refer to Licence Development section)
Expansion of sales team in strategic locations (US$1.7 million)	US$222k deployed towards increase in salesforce (refer to Maintaining Global Footprint section)

ORGANIC GROWTH STRATEGY

The Group's organic growth strategy is centred on expanding its sales network and service offerings, enhancing IT automation, and improving operational efficiency to capture growth drivers and increase revenue from both new and existing clients.

Objective	Progress	KPIs	Risk
Expanding Sales Network and Geographical Reach: AMIF aims to expand its sales network and expertise, focusing on capturing growth drivers in new regions. This includes targeting financial centres like Hong Kong, Switzerland, the UK, the US, Dubai, Luxembourg, and Singapore, as well as emerging financial hubs such as Spain, India, Chile, Peru, Mexico, and Brazil	The Group has developed new client acquisition opportunities by expanding its geographical coverage. AMIF has obtained a license in the strategic location of Brazil and Luxembourg and is in the progress of applying for a licence in the UAE. The Mexico office is also picking up new clients. The focus is on markets where asset managers are increasingly outsourcing regulatory tasks due to stricter legal and regulatory controls	Total revenue Number of funds New office openings Applications for new licences	Fund launch lead time Competition for hiring the appropriate resources
Enhancing Service Offerings: There's a focus on capturing potential revenue increases within the existing client base by expanding service offerings. This includes, but is not limited to, ESG reporting and depositary lite services	AMIF has been focused on expanding its services to existing clients, including compliance and governance services. For new clients, the focus is on helping them develop scalable operations and IT capabilities.	Total revenue Number of new mandates	Keeping up with continuous changing regulatory environment Limited qualified professionals
Advancing IT Automation: Enhancing IT automation for fund administration and regulatory and compliance processes is a key goal. This move aims to generate economies of scale, improve margins, and attract a more lucrative client base, including funds with higher AUM	To help AMIF achieve economies of scale. By increasing automation and reducing manual operations, the Group achieves higher operational efficiency and improved profit margins. An automated infrastructure will also enable AMIF to manage larger funds.	Investment in automation	Reliance on 3rd party systems Business continuity and IT security Data protection and cyber security

MARKET EXPANSION

Maintaining global footprint

AMIF stated at the time of its IPO that an important aspect of the Group's organic growth strategy was to expand its service offering amongst current clients and maximise market outreach. The business has spent over 15 years establishing itself as the provider of a full suite of fund services across multiple jurisdictions and has built strong foundations for further growth.

AMIF has a diverse client base spanning international jurisdictions that are either traditional fund domiciles or areas where frequent investment and investment management activities are observed. To effectively cater to its clientele, AMIF currently operates in 14 strategic locations worldwide, covering all major time zones across MEAI, Europe and LatAm.

The expansion within existing offices is vital to building pipeline for future organic growth. As committed during the IPO, part of the proceeds have been deployed towards the expansion of salesforce in Singapore, Hong Kong, Dubai and Brazil, resulting in a circa 50% increase in sales team from 12 individuals in 2022 to 18 as at 31 December 2023. While such investment in human capital has put temporary pressure on short-term profitability, the Group regularly reviews its investment strategies and closely monitors its results, in order to achieve long-term sustainable growth and future competitiveness.

The success of AMIF's global footprint is also attributable to its centralised operation office setup. Through its operation offices in Mauritius and India, the Group has access to a diverse talent pool, multicultural teams and multilingual support to provide round-the-clock services. The Group secures its core competitive advantage in terms of scalability and flexibility to adjust operations based on business needs, seasonal demands, and growth opportunities.

In December 2023, the shares of Amicorp Fund Services (Mumbai) Private Limited, which were held on trust by Amicorp Group for AMIF, were successfully transferred to the Group pursuant to the approval granted by the relevant authority of India. This allows AMIF to exercise contractual control over the independent operation of one of its key operation offices.

Licence development

Brazil

In early 2023, AFS Brazil LTDA became operational after receiving approval from the CVM and the ANBIMA to provide fiduciary investment fund administration services. This license enables AFS Brazil LTDA to manage private equity funds (FIP), a rapidly growing segment in the local investment fund sector over the past decade. The first half of 2023 saw significant efforts to establish Amicorp Fund Services as a FIP administrator in Brazil, marked by a major event attended by CVM officials, investment managers, law firms, and strategic partners. Such efforts continued throughout the rest of 2023 to attract business and opportunities.

Luxembourg

In November 2023, AMIF announced the successful formation of Amicorp Fund Services Luxembourg S.A. pursuant to CSSF approval on the demerger of Amicorp Luxembourg S.A., which will allow for an expansion of the Group's operations in the largest investment funds centre in Europe and the second largest in the world after the United States. Luxembourg is a worldwide leader in cross-border fund distribution and has continued to develop its reputation as a centre for a large variety of investment structures and funds.

The de-merger involved the separation of the fund administration element of AMIF's existing jurisdictional licence, held within the Amicorp Group, thereby creating the conditions for AMIF to apply for an additional depositary lite licence that will complement the Group's administration business with enhanced services and revenue opportunities.

A depositary lite licence allows for the provision of a number of services including cash flow monitoring, safekeeping of assets and ongoing oversight, and will enable the Group to further strengthen its presence, collaborating with complementary service providers such as AIFMs and legal firms, to expand the Group's reach to new prospects, allowing to drive a significant increase in revenue generating opportunities.

UAE

The asset management industry in GCC and UAE are both growing at a tremendous speed. In particular, the DIFC has become one of the major financial centres in the region where global family offices, asset managers and institutional investors from Europe and Asia have a significant presence. The Group has been administrating funds managed by asset managers and family offices based there since 2021. As AMIF's client base continues to grow in UAE, it has become strategically important to have a local presence. In March 2023, the Group started the application process for a Category 4 license in DIFC which would allow for provision of fund administration services to DIFC established funds. The application process is on track, and AMIF expects to update the market in H1 2024 on its progress.

Other strategic markets

AMIF continually assesses and pursues a range of expansion opportunities. These plans had included a fund administration licence application in the Republic of Ireland, but due to a change in market dynamics the Group has decided to look at other opportunities that will represent a better return for shareholders. AMIF's appraisals of the viability of other jurisdictions have identified opportunities in fast-growing emerging markets including AIFC in Kazakhstan and also in Saudi Arabia. The application in AIFC commenced in late 2023 and is now at an advanced stage and the Group expects to update the market in H1 2024 on its progress.

Growth plans

AMIF is expanding across all its key markets as part of a plan to accelerate its growth ambitions, both organically and through mergers and acquisitions.

Organically, the Group will continue to provide a comprehensive and tailored range of services - including fund set up and structuring, fund administration, investor services, assurance and governance services all of which are underpinned by market-leading technology solutions that support our clients across the value chain, from a single point of contact.

The growing complexity in regulatory and reporting demands presents opportunities for its Governance and Compliance business, prompting plans to expand services into areas such as ESG and ERM, aiming to become a leading provider in these fields. A major portion of IPO proceeds were set aside for this purpose, to develop new product and service offering, increase marketability and build up a team of experienced and qualified officers.

In 2023, the Group invested into the development of an online AML/CFT e-learning tool, targeting all the directors, officers and employees who are associated with a Cayman Islands fund or investment management company. The tool was launched in March 2024 and can be subscribed to as an additional revenue stream under the Group's G&C business.

Investment in IT

The Group has always been committed to rolling out automated and innovative digital solutions that deliver greater operational and cost-saving efficiencies for fund managers, and equip them with the data and insights they need to be compliant and make better informed decisions on their investments.

Following the Group's listing, AMIF used certain of the IPO proceeds to start the development of a cloud-based onboarding platform which streamlines the onboarding of investors for fund managers, ensures key information is more accessible, accurate and secure, and better connects the people that matter when it comes to administrating their fund.

AMI-GO was launched in March 2024, as the new platform developed in-house that provides fund managers with a centralised source of information about their funds and their investors, allowing them to retrieve and upload financial, corporate and legal documents – such as Subscription forms, Source of Fund declarations and KYC and/or AML records. This tool opens up direct lines of communication between fund managers, investors and their Amicorp Fund Services team.

In parallel, the Group continued its NAV automation process within its existing IT system, as the enhancement of system capability and use of advanced technology play a crucial role to the operational and financial success of the Group.

In FY23, each operational staff member managed an average of seven and a half funds, but with improved IT systems, this is expected to rise to eleven funds per person by FY25E. This efficiency enhancement could lead to significant cost savings and drive the growth of gross profit margins, as staff costs are a major expense for AMIF, accounting for 56.0% of total revenue in FY23.

Inorganic growth

AMIF's business development is primarily driven by organic growth, with its sales teams in MEAI, Europe, and LatAm playing a crucial role. Moving forward, the Group is expected to continue this trajectory, simultaneously seeking suitable targets for M&A to bolster its growth.

The Group's strategy for inorganic growth through acquisitions is centred on several key objectives:

1. **Enhancing Incremental EBITDA:** Targeting acquisitions that will contribute positively to the Group's EBITDA
2. **Expanding Sales and License Networks:** Acquiring entities that will expand AMIF's sales and license networks, thereby increasing its market reach and capabilities
3. **Acquiring Skilled Personnel:** Focusing on targets that can bring in skilled workers, particularly in sales and operations, to strengthen AMIF's workforce
4. **Adding Economies of Scale:** Integrating acquisitions that can bring economies of scale to AMIF's current operational model, improving cost-efficiency
5. **Strengthening Service Delivery Platform:** Enhancing AMIF's existing service delivery platform, both in terms of efficiency and in the scope and quality of services offered
6. **Extending Client Base:** Seeking acquisitions that will allow AMIF to expand its client base, contributing to long-term growth and market diversification

For future acquisitions, AMIF will strategically select targets that align with these objectives, ensuring that each acquisition is a step towards enhancing its market position, operational efficiency, and overall profitability. Its immediate focus is to identify opportunities that can expand its client base, strengthen its sales and license networks, and facilitate entry into new markets.

Financial Performance Overview

The Group benefits from stable and non-cyclical revenue streams, largely attributed to ongoing contracts with both open-ended and closed-ended fund clients. Open-ended fund clients offer perpetual contractual relationships, with their longevity contingent on avoiding substantial redemptions. In contrast, closed-ended fund clients typically engage in fixed-term investments with possible extensions (e.g., an initial three-year term with options for a three-year and a further one-year extension, or other durations as outlined in the fund's PPM). The usual duration of these closed-ended fund contracts ranges from five to seven years.

Revenue for the Group is primarily derived from fees based on a percentage of AUM, subject to a minimum fee threshold. Alternatively, it can be a combination of a fixed minimum fee plus a variable component also based on AUM.

Consistent Recurring Revenues

AMIF's revenue is characterised by its predictability and regularity, underpinned by strong client retention. The Group's role as a fund administrator affords it up-to-date financial insights on its clients, which aids in reducing the risk of unpaid fees.

Cashflow visibility

To comply with AML and KYC regulations in various jurisdictions, the Group, in its role as fund administrator, holds significant control over clients' bank accounts, either as the sole or joint signatory. This control extends to treasury management, where the Group manages and approves payments to entities like asset managers, legal advisors, auditors, custodians, and other service providers. This management of fund accounts not only limits bad debt but also enhances AMIF's cash flow visibility and management, crucial for meeting financial obligations. The Group's approach to client service is marked by transparency, especially regarding fees, which minimises disputes over charges.

Automation and improvement of profit margin

Since establishing a fund administration team in Bangalore in 2007, AMIF has focused on automating operations and improving efficiency. This has allowed the Group to manage an increasing number of funds without a significant rise in costs, thus maintaining or improving profit margins. Despite almost doubling the number of fund clients from 284 in 2020 to 501 in 2023, the Group's direct costs have only increased by around 23.8%. This economy is attributed to continuous technological advancements and partnerships, essential for our scalability and further operational efficiency.

Client development

Client retention

AMIF's fund clients and client structures typically have a lifespan of between five to ten years. Due to the nature of the Group's business, it is difficult for its clients to replace service providers such as the Group once they have been engaged for fund administration services. Transferring services to another provider involves time-consuming legal and administrative processes and additional costs for funds.

Diversification of client base

The Group has significant diversification of revenue from over 500 fund clients and client structures. Except for the Group's arrangement with Amicorp Group pursuant to the Intragroup Outsourcing Agreement, there is no concentration on revenue and the Group's top ten fund clients and structures have remained below 10% of revenue for each of the last four years.

Cash position

As at the end of 2023, AMIF had circa US$3 million cash in hand whilst remaining debt free. The successful IPO on the London Stock Exchange in June 2023 raised over US$6.4 million of fresh capital for AMIF. The Group has already started to allocate the proceeds from listing towards IT investments and business developments. This includes expanding the sales team, obtaining new licences and expanding the Group's Governance and Compliance services division.

People/workforce/employees

Senior management change

In December 2023, the Group appointed Robin Hoekjan, a Dutch national with more than a decade of fund industry expertise, as Chief Operating Officer, a non-Board position.

Having started his career as a Derivatives Trader in a proprietary trading firm at the Amsterdam Stock Exchange, Robin subsequently ascended through various roles in fund management firms, encompassing portfolio management and deal making in listed securities, private equity, and venture capital. Transitioning to the fund service sector, he has worked in Amsterdam, Luxembourg, London, and Dubai, as well as occupying several management positions within Intertrust Group and TMF Group, including Head of Depositary, Head of Fund Services, and Global Head of Onboarding and Investor AML/KYC.

Robin is expected to contribute to the continuous enhancement of efficiency across the global offices of the Group. His experience and expertise will drive operation efficiency and IT advancement, aiming to equip the Group and its operational team to handle larger mandates. Pursuant to Robin's appointment, Kiran Kumar will remain in his position as Executive Director of AMIF, but has shifted his focus towards the development and promotion of the Group's key new business initiatives, particularly the accounting and back-office support services given his significant background in accounting and finance.

Employee summary

The following table summarises the Group's employees by geographical location as at each year end:

	FY23	FY22
CHILE	13	12
HONG KONG	9	7
INDIA	37	45
MAURITIUS	11	8
LUXEMBOURG	9	8
OTHER	29	21
TOTAL GROUP HEADCOUNT	**108**	**101**

The Group strives to maintain a diversified workforce that includes individuals from various backgrounds, geographies, cultures, and experiences. The increase in overall Group headcount is attributable to the increased salesforce due to expansion, as well as the increase in size of the Group's operation office in Mauritius to 11. In line with AMIF's strategy, the Group enhanced the capability and capacity of the Mauritius office to operate independently, and contributed to the success of business continuity plan ('BCP') between the Mauritius and India offices.

Outlook

Subsequent to the year end of FY23, the Group has continued to grow the number of funds under administration with a total of 30 new wins as of the date of this report.

The Group is poised to benefit from converting its pipeline of funds into active funds, with an emphasis on appreciating the potential launch rate and acknowledging the lag in revenue conversion. This transformation will be bolstered by AMIF's ongoing expansion into new geographies, particularly with revenues starting to flow from previous investments in regions like Mexico, UAE, Luxembourg, Hong Kong and Singapore. Although it has put temporary pressure on short-term profitability, the Group regularly reviews its strategies and closely monitors its results, in order to achieve long-term sustainable growth and future competitiveness.

In addition, there is an expectation of growth in revenues from ancillary services driven by global regulatory updates. The aim is to establish the Group as a leading provider of these services and a comprehensive solution for AMIF's clients, which will be further enhanced by any additional acquisitions. These strategic moves and growth areas give the Board confidence in the recovery of margins.

Over the next twelve months, the Group also intends to expand its portfolio of value-added services. A key aspect of this plan is to offer CFO and CFO assist services to clients within the current BPO framework. The goal is to elevate existing service contracts from basic bookkeeping and accounting to more comprehensive management reporting and CFO assist services, and to extend these enhanced services to new external clients including but not limited to asset or fund managers, family offices and investment entities.

Operationally, the Group is transitioning towards automating its fund administration processes. Utilising some of the IPO proceeds, the Group invested into the development of AMI-GO i.e. an automated self-onboarding tool for fund manager and investor. Followed by its successful launch in March 2024, AMI-GO is expected to streamline operations, improve compliance, enhance communication, and contribute to a positive user experience, ultimately benefiting both the Group and its clients. Alongside this, the Group is continually evaluating its IT infrastructure to identify further opportunities for technology integration to enhance operational efficiency.

FINANCE AND OPERATION REVIEW

Key Performance Indicators (KPIs)

The Group uses a number of both IFRS and non-IFRS KPIs to measure its performance. The Group operates a framework whereby the same KPIs are monitored throughout the business – be that at divisional or jurisdictional level. These KPIs used may not be directly comparable with similarly titled measures used by other companies.

The Group constantly reviews its management information and KPIs to ensure that the Board has adequate and appropriate oversights of the business. The Group also plans to introduce necessary non-financial KPIs in FY24.

IFRS KPIs

Revenue and segment results are reviewed by the Group on a regular basis to assess performance. These are assessed at a Group, divisional and jurisdictional level. These KPIs are monitored against budgets and targets. For details of IFRS KPIs, please refer to the Financial Overview section.

Non-IFRS KPIs

The principal non-IFRS KPIs that the Directors believe have had, and will continue to have, a material effect on its operations, results and financial condition include:

- Client base;
- Payroll and remuneration costs as a percentage of revenue; and
- Operational efficiency.

Client Base

	FY23	FY22
NUMBER OF FUNDS AT START OF YEAR	444	393
NEW FUNDS	104	105
FUNDS TERMINATED	(47)	(54)
NUMBER OF FUNDS AT YEAR END	**501**	**444**

The number of funds administered is impacted by the ability of the Group and its sales officers to obtain new fund clients. The Group has been partially reliant on receiving new client introduction and work referrals from Amicorp Group and its affiliated businesses, and from the Group's established referral relationships with on-shore and off-shore legal advisers, asset management businesses, independent advisors and consultants, accounting firms and other professional intermediaries.

Over the course of 2023, the total number of funds has grown organically at an annualised rate of 12.8% from 444 on 1 January 2023 to 501 on 31 December 2023, laying a solid foundation for the future growth of Fund Administration.

While the number of new wins was comparable to 2022, the Group has experienced similar level of terminations in 2023 arising from the continuous effects of the following factors:

- Withdrawal of investors' commitment or investment owing to unfavourable market conditions;
- Voluntary closure of funds due to restructuring or changes in investment strategy; and
- Cancellation because of difference in risk appetite.

It is also important to note that a major portion of recurring income from fund administration services is only realised upon successful fund launch. The timing of fund launch is influenced by external factors like fund raising capability of fund managers, approval process of relevant authorities, economic conditions and market sentiment. 297 out of 501 funds were active as at 31 December 2023, representing an 8.4% increase as compared to 274 active funds as at 31 December 2022.

Payroll and remuneration costs as a percentage of revenue

The largest expense incurred by the Group relates to payroll and remuneration costs, which comprise of salaries and wages and discretionary bonuses that are paid to staff that meet their respective targets.

The Group monitors payroll and remuneration costs as a percentage of revenue, with the historical trend as follows:

	US$'000	
	FY23	FY22
PAYROLL AND REMUNERATION COSTS	7,178	5,397
REVENUE	12,814	11,909
PAYROLL AND REMUNERATION COSTS AS A PERCENTAGE OF REVENUE	**56.0%**	**45.3%**

Payroll and remuneration costs increased by US$1.8 million, or 33.0%, to US$7.2 million in FY23, compared to US$5.4 million in FY22.

The major incremental payroll and renumeration costs represents the Group's increased investment in sales employees to enhance its outreach to potential customers in strategic locations including Hong Kong, Curacao, Chile, Mexico and Brazil. The Group's operation team was also strengthened to provide adequate workforce, capability, and expertise to cope with new business opportunities arising from the continuous sales and marketing efforts, together with local fiscal, tax, and economic reforms.

The expansion in these offices is vital to building a pipeline for future organic growth. As committed during the IPO and in line with the adopted business strategies, such investment in human capital is expected to continue in 2024. Although it has put temporary pressure on short-term probability, the Group regularly reviews its strategies and closely monitors its results, in order to achieve long-term sustainable growth and future competitiveness.

Operational efficiency

Operational efficiency is another key metric the Group regularly reviews in order to maximise resource utilisation and drive down costs. The Group has policies in place where it is mandatory for client facing and back office employees (together, 'Operational Employees') to submit timesheets on a weekly basis so that the Group can better monitor employees' time spent on standard tasks.

The Group measures operational efficiency of its Fund Administration division by computing the number of funds handled by each Operational Employee under that division ('Fund Operational Employee'):

	US$'000	
	FY23	FY22
NUMBER OF FUNDS	501	444
NUMBER OF FUND OPERATIONAL EMPLOYEES	67	61
NUMBER OF FUNDS PER OPERATIONAL EMPLOYEE	**7.5**	**7.3**

The number of funds handled by each Operational Employee has increased slightly from 7.3 in 2022 to 7.5 in 2023. Such improvement represents the result of the Group's efforts in standardization of workflow, system automation and enhancement of operation process.

The Group believes that the successful maintenance of such level of operational efficiency is essential to display the scalable characteristic of its business model. It also lays the foundation for AMIF to execute its organic and inorganic growth strategies.

Financial Overview

Group Income Statement for the Year Ended 31 December

	US$'000	
	2023	**2022[1]**
Revenue	12,814	11,909
Payroll and remuneration costs	(7,178)	(5,397)
Rent and occupancy	(430)	(783)
Professional fees	(1,068)	(356)
IT expenses	(657)	(547)
IPO expenses	(952)	(906)
Foreign currency (loss) / gain	5	28
Other operating expenses	(1,607)	(692)
EBITDA	**927**	**3,256**
Other gains	-	38
Interest income	99	-
Finance costs	(89)	(39)
Depreciation on tangible assets	(284)	(128)
Profit before income tax	**653**	**3,127**
Income tax expense	(667)	(829)
Net (loss)/profit for the year	**(14)**	**2,298**

[1]These comparative figures were extracted from the historical financial information published in the Group's prospectus dated 5 June 2023. Reconciliations from these historical financial information to the IFRS comparatives are presented in Reconciliations of Comparatives after the primary statements under "Financial Statements" section in this report.

Adjusted EBITDA

The EBITDA figures shown above includes IPO costs which are deemed to be extraordinary. By excluding these, the management believes that the adjusted EBITDA could precisely reflect the performance of the Group's ordinary business operation, as shown below:

	US$'000 Year ended 31 December	
	2023	2022
REPORTED EBITDA	927	3,256
IPO COSTS	952	906
ADJUSTED EBITDA	**1,879**	**4,162**
ADJUSTED EBITDA MARGINS	**14.7%**	**34.9%**

The Group experienced a decline in adjusted EBITDA margins in FY23 reflecting the significant investment being made in both the sales and operation teams. This continuous process is fundamental to driving sustained long-term growth and creating future opportunities for the Group.

Post-listing expenses

Included in EBITDA and adjusted EBITDA, the Group incurred post-listing expenses amount to US$943k which represent one-time or recurring expenses arising from listing obligations which was dependent on successful admission. Examples of post-listing expenses include the carved-out subscription to certain IT systems such as finance and accounting systems, Microsoft licenses and hosting services.

Effective from Admission, the Group also incurred additional expenses such as statutory listing fee, professional indemnity insurance which were previously covered by Amicorp Group, as well as the engagements of ongoing professional advisers for listing rule compliance.

These expenses are expected to continue in medium to long term. Their impact on profitability are believed to be compensated by the long- term benefits arising from the IPO, as described in the Chief Executive's Statement above.

Revenue

Revenue by operating segments

	US$'000 Year ended 31 December	
	2023	2022
FUND ADMINISTRATION	7,927	7,823
GOVERNANCE AND COMPLIANCE	1,305	814
BUSINESS PROCESS OUTSOURCING	3,582	3,272
TOTAL	**12,814**	**11,909**

Revenue in FY23 increased by 7.6% to US$12.8 million (FY22: US$11.9 million), which was contributed by:

- Fund Administration revenue increased by 1.3% to reach US$7.9 million in FY23 (FY22: US$7.8 million). Despite the increase in the net number of funds as compared to 2022, the Group was partly affected by investors redeeming or withdrawing interest in operating funds, reduced investor transaction activities and closed funds vulnerable to uncertain market conditions. Fund launches also slowed down due to challenges in fund raising amid global inflation and interest rate staying at an uncomfortably high level. However, the Group continued to prove its strength in client retention and stability of recurring revenue from its diversified client base.

- Governance and Compliance Services revenue increased by 60.3% to US$1.3 million in FY23 (FY22: US$0.8 million), which is in line with the increase in AML officer and directorship mandates to 400+ in FY23 from 300+ mandates in FY22, predominantly associated with the Group's fund clients domiciled in the Cayman Islands and Luxembourg. The growth in FY23 was a result of multi-directional efforts in securing the mandates from existing customers under the enhanced regulatory environment and a well-defined revenue model, which relies on a packaged service fee that covers the defined minimum statutory requirements for each mandate, plus a variable time-spent fee for value-added services to fulfil the relevant fiduciary responsibilities. The Group has been engaging in proactive marketing of this business line, intending to widen the service offerings and create value for its clients.

- Business Process Outsourcing Services revenue experienced an increase of 9.5% to US$3.6 million in FY23 (FY22: US$3.3 million). In Luxembourg, the Group boasts a well-equipped corporate services infrastructure, positioning itself as a reliable one-stop solution for comprehensive fund structure formation and ongoing administrative support. The sales team is specifically directed to capitalise on opportunities in Luxembourg that combine both fund administration and corporate services. Alongside with the growing revenue from corporate services from external client entities, the revenue from the Intragroup Outsourcing Agreement with Amicorp Group picked up in the second half of 2023, benefiting from the increased client base followed by the efficiency transformation campaign to enhance operational synergy between its Business Process Outsourcing and Fund Administration teams.

Revenue by geography

The following table summarises the revenue by geography for the year ended 31 December 2022 and 2023:

	US$'000	
	FY23	FY22
LATAM	2,446	2,027
EUROPE	3,211	2,920
MEAI1	7,157	6,962
TOTAL	**12,814**	**11,909**

[1]*MEAI refers to geographical region of Middle East, Asia and India.*

The Group has experienced a welcome diversification of its revenues, from MEAI to Europe. Such movement is in line with the Group's expectation and helps supports the long-term business goal by reducing the impact of short-term market volatility, allowing the Group's portfolio to benefit from the growth potential of different geographic regions over time and reducing country specific risks, individual sector challenges and everyday competitive pressures.

Divisional Performance Review

	US$'000 (For the year ended 31 December 2023 ('FY23'))			
	Fund Administration	Business Process Outsourcing	Governance and Compliance	Total
REVENUE	7,927	3,582	1,305	12,814
DIRECT STAFF COSTS	(2,710)	(254)	(478)	(3,442)
OTHER DIRECT COSTS	(553)	-	-	(553)
GROSS PROFIT	**4,664**	**3,328**	**827**	**8,819**
GROSS PROFIT MARGINS	**58.8%**	**92.9%**	**63.4%**	**68.8%**

	US$'000 (For the year ended 31 December 2022 ('FY23'))			
	Fund Administration	Business Process Outsourcing	Governance and Compliance	Total
REVENUE	7,823	3,272	814	11,909
DIRECT STAFF COSTS	(2,581)	(293)	(273)	(3,147)
OTHER DIRECT COSTS	(514)	-	-	(514)
GROSS PROFIT	**4,728**	**2,979**	**541**	**8,248**
GROSS PROFIT MARGINS	**60.4%**	**91.0%**	**66.5%**	**69.3%**

Fund Administration segment delivers gross profit margin of 58.8% in FY2023, and 60.4% in FY2022. These result from the Group's additional investment in the form of additional experienced Production Employees, as well as extra modules to existing fund administration systems. These increased investments aim to drive additional business wins and revenue growth in the segment from 2024 and onwards.

Business Process Outsourcing segment consistently delivers gross profit margin of more than 90% during the years ended 31 December 2022 and 2023. The Group intends to maintain similar result from this segment mainly through its continuous collaboration with Amicorp Group.

The Governance and Compliance segment delivers gross profit margins of 63.4% and 66.5% in FY2023 and FY2022 respectively. It could be attributable to the increase in direct staff costs arising from employment of additional senior compliance experts in Luxembourg, Curaçao, India, and Mauritius as part of the Group's increased focus in the promotion and broadening of its Governance and Compliance services. This foundation of a senior compliance team was considered as a building block to the upcoming growth of the segment.

Payroll and renumeration costs

Payroll and remuneration costs increased by US$1.8 million, or 33.0%, to US$7.2 million in FY23, compared to US$5.4 million in FY22. Please refer to non-IFRs section above for details of movement of payroll and remuneration costs.

Rent and occupancy

Rent and occupancy includes cost recharged by Amicorp Group for their subletting and property service rendered to the Group based on various intercompany service agreements. At the same time, the Group charged to depreciation expenses in accordance with the adoption of IFRS16 for its four leases with third party landlords.

The decrease of rent and occupancy by US$353k, or 45.1% to US$430k in FY23 compared to US$783k in FY22 was partially compensated by the increase in depreciation expenses because of the newly acquired third party lease in Hong Kong and Chile.

Professional fees

Professional fees represent accounting, audit and tax compliance service fees for certain subsidiaries of the Group, legal fees for licensing application and legalisation of documents, as well as professional outsourcing relating to ordinary business.

The increase of professional fees by US$712k, or 200% to US$1.1 million in FY23 compared to US$356k in FY22 was attributed to the provision of Group audit fee, additional statutory audit and tax reporting obligations of newly incorporated subsidiaries and the application of fund administration license in DIFC of Dubai. In addition, the Group also undertook temporary engagements with external compliance services providers in Malta in H1-22 to support local statutory compliance matters, which were duly completed pursuant to the relevant regulatory approval granted by MFSA.

IT expenses

IT expenses comprise of the fees incurred for the use of the fund administration systems, Bloomberg terminal and other business-related systems.

IT expenses increased from US$547k in FY22 to US$657k in FY23 because of the newly incurred cloud hosting service for the fund administration system, and fee increment for the use of other systems.

Other operating expenses

Other operating expenses consists of sales and marketing expenses, travelling expenses, statutory fees, office expenses, and other administrative expenses.

The increase in other operating expenses to US$1.6 million in FY23 from US$692k in FY22 was due to increased travelling expenses arising from extensive overseas sales meetings and inter-office visits. Furthermore, the Group also actively pursued business development activities including subscription to a financial database, participation in professional associations, and the organisation and sponsorship of business development events.

The Group also observed a modest increase in bad debt provision and write-off. This adjustment reflects our commitment to conservative accounting practices and our proactive approach to addressing potential credit risks within the receivables.

As is customary for professional services firms, the Group obtained its own requisite professional indemnity insurance post admission to protect its business in the event of claims.

Income tax expense

The estimated income tax expense decreased in FY23 to US$667k (FY22: $829k), along with the movement in the profit before income tax.

Included in the income tax expense for FY23, the Group recognised a US$139k portion that is notional and presentational, under the merger accounting principles to treat its newly incorporated Luxembourg subsidiary as if it had always been with the Group ('notional tax expense').

Excluding such notional tax expense, the Group's effective tax rate as a percentage of profit before income tax in FY23 was 80.1% (FY22: 26.5%). Such increase is due to the non-deductible nature of the increased IPO costs in FY23, as well as the operating results of the developing offices in Mexico and Brazil. The Group has accumulated unused tax losses of US$4.8W million for which no deferred tax assets have been recognized (FY22: US$3.2 million). Such tax losses, if utilized, could benefit the tax position of the Group in the future.

Earnings per share ('EPS')

Basic and diluted EPS decreased to US$(0.01) cents in FY23 from US$1.9 cents in FY22.

RISK MANAGEMENT

The Board has overall responsibility for oversight of the risk management policies of the Group and the operation of the Group-wide risk management framework to assure that the framework is commensurate with the Group's structure, risk profile, complexity, activities and size, as well as providing oversight of the Group's capital planning and liquidity risk management.

Currently, the Group's compliance and risk management function is carried out by the Group's compliance team in Bangalore which assesses all clients individually in terms of KYC/AML risks. In certain licensed jurisdictions, the Group is required to have local compliance officers, who are the primary responsible persons in those jurisdictions and are answerable to the relevant regulators.

The Group's local compliance officers are supported by the compliance team on day-to-day operations. The Group's operational risk committee, comprised of the CFO and COO, has overall responsibility for oversight and implementation of the Group's risk management policies as well as approving any exceptions.

Risk case study: Client risk & anti-money laundering

At present, the Group applies a 'risk-based' approach to evaluate investors, asset managers and other clients. The parameters of the approach include, among others, complexity of fund structures, source of wealth ('SOW'), investors' nationalities, source of fund (SoF') and asset size. All the Group's clients (investors and fund managers) are ranked within the Group's system as per the Group's 'risk-based' approach and are continuously evaluated according to their risk profile.

The Group's AML risk controls consist of:

- its fund administration system with identifiable risk of clients;
- its independent compliance team to implement the Group's risk management policy;
- its local compliance officers as check-and-balance in licensed jurisdictions; and
- the Risk Committee to be established as standing committee of the board to be responsible for oversight and implementation of the risk management policy.

Principal risks

The Group faces various operational and strategic risks, including fiduciary responsibilities, regulatory compliance, dependence on key personnel, performance risks, client relationship management, growth and acquisition challenges, IT security, and market competition. Managing these risks is crucial for maintaining the Group's financial stability and operational integrity.

Risk	How AMIF manages and mitigates the risk
Fiduciary Risk: The Group, acting as directors and AML officers for fund clients, faces legal obligations and decision-making responsibilities. Breaches could lead to claims, sanctions, or material adverse effects on the business. The provision of fiduciary and administration services will generally involve the service provider having control over client assets such as bank accounts and registered investments. The risk of internal fraud in managing client assets remains, potentially leading to claims and regulatory sanctions.	Policies and procedures are in place to mitigate risks such as professional indemnity insurance, but there's no guarantee that it will cover all potential claims. AMIF operates procedures to control the transfer of client assets and key control tools which ensure that decisions made by the business divisions are thoroughly documented, reviewed and approved at the appropriate levels. Measures taken by the Group to verify the probity and integrity of all staff on joining the business are designed to mitigate this risk. These procedures also help identify, manage and monitor client, transactional, operational and internal risks in the business, allowing only senior employees to authorise the transfer of funds or assets.
Dependency on Key Personnel: The Group's success heavily relies on its senior management and qualified personnel. Loss of key staff could disrupt business, affect client retention, and impact growth and competitive position.	The success of AMIF's business depends in part on its ability to identify and respond to evolving macro-economic and sector trends in demographics and client preferences. Failure to identify or effectively respond to changing requirements and preferences of its client base could adversely affect the Group's business.
Client Relationship and Referral Dependence: A significant portion of revenue comes from existing clients. Failure to maintain these relationships or to gain new clients through referrals could adversely affect business and financial performance.	Employees responsible for client relations and business development interact with existing clients and intermediaries regularly via calls and physical meetings. Building and maintaining relationships through verbal communication remains invaluable in client retention and acquisition.
Growth and Acquisition Risks: Managing growth involves investment in resources and technology. Inadequate management of growth or unsuccessful integrations from acquisitions could negatively affect financial conditions and operations. AMIF has limited experience in acquisitions, which carries inherent risks.	The Group's overall growth strategy includes organic growth and growth by acquisition, which might entail acquiring portfolios of fund clients or acquiring a specific business or entity that owns specific regulatory licences, technology or will provide access to new geographical markets. AMIF will, where necessary, invest in upgrades of the Group's personnel, facilities, information technology, financial management and controls whilst maintaining client service levels.
Relationship with Amicorp Group: Post-reorganisation, the Group relies on services from the Amicorp Group. Non-compliance with contractual obligations by Amicorp Group could impact operations in certain jurisdictions.	AMIF retains a close cultural and operational relationship with Amicorp Group, and employees continue to be able to use certain premises occupied by Amicorp Group on an informal basis to maintain continuity.

Risk	How AMIF manages and mitigates the risk
Reliance on Third-Party Systems: Dependence on third-party fund administration systems like PFS Paxus and ICGS poses risks. Disruptions could adversely affect client services and the Group's financial condition.	AMIF has enjoyed a long-standing relationship with PFS Paxus who have been the Group's fund administration service provider since 2007, ensuring stability in the system.
Business Continuity and IT Security: Reliance on IT systems and networks exposes AMIF to operational risks. Security or data breaches could lead to data loss, reputational damage, and financial consequences.	Where foreseeable, such issues are mitigated by the Group's business continuity protocols, which are tested against identifiable scenarios. In addition, AMIF has made investments to protect against security breaches. AMIF seeks to ensure that procedures are in place to procure compliance with applicable data protection law by its employees and third-party service providers, and also implements security measures to help prevent cyber-theft.
Legal and Regulatory Risk: Operating in multiple jurisdictions with varying legal and regulatory requirements increases the likelihood of disputes and litigation. Compliance with diverse and evolving regulations in multiple jurisdictions is challenging. Non-compliance could lead to sanctions, impacting client retention and reputation. The Group employs a risk-based approach to AML and KYC practices.	While procedures are tailored to meet regulatory guidelines, there is no assurance of full compliance, potentially leading to regulatory investigations or adverse impacts on reputation and operations. The Group maintains professional indemnity insurance in the event of any disputes, legal proceedings or claims against or involving AMIF which may result in suffering losses (including costs, fines, penalties and expenses). Regulatory change is a key driver of the Group's business and can raise barriers to entry and negatively impact AMIF's competition as well the Group. Where regulatory change could increase the Group's compliance costs AMIF will look to pass such additional costs onto its clients.
Market Risk: Economic conditions affect client activities, impacting demand for the Group's services and revenue. The precise proportion of the Group's variable fees may differ depending on asset size of funds, client preference, activity levels and sector norms. These fee structures, based on asset sizes and market conditions may potentially impact financial performance.	The success of the Group's business depends in part on its ability to identify and respond to evolving macro-economic and sector trends in demographics and client preferences. Failure to identify or effectively respond to changing requirements and preferences of its client base could adversely affect AMIF's business. Individual asset classes are susceptible to fluctuations in performance driven by macroeconomic factors outside AMIF control including changing regulatory obligations, changing taxation legislation, and shifts in client preferences and demands.

SECTION 172 STATEMENT

Section 172 of the Companies Acts 2006 deals with the directors' duty to promote the success of the company for the benefit of members as a whole. This statement sets out the approach adopted by the Directors to ensure such requirements are complied with.

S172(1) (A) - Long-Term Decision Consequences

The Board of AMIF evaluates all pertinent information and potential outcomes to assess the long-term implications of its decisions. This process ensures that the decisions do not negatively impact the Group's future or its stakeholders and align with the Group's strategic goals and objectives. The Board's approach to long-term planning, reflects this commitment.

The listing of AMIF in the London Stock Exchange is an example to demonstrate the Board's commitment to the long-term sustainable growth of the Group by widening investor base and boosting transparency and visibility for regulators. Part of the IPO proceeds were deployed towards developing AMI-GO which aims to enhance customers' experience.

The Board engages regularly with employees via physical meetings or video conferences. Staff training and peer coaching are promoted to strengthen talents and skills. The Board also commits to establish one or more employee share option plans for the retention of Executive Directors and employees.

S172(1) (B) - *Employee Interests*

The Group considers employees as one of its most important assets. The below table of stakeholder engagement details AMIF's approach to addressing employee interests.

S172(1) (C) - *Fostering Business Relationships with Suppliers, Customers and Others*

The Group focuses on building long-term relationship with its suppliers such as system providers in order to deliver its services. The accompanying table illustrates how AMIF prioritises the interests of its customers, another key aspect of maintaining strong business relationships.

S172(1) (D) - *Community and Environmental Impact*

AMIF is devoted to creating a more sustainable, socially responsible world. The development of the Group's sustainability offer – Amicorp ESG Services - both supports AMIF's clients with their responsible business agendas driven by European legislation, whilst also being applied to assess the Group's own sustainability performance.

S172(1) (E) - *Maintaining High Business Conduct Standards*

Operating globally, the Group offers professional support services to socially driven sectors, consistently striving for efficiency in service and conduct to remain as leaders in our fields. Our foundational purpose, culture, values, and our quality assurance framework guide and uphold the high standards expected of our employees.

S172(1) (F) - *Fair Treatment of Company Members*

In decision-making, the Group's Board considers all pertinent information, focusing on the impact on all stakeholders. This ensures the chosen path aligns with the Group's strategy. AMIF's diversity, equality and inclusion policy represents the Group's dedication to fairness in the workplace to support both employee retention and acquisition and AMIF's goal is for its staff to be representative of the jurisdictions in which they operate.

STAKEHOLDER ENGAGEMENT

	Investor	Employee	Customer	Regulator
Importance to AMIF	Essential for capital provision and growth. Some are also employees and customers of the Group.	Vital for innovation, product development, and achieving organisational goals. Contribute to a positive social impact work environment.	Key revenue source, integral to the Group's mission of fostering a sustainable, responsible world.	Enforce rules and regulations under which the Group operates its business.
Interests	Seeking investment returns and business sustainability	Desire for recognition, rewarding work, strong client relations, cultural alignment, and personal/ career growth.	Prioritising quality, value, expert advice, and strong relationships with the Group's staff.	Serve as stewards of the public interest, promoting fairness, transparency, and stability in business environments.
Engagement methods	Communications via stock exchange announcements, press releases, annual and half-year reports, and investor meetings.	Utilisation of regular staff surveys, various media forums for communication and information sharing, investment in new products, and thought leadership research.	Direct client engagement, publications, e-bulletins, and customer satisfaction surveys.	Direct communication via local compliance officers, indirect communication via external professionals, and circular publication.
Board interaction	Board interaction	Involvement in staff conferences and regular updates through webinars.	Regular communication through publications and customer surveys.	Direct interaction via meetings, conferences, or consultations with regulators.
Influence on decision making	Investor feedback influences AMIF policy and strategic decisions.	Employee feedback, especially from staff surveys, leads to the formation of employee-led groups influencing the AMIF Board, such as the ESG Group.	Customer insights drive investment in new product development and can lead to research and development opportunities.	Changes in law and regulation steer the direction of decisions.

GOING CONCERN

The Group raised US$6.5 million in the current financial year, which enriches its working capital. The Directors are satisfied that the Group has sufficient resources to continue in operation for the foreseeable future, a period of not less than 12 months from the date these financial statements are issued. Accordingly, they continue to adopt the going concern basis in preparing the consolidated financial statements.

In assessing going concern, the Directors considered the Group's cash flows, solvency and liquidity positions, and have considered a range of scenarios as part of the assessment; Directors considered the reasonably worst case scenario by applying adverse assumptions on key business metrics which presumes fund launch rate and attrition rate of new funds and existing launching funds respectively being 50% worse than those in the normal scenarios, as a reverse stress test. In this reasonably worst scenario, the net current assets and cash and bank equivalence are projected to remain positive throughout the going concern period.

As at the year ended 31 December 2023, the Group had cash and cash equivalents of US$3.0 million (31 December 2022: US$0.9 million) and net current assets of US$8.0 million (31 December 2022: US$5.3 million), and the IPO expenses of $952k in the current financial year are not anticipated since the listing has been completed, which the Directors believe will be sufficient to maintain the Group's liquidity over the going concern period (i.e. at least 12 months from the date of issue of these financial statements), including continued investments to meet existing financial commitments and to deliver future growth.

Approved by the Board and signed on its behalf.

SUSTAINABILITY APPROACH

ESG POLICY

The Board has overall responsibility for setting the ESG Policy, Strategy and targets. The responsibility for delivery has been delegated to the ESG Working Group.

Our ESG Commitment

AMIF strives to build sustainable, equitable, healthy, and diverse communities through a combination of innovative business practices and exemplary ESG performance. This commitment informs every aspect of the Group's business, including how we operate our company, collaborate with stakeholders and report progress.

Our Statement on Climate Change and the Environment

AMIF complies with current environmental legislation and works to minimise the impact of our activities on the environment. The Board supports the recommendations of the Taskforce on Climate-related Disclosure ('TCFD'), engages with AMIF's stakeholders.

Our Statement on Social Responsibility

AMIF's focus is to deepen relationships with its key stakeholders by investing in the Group's employees and partnering with its customers, communities, investors and suppliers. AMIF is committed to engagement with its employees to provide a challenging, dynamic, inclusive and diverse work environment that supports their professional development, as well as promoting a good work-life balance that prioritises their overall health and wellness. The AMIF Board will support initiatives that benefit the environment, human welfare and education.

Our Statement on Ethical Governance

AMIF is committed to high ethical standards through executive leadership that promotes a culture of integrity. The Board cultivates strong stakeholder relationships through transparency, open communications, and active dialogue in response to stakeholder enquiry. AMIF establishes clear and effective governance principles for ESG matters, set goals and establish accountability through its Board of Directors.

Responsibility to Our Customers

AMIF has an obligation to its customers to offer them the best service. Customers are at the heart of AMIF's business, and without these partnerships the Group would not exist. Part of that commitment to customers is focused on responding to their needs, hearing their concerns and committing AMIF to customer satisfaction.

ESG and Our Value Chain

Ethical procurement gets to the heart of the value chain. When AMIF considers the entire value chain, from raw material supplier to end use customer, the Group can better understand the needs and impacts of its business's decisions within those relationships.

Non-financial and sustainability information statement

In accordance with Sections 414CA and 414CB of the Companies Act 2006, the required non-financial and sustainability information disclosures are integrated throughout the Strategic Report. The following table summarizes where relevant information can be found in this Annual Report.

Reporting requirements	Relevant policies	Further information
Environmental matters	• Environmental policy	Page 56 to 61
Employees	• Whistleblowing policy • Code of conduct	Pages 41, 67, 68 and 75
Human rights	• Anti-slavery and human trafficking policy	Page 66 to 68
Social matters	• Whistleblowing policy • Code of conduct	Page 66 to 68, and page 75
Anti-corruption and anti-bribery	• Anti-Bribery policy • Anti-money laundering policy • Whistleblowing policy • Code of conduct	Pages 51 and 75
Business model		Page 8 to 17 and page 32 to 40
Principal risks		Page 51 to 53
Non-financial KPIs		Page 43 to 45

TCFD

Task Force on Climate-related Financial Disclosures (TCFD)

Climate change-related risks may impact the core business of the Group. To comply with the requirement under Listing Rule LR 14.3.27R and further informing our shareholders from impacts of climate change, the Group has adopted the framework of the TCFD for reporting. TCFD ensures companies disclose key information on relevant issues under climate change and communicate how the climate-related risks and opportunities are managed as part of the resilience and risk assessment process.

The following table includes our TCFD disclosures:

1. Governance	Management of climate-related risks and opportunities
Board's oversight	The Board has the overall responsibility for formulating and overseeing the Group's ESG policy, strategies and targets. The ESG Working Group was formed to implement the ESG policy and includes the CFO and senior management from key functions of the Group. During 2024, sustainability, including climate risk, will be added as a standing Agenda item to AMIF board meetings.
Assessment and management	The ESG Working Group is exploring the ways to further enhance the efficiency of using energy and reduce the carbon footprint of the Group's operations.
2. Strategy	**Approach to both the actual and potential impacts of climate related risks and opportunities**
Risks and opportunities	Climate related issues identified and discussed include: **Risks:** Physical risks resulting from climate change (e.g. extreme weather: serious flooding, drought and high wind) could impact our offices and our clients depending on their geographical location. The Group has business continuity and disaster recovery plans in place to ensure that work could be completed from a different location or remotely if necessary. For example, the Mauritius and India offices are at risk from physical risks of extreme weather and remote working measures can be used. Transition risks arise from regulatory change in moving to a low-carbon economy include changes to regulations, carbon tariffs, and the potential for stranded assets have the potential to impact the Group and our clients over the medium term (2-3 years). Long-term events (more than three years) including the impacts on GDP and shifts in population centres could potentially impact the Group and our clients' revenue and profitability as they link to the wider global economy. All of these factors, as well as the social impacts of climate change are in scope for a more detailed, formal materiality assessment in the future. **Opportunities** In August 2023, the Group launched a new service line to help investors and businesses analyse, report and develop their ESG performance to meet regulatory reporting requirements. AMIF's platform, powered by one of the leading credit and business information companies, provides an independent and auditable ESG Report that can be shared with regulators, stakeholders and shareholders. An ESG Rating and a light Gap Analysis can help businesses identify any shortcomings and highlight where improvements can be made. These ESG Services are designed to help asset and fund managers, institutional investors and businesses to quickly comply with these regulations and provide the support and insights needed to plan and build an ESG strategy that aligns with their goals and values. Many businesses are creating strategies and placing a greater emphasis on ESG commitments as a way of building positive reputations among customers, investors and employees, and as a means of improving financial performances through associated operational cost and energy savings. From 2024, the Group plans to start conducting regular analysis of its service offering and client base to look at risks and opportunities from climate related scenarios.

3. Risk Management	How the Group identifies, assesses and manages climate-related risks
Risk identification	Climate change is an emerging risk with both physical and transition risks to consider. As a people-based service business the direct impact is expected to be low. However, AMIF plans to further vet this stance through a more detailed and formal materiality assessment FY24, which will help the Group to gain a deeper understanding of how these risks impact its business and its clients.
Process and management	Apart from the effort to save energy, carbon offsets could be one of the measures to further reduce our carbon footprint, especially to deal with the residual carbon. In 2013 we centralised air travel bookings to enable mileage calculations and from this CO2 emissions from business travel. We plant a tree for every 200 kilometres of air travel made by the Group's employees. Availability of data to calculate and report on metrics currently depends on estimates as not all information is available. As measurement and reporting improves, more meaningful metrics will help identify timescales and solutions to implement the transition to net zero. Similarly, as regulation and best practice continue to evolve, our continued engagement with investors, clients and suppliers along our value chain will allow the Group to stay informed on emerging best practice. The Group is considering becoming a signatory to United Nations Principles for Responsible Investing ('UN PRI') and reporting climate related data to the Carbon Disclosure Project ('CDP') database.

4. Metrics and Targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities
Greenhouse Gas ('GHG') metrics	**GHG metrics** The Group measures its Scope 1 & 2 GHGs and has set targets to reduce these emissions. The target is to reduce GHG emissions by 10% of the 2023 baseline by 2028. Electricity is the major source of GHG emissions due to the nature of AMIF's business operations. The Scope 2 emissions in 2023 were estimated at 93.14 tons of carbon dioxide equivalent. The Group will adopt electricity reduction measures by installing up to date energy efficient components and employing technology to minimise consumption. Carbon offsets may also be considered. **Global Energy Use metrics** The target is to reduce energy use by 10% of the 2023 baseline by 2028.

Streamlined Energy and Carbon Reporting ('SECR')

This is the maiden Annual Report for AMIF after its admission on the Main Market in London Stock Exchange, which sets out the first set of SECR of the Group:

Based on the GHG Protocol calculations, AMIF's worldwide Scope 1 and 2 GHG emissions have been estimated for FY23 as 93.14 tons of carbon dioxide equivalent (intensity: 0.86 ton per employee). These emissions have come mainly from the use of electricity for office operations. The GHG emissions data of the offices in Curaçao, China and the UK are not included as information was not available from the landlords. Due to the small relative footprint of these offices compared with the others, this data is expected to be immaterial.

The Group plans to start tracking its major Scope 3 GHG emissions in FY24, which are the business travel and outsourcing activities. Accordingly, the scope 3 GHG emissions will be reported step by step throughout the coming years depending on the feasibility and availability of the data.

The global energy use for 2023 was estimated at 395,485 kWh (intensity: 3,662 kWh per employee). There are no prior year's figures as this is the first year such information has been collected and comparative figures will be provided from 2024 onwards.

Compliance Statement (pursuant to Section 14.3.27R of the Listing Rule)

The disclosures in this Annual Report are compliant with the TCFD Recommendations and Recommended Disclosures, with the exceptions of materiality assessment, scenario analysis and scope 3 GHG emission. Reasonable steps have been taken to ensure that disclosures, to the extent they are relevant and/or possible, also reflects Section C and E of the TCFD Annex.

Owing to the nature of AMIF's business as a service provider, the scope 1 & 2 TCFD risks and impacts are not expected to be material. The Group has committed to conduct a materiality assessment, scenario analysis and scope 3 GHG emission calculations starting from FY24. This is due to transitional challenges in embedding relevant modelling and analytical capabilities.

As climate-related metrics and availability of data evolves, AMIF expects to improve its disclosures in future years.

GOVERNANCE

INTRODUCTION

In my role as Chair, my primary responsibility is to guide the Board to ensure that AMIF establishes and maintains a strategy, workforce, governance structure, and culture that are all geared towards generating value for shareholders and other stakeholders in the medium to long term.

The Directors are keenly aware of the significance of transparent corporate governance and have therefore opted to adopt the Quoted Companies Alliance Corporate Governance Code (the 'QCA Code'). The core tenet of the QCA Code is that "effective corporate governance is a key mechanism for enhancing the long-term value of the Company for shareholders". This report set out how the Company adheres to the principal governance guidelines set out in the QCA Code.

We will transparently indicate any areas where our practices diverge from the QCA Code's expectations and will provide a rationale for why such deviations are justified for the Group. We will also keep a close watch on the practical application and interpretation of the QCA Code to make sure we consistently align with its essential principles.

Toine Knipping
Chairman

CORPORATE GOVERNANCE REPORT

Amicorp FS (UK) Plc is committed to maintaining the highest standards of corporate governance. We believe that effective governance is fundamental to the success of our business and the delivery of long-term value to our stakeholders. This Corporate Governance Statement outlines our approach, which is aligned with the QCA Code.

1. **ESTABLISH A STRATEGY AND BUSINESS MODEL WHICH PROMOTE LONG-TERM VALUE FOR SHAREHOLDERS**

As a business, AMIF aims to be a trusted partner that continues to build strong, lasting relationships with its clients, and continue to develop the right set of innovative solutions to meet changing market needs and opportunities, while striving to be a soundly profitable business.

AMIF aims to strengthen existing client relationships and attract new clients by providing a comprehensive and bespoke set of services that add value and ensure they can successfully invest and expand in local and international markets, be that now or in the future. The Group continues to focus on enhancing and expanding its set of solutions, expertise and geographical reach that help safeguard client investments and open up new opportunities for them, deliver operational efficiencies and enhance compliance through economies of scale,

AMIF aims to recruit and retain the best possible talent that add the right set of skills, credibility and influence to support its efforts.

2. **PROMOTE A CORPORATE CULTURE THAT IS BASED ON ETHICAL VALUES AND BEHAVIOURS.**

AMIF's core values are integrity, loyalty, teamwork, quality, care and respect. These values guide our actions as a company, influence our decisions, and affect how we work with the people involved in our ecosystem.

As part of that, all of us − including client account managers and officers, directors, agents, and consultants – aim to conduct ourselves ethically when dealing with clients, suppliers, intermediaries, and competitors. AMIF strives to build a sustainable business using responsible and non-predatory methods, including refraining from poaching clients and employees from competitors.

It also defines which clients AMIF chooses to work with. AMIF will not accept as clients:

- People or companies from countries subject to specific UN or jurisdiction specific embargoes and sanctions, countries without a certain level of acceptance of the rule of law, or individuals or companies benefiting from unrest, embargoes and problems in countries or with people they are in conflict with.
- Companies or individuals involved in the production, manufacturing or trade of illicit drugs or arms of any kind, including certain 'dual use goods', or who want to use their business as a way to suppress other people, conduct genocide, or economically exploit people or businesses from emerging market countries
- Entities engaged in sex-related businesses, gaming, gambling, or issuance of crypto currencies
- Money launderers and people actively seeking to evade taxation; Providers of overly risky financial products to the public; Unnecessarily polluting businesses; and
- High government officials and professional politicians of any conviction

3. **SEEK TO UNDERSTAND AND MEET SHAREHOLDER NEEDS AND EXPECTATIONS**

AMIF places great importance on open and transparent communication with our shareholders. Regular updates on our business activities and financial performance are provided through investor briefings, trading updates and website communications and we have included disclosures on the Group's social and environmental performance in this report. AMIF encourages shareholder engagement and actively seeks their feedback to align the Group's goals with their expectations.

4. **TAKE INTO ACCOUNT WIDER STAKEHOLDER AND SOCIAL RESPONSIBILITIES AND THEIR IMPLICATIONS FOR LONG-TERM SUCCESS**

As a consultancy firm, AMIF's stakeholders include investors, customers, employees, regulators, and the communities where the Group operates. AMIF is committed to ensuring that its operations address stakeholder and social responsibilities, such as ethical business practices, community engagement programmes and sustainability initiatives that both minimise the Group's negative impacts, whilst supporting clients with their own sustainability approach.

The group continues to develop its sustainability plans and metrics and will report on progress in the next and subsequent reporting cycles.

5. **EMBED EFFECTIVE RISK MANAGEMENT, CONSIDERING BOTH OPPORTUNITIES AND THREATS, THROUGHOUT THE ORGANISATION**

AMIF has a risk management framework in place, identifying and addressing potential risks and opportunities in its business operations. This framework is regularly reviewed and updated to adapt to changing market conditions that are impacted by regulatory, industry and macro-economic dynamics, as set out in our Market Review and Principal Risk statement.

6. **MAINTAIN THE BOARD AS A WELL-FUNCTIONING, BALANCED TEAM LED BY THE CHAIR**

AMIF's Board of Directors comprise experienced professionals with diverse backgrounds and expertise, ensuring a balanced perspective in decision-making. As established at the Group's IPO, the Board operates with clear roles and responsibilities, and its composition will be regularly reviewed to maintain its effectiveness and alignment with the Group's strategic goals.

7. **ENSURE THAT BETWEEN THEM THE DIRECTORS HAVE THE NECESSARY UP-TO-DATE EXPERIENCE, SKILLS AND CAPABILITIES**

The Directors of AMIF undergo continuous professional development to keep their skills and knowledge current. AMIF will also conduct regular skills assessments to ensure that the Board collectively possesses the expertise required to oversee the Group's consultancy business effectively.

Necessary training will be provided to the Board to ensure that they are kept appraised of specific areas related to the Group's evolution and plans for growth.

8. **EVALUATE BOARD PERFORMANCE BASED ON CLEAR AND RELEVANT OBJECTIVES, SEEKING CONTINUOUS IMPROVEMENT**

The performance of AMIF's Board will be evaluated annually against clear objectives, focusing on leadership, governance, strategic oversight, and stakeholder engagement. This is expected to drive continuous improvement in the Group's governance practices.

The Board will also develop succession planning as relevant for key existing roles as well as required appointments in line with the Group's evolving strategy.

9. **PROMOTE A CORPORATE CULTURE THAT IS BASED ON ETHICAL VALUES AND BEHAVIOURS**

The Group has established a Code of Conduct that sets the standard for ethical behaviour across the organisation.

AMIF is committed to conducting business in a manner that prioritises sustainability, ethical practices, and responsible corporate citizenship.

AMIF's four pillars are:

- **Profitability and Support for People**

Emphasizing financial sustainability and ensuring that the business contributes positively to the well-being of both internal and external stakeholders.

- **Employee Passion and Development**

Focusing on employee engagement, growth, and productivity, recognizing that passionate and developed employees make up a healthier society.

- **Environmental Responsibility**

Minimizing environmental impact by reducing carbon emissions and offsetting any associated adverse impact. Demonstrating a commitment to environmental sustainability and corporate social responsibility.

- **Community Support**

Through Amicorp Community Foundation, being a foundation set up by the Amicorp Group in 2001 to channel its commitments towards corporate social responsibility and ESG, we recognize the significance of fostering a positive impact on the local community, and embrace AMIF's role as a responsible corporate citizen.

AMIF is dedicated to fair and inclusive employment practices, actively promoting a healthy and diverse workplace culture. In the Group's hiring processes, we prioritize equal opportunities, ensuring that candidates are assessed based on merit, skills, and qualifications.

10. **MAINTAIN GOVERNANCE STRUCTURES AND PROCESSES THAT ARE FIT FOR PURPOSE AND SUPPORT GOOD DECISION-MAKING BY THE BOARD**

AMIF's governance structures and processes are designed to be transparent, efficient, and aligned with its business objectives. These will be regularly reviewed to ensure they remain fit for purpose and facilitate effective decision-making.

11. **COMMUNICATE HOW THE COMPANY IS GOVERNED AND IS PERFORMING BY MAINTAINING A DIALOGUE WITH SHAREHOLDERS AND OTHER RELEVANT STAKEHOLDERS**

The Group is committed to transparent and timely communication regarding its governance and performance. Governance reports are included in AMIF's annual reports, and the Group will maintain ongoing dialogue with shareholders and other stakeholders to foster mutual understanding and trust.

No changes were made to the AMIF Board structure or processes during the year.

Division of Responsibilities

Outlined below are the defined roles and duties of the Chief Executive Officer, the Non-Executive Chairman, other Directors, and the Company Secretary:

Chief Executive Officer (CEO): The CEO's key duties include implementing AMIF's strategy in coordination with the Board, handling new and existing investment opportunities, day-to-day management of the Group, executing Board decisions, managing key risks, acting as the primary spokesperson for AMIF, and liaising with external parties such as investors, analysts, and media. The CEO is also tasked with overseeing the Group's administration, managing the accounting functions across all group companies, and handling matters related to the independent audit.

Non-Executive Chairman: The primary role of the Non-Executive Chairman involves leading the Board to ensure its effective operation, setting and reinforcing the Group's corporate governance, culture, values, and behaviour in consultation with the Board, organising the Board's agenda, and facilitating full participation and decision-making by all Directors. This role also includes maintaining relationships with AMIF's major shareholders and professional advisors.

Non-Executive Directors (NEDs): The NEDs contribute to all Board-level decisions, particularly in strategizing and articulating the Group's direction. They oversee and evaluate the performance of executive Directors, providing both challenge and support to ensure the execution of strategy and adherence to the risk management framework.

In accordance with the QCA Code, the Board includes at least two non-executive directors who are deemed to be independent. AMIF's Board comprises six directors, with three being executive and three non-executive. Two non-executive directors, Kathy Byrne and Patrick Byron, are considered independent.

The proportion of women on the Board is currently 16.67% (one woman and five men), and none of the senior positions of the Board is held by women. There will be a continued focus on the improvement of Board gender diversity over the coming years with the aim of achieving a target of 40% female representation.

Three members of the Board are Asians who are considered having minority ethnic background.

Company Secretary: The Company Secretary's responsibility is to ensure that Board procedures are correctly followed and that all relevant regulations and rules are adhered to.

Board Committees Overview

Our Board is reinforced by the Audit and Remuneration Committees, each with specific roles as outlined below.

Audit Committee

The Audit Committee, led by Patrick Byron as Chair, consists of independent non-executive Directors. This committee is chiefly responsible for overseeing the integrity of internal controls and ensuring accurate measurement and reporting of the Company's financial performance. It reviews reports from both the Company's executive management and auditors regarding interim and annual financial statements, as well as internal control systems across the Group. The Audit Committee meets at least three times annually, aligning with the reporting and audit schedule.

Remuneration Committee

Chaired by Kathy Byrne, the Remuneration Committee evaluates the performance of the Company's executive Directors, the Chair, and the senior management team. It advises the board on their remuneration and terms of service. This committee convenes a minimum of two times each year.

Details of Remuneration Report can be found in page 76 to 79.

Share Dealing Code

Following its Admission, AMIF has implemented a share dealing code applicable to the Directors and certain employees, in accordance with the UK version of the Market Abuse Regulation and the AIM Rules for Companies, especially concerning dealings during close periods. AMIF is committed to ensuring compliance by the Directors and applicable employees with this code.

Director Re-election Process

During each Annual General Meeting ('AGM'), we will present all Directors for re-election, ensuring continuous evaluation and accountability.

Director Information and Professional Development

Every Director has been thoroughly briefed on their roles, responsibilities, and liabilities by the Group's adviser, specifically tailored to their position in a listed company. AMIF actively encourages its Directors to stay informed about industry developments and to participate in training programmes that aid them in their roles.

In addition to formal Board meetings, the Non-Executive Chairman is readily accessible to other Non-Executive Directors for discussions about any concerns they might have regarding the Group or their specific responsibilities. The Chairman ensures they are well-informed about ongoing matters related to the Group's operations.

Board Performance Assessment and Evaluation

The Non-Executive Chairman continuously conducts informal evaluations of the Board and its Directors' performance. This process involves identifying areas for enhancement and ensuring the Board's composition is appropriate for the Group's scale and complexity, given its balance of skills, experience, independence, and knowledge. This ongoing assessment is a key aspect of AMIF's governance structure, and for now, the Board will continue with this method of self-evaluation.

Board and Committee Meetings Overview

The table below provides a summary of the number of meetings held by the Board and its Committees during the past year since IPO. It also includes details on the attendance of each relevant member at these meetings:

Director	Independent	Board	Audit	Remuneration
Toine Knipping	No	3/3		
Kathy Byrne	Yes	3/3	2/2	1/1
Patrick Byron	Yes	3/3	2/2	1/1
Kin Lai	No	3/3		
Stephen Wong	No	3/3		
Kiran Kumar	No	3/3		

The Committees invite representatives from the executive directors and third-party providers to provide presentations where necessary.

LEADERSHIP

Antonius (Toine) Rudolphus Wilhelmus Knipping
Non-Executive Chairman

Skills: 30+ years of experience providing solid solutions, based on legal, and political changes in the constantly evolving international regulatory environment.

Experience: Mr. Knipping is an entrepreneur with over 30 years of experience in the fund services, trust and administration industry. Mr. Knipping co-founded the Amicorp Group in 1992 in Curacao and went on to build the business into an international service provider with offices in numerous off-shore and on-shore jurisdictions worldwide, establishing the four key service lines of the group, Financial Markets Services, Management Services, Fund Services and Banking Services. Prior to Amicorp, Mr. Knipping held roles, among others, at McLaughlin Bank NV and Credit Lyonnais Bank Nederland. Mr. Knipping has diverse business interests including health care, viniculture and animal conservation. He is a graduate of the University of Brabant in the Netherlands.

Committee memberships
Nil

Chi Kin Lai
Chief Executive Officer

Skills: Asset management background in a Hong Kong listed company and private equity, Kin has extensive knowledge and experience in investment management, financial products, and M&A projects.

Experience: Mr. Lai is an experienced senior executive with sales and finance experience. He has held senior positions within the Amicorp Group since 2010, commencing as managing director of the Hong Kong office. In 2012, he became the Group's CFO, overseeing the finance and accounting operations of the Group and subsequently from 2015 onwards as the Global Head of Fund Services – Sales, where he has been responsible for formulating the fund services business development strategy globally and driving sales.

Prior to Amicorp, Mr. Lai was the Head of Corporate Finance and CFO at Bunstat International Group Ltd, a company designing and constructing operating theatres for hospitals in China. Prior to that, he was the CFO at Artec Technologies (Asia) Ltd, a video streaming business and as an investment manager at BHL Investment Ltd and Burwill Holdings Ltd in Hong Kong. Mr. Lai is a member of the ACCA and holds a BA from the University of Leicester and a Master of Science from the University of Southampton.

Committee memberships
Nil

Tat Cheung (Stephen) Wong
Chief Financial Officer

Skills: A qualified accountant with relevant experience working with the Big 4. Stephen specialises in international fund administration, he oversees all financial-related operations and management reporting.

Experience: Mr. Wong is a qualified accountant with experience in international corporate financial reporting and structuring. Mr. Wong joined Amicorp in 2014, initially as a client relationship manager, subsequently becoming an associate director, director and, from 2020, the CFO of the Fund Services division. Prior to joining Amicorp, Mr. Wong worked at PwC. Mr. Wong is a member of the Hong Kong Institute of Certified Public Accountants and the Association of Certified Anti-Money Laundering Specialists and holds a BBA from the University of Hong Kong.

Committee memberships
Nil

Kiran Kumar Gundu Rao

Chief Operating Officer

Skills: Kiran oversees overall operations including strategic company restructuring. With Amicorp Group since 2004, where he held multiple leadership roles including that of COO (2010 to 2018).

Experience: Mr. Kumar is an experienced operational and finance executive. He has held senior positions within the Amicorp Group since 2004. He has helped set up and manage the Group's operations in Singapore, Bangalore and Curacao. In 2010, Mr. Kumar became the Chief Operating Officer and Director of the Amicorp Group and was responsible for providing functional guidance ensuring standardisation of operational practices across the Group and developing and implementing global systems and processes to improve efficiency. As of 2020, Mr. Kumar became the COO of the Fund Services division. Prior to Amicorp, Mr. Kumar was a senior consultant and project manager at Vistra Group and before that an executive at IBM India Limited. Mr. Kumar is a member of the Institute of Chartered Accountants of India and an associate of Certified Public Accountants in Australia.

Committee memberships
Nil

Kathleen (Kathy) Jeanette Byrne

Independent Non-Executive Director

Skills: Ms. Byrne has 39 years' experience in financial services covering insurance, savings and risk management.

Experience: Ms. Byrne is currently Non-Executive Director of Just Group plc's life companies, Just Retirement Limited and Partnership Life Assurance Company Limited and is a member of the Investment Committees. She is also Non-Executive Director of two Just Mortgage companies, being Just Retirement Money Ltd and Partnership Home Loans Ltd. She has held a number of c-suite and management roles in a variety of financial services organisations, including Metfriendly, Cardif Pinnacle and Citibank Life. Ms. Byrne is a qualified actuary, graduate of Imperial College, London and has an MBA from Henley Management College.

Committee memberships
Chairwoman of Renumeration Committee
Member of Audit Committee

Patrick Peter Byron

Independent Non-Executive Director

Skills: As a Certified Public Accountant with extensive experience in mergers and acquisitions, Patrick chairs the Audit Committee.

Experience: Mr. Byron was a Senior Vice President in Mergers and Acquisitions at Atos SE, leading the corporate development function for Atos and, in that role, has led the acquisitions of KPMG Consulting (UK and Netherlands), Sema Group and Siemens IT Services. Prior to Atos SE, Mr. Byron held senior positions at Warnaco Europe, GAP Europe and Burger King EMA. Mr. Byron is a Certified Public Accountant and holds a BA from the University of Miami and a Master of Science from Florida International University.

Committee memberships
Chairman of Audit Committee
Member of Renumeration Committee

Accountability and Audit Framework

Risk Management and Internal Control Systems

The Board bears the ultimate responsibility for the Group's internal control system, which encompasses risk management. The effectiveness of these internal controls is overseen by the Audit Committee, a delegation from the Board.

The Audit Committee is tasked with scrutinising the internal control mechanisms, which include systems, policies, and processes concerning tendering, authorisation of expenditure, fraud prevention, and the internal audit strategy.

It's important to note that the internal control system aims to manage the risk of not meeting business objectives rather than eliminating it entirely, thereby offering reasonable but not absolute assurance against significant misstatement or loss.

Audit Committee's Role in Risk Assessment

The Audit Committee plays a vital role in aiding the Board with its responsibilities to review these matters. The Board has undertaken a thorough evaluation of the primary risks confronting the Group, including those posing a threat to its business model, future performance, solvency, or liquidity. A detailed analysis of these principal risks and the mitigations implemented is provided on page 51 to 53.

External Audit and Assurance

BDO LLP was selected as the Group's auditor for the fiscal year ending 31 December 2023.

AUDIT COMMITTEE REPORT

The Audit Committee report is prepared in accordance with the QCA Code. The Audit Committee will meet not less than three times in each financial year and will have unrestricted access to the Group's external auditors.

The Audit Committee comprises Patrick Byron (Chair) and Kathy Byrne, both of whom have been deemed by the Board to be independent. The Audit Committee will have the primary responsibility of monitoring the quality of internal controls to ensure that the financial performance of the Group is properly measured and reported on. It will receive and review reports from the Group's management and external auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Group.

During FY2023, two audit committee meetings were held to consider the following significant matters:

Significant matter	Details of the significant matter	Actions and conclusion
Increase in investment in resources and technology	The Group's continuous focus on organic growth, though in line with the expected use of IPO proceeds, will increase investment in human capital and technology, leading to temporary pressure on short-term profitability. Uncertainty on growth is an inherent risk that could negatively affect financial conditions and operations.	Management must keep strengthening oversight towards sales and marketing employees and their business activities, by implementing systematic measures to monitor their performance. Investment strategies will be reviewed regularly, and their associated risks will be communicated in public disclosures to ensure transparency.
External audit and first-time preparation of IFRS consolidation financial statements	Post admission, the Group will prepare the first-time IFRS consolidated financial statements by converting the carve-out financial statements included in the IPO prospectus, with adjustments applied where appropriate for the IFRS reporting framework. The geographic distribution of the Group's subsidiaries and the associated differing regulatory environments imply greater risk or complications too.	Audit planning was completed on time, leading to conclusion of audit strategy and plan for execution. Management and external auditor shall commit to the timeline agreed, and report audit status and material issues to the Audit Committee regularly. With respect to IFRS adoption, management should take into account all relevant IFRS standards to ensure compliance.
Internal audit	Considering its limited size and resources, the Group does not currently have a group-wise internal audit function, but only perform internal audit for certain individual subsidiaries based on local regulatory requirements.	The Audit Committee will continuously monitor the internal control environment of the Group, and keep the need for a group-wise internal audit function under regular review.

External Auditor's Fee for Non-Assurance Services

The Audit Committee has put in place a policy governing the provision of non-assurance services by the Group's auditor, and the specific communication requirements about the proposed non-assurance services and fee-related matters.

The external auditor acted as Reporting Accountant of the Group during its IPO. This was approved by the Board as they have concluded that it did not affect the independence or objectivity of the external auditor and is considered to be one-off non-recurring work. Fees paid during the year for audit and non-assurance services are disclosed in note 19 to the consolidated financial statements.

Objectivity and Independence

The Audit Committee continues to monitor the objectivity and independence of the Group's external auditor. The committee is satisfied that BDO LLP and the Group have appropriate policies and procedures in place to ensure that these requirements are not compromised.

Re-appointment of External Auditor

The committee will discuss and make necessary recommendations to the Board regarding the re-appointment of auditor at the upcoming 2023 Annual General Meeting. BDO LLP has expressed its willingness to continue in office.

Whistleblowing

The Group has adopted a formal whistleblowing policy which aims to promote a very open dialogue with all its employees which gives every opportunity for employees to raise concerns about possible improprieties in financial reporting or other matters.

Anti-Bribery and Corruption

The Board has adopted a formal anti-bribery and corruption policy, and is committed to acting ethically, fairly and with integrity in all its endeavours and compliance of the code is closely monitored.

Market Abuse Regulations

The Group is required to comply with article 18(2) of the Market Abuse Regulation ('MAR') with reference to insider dealing and unlawful disclosure of inside information. The FCA requires traded companies to maintain insider lists as set out in the MAR. The Board has put in place an inside information policy and MAR compliance process. This and the Company's regulatory announcements are overseen by the Board of Directors.

REMUNERATION REPORT

On behalf of the Board, I am pleased to present the Company's Remuneration Committee Report for the year ended 31 December 2023. This my first report as Chair of the Remuneration Committee. The Company has committed to maintaining high standards of corporate governance and propose, so far as is practicable given the Company's size, nature, and stage of development to comply with the provisions of the QCA Code and has prepared this report with regard to the QCA Remuneration & Nominations Committee Guide for small and mid-sized quoted companies, revised in 2018.

Remuneration Committee

The Remuneration Committee comprises Kathy Byrne (Chair) and Patrick Byron, both of whom have been deemed by the Board to be independent.

The Terms of Reference for the Remuneration Committee were approved by the Board prior to listing. The committee reviews the performance of the executive directors, Chairman of the Board and senior management of the Group and makes recommendations to the Board on matters relating to their remuneration and terms of service. It also makes recommendations to the Board on proposals for the granting of share options and other equity incentives pursuant to any employee share option scheme or equity incentive plans in operation from time to time.

Following its formation in June 2023, the Committee met once during 2023. It reviewed the draft Group Remuneration Policy and discussed an appropriate remuneration structure for the executive directors. This included establishing principles for a Long Term Directors Incentive Share Plan which would also apply to non-directors / Senior Managers to recognise the team effort required to make the Company a success.

Remuneration Policy

The Remuneration Policy is intended to fit the current size and profile of the Group, to support the achievement of the Group's operational, business, financial and strategic objectives and align the interests of the Directors with shareholders over the short and longer term. To achieve its goals, the Group seeks to provide competitive overall pay, split between fixed and performance-related elements.

The Group currently has not implemented any long-term incentive plan but intends to establish one or more employee share option plans for the retention of Executive Directors and employees.

Executive Directors' Service Agreements

Executive Director	Appointment Date	Service Period	Other information
Kin Lai	8 June 2023	6 months notice in writing	Annual salary of US$60,500
Stephen Wong	8 June 2023	6 months notice in writing	Annual salary of US$60,500
Kiran Kumar	8 June 2023	6 months notice in writing	Annual salary of US$60,500

No payments have been made for compensation for loss of office. The Company has not paid out any excess retirement benefits to any Directors or past Directors.

Non-executive Directors' Service Agreements

The Non-Executive Directors signed letters of appointment with the Company upon appointment for the provision of Non-Executive Directors' services, terminable by 3 months written notice given by either party. The appointments are all intended to be for a term of 3 years.

Non-executive Director	Appointment Date	Other information
Toine Knipping	8 June 2023	Annual director's fee of US$72,600
Kathy Byrne	8 June 2023	Annual director's fee of £35,000
Patrick Byron	8 June 2023	Annual director's fee of £35,000

The Non-Executive Directors' remuneration (including that of the Chairman) reflects the anticipated time commitment to fulfil their duties. Non-Executive Directors do not receive benefits, a pension or compensation on termination of their appointments or bonus.

When recruiting a new Non-Executive Director, the Remuneration Committee will follow the remuneration policy. The letters of appointment do not include any provisions for the payment of pre-determined compensation upon termination of appointment and notice may be served by either party.

All appointments are subject to the Company's Articles of Association ('Articles') and re-election by shareholders in accordance with the provisions contained in the Articles. If the Board is contemplating a transaction that requires more work than would normally be expected of Non-Executive Directors, their fees may be increased to a level to be determined by the Board at that time. The Directors have responsibility to review, monitor and make recommendations to the Board regarding the orientation and education of directors which includes an annual review of the Directors' compensation programme.

Payment for loss of office

The Committee will honour all Director's contractual entitlements. Service contracts do not contain liquidated damages clauses. If a contract is to be terminated, the Committee will determine such mitigation as it considers fair and reasonable in each case. There is no agreement between the Company and its Directors or employees, providing for compensation for loss of office or employment that occurs because of a takeover bid.

The Committee reserves the right to make additional payments where such payments are made in good faith in discharge of an existing legal obligation (or by way of damages for breach of such an obligation); or by way of settlement or compromise of any claim arising in connection with the termination of an Executive Director's office or employment.

Remuneration Summary

	Salary/fee (US$)	Pension (US$)	FY2023 Total (US$)	FY2022 Total (US$)	% Change
Non-executive Directors					
Toine Knipping	42,350	-	42,350	-	N/A
Kathy Byrne	24,921	-	24,921	-	N/A
Patrick Byron	24,921	-	24,921	-	N/A
Sub-total	**92,192**	**-**	**92,192**	**-**	**-**
Executive Directors					
Kin Lai	323,591	2,308	325,899	288,674	12.90%
Stephen Wong	276,443	2,308	278,751	188,602	47.80%
Kiran Kumar	218,783	-	218,783	171,162	27.80%
Sub-total	**818,817**	**4,616**	**823,433**	**648,438**	**-**
Total	**911,009**	**4,616**	**915,625**	**648,438**	**-**

Directors' interests in shares

The directors had the following interests in the Ordinary Shares of the Company:

	31 December 2023	31 December 2022 [3]
Non-executive Directors		
Toine Knipping	102,798,001 [1]	N/A
Kathy Byrne	-	N/A
Patrick Byron	-	N/A
Sub-total	**102,798,001**	
Executive Directors		
Kin Lai [2]	333,333	N/A
Stephen Wong	333,333	N/A
Kiran Kumar	333,333	N/A
Sub-total	**999,999**	
Total	**103,798,000**	

[1] Represents indirect interest held via United Investment and Consultancy Co Ltd, which holds 84.28% of the shares in Amicorp Investments Limited (a company incorporated in Cyprus and which is the direct holding company of Amicorp Limited). United Investment and Consultancy Co Ltd is a company incorporated in the British Virgin Islands and it is wholly owned by Keystone Trustees Limited, which is a trust company incorporated under the New Zealand Trust Laws of which Mr. Knipping is the trust protector and his wife and two children are the beneficiaries.
[2] Represents shareholding registered under the name of Mr. Lai's wife, Oi Ching Law.
[3] The Company was not incorporated until 3 March 2023.

The Directors held 86.5% of the total share capital of the Company as at 31 December 2023 (2022: 100%). The shares issued to the Executive Directors during the year were due to their involvement in the IPO.

None of the Directors hold any interest in warrants or share options of the Company as at 31 December 2023 (2022: nil)

Historical Share Price Performance Comparison

The Directors have considered the requirement for a UK performance graph comparing the Company's relative shareholder return with that of a comparable indicator and have concluded that it would not give a meaningful comparison as the Company has only been trading on the London Stock Exchange since 8 June 2023.

Consideration of Shareholder Views

The Board considers shareholder feedback received and guidance from shareholder bodies. This feedback, plus any additional feedback received from time to time, is considered as part of the Company's annual policy on remuneration.

Approved on behalf of the board of Directors

Kathy Byrne
Chair of the Remuneration Committee

30 April 2024

DIRECTORS' REPORT

The directors submit their report together with the audited consolidated financial statements of Amicorp FS (UK) Plc (the 'Company') and its subsidiaries (together, the 'Group') for the year ended 31 December 2023.

Company Information

The Company is a publicly listed company incorporated and domiciled in England & Wales. Its registered offices are in 3rd Floor, 5 Lloyds Avenue, London EC3N 3AE.

On 8 June 2023, the Company announced the admission of the Company's entire issued share capital to the Official List of the Financial Conduct Authority by way of a Standard Listing under Chapter 14 of the Listing Rules and to trading on the London Stock Exchange's Main Market for listed securities ("Admission"). The Company's shares are listed under the new ticker "AMIF".

The Company's principal activity is to act as the holding company of the Group. The principal activity of the Group is the provision of Fund Administration, Business Process Outsourcing, and Governance and Compliance services for investment funds, asset managers and family offices.

Results

The profit for the year before taxation amounted to US$837,000 (2022: US$3,127,000).

Dividends

The Directors do not recommend the payment of a dividend for the year (2022: nil).

The Company intends to adopt a stable dividend policy that will seek to maximise shareholder value and reflect its strong earnings potential and cash flow characteristics, while allowing it to retain sufficient capital to fund ongoing operating requirements and to invest in the Group's long-term growth. There is currently no fixed ratio on dividend pay-out but this is something the Board will consider as AMIF grows.

Directors' Liability Insurance and Indemnities

During the year, the Group maintained insurance cover for its Directors and Officers under a Directors' and Officers' liability insurance policy. The Group has not provided any qualifying indemnity cover for the Directors.

Directors and Directors' Interests

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

- Antonius Rudolphus Wilhelmus Knipping
- Chi Kin Lai
- Kiran Kumar Gundu Rao
- Kathleen Jeanette Byrne
- Patrick Peter Byron
- Tat Cheung Wong

The beneficial interests of these Directors and their connected parties in the share capital of the Company is included in the Remuneration Report on page 78.

Share Capital

Details of the movements in share capital of the Company are set out in note 20 to the consolidated financial statements.

Substantial shareholdings

As of 1 April 2024, the Company has been notified of the following interests of 3% or more in its issued share capital:

	Number of Ordinary shares	Percentage of voting rights
Amicorp Investments Limited	87,378,301	72.8%
Amicorp Limited	15,419,700	12.9%
Amalphim SPC – Series Three SP	5,700,000	4.8%
Aurora Nominees Limited	4,009,998	3.3%

The Company is not aware of any changes to the above holdings between 1 April 2024 and the date of this report.

Corporate Governance

A report on Corporate Governance can be found in the Corporate Governance Report on page 66 to 70. The Corporate Governance Report forms part of this directors' report and is incorporated into it by cross reference.

Political Donations

No charitable or political donations were made during the year (2022: nil)

Directors' Remuneration

Directors' remuneration is disclosed in the Remuneration Report on page 78.

ESG and SECR

ESG and SECR are disclosed in the Governance Report on pages 56 to 61.

Provision of Information to Auditor

The Directors confirm that, so far as they are individually aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as Director to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

The consolidated financial statements have been audited by BDO LLP who retire and, being eligible, offer themselves for re-appointment.

Post Reporting Date Event

Details of post reporting date event are disclosed in note 27 of the consolidated financial statements.

AGM

This report and the Consolidated Financial Statements will be presented to shareholders for their approval at the Company's AGM. The Notice and date of the AGM will be notified to the shareholders on the website and through an RNS.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report, Report of the Directors and the financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the consolidated financial statements of the Group in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and UK-adopted International Financial Reporting Standards ('IFRSs'), including the interpretations issued by IFRS Interpretations Committee ('IFRIC'), and financial statements of the Company in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' in conformity with Companies Act 2006. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and the profit or loss of the Group and the Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable, relevant and reliable;
- present information, including accounting policies, in a manner that provides relevant reliable, comparable and understandable information;
- state whether applicable UK adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the Company or cease operations or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are responsible for such internal controls as they determine are necessary to enable the preparation of financial statements that are free from material misstatement. Whether due to fraud or error and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report and Corporate Governance Report that comply with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Directors' Responsibility Statement Pursuant to Disclosure and Transparent Rules

Each of the Directors, whose names and functions are listed on page 71 to 72 confirm that, to the best of their knowledge:

- The financial statements of the Company and the Group, which have been prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and Company and the undertakings included in the consolidation taken as a whole; and
- The Strategic Report and Directors' Report includes a fair review of the development and performance of the business and the position of the Group and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

The Annual Report and financial statements, taken as a whole, are considered to be fair, balanced and understandable to provide the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

This report was approved and authorised for issued by the board on 30 April 2024 and signed on its behalf by:

Kin Lai
CEO

Amicorp FS (UK) Plc

30 April 2024

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AMICORP FS (UK) PLC

Opinion on the financial statements

In our opinion:

- The financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2023 and of the Group's profit for the year then ended;
- The Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- The Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and as applied in accordance with the provisions of the Companies Act 2006; and
- The financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Amicorp FS (UK) Plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2023 which comprise the consolidated statement of profit or loss, consolidated statement of total comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity, consolidated statement of cash flow, company statement of financial position, company statement of changes in equity and notes to the financial statements, including a summary of material accounting information.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the audit committee.

Independence

Following the recommendation of the audit committee, we were appointed by the Board of Directors on 31 August 2023 to audit the financial statements for the year ended 31 December 2023 and subsequent financial periods. The period of total uninterrupted engagement including retenders and reappointments is 1 year, covering the year ended 31 December 2023. We remain independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Group or the Parent Company.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group and Parent Company's ability to continue to adopt the going concern basis of accounting is included in the Key Audit Matters section of our report.

Conclusions relating to going concern (continued)

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Company's ability to continue as a going concern for a period of at least twelve months from when the Financial Statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Overview

COVERAGE

- **96%** of Group profit before tax
- **99%** of Group revenue
- **99%** of Group net assets

This is the first year of audit since incorporation and eventual listing in June 2023, hence prior year coverage % not applicable.

KEY AUDIT MATTERS

	2023
Fraud risk over revenue and revenue cut-off	x
Going Concern	x
First time adoption of UK adopted international accounting standards	x

This is the first year of audit since incorporation and eventual listing in June 2023, hence prior year KAM not available.

MATERIALITY

Group financial statements as a whole

$151k (2022*:N/a) based on **5%** (2022*: N/a) of 3 years' average of Profit (adjusted) before tax

** This is the first year of audit since incorporation and eventual listing in June 2023, hence prior year Materialities not available.*

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

The scope of our audit is summarised below:

- As at the year-end, 31 December 2023 the Group had 17 components whose transactions and balances are included in the consolidated accounting records. Of these, 6 (including the Parent Company) were identified as a significant components and were subject to full scope audit procedures

An overview of the scope of our audit (continued)

- The remaining components were considered to be non-significant and have been subject to analytical review procedures with all non-significant components having additional testing carried out on specific significant balances where required for the purpose of issuing the opinion on the Group financial statements

As the accounting, recording, and book keeping function for all the global subsidiaries are centralised in India where the finance team acts as an internal shared service centre, we have therefore engaged BDO India to perform a full scope audit for the significant components with the use of external experts where necessary.

The procedures on the non-significant components were carried out by the Group audit team and BDO India.

Our involvement with component auditors

For the work performed by component auditors, we determined the level of involvement needed in order to be able to conclude whether sufficient appropriate audit evidence has been obtained as a basis for our opinion on the Group financial statements as a whole. Our involvement with component auditors included the following:

The Group engagement team directed and supervised the work of the component team throughout the audit, through attending planning calls with the component team to discussing risk assessments and their planned audit approach alongside overseeing the scope of their work during the audit and attending completion calls with the team. The Group engagement team reviewed the working papers of the component team and attended meetings with them and the local management teams during and following completion of the work.

Climate change

Our work on the assessment of potential impacts on climate-related risks on the Group's operations and financial statements included:

- Enquiries and challenge of management to understand the actions they have taken to identify climate-related risks and their potential impacts on the financial statements and adequately disclose climate-related risks within the annual report;
- Our own qualitative risk assessment taking into consideration the sector in which the Group operates and how climate change affects this particular sector; and
- Review of the group's ESG policy, the minutes of the Board and Audit Committee meetings and performed a risk assessment as to how the impact of the Group's commitment as set out in the Overview section of the Annual Report, may affect the financial statements and our audit.

We challenged the extent to which climate-related considerations, including the expected cash flows from the initiatives and commitments have been reflected, where appropriate, in management's going concern assessment and viability assessment and in management's judgements and estimates in relation to climate change.

We also assessed the consistency of managements disclosures included as 'Other Information'/ 'Statutory Other Information' on page 43 with the financial statements and with our knowledge obtained from the audit.

Based on our risk assessment procedures, we did not identify there to be any Key Audit Matters materially impacted by climate-related risks.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the

Our involvement with component auditors (continued)

allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter		How the scope of our audit addressed the key audit matter
Fraud risk over revenue and revenue cut-off (see Note 3g to the accounting policies)	Revenue is the primary determinant of the Group's profitability and one of the primary measures of performance communicated to investors. A significant element of the risk of material misstatement is the fraud risk in revenue relates to the potential for posting improper or fraudulent journal entries to revenue to improve results. Revenue is recognised upon rendering of service, therefore there is a cut off risk that management could recognise revenue early before the service completion to meet market expectations post listing. Because of the significance of these risks, we identified this to be a Key Audit Matter.	Our procedures included: **Response to the fraud risk** In response to the fraud risk, we have performed Journal entry testing to address the risk of fraud in revenue recognition, and as a result we identified specific "unusual account combinations" as the risk criteria and have tested all journals that were identified as unusual in line with the risk criteria. **Response to cut-off risk** For each revenue stream we assessed the period over the which the cut-off risk exists and based on our sampling methodology, we have corroborated each sample to: a) Proof of service delivery as an evidence of service completion to ensure revenue was recognised upon completion of performance obligation b) Supporting documentation including inspecting the underlying contract and invoice, and bank statements to ensure existence of revenue c) For the completeness risk around post year end cut-off, we have obtained and used Bank Statements as the source and have tested a sample number of transactions back to the general ledger and have agreed to relevant supporting documentation **Result** Based on our procedures performed we did not identify any matters to suggest that revenue recognised during the audit period was not appropriate.
First time adoption of UK adopted international accounting standards (see Note 2a to the accounting policies)	This is the first year adoption of the UK adopted international accounting standards. The first time adoption of UK adopted international accounting standards represented a heightened risk of material misstatement, due to the magnitude and complexity of the accounting entries required, in order to meet the requirements the relevant accounting standards. These matters require various application of procedures and principles which the Directors must apply to ensure consistency with the standards and as a result this is considered to be a key audit focus."	Our procedures included: **Assessing principles** IFRS 1 sets out the procedures an entity must follow when it adopts UK adopted international accounting standards for the first time as the basis for preparing financial statements. We have assessed the various principles and exemptions adopted by the Directors and checked that they agree and align with the principles set out in the standard. **Assessing application** We have assessed the consistency of the application of the accounting policies and compliance with UK adopted international accounting standards effective as at 31 December 2023. **Completeness of disclosures** We have reviewed the consolidated financial statements and we have completed appropriate audit work to ensure all necessary and material disclosures are appropriately presented. **Result** Based on our procedures performed we did not identify any matters to suggest that the application of UK adopted international accounting standards was not appropriate.

Our involvement with component auditors (continued)

Key audit matter		How the scope of our audit addressed the key audit matter
Going Concern (see Note 2c in Notes to the Accounts for accounting policies on going concern)	The Directors are required to make an assessment on the Group and Parent Company's ability to continue as a going concern. As part of this the Directors have considered a number of scenarios as further described in note 2c. The Going concern assessment takes into account the current economic conditions around the world, including inflation and rising costs particularly in the UK and the fact that this is the first year of reporting for the group as a listed entity. Due to our heightened focus on the judgements and subjectivity around the projections proposed by the Directors and the disclosures in the financial statements, we consider Going Concern to be a Key Audit Matter	Our procedures included the following: **Review of the Director's assessment** We reviewed the Directors' assessment of going concern through analysis of the Group's cash flow forecast through to 31 December 2025, including assessing and challenging the assumptions underlying the forecasts through corroboration of key assumptions to external information and a consideration of the key sensitivities. **Adequacy of disclosures** We have assessed the adequacy and appropriateness of disclosures in the financial statements regarding the going concern assessment and assessed it to be in line with the forecasts produced. **Consistency & Sensitivity analysis** We considered the consistency of the Directors' cash flow forecasts with other areas of the audit. We challenged the rationale for the assumptions utilised in the forecasts. We challenged the underlying assumptions behind the forecasts including reasonably possible downside scenarios identified, by reference to third party industry and economic reports to assess whether the forecasts prepared by the Directors' are reasonable. **Result** Our conclusions are set out in the Conclusions related to going concern section of our report.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements		Parent company financial statements	
	2023 $ in '000s	2022* $ in '000s	2023 $ in '000s	2022* $ in '000s
Materiality	151k		30k	
Basis for determining materiality	3 years' average of Profit (adjusted) before tax (5%)		3 years' average of Profit (adjusted) before tax (5%)	
Rationale for the benchmark applied	We consider profit before tax as the key metric for investors and the most appropriate benchmark on which to base materiality now that the Group has continued to be profitable		We consider profit before tax as the key metric for investors and the most appropriate benchmark on which to base materiality now that the Group has continued to be profitable	
Performance materiality	98k		20k	
Basis for determining performance materiality	65% of Materiality		65% of Materiality	
Rationale for the percentage applied for performance materiality	This is a first year of audit and based on our knowledge of the aggregation risk and the control environment		This is a first year of audit and based on our knowledge of the aggregation risk and the control environment	

* This is the first year of audit since incorporation and eventual listing in June 2023, hence prior year materiality not available.

Component materiality

For the purposes of our Group audit opinion, we set materiality for each significant component of the Group, apart from the Parent Company whose materiality is set out above, based on a percentage of between 20% and 70% (2022*: N/a) of Group materiality dependent on the size and our assessment of the risk of material misstatement of that component. Component materiality ranged from $30k to $106k (2022*: N/a). In the audit of each component, we further applied performance materiality levels of 65% (2022: N/a) of the component materiality to our testing to ensure that the risk of errors exceeding component materiality was appropriately mitigated.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of $5k (2022*: N/a). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other matter

The corresponding figures are unaudited.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual report & Accounts other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

1 STRATEGIC REPORT AND DIRECTORS' REPORT

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.

2 DIRECTORS' REMUNERATION

In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

3 MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- The Parent Company financial statements and the part of the Directors' remuneration report to be audited are not in agreement with the accounting records and returns; or
- Certain disclosures of Directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance;
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations;
- We considered the significant laws and regulations to be the applicable accounting framework, UK tax legislation and Listing Rules.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of noncompliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of noncompliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit;
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

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

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be unusual journal combinations to revenue and management override of controls.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Testing a sample of journal entries outside our defined risk criteria, by agreeing to supporting documentation;
- Involvement of forensic specialists in the audit to assist with the risk assessment at the planning stage and to help design appropriate audit procedures.
- For revenue testing, refer to the procedures in the Key Audit Matter above.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including component engagement teams who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. For component engagement teams, we also reviewed the result of their work performed in this regard.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Arbinder Chatwal (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor

Southampton, UK.
30 April 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated statement of profit or loss

	Notes	Year ended 31 December	
		2023	2022
		Audited	Unaudited
		US$'000	US$'000
Revenue	5	12,814	9,892
Payroll and remuneration costs	7	(7,178)	(4,504)
Rent and occupancy		(430)	(555)
Professional fees	8	(1,068)	(356)
IT expenses		(657)	(547)
Depreciation expenses		(284)	(128)
IPO expenses		(952)	(906)
Foreign exchange gain		5	28
Other operating expenses	6	(1,607)	(684)
Operating profit		**643**	**2,240**
Other gains		-	38
Interest income		99	-
Interest costs		(89)	(39)
Profit before income tax		**653**	**2,239**
Income tax expense		(667)	(601)
Net (loss)/profit after tax		**(14)**	**1,638**
Earnings per ordinary shares (Note 26)		**US$ Cent**	**US$ Cent**
Basic EPS		(0.01)	1.44
Diluted EPS		(0.01)	1.44

Consolidated statement of total comprehensive income

	Notes	Year ended 31 December	
		2023	2022
		Audited	Unaudited
		US$'000	US$'000
Net (loss)/profit after tax		**(14)**	**1,638**
Other comprehensive gain			
Foreign currency translation		(175)	38
Total comprehensive income		**(189)**	**(1,676)**

Consolidated statement of financial position

	Notes	As at 31 December 2023 Audited US$'000	As at 31 December 2022 Unaudited US$'000
Non-current assets			
Property, plant and equipment	10	106	76
Intangible assets	11	83	-
Right of use assets	17	440	364
Investments		58	61
Deferred tax assets	9	232	263
		919	**764**
Current assets			
Trade receivables	12	2,860	1,521
Other receivables, deposits and prepayments	13	561	637
Amounts due from related companies	22	3,711	4,374
Cash and cash equivalents	14	2,973	875
		10,105	**7,407**
Total assets		**11,024**	**8,171**
Current liabilities			
Trade payables	15	151	201
Accrued payroll and employee benefits	18	459	288
Other payables and accruals	16	840	143
Lease liabilities	17	183	146
Deferred consideration payable	16	-	213
Income tax payable	9	472	1,117
		2,105	**2,108**
Net current assets		**8,000**	**5,299**
Total assets less current liabilities		**8,919**	**6,063**
Non-current liabilities			
Lease liabilities	17	304	237
		304	**237**
Total liabilities		**2,409**	**2,345**
NET ASSETS		**8,615**	**5,826**
Equity			
Share capital	20	120	114
Share premium		5,989	-
Foreign exchange reserves		(375)	(200)
Merger reserves		3,164	2,410
Distributable reserves		-	2,569
Retained earnings		(283)	933
Total equity		**8,615**	**5,826**

Signed on behalf of the board of Directors:

Kin Lai
CEO

30 April 2024

Stephen Wong
CFO

30 April 2024

Consolidated statement of changes in equity

US$'000

	Share capital	Share premium	Forex translation	Merger reserves	Retained earnings	Distributable reserves	Total (Audited)
As at 1 January 2023	**114**[1]	**-**	**(200)**	**2,410**	**933**	**2,569**[4]	**5,826**
Share additions	6	6,462[2]	-	-	-	-	6,468
Directly attributable costs	-	(473)[3]	-	-	53[3]	-	(420)
Pre-listing Dividends (Note 21)	-	-	-	-	(837)[5]	(2,569)[5]	(3,406)
Merger reserve additions & elimination	-	-	-	329[6]	(418)	-	(89)
Profit for the period	-	-	-	425[6]	(14)	-	411
Foreign currency translation	-	-	(175)	-	-	-	(175)
As at 31 December 2023	**120**	**5,989**	**(375)**	**3,164**	**(283)**	**-**	**8,615**

US$'000

	Share capital	Share premium	Forex translation	Merger reserves	Retained earnings	Distributable reserves	Total (Unaudited)
As at 1 January 2022	**114**[1]	**-**	**(238)**	**2,244**	**874**	**1,202**	**4,196**
Merger reserve additions and eliminations[5]	-	-	-	166[6]	(211)	-	(45)
Profit for the period	-	-	-	-	1,637	-	1,637
Transferred to distributable reserve	-	-	-	-	(1,367)	1,367	-
Foreign currency translation	-	-	38	-	-	-	38
As at 31 December 2022	**114**	**-**	**(200)**	**2,410**	**933**	**2,569**	**5,826**

[1] This represents the share capital of the Company, immediately prior to being inserted as a holding company of the Group described in Note 2(a). The share capital amounted to US$62k on its incorporation date being 3 March 2023, and increased to US$114k on 23 May 2023 due to additional share issuance. According to the merger accounting principles outlined in Note 3(c), the Group is treated as if the Company, together with its subsidiaries, had collectively existed and been merged throughout the current and comparative accounting periods, and hence this share capital of US$114k is presented as the opening balance on consolidation.

[2] On 8 June 2023, the Company successfully raised gross proceeds of US$6.47 million through a placing of 6,468,000 ordinary shares, at the par value of US$0.001 each share. The difference between the placing price and the nominal value of the shares constitutes the share premium.

[3] The total amount of US$473k, which represents incremental costs directly associated with the issuance of new shares, is deducted from equity, in line with IAS 32. Out of this total, US$53k had already been expensed in prior years, contributing to the success of share issuances in 2023, and therefore is reclassified from retained earnings to share equity, as a result. See accounting policies in Note 3(n).

[4] The opening balance represents certain net earnings of prior years according to the carve-out principles of the HFI included in the listing prospectus dated 5 June 2023, at the time when the Group was previously not yet formed as a separate standalone legal entity or group of entities.

[5] Pre-listing dividends of US$3.4m had been declared by Amicorp Fund Services Asia Limited, before the Company, Amicorp FS (UK) Plc, was inserted on 26 May 2023 as the holding company of the Group, in line with the listing prospectus dated 5 June 2023.

[6] Merger accounting is used for the Company inserted as the holding company of the Group, by way of receiving transferred shares of certain entities under common control as part of the carve-out reconstruction, given the ultimate controlling parent has remained the same. This merger reserve represents the excess of received entities' net assets over the transfer consideration, under the predecessor method. The details regarding the accounting policy for the merger reserve are described in Note 3(c).

Consolidated statement of cash flows

	As at 31 December	
	2023	2022
	Audited	Unaudited
	US$'000	US$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	**653**	**2,239**
Adjustments for:		
Depreciation of tangible assets	44	17
Amortisation of intangible assets	11	-
Depreciation of right of use assets	228	111
Recognition / (reversal) of doubtful debt provision	153	(3)
Bad debt recognised	193	-
Provision for group audit fees	500	-
Finance costs	89	39
Foreign exchange gain	(5)	(28)
Fair value gain from an investment measured at FVTP&L	-	(38)
	1,866	**2,337**
Increase in trade receivables	(1,680)	(275)
Decrease in other receivables, deposits and prepayments	231	328
Decrease/(increase) in amounts due from related companies	698	(1,651)
Increase in accrued payroll and employee benefits	171	46
(Decrease)/increase in trade payables	(45)	125
Increase/(decrease) in other provisions and payables	197	(12)
Cash generated from operations	**1,438**	**898**
Income tax paid to tax authorities	(1,015)	(477)
Income tax settled through amounts due from related companies[1]	(141)	(301)
Net cash flows generated from operating activities	**282**	**120**

CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible and intangible assets	(167)	**(71)**
Settlement of deferred considerations (including unwinding interests)	(261)	**-**
Net cash flows generated from operating activities	**(428)**	**(71)**

CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible and intangible assets	(167)	**(71)**
Settlement of deferred considerations (including unwinding interests)	(261)	**-**
Net cash flows generated from operating activities	**(428)**	**(71)**

CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from a placing of additional ordinary shares, net of costs	5,898	**-**
Repayment of unwinding interest portion of lease liabilities	(40)	**(30)**
Repayment of principal portion of lease liabilities	(200)	(87)
Net cash flows generated from operating activities	**5,658**	**(117)**
Non-cash transaction:		
Pre-IPO dividends in specie	**(3,406)**	**-**

NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**2,106**	**(68)**
Cash and cash equivalents at beginning	875	937
Foreign exchange difference	(8)	6
CASH AND CASH EQUIVALENTS AT END OF YEAR	**2,973**	**875**

[1] *These tax settlements were dealt via the Amicorp Group before the IPO carve-out completion in May 2023. See Note 9(b) for the tax details.*

Reconciliation of comparatives

Reconciliation tables below of financial information for the year ended 31 December 2022 are included to demonstrate the consolidated comparatives in conjunction with the Group's Historical Financial Information ('HFI') included in the listing prospectus dated 5 June 2023, for the same financial year and as at the same financial year end.

Consolidated Unaudited Statement of Total Comprehensive Income for the year ended 31 December 2022

	As per Historical Financial Information published in prospectus	Adjustment Exclusion of AFS Luxembourg based on IFRS1	As per consolidated statement of total comprehensive income in this Report
	US$'000	US$'000	US$'000
Revenue	11,909	(2,017)	9,892
Payroll and remuneration costs	(5,397)	893	(4,504)
Rent and occupancy	(783)	228	(555)
Professional fees	(356)	-	(356)
IT expenses	(547)	-	(547)
Depreciation expenses	(128)	-	(128)
IPO expenses	(906)	-	(906)
Foreign exchange gain	28	-	28
Other operating expenses	(692)	8	(684)
Operating profit	**3,128**	**(888)**	**2,240**
Other gains	38	-	38
Interest costs	(39)	-	(39)
Profit before income tax	**3,127**	**(888)**	**2,239**
Income tax expense	(829)	228	(601)
Net profit after tax	**2,298**	**(660)**	**1,638**

[1] *This represents a portion of a subsidiary in Amicorp Group brought into AFS Group under the carve-out principles presented in the historical financial information ("HFI"), and it is excluded from the IFRS based comparatives in the consolidated financial statements of this annual report given that AFS Luxembourg is accounted for under the prospective approach described in Note 3(c).*

Reconciliation of comparatives (Continued)

Consolidated Unaudited Statement of Financial Position as at 31 December 2022

	As per Historical Financial Information published in prospectus	Adjustment - US$'000		As per consolidated statement of financial position in this Report
		Exclusion of AFS Luxembourg based on IFRS	Consolidation adjustments[1]	
	US$'000	US$'000	US$'000	US$'000
Assets				
Non-current assets				
Property, plant and equipment	76	-	-	76
Right of use assets	364	-	-	364
Investment measured at FVTP&L	62	-	(1)	61
Deferred tax assets	263	-	-	263
	765	-	(1)	764
Current assets				
Trade receivables	1,521	-	-	1,521
Other receivables, deposits and prepayments	637	-	-	637
Amounts due from related companies	7,781	(2,095)	(1,312)	4,374
Cash and cash equivalents	875	-	-	875
	10,814	**(2,095)**	**(1,312)**	**7,407**
Total assets	**11,579**	**(2,095)**	**(1,313)**	**8,171**
Liabilities				
Non-current liabilities				
Lease liabilities	237	-	-	237
Current liabilities				
Trade payables	201	-	-	201
Accrued payroll and employee benefits	288	-	-	288
Other payables and accruals	129	-	14	143
Lease liabilities	146	-	-	146
Deferred consideration payable	213	-	-	213
Income tax payable	1,117	-	-	1,117
	2,094	**-**	**14**	**2,108**
Total liabilities	**2,331**	**-**	**14**	**2,345**
Net assets	**9,248**	**(2,095)**	**(1,327)**	**5,826**
Equity				
Share capital	946	-	(832)	114
Foreign exchange reserves	(142)	-	(58)	(200)
Merger reserves	-	-	2,410	2,410
Distributable reserves	-	(2,095)	4,664	2,569
Retained earnings	8,444	-	(7,511)	933
Total equity	**9,248**	**(2,095)**	**(1,327)**	**5,826**

[1]The historical financial information for the financial year ended 31 December 2022 included in the prospectus was prepared under the combination method since the legal structure of the Group was not yet formed. For the consolidated financial statements of this annual report, such historical information as comparatives is adjusted with consolidation eliminations where appropriate. For details, please see Note 2(a) and Note 3(c).

Notes to the consolidated financial statements

1. GENERAL

These annual financial statements are the audited consolidated financial statements for Amicorp FS (UK) Plc and its subsidiaries; the comparatives within these consolidated financial statements including the disclosure notes (i.e. for the financial year ended 31 December 2022) are unaudited. Amicorp FS (UK) Plc (the 'Company'), a public limited company incorporated and domiciled in the United Kingdom with its company number being 14704124 under the Companies Act 2006, together with its subsidiaries (collectively, the 'Group'), is a provider of fund administration services, regulatory reporting, fiduciary services and multi-faceted business support alternatives for hedge funds, private equity funds and family offices investing in listed or unlisted equities, financial instruments, projects, real estate and various asset classes locally or globally.

The Group also offers administration and fiduciary services to special purpose vehicles associated with fund structures or entities with passive investment on financial instruments.

The address of the Company's registered office is 5 Lloyd's Avenue, London, United Kingdom, EC3N 3AE.

2. BACKGROUND AND BASIS OF PREPARATION

(a) Background and purposes of the consolidated financial information

The Group is a business division of Amicorp Group, which is a multinational organisation providing, in addition to fund administration services, a broad range of corporate management, capital market and financial services to clients globally with a dedicated network of international experts and specialists.

Since year 2018, newly incorporated subsidiaries of the Group and former subsidiaries of Amicorp Group entered into multiple conditional agreements for the sale and purchase of the respective equity share capital of such former subsidiaries, being a set of fund administration services within Amicorp Group.

The Group was not formed of a separate standalone legal group of entities, and the Company was incorporated on 3 March 2023 and inserted as the holding company of the Group on 26 May 2023.

As announced on 5 June 2023, the Company successfully raised gross proceeds of US$6.47 million through a placing of 6,468,000 new ordinary shares, with a further placing of 9,702,000 existing ordinary shares that raised US$9.70 million. On 8 June 2023, the Company was successfully admitted to the Main Market of the London Stock Exchange, as a holding company of the Group.

The insertion of the Company as the holding company of the Group constitutes a carve-out reconstruction involving transfer of shares in the Group's entities, in which merger accounting is applied. Accordingly, the consolidated financial statements of the Group are prepared as if the Company, together with its subsidiaries, collectively had already existed before the start of the earliest period presented. The comparative information is, therefore, presented as if the carveout reconstruction had already occurred, and it has been derived from the HFI included in the listing prospectus, primarily adjusted for the demerger equity, reserve and consolidation adjustments, except for Amicorp Fund Services Luxembourg S.A ("AFS Luxembourg"); AFS Luxembourg was incorporated as a new legal entity in the Luxembourg jurisdiction during the current financial year and transferred to the Group as a subsidiary, and the carved-out portion related to AFS business in Luxembourg included in the HFI are now excluded from the comparatives, in order to be in compliance with the IFRS reporting framework (See Note 3c).Reconciliations from the historical financial information to the IFRS comparatives are presented in Reconciliations of Comparatives after the primary statements.

This first-time consolidated financial statements ("annual financial statements") of Amicorp FS (UK) Plc, for the year ended 31 December 2023, have been prepared in accordance with International Accounting Standards ("IAS"), the requirements of the Companies Act 2006 and UK-adopted International Financial Reporting Standards ("IFRS"), including the interpretations issued by the IFRS Interpretations Committee ("IFRIC"). These consolidated financial

Notes to the consolidated financial statements (continued)

2. BACKGROUND AND BASIS OF PREPARATION (CONTINUED)

(a) Background and purposes of the consolidated financial information (continued)

statements, which are audited, should be read in conjunction with the Group's Historical Financial Information ('HFI') as at and for the year ended 31 December 2022 included in the listing prospectus dated 5 June 2023, which is available on the Group's website.

The accounting policies adopted are consistent with those adopted by the Group in the HFI included in the listing prospectus. The consolidated financial statements are presented in thousands of US Dollars ('US$'000') unless otherwise indicated and prepared under the historical cost convention and based upon the accounting policies disclosed below.

Under the merger accounting principles, these consolidated financial statements of the Group are presented as if the Company, with its subsidiaries, had always existed at its earliest period even though the Company was incorporated in 2023.

The comparatives within these consolidated financial statements including the disclosure notes (i.e. for the financial year ended 31 December 2022) are unaudited, with consistency in the accounting policies with those applied to the audited financial information for the year ended 31 December 2023.

Where applicable, the Group has taken into account and implemented IFRS standards, along with any related interpretations and amendments, which were issued and effective as of 1 January 2023. The Group has not chosen to adopt any standards, interpretations, or amendments before their effective date. While there have been some new amendments effective in 2023, they are not considered to impact the consolidated financial statements.

(b) Entities included within the Group

The financial position and financial performance of the following entities are included as part of the consolidated financial statements:

- Amicorp Fund Services Asia Limited[1]
- Amicorp Fund Services (Asia) Pte. Ltd.
- Amicorp (Shanghai) Consultants Ltd.
- Amicorp Fund Services N.V.
- Amicorp Fund Services N.V. (Barbados Branch)
- Amicorp Fund Services N.V. (Bahamas Branch)
- Administradora de Fondos de Inversión Amicorp S.A.
- Amicorp Administradora General de Fondos SA (formerly known as ECUS Administradora General de Fondos SA)
- AFS BRASIL LTDA.
- Soluciones y Servicios AFS México, S.A. de C.V.
- Amicorp Fund Services Malta Limited
- Amicorp Support Services Ltd

Notes to the consolidated financial statements (continued)

2. BACKGROUND AND BASIS OF PREPARATION (CONTINUED)

(b) Entities included within the Group (continued)

- Amicorp Fund Services (Mumbai) Private Limited[1]
- Amicorp Fund Services (Mumbai) Private Limited (Bangalore Branch)
- Amicorp Fund Services (Cyprus) Ltd
- Amicorp Fund Services Luxembourg S.A[1]

[1]Shares of these entities were transferred to the Company during the financial year ended 31 December 2023, as part of the reconstruction process for the Company inserted as the holding company of the Group described in Note 2a. These entities are accounted for under the merger accounting approach described in Note 3c, and included in the consolidated financial statements.

(c) Basis of measurement and going concern assumption

The consolidated financial statements have been prepared under the historical cost basis except for certain financial assets and liabilities which are measured at fair value in accordance with UK-adopted IFRS and IAS. The measurement bases are fully described in the accounting policies below.

The material accounting policies that have been used in the preparation of the consolidated financial statements are summarised below. These policies have been consistently applied to years and periods presented unless otherwise stated.

It should be noted that accounting estimates and assumptions are used in preparation of the consolidated financial statements. Although these estimates are based on management's best knowledge and judgment of current events and actions, actual results may ultimately differ from those estimates. The area involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 4.

Going concern

The Group raised US$6.5 million in the current financial year, which enriches its working capital. The Directors are satisfied that the Group has sufficient resources to continue in operation for the foreseeable future, a period of not less than 12 months from the date these financial statements are issued. Accordingly, they continue to adopt the going concern basis in preparing the consolidated financial statements.

In assessing going concern, the Directors considered the Group's cash flows, solvency and liquidity positions, and have considered a range of scenarios as part of the assessment; Directors considered the reasonably worst case scenario by applying adverse assumptions on key business metrics which presumes fund launch rate and attrition rate of new funds and existing launching funds respectively being 50% worse than those in the normal scenarios, as a reverse stress test. In this reasonably worst scenario, the net current assets and cash and bank equivalence are projected to remain positive throughout the going concern period.

As at the year ended 31 December 2023, the Group had cash and cash equivalents of US$3.0 million (31 December 2022: US$0.9 million) and net current assets of US$8.0 million (31 December 2022: US$5.3 million), and the IPO expenses of $952k in the current financial year are not anticipated since the listing has been completed, which the Directors believe will be sufficient to maintain the Group's liquidity over the going concern period (i.e. at least 12 months from the date of issue of these financial statements), including continued investments to meet existing financial commitments and to deliver future growth.

Notes to the consolidated financial statements (continued)

2. BACKGROUND AND BASIS OF PREPARATION (CONTINUED)

(d) Functional and presentation currency

Items included in the financial information of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The presentational currency of the Group is United States Dollars ('US$'), and hence the financial information is presented in US$, unless specified otherwise.

In the individual financial statements of the Group's entities, foreign currency transactions are translated into the functional currency of the individual entity using the exchange rates prevailing at the dates of the transactions. At the reporting date, monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the reporting date retranslation of monetary assets and liabilities are recognised in profit or loss.

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 and are reported as part of the exchange revaluation gain or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

In the consolidated financial information, all individual financial statements of foreign operations, originally presented in a currency different from the Group's presentation currency, have been converted into US$. Assets and liabilities have been translated into US$ at the closing rates at the reporting dates. Income and expenses have been converted into US$ at the exchange rates ruling at the transaction dates, or at the average rates over the reporting year provided that the exchange rates do not fluctuate significantly. Any differences arising from this procedure have been dealt with separately in other comprehensive income and the translation reserves in equity.

3. ACCOUNTING POLICIES

(a) Basis of consolidation

On consolidation, the results and financial position of foreign operations are translated into the presentation currency of the Group, as follows:

- Assets and liabilities for the consolidated statement of financial position presented are translated at the closing rate at the reporting date;
- income and expense items are translated at exchange rates ruling at the date of the transactions;
- all resulting exchange differences are recognized in other comprehensive income (foreign exchange reserves); and
- cash flow items are translated at the exchange rates ruling at the date of the transaction

Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

The results of subsidiaries acquired or disposed of, if any, during the year are included in the consolidated statement of comprehensive income from the dates of acquisition or up to the dates of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

Notes to the consolidated financial statements (continued)

3. ACCOUNTING POLICIES (CONTINUED)

(a) Basis of consolidation (continued)

Acquisition of subsidiaries or businesses is accounted for using the acquisition method. The cost of an acquisition is measured at the aggregate of the acquisition-date fair value of assets transferred, liabilities incurred, and equity interests issued by the Group, as the acquirer. The identifiable assets acquired, and liabilities assumed are principally measured at acquisition-date fair value. The Group's previously held equity interest in the acquiree is re-measured at acquisition-date fair value and the resulting gains or losses are recognised in profit or loss. The Group may elect, on a transaction-by-transaction basis, to measure the non-controlling interests that represent present ownership interests in the subsidiary either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other non-controlling interests are measured at fair value unless another measurement basis is required by IFRSs. Acquisition-related costs incurred are expensed unless they are incurred in issuing equity instruments in which case the costs are deducted from equity.

Any contingent consideration to be transferred by the acquirer is recognised at acquisition-date fair value. Subsequent adjustments to consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interest are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of.

(b) Subsidiaries

A subsidiary is an investee over which the Group is able to exercise control. The Group controls an investee if all three of the following elements are present: power over the investee, exposure, or rights, to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

(c) Merger accounting

Merger accounting is used for the Company inserted as the holding company of the Group, by way of receiving transferred shares of certain entities under common control as part of the carve-out reconstruction described in Note 2(a), given the ultimate controlling parent has remained the same. This method treats the Company, together with its subsidiaries, as if they had been merged throughout the current and comparative accounting periods.

The net assets of the consolidated entities or businesses use the existing book values from the controlling parties' perspective. No amount is recognised in consideration for goodwill or excess of acquirers' interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of the carve-out reconstruction, to the extent of the continuation of the controlling parties' interest.

Notes to the consolidated financial statements (continued)

3. ACCOUNTING POLICIES (CONTINUED)

(c) Merger accounting (continued)

When the Company was inserted as the holding company of the Group, the excess of the carrying amount of integrated net assets over the consideration to Amicorp Group is represented as a merger reserve in equity in the consolidated statement of financial position, under the predecessor method.

AFS Luxembourg was incorporated as a new legal entity in the Luxembourg jurisdiction during the current financial year and transferred to the Group as a subsidiary. As the transaction is considered as an acquisition of trade and assets, merger accounting principles have been applied prospectively, i.e. without the necessity for restating pre-combination figures and from the date of the common control transfer of the trade and assets into the AFS Luxembourg business without restating the comparatives for that business to before that date. AFS Luxembourg is entitled for all the economic benefits and costs of its AFS business in Luxembourg effective from 1 January 2023. The consolidated statement of financial statements are prepared under merger accounting principles to include such transactions from 1 January 2023, accounting for this AFS Luxembourg business as if it had always been with the Group.

Transaction costs, including professional fees, registration fees, costs of furnishing information to shareholders, costs or losses incurred in operations of the previously separate businesses, etc., incurred in relation to the carve-out reconstruction that are to be accounted for by using merger accounting are recognised as an expense in the financial year in which they are incurred.

(d) Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses.

The cost of tangible asset includes its purchase price and the costs directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as an expense in profit or loss during the financial period in which they are incurred.

Tangible assets are depreciated so as to write off their cost or valuation net of expected residual value over their estimated useful lives on a straight-line basis. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period. The useful lives are as follows:

Machinery and equipment	3 – 10 years
Furniture and fixtures	3 - 10 years
Motor vehicles	3 - 5 years
Leasehold improvements	in line with lease terms

An asset is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount.

The gain or loss on disposal of an item of tangible assets is the difference between the net sale proceeds and its carrying amount, and is recognised in profit or loss on disposal.

Costs associated with maintaining software programmes are recognised as an expense as incurred. Costs that are directly attributable to the identifiable software are recognised as intangible assets.

Notes to the consolidated financial statements (continued)

3. ACCOUNTING POLICIES (CONTINUED)

(e) Intangible assets

The Group amortises intangible assets with a limited useful life, using the straight-line method over the following periods:

IT software	3 - 5 years

The useful life is assessed by considering technological advancements, industry trends, evolving needs, and the overall pace of innovation in the relevant market.

(f) Financial instruments

(i) Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

Financial assets with embedded derivatives are considered in their entirely when determining whether their cash flows are solely payment of principal and interest.

Investments

It represents an investment in an equity fund classified as a financial asset measured at fair value through profit or loss, given that it was not elected by management at inception to recognise fair value gains and losses through OCI; the Group held 2,386 units of Series B in Fondo De Inversion Ecus Agri-food, which is a Chilean public fund regulated by the Chilean Financial Market Commission ("CMF"), with aims to generate long-term capital appreciation from its investment portfolio for food and agricultural products, and the units of Series B held by the Group represent 1.69 per cent of the total units issued by the fund.

The Group's valuation technique used for this investment is the net asset value, based on the ratio of the units held over the total unit issued by the fund.

The fair value hierarchy of this investment is considered as level 1, given that the fund is required to report its net asset value to the CMF on a quarterly basis, following the guidelines provided by the CMF for the fair value inputs. The fair value of the investment recognised by the Group is measured as at reporting dates.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group only has the following type of debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows and the cash flows represent

(f) Financial instruments (continued)

(i) Financial assets (continued)

solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

(ii) Impairment loss on financial assets

The Group recognises loss allowances for expected credit loss ('ECL') on trade receivables and other receivables that are financial assets measured at amortised cost. The ECLs are measured on either of the following bases: (1) 12 months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date: and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

The Group has elected to measure loss allowances for trade and other receivables using IFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other financial assets, such as amount due from related companies, deposits and other current assets, the ECLs are based on the 12-months ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be credit-impaired when: (1) the counterparty is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 30 days past due.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e., the gross carrying amount less loss allowance) of the financial asset. For non credit-impaired financial assets interest income is calculated based on the gross carrying amount.

Notes to the consolidated financial statements (continued)

3. ACCOUNTING POLICIES (CONTINUED)

(f) Financial instruments (continued)

(iii) Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at fair value through profit or loss are initially measured at fair value and financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

Financial liabilities at amortised cost

Financial liabilities at amortised cost including trade and other payables are subsequently measured at amortised cost.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

Financial liabilities at fair value through P&L

Any deferred consideration, arising from business acquisitions, is measured at fair value at the date of acquisition. If an obligation to pay deferred consideration that does not meet the definition of an equity instrument is remeasured at fair value at each reporting date and subsequent changes in the fair value of the deferred consideration are recognised in profit or loss.

(iv) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

(v) Equity instruments

Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

(vi) Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with IFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

(g) Revenue recognition

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Depending on the terms of the contract and the laws that apply to the contract, control of the goods or service may be transferred over time or at a point in time. Control of the goods or service is transferred over time if the Group's performance:

Notes to the consolidated financial statements (continued)

3. ACCOUNTING POLICIES (CONTINUED)

(g) Revenue recognition (continued)

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

If control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation; for instance, certain services are activities performed to fulfil AFS's continuous integrated fund administrative service and the benefits consumed by the client are substantially the same for each monthly service (i.e. 12 distinct instances of admin service provision) and the corresponding revenue is being recognised every month. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or service.

Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. For contracts where the period between the payment and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

Revenue comprises the provision of fund administration services, regulatory and compliance services and also business process outsourcing services. Fund administration services represent fund onboarding, registrar and transfer agency and NAV calculation, and preparation of financial statements; regulatory and compliance and business process outsourcing include services of AML, directorship, board support, FATCA, CRS and other tax reporting. These fund services revenues are recognised when the relevant services are rendered and the customer simultaneously receives and consumes the benefits provided.

(h) Income taxes

Income taxes for the year comprise current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of the reporting year.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for recognised assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of reporting period.

Deferred tax liabilities are recognised for taxable temporary differences arising on 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.

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income or when they relate to items recognised directly in equity in which case the taxes are also recognised directly in equity.

Notes to the consolidated financial statements (continued)

3. ACCOUNTING POLICIES (CONTINUED)

(h) Income taxes (continued)

The Group has assessed Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) effective from 1 January 2023, where applicable, which narrows the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting temporary differences. There was no impact on the statement of financial position because the balances qualify for offset under paragraph 74 of IAS 12.

(i) Foreign currency

Transactions entered into by group entities in currencies other than the currency of the primary economic environment in which it/they operate(s) (the "functional currency") are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of the reporting year. 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 translation of monetary items, are recognised in profit or loss in the year in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income, in which case, the exchange differences are also recognised in other comprehensive income.

On consolidation, income and expense items of foreign operations are translated into the presentation currency of the Group (i.e. United States dollars) at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the rates approximating to those ruling when the transactions took place are used. All assets and liabilities of foreign operations are translated at the rate ruling at the end of the reporting year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity as foreign exchange reserve (attributed to non-controlling interests as appropriate). Exchange differences recognised in profit or loss of group entities' separate financial statements on the translation of long-term monetary items forming part of the Group's net investment in the foreign operation concerned are reclassified to other comprehensive income and accumulated in equity as foreign exchange reserve.

On disposal of a foreign operation, the cumulative exchange differences recognised in the foreign exchange reserve relating to that operation up to the date of disposal are reclassified to profit or loss as part of the profit or loss on disposal.

(j) Employee benefits

(i) Defined contribution retirement Contributions to defined contribution retirement plans are recognised as an expense in profit or loss when the services are rendered by the employees.

(ii) Termination benefits

Termination benefits are recognised on the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs involving the payment of termination benefits.

(k) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, which it is probable will result in an outflow of economic benefits that can be reliably estimated.

Notes to the consolidated financial statements (continued)

3. ACCOUNTING POLICIES (CONTINUED)

(k) Provisions and contingent liabilities (continued)

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(l) Impairment of other assets

At the end of each reporting year, the Group reviews the carrying amounts of the following assets to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognised no longer exists or may have decreased:

- tangible assets and intangible assets;

If the recoverable amount (i.e. the greater of the fair value less costs to sell and value in use) of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent 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 previously. A reversal of an impairment loss is recognised as income immediately.

(m) Related parties

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

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of key management personnel of the Group or the Group's parent.

(b) An entity is related to the Group if any of the following conditions apply:

(i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of the employees of the group or an entity related to the Group.

(vi) The entity is controlled or jointly controlled by a person identified in (a); or

Notes to the consolidated financial statements (continued)

3. ACCOUNTING POLICIES (CONTINUED)

(m) Related parties (continued)

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

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

(i) that person's children and spouse or domestic partner;

(ii) children of that person's spouse or domestic partner; and

(iii) dependents of that person or that person's spouse or domestic partner.

(n) Share capital

In accordance with IAS 32, expenses incurred specifically for issuing shares, such as underwriting fees, are deducted from equity. Conversely, expenses associated with listing on the stock market, such as listing fees, or those not directly linked to issuing new shares, are recognised as expenses in the income statement.

For costs that pertain to both share issuance and listing, such as legal fees, they are allocated between these two functions in a reasonable and consistent manner.

(o) Distributable reserve

It represents certain net earnings of prior years recognised according to the carve-out principles of the HFI included in the listing prospectus, at the time when the Group was previously not yet formed as a separate standalone legal entity or group of entities.

4. KEY ACCOUNTING ESTIMATES

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

The estimates and underlying assumptions are reviewed on an ongoing 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.

Key sources of estimation uncertainty

In addition to information disclosed elsewhere in this financial information, other key sources of estimation uncertainty that have a significant risk of resulting a material adjustment to the carrying amounts of assets and liabilities within next financial year are as follows:

Notes to the consolidated financial statements (continued)

4. KEY ACCOUNTING ESTIMATES (CONTINUED)

(i) Impairment of financial assets measured at amortised cost

Management estimates the amount of loss allowance for ECL on financial assets that are measured at amortised cost based on the credit risk of the respective financial asset. The loss allowance amount is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows after taking into consideration of expected future credit loss of the respective financial asset. The assessment of the credit risk of the respective financial asset involves high degree of estimation and uncertainty. When the actual future cash flows are different from expected, a material impairment loss or a material reversal of impairment loss may arise, accordingly.

(ii) Direct costs attributable to share issuance

The Group incurred various costs in issuing its own equity instruments, with some portions identified as transaction costs. Transaction costs are incremental expenses directly related to the equity transaction that would have been avoided if the equity instruments had not been issued. These costs associated with the equity transaction are accounted for as deductions from equity.

There is a degree of judgement involved in determining which costs are directly attributable to the equity transaction and in considering whether these costs relate to the listing of new shares and existing shares, or the issuances of new shares, and only the latter can be treated as a deduction from equity. Common costs for both listing and share issuance have been apportioned to equity by considering the percentage of shares newly issued at the IPO (5%) in relation to the existing shares admitted for listing, as applicable.

Overall, US$473k has been deducted from the share premium, US$420k of which is transaction costs incurred during the current financial year ended 31 December while the remaining amount of US$53k was the transaction costs incurred in prior financial years.

(iii) Merger reserve

These consolidated financial statements involve the recognition and measurement of merger reserves arising from business combinations under common control when the Company was inserted in May 2023 into the Group as the listing company for the AFS business. The measurement of merger reserves is subject to estimations due to the complexity and judgment involved in determining the value of net assets received via the receipt of shares in certain subsidiaries transferred to the Company. Management exercises professional judgment and utilizes appropriate valuation methodologies to determine the initial recognition and measurement of merger reserves. For details, please see the accounting policy described in Note 3c.

(iv) Comparatives

The portion of the AFS business in Luxembourg included in the HFI prepared under the carve-out principles has been excluded from the comparatives of these consolidated financial statements to align with the IFRS reporting framework, as outlined in Note 3c. Reconciliations from the historical financial information to the IFRS comparatives are provided in Reconciliations of Comparatives after the primary statements.

AFS Luxembourg was established as a new legal entity and transferred to the Group as a subsidiary during the current financial year ended 31 December 2023, constituting an acquisition of trade and assets. In accordance with merger accounting principles, this transaction is treated prospectively, without restating pre-combination figures. Management has exercised judgment in applying accounting standards and assessing the impact of opening balance and comparative adjustments.

Notes to the consolidated financial statements (continued)

5. SEGMENTAL REPORTING

The Group's decision makers, consisting of the chief executive officer, chief operating officer, the chief financial officer and managers for corporate planning, examine the Group's performance from a fund service provider's perspective and have identified three reportable segments of its business under IFRS 8.

The reportable segments are identified as fund administration, business process outsourcing and regulatory and compliance. Management primarily uses a measure of net earnings by services to assess the performance of the reportable segments.

The customer base is primarily institutional clients, including private equity funds, family offices and hedge funds. No individual client in Fund Administration and Governance and Compliance represents more than 2% of revenue in the year ended 31 December 2023 (31 December 2022: same).

Year ended 31 December 2023	Revenue	Direct staff cost	Other direct costs	Gross profit
	US$'000	US$'000	US$'000	US$'000
Fund Administration	7,927	(2,710)	(553)	4,664
Business Process Outsourcing	3,582	(254)	-	3,328
Governance and Compliance[1]	1,305	(478)	-	827
Total	**12,814**	**(3,442)**	**(553)**	**8,819**
Indirect staff costs				(3,736)
Other operating expenses				(3,488)
IPO expense				(952)
Net finance income				10
Profit before income tax				**653**

Year ended 31 December 2022	Revenue	Direct staff cost	Other direct costs	Gross profit
	US$'000	US$'000	US$'000	US$'000
Fund Administration	6,217	(2,038)	(514)	3,665
Business Process Outsourcing	3,272	(293)	-	2,979
Governance and Compliance[1]	403	(187)	-	216
Total	**9,892**	**(2,518)**	**(514)**	**6,860**
Indirect staff costs				(1,986)
Other operating expenses				(1,728)
IPO expense				(906)
Other gains				38
Finance costs				(39)
Profit before income tax				**2,239**

[1] *Governance and Compliance services is formerly known as Regulatory and Compliance services.*

Geographical information

The amount of its revenue from external customers broken down by geographical region of contracting entities in the Group is shown in the table below.

Geographical revenue

Year ended 31 December	2023	2022
	US$'000	US$'000
LatAm	2,446	2,027
Europe	3,211	903
MEAI[1]	7,157	6,962
Total	**12,814**	**9,892**

Notes to the consolidated financial statements (continued)

5. SEGMENTAL REPORTING (CONTINUED)

Geographical assets and liabilities

The total assets and liabilities by geographical region are shown as below:

Year ended 31 December 2023	LatAm	Europe	MEAI[1]	Consolidation elimination	Total
	US$'000	US$'000	US$'000	US$'000	US$'000
Total assets	**2,894**	**4,281**	**11,318**	**(7,469)**	**11,024**
Total liabilities	**574**	**771**	**948**	**116**	**2,409**

Year ended 31 December 2022	LatAm	Europe	MEAI[1]	Carve-out basis[2]	Total
	US$'000	US$'000	US$'000	US$'000	US$'000
Total assets	**3,594**	**855**	**2,952**	**770**	**8,171**
Total liabilities	**612**	**311**	**1,422**		**2,345**

[1] *MEAI means the Group's operations in the geographical region of Middle East, Asia and India.*
[2] *These represents carve-out adjustments for the HFI under the carve-out principles described in Note 2a, and these balances are included in amounts due from related companies in relevant historical financial years; the counterparty is the parent of the wider group incorporated in Cyprus, and these balances, post HFI, are expected to be reflected in corresponding balance sheet accounts by geographical regions, near or upon the Group's carve-out completion*

6. OTHER OPERATING EXPENSES

Year ended 31 December	2023	2022
	US$'000	US$'000
Business development expenses (including travelling expenses)	595	373
Statutory fee expenses	78	48
Recognition/ (reversal) of doubtful debt provision[2]	153	(3)
Bad debt recognised[2]	193	-
Other overhead expenses	588[1]	266

[1] *The increment mainly represents additional directors and officers insurance costs of US$198k as part of the ordinary business activities.*
[2] *Recognition/(reversal) of doubtful debt provision represents the estimation and adjustment of a provision for potential uncollectible debts, and bad debt recognised is the specific amount of accounts receivable deemed uncollectible and is hence written off as an expense.*

7. PAYROLL AND REMUNERATION COSTS

Year ended 31 December	2023	2022
	US$'000	US$'000
Employee costs (including directors) comprise:		
Wages and salaries 6,985 4,375	6,985	4,375
Contributions on defined contribution retirement plans	19	33
Other employment benefits	174	96
	7,178	**4,504**

Year ended 31 December	2023	2022
Average monthly number of employees	95	72

Notes to the consolidated financial statements (continued)

8. PROFESSIONAL FEES

The net increment includes an audit fee provision of US$500k, and such audit services align with the statutory and listing requirements in the UK and other relevant jurisdictions where the Group operates. The remaining increment of US$212k is contributed mainly by financial analysis and reporting services and also equity research services, along with recurring professional services for SOC reports and statutory tax filings etc.

9. TAX

This note provides an analysis of the Group's current income tax and deferred tax.

(a) Income tax expense

Year ended 31 December	2023	2022
	US$'000	US$'000
Current income tax		
Current tax on profits for the year	647	587
Deferred income tax		
Deferred tax expense for the year (Note 9c)	20	14
Total income tax expenses	**667**	**601**

(b) Income tax payables

Year ended 31 December	2023	2022
	US$'000	US$'000
Current income tax payable	**472**	**1,117**

In the respective financial years, tax expense or income recognised in other comprehensive income amounted to nil, in addition to the income tax expenses above charged to profit or loss. Also, there was no significant uncertain tax position or tax-related contingency identified in the Group.

Reconciliation of income tax expense to prima facie tax payable.

Year ended 31 December	2023	2022
	US$'000	US$'000
Profit before income tax expense	653	2,239
Current tax charge at the UK average rate of 24.43% (2022: 19%)	160	425
Effects of material amounts that are not taxable/deductible in calculating income tax: [1]		
Use of brought forward losses unrecognised	(69)	(47)
Non-deductible expenses	282	172
Losses not recognised	693	-
Fair value gain on an investment measured at FVTP&L	-	(7)
Difference in overseas tax rates[2]	(399)	49
Others	-	9
Income tax expenses	**667**	**601**

[1] The financial impact of standard non-deductible items, such as depreciation and interest expenses, is considered insignificant in the Group, and hence are excluded from the reconciliation.

[2] Income tax on overseas profits has been calculated on the estimated assessable profit for the years at the respective tax rates prevailing in the countries in which the Group operates.

Notes to the consolidated financial statements (continued)

9. TAX (CONTINUED)

(b) Income tax payables (continued)

Cyprus corporate tax has been provided at the rate of 12.5% (2022: 12.5%) on the estimated assessable profits of the Group's operations in Cyprus.

Malta corporate tax has been provided at the rate of 35% (2022: 35%) on the estimated assessable profits of the Group's operations in Malta.

Luxembourg corporate tax has been provided at the rate of 17% (2022: 17%) on the estimated assessable profits of the Group's operations in Luxembourg.

India corporate tax has been provided at the rate of 25% (2022: 25%) on the estimated assessable profits of the Group's operations in India. 25% is the statutory rate of corporate income tax in India in this period although a higher effective tax rate can apply to profit in this jurisdiction owing to the application of surtaxes.

Hong Kong corporate tax has been provided at the rate of 16.5% (2022: 16.5%) on the estimated assessable profits of the Group's operations in Hong Kong.

Singapore corporate tax has been provided at the rate of 17% (2022: 17%) on the estimated assessable profits of the Group's operations in Singapore.

Chile corporate tax has been provided at the rate of 27% (2022: 27%) on the estimated assessable profits of the Group's operations in Chile.

Curacao corporate tax has been provided at the rate of 3% (2022: 3%) on the estimated assessable profits of the Group's operations in Curacao.

In the financial year ending on 31st December 2022, the Group's operations in the United Kingdom made provisions for UK corporate tax at a rate of 19% on the estimated assessable profits. Subsequently, in the financial year ending on 31st December 2023, the corporate tax rate increased to 24.43%. This increase is in line with the change in the UK corporation tax year, which began on 1st April 2023 and introduced a higher corporate tax rate of 25%.

(c) Deferred tax assets

	2023	2022
	US$'000	US$'000
Balances as at 1 January	**263**	**276**
Deferred tax expense recognised (Note 9a)	(20)	(14)
Foreign exchange difference	(11)	1
Balances as at 31 December	**232**	**263**

The deferred tax assets are recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

The deferred tax assets provided relate to trading losses.

Notes to the consolidated financial statements (continued)

9. TAX (CONTINUED)

(d) Unused tax losses

	2023	2022
	US$'000	US$'000
Accumulated unused tax losses for which no deferred tax asset has been recognised	4,792	3,191
Potential tax benefits at effective tax rates in respective years	1,358	922

The unused tax losses are seen in some entities within the Group, for which no deferred tax asset has been recognised on the prudency basis, given the unpredictability of profit streams and future economic benefits; unrecognised tax losses of US$161k were utilised in 2023 (2022: $248k), and remaining unrecognised tax losses can be carried forward indefinitely for future use.

(e) OECD reforms and developments

On 8 October 2021, 136 countries reached an agreement for a two-pillar approach to international tax reform ('the OECD agreement'). Amongst other things, Pillar One proposes a reallocation of a proportion of tax to market jurisdictions, while Pillar Two seeks to apply a global minimum effective tax rate of 15%.

Whilst the Group is below the size thresholds for these proposals to apply, the OECD agreement is likely to see changes in corporate tax rates in a number of countries in the next few years. The impact of changes in corporate tax rates on the measurement of tax assets and liabilities depends on the nature and timing of the legislative changes in each country, which will become known and certain in the near future.

Notes to the consolidated financial statements (continued)

10. PROPERTY, PLANT AND EQUIPMENT

	Machinery and equipment	Furniture and fixtures	Leasehold improvement	Motor vehicles	Total
	US$'000	US$'000	US$'000	US$'000	**US$'000**
Cost					
At 1 January 2023	**51**	**38**	**51**	**44**	**184**
Additions	24	-	53	-	77
Written off/disposals	-	-	-	-	-
Exchange differences	(1)	-	-	-	(1)
At 31 December 2023	**74**	**38**	**104**	**44**	**260**
At 1 January 2022	**31**	**37**	**-**	**44**	**112**
Additions	20	-	51	-	71
Written off/disposals	-	-	-	-	-
Exchange differences	-	1	-	-	1
At 31 December 2022	**51**	**38**	**51**	**44**	**184**
Accumulated depreciation					
At 1 January 2023	**28**	**37**	**-**	**43**	**108**
Charge for the year	10	1	32	1	44
Written off/disposals	-	-	-	-	-
Exchange differences	2	-	-	-	2
At 31 December 2023	**40**	**38**	**32**	**44**	**154**
At 1 January 2022	**25**	**37**	**-**	**29**	**91**
Charge for the year	3	-	-	14	17
Written off/disposals	-	-	-	-	-
Exchange differences	-	-	-	-	-
At 31 December 2022	**28**	**37**	**-**	**43**	**108**
Net book value					
At 31 December 2023	**34**	**-**	**72**	**-**	**106**
At 31 December 2022	**23**	**1**	**51**	**1**	**76**

There were no tangible assets pledged as security by the Group in the years ended 31 December 2023 and 2022.

11. INTANGIBLE ASSETS

During the financial year ended 31 December 2023, there were additions of IT software for US$90k.

12. TRADE RECEIVABLES

As at 31 December	2023	2022
	US$'000	US$'000
Trade receivables	3,079	1,599
Less: allowance for doubtful debts	(219)	(78)
	2,860	**1,521**

The Group allows a credit period of 30 days upon the services rendered to customers. Due to the short-term nature of the current trade receivables, their carrying amounts are considered to be the same as their fair value.

Notes to the consolidated financial statements (continued)

12. TRADE RECEIVABLES (CONTINUED)

Information about the Group's exposure to credit risk and foreign currency risk can be found in note 24.

At 31 December, the ageing analysis of the trade receivables based on invoice date is as follows:

As at 31 December	2023	2022
	US$'000	US$'000
Up to 3 months	2,767	1,371
3 to 6 months	146	171
6 to 12 months	85	42
Over 1 year	81	15
	3,079	**1,599**

Also, the following is an ageing analysis of trade receivables past due but not impaired at 31 December:

As at 31 December	2023	2022
	US$'000	US$'000
Up to 3 months	870	517
3 to 6 months	42	21
6 to 12 months	55	23
Over 1 year	68	13
	1,035	**574**

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. In measuring the expected credit losses, receivables are grouped based on their shared credit risk characteristics and numbers of days past due. The expected credit losses on these trade receivables are estimated using a provision rate based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and the forecast direction of conditions as at the reporting dates, including time value of money where appropriate.

31 December 2023	Up to 3 months	3 to 6 months	6 to 12 months	Over 1 year	Total
	US$'000	US$'000	US$'000	US$'000	
Expected credit loss rate	2.70%	13.70%	50.60%	98.80%	7.10%
Gross trade receivables	2,767	146	85	81	3,079
Loss allowance	76	20	43	80	219

31 December 2022	Up to 3 months	3 to 6 months	6 to 12 months	Over 1 year	Total
	US$'000	US$'000	US$'000	US$'000	
Expected credit loss rate	4.2%	10.5%	9.5%	0%	4.9%
Gross trade receivables	1,371	171	42	15	1,599
Loss allowance	56	18	4	-	78

Notes to the consolidated financial statements (continued)

13. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

As at 31 December	2023	2022
	US$'000	US$'000
Accrued income	58	425
Deposits	47	35
Prepayments and other receivables	187	118
Receivables from IPO proceeds	150	-
VAT receivables	119	59
	561	**637**

14. CASH AND CASH EQUIVALENTS

As at 31 December	2023	2022
	US$'000	US$'000
Cash at bank and in hand	**2,973**	**875**

Cash and cash equivalents are denominated in the following currencies:

As at 31 December	2023	2022
	US$'000	US$'000
United States dollar	2,255	111
Hong Kong dollar	3	123
Chilean Peso	515	480
Euro	162	124
Others	38	37
	2,973	**875**

15. TRADE PAYABLES

As at 31 December	2023	2022
	US$'000	US$'000
Trade payables	**151**	**201**

Trade payables represent payables to service providers. The credit period granted by service providers is normally 30 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit time frame. Details are set out in note 24.

Notes to the consolidated financial statements (continued)

16. OTHER PAYABLES

As at 31 December	2023	2022
	US$'000	US$'000
Current		
Other payables and accruals	257	130
VAT payables	29	5
Group audit fee accruals	500	-
Payment in advance from customers	54	8
	840	**143**

Deferred consideration – financial liabilities measured at FVTP&L		
Current	-	213
Non-current	-	-
	-	**213**

(a) Deferred consideration

In October 2021, the Group acquired 100% of equity interests of Amicorp Administradora General de Fondos SA (formerly known as ECUS Administradora General de Fondos SA) for a total discounted consideration of CLP588 million (US$706k), comprised of: (i) initial cash consideration of CLP417 million (US$501k); (ii) discounted deferred cash consideration of CLP171 million (US$205k) payable by no later than October 2023. The acquiree has been accounted for as subsidiaries of the Group since the acquisition date.

In the financial year ended 31 December 2022, the deferred consideration due to the seller was payable by October 2023, and the undiscounted payable amount was the undiscounted deferred base payment of CLP 188m plus/minus CLP 60m depending on the outcome of certain pre-acquisition tax credit claims submitted by the seller to the local authorities in Chile, in accordance with the acquisition agreement.

The deferred consideration was measured at FVTP&L, and the fair value was remeasured at every reporting date. Also, the group's policy was to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period, and management decided that the deferred consideration was classified as level 3, given the significant inputs were not based on observable market data.

The valuation technique used was discounted cash analysis, with the following table summarising the details:

Description	Valuation techniques	Significant inputs	Sensitivity of the fair value measurement to input
Contingent consideration	Discounted cash flow. Expected net cash outflows are estimated based on the terms of the share purchase agreements and the group's expectations of outcomes of tax credit claims.	Discount rate of 5.00% Expected undiscounted cash outflows of CLP 188.8m (US$ 221.8k) An increase in the discount rate of 100 basis points would decrease the fair value by US$ 1.7k as at 31 December 2022.	An increase in the discount rate of 100 basis points would decrease the fair value by US$ 1.7k as at 31 December 2022. Management did not consider the value of expected future cash outflows would change materially during the next 12 months from 31 December 2022.

Notes to the consolidated financial statements (continued)

17. LEASES

This note provides information for leases where Group is a lessee within the scope of IFRS 16.

In the prior year ended 31 December 2022, the Group entered into two more office leases in January and June 2022 respectively, each with lease terms of 2 years and 3.5 years respectively. During the current financial year to 31 December 2023, an additional office lease was ascertained and commenced in February for a lease term of 3 years.

The Group does not have options to purchase certain offices for a nominal amount at the end of the lease term. Also, these leases do not contain variable lease payments throughout the lease terms.

The total cash outflow for leases amount to US$240k in financial year ended 31 December 2023 (US$117k in 2022).

(i) Right of use assets

	Office premise	Office premise
	2023	**2022**
	US$'000	US$'000
Cost		
At 1 January	**475**	**262**
Additions	304	239
Exchange differences	-	(26)
At 31 December	**779**	**475**
Accumulated depreciation		
At 1 January	**111**	**4**
Depreciation for the year	228	111
Exchange differences	-	(4)
At 31 December	**339**	**111**
Net carrying balance as at 31 December	**440**	**364**

(ii) Lease liabilities

	Office premise	Office premise
	2023	**2022**
	US$'000	US$'000
At 1 January	**383**	**260**
Additions	304	234
Interest expense	40	30
Lease payments	(240)	(117)
Exchange differences	**-**	(24)
At 31 December	**487**	**383**

Discounted lease payments are due as follows:

	2023	2022
	US$'000	US$'000
Within one year	183	146
In between one and two years	197	118
In between two and five years	107	119
	487	**383**

Notes to the consolidated financial statements (continued)

17. LEASES (CONTINUED)

(ii) Lease liabilities (continued)

Undiscounted lease payments are due as follows:

As at 31 December	2023	2022
	US$'000	US$'000
Within one year	213	150
In between one and two years	214	132
In between two and five years	111	155
	538	**437**
Less: Future finance charges	(51)	(54)
Lease liabilities	**487**	**383**
Disclosed as:		
Current	183	146
Non-current	304	237
	487	**383**

(iii) Short term leases

Short-term leases are leases with a lease term of 12 months or less without a purchase option. Under IFRS 16, these leases are not included in right of use assets or lease liabilities, and such lease expenses are recognised in profit and loss when incurred; these short term leases are immaterial to the Group in the financial year ended 31 December 2023 (2022: same).

18. ACCRUED PAYROLL AND EMPLOYEE BENEFITS

As at the year ended	Dec-2023	Dec-2022
	US$'000	US$'000
Accruals for wages and social securities	265	53
Wage tax accruals	75	20
Long term services accruals	27	172
Leave accruals	92	43
	459	**288**

19. FEES FOR COMPANY'S AUDITORS AND ITS ASSOCIATES

Year ended 31 December	Dec-2023	Dec-2022
	US$'000	US$'000
Fees payable to the Company's auditor and its associates:		
Audit of the company and consolidated financial statements	500	-
Audit of the company's subsidiaries	105	15
Total audit services	**605**	**15**
Non-audit services [1]	196	364
Other assurance services[1]	109	202
Total audit services, audit-related and other assurance services	**910**	**581**

[1]The non-audit services and other assurance services provided by the Company's auditor and its associates are related to the other assurance engagements for the Company's IPO, outside of statutory audit requirements.

Notes to the consolidated financial statements (continued)

20. SHARE CAPITAL

On 3 March 2023, the Company was established with an initial capital of GBP 50,000, which was divided into 5,000,000 ordinary shares valued at GBP 0.01 per share. Subsequently, on 4 April 2023, the share capital was converted to US dollars at a rate of US$0.0124 per share, resulting in a total of US$62,000. On 23 May 2023, this existing share capital was further divided into 62,000,000 ordinary shares, each valued at US$0.001, while maintaining the total share capital at US$62,000.

Moreover, additional allotments of 51,500,000 and 6,468,000 shares at US$0.001 each were made on 23 May 2023, and 8 June 2023, respectively, bringing the total number of shares to 119,968,000, with a total value of US$119,968.

21. DIVIDENDS

Pre-listing dividends of US$3.4m had been declared by Amicorp Fund Services Asia Limited, before the Company, Amicorp FS (UK) Plc, was inserted on 26 May 2023 as the holding company of the Group, in line with the listing prospectus dated 5 June 2023.

22. RELATED PARTIES TRANSACTIONS

(a) Transactions with Amicorp Group

The following transactions were carried out with related parties who are members of Amicorp Group.

Year ended 31 December	2023 [1]
	US$'000
Revenue	3,231
Rental and remuneration expenses	1,031
Interest income derived from term deposits	35

[1]Comparatives are excluded, given the Group had not been legally incorporated during the financial year ended 31 December 2022. Transactions with Amicorp Group under the carve-out principles in the historical financial years are included in the HFI of the listing prospectus dated 5 June 2023.

As at 31 December	2023	2022
	US$'000	US$'000
Amounts due from related parties	3,711	4,374
Bank balances with Amicorp Bank Trusts	76	38
Term deposits with Amicorp Bank Trusts	505	-

The expected credit loss assessment does not have a material impact on the carrying amount of the amounts due from related companies, and no bad debt allowance associated with these balances was recognised.

(b) Transactions with related parties other than Amicorp Group

There has been no related party other than Amicorp Group that the Group enters into transactions with, related to fund administrative business, throughout the current financial year (prior year: same). The Group's transactions are conducted on an arm's length basis.

Notes to the consolidated financial statements (continued)

22. RELATED PARTIES TRANSACTIONS (CONTINUED)

(c) Transactions with key management personnel, remuneration and other compensation

Executive members of the board (Executive Directors) are recognised as being key management personnel who are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly.

The summary of compensation of key management personnel is as follows:

For the year ended 31 December	2023	2022
	US$'000	US$'000
Salaries and short-term benefits	823	648

Information on the remuneration of both the Executive Directors and Non-Executive Directors (including their respective interests in shares of the Company) is given in the remuneration report of this annual report.

23. CAPITAL RISK MANAGEMENT

The Group's objectives on managing capital are to finance its operations with its owned capital and to safeguard the Group's ability to continue as a going concern in order to provide returns for major stakeholders. The Group monitors the sufficiency of capital based on the positions of cash, net current assets and also total net assets.

Lease liabilities are not considered as debts for capital risk management given that corresponding right of use assets are recognised at inception for the equivalent amounts. There have been no external debts in both financial years ended 31 December 2022 and 31 December 2023, and the mentioned financial positions remain positive at a healthy level.

24. FINANCIAL RISK MANAGEMENT

The Group's major financial instruments include trade receivables, other receivables, deposit and prepayments, amounts due from related companies, cash and cash equivalent, and trade payables which are disclosed in respective notes. The risks associated with these financial instruments include liquidity risk, foreign currency risk, credit risk and interest rate risk. The policies on how to mitigate these risks are set out below. The management team manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(a) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the uses of cash surpluses, to cover expected cash demands, subject to approval by management when involved amounts exceeds certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities, based on undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the reporting date) and the earliest date the Group can be required to pay.

Notes to the consolidated financial statements (continued)

24. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Liquidity risk (continued)

	Within 1 year or on demand	2-5 years	Total undiscounted cash flows	Carrying amount
	US$'000	US$'000	US$'000	US$'000
At 31 December 2023				
Trade payables	151	-	151	151
Accrued payroll and employee benefits	459	-	459	459
Other provisions and payables	757	-	757	757
Lease liabilities	213	325	538	487
	1,580	**325**	**1,905**	**1,854**
At 31 December 2022				
Trade payables	201	-	201	201
Accrued payroll and employee benefits	288	-	288	288
Other provisions and payables	130	-	130	130
Deferred consideration	222	-	222	213
Lease liabilities	150	287	437	383
	991	**287**	**1,278**	**1,215**

(b) Market risk

Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from its ongoing transactions and the financial assets and liabilities denominated in foreign currencies. Foreign exchange risk also arises from financial assets and liabilities denominated in the functional currencies in which they are measured. Translation exposures with a functional currency different from Group's presentation currency are not included in the assessment of Group's exposure to foreign currency risks in accordance with IFRS 7 – Financial Instruments: Disclosures.

In countries where the Group operates, except for Hong Kong, income and expenditure are predominantly derived in respective functional currencies and management therefore considers the transactional related foreign exchange risk is insignificant. In Hong Kong, income is predominantly derived in US$ whilst the expenditure is in HK$. Because of HK$ having been pegged to US$ at a fixed rate of 7.8 by Hong Kong government since 1983, it is concluded that its foreign currency risk against US$ is minimal in the jurisdiction. Overall, the Group is not subject to significant foreign currency risks.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Management considers the interest rate risk as insignificant to the Group since there has been no interest bearing borrowings, significant interest income or tangible assets with fair values substantially subject to interest rates.

(c) Credit risk

The Group's credit risk is primarily attributable to its trade and other receivables, contract assets and amounts due from related parties. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. Management of credit risk involves a number of considerations, such as the financial profile of the counterparty, and specific terms and duration of the contractual agreement.

Notes to the consolidated financial statements (continued)

24. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Credit risk (continued)

Customer credit risk is managed subject to the Group's established policy, procedures and control relating to customer credit risk management. The requirement for impairment is analysed at each reporting date on an individual basis for customers. The Group evaluates the concentration of risk with respect to trade and other receivables and contract assets as low, as its customer base consists of a large number of individual customers who operate in several jurisdictions, industries and largely independent markets.

The Group measures loss allowances for trade and other receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases

The Group does not have any significant credit risk exposure to any individual client or counterparty.

In respect of financial assets at amortised cost composed of trade and other receivables and amounts due from related companies, the directors are of the opinion that the credit risk is low because these companies have high credit quality and no recent history of default payment, and the loss allowance recognised during the year was therefore limited to 12 months ECLs.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset at the end of reporting period.

For transactions with open accounts, funds which equal to a certain percentage of the gross purchase amounts are deposited with the Group by debtors in advance before the execution of those transactions.

For transactions with letters of credit, transferrable letters of credit will be arranged to creditors to remove counterparty default risk.

(d) Financial instruments

IFRS 13 requires that the classification of financial instruments measured at fair value to be determined by reference to the source of inputs used to derive fair value, and that the fair values of all financial instruments held at amortised cost are approximately equal to their carrying values.

Financial assets include an investment, trade receivables, other receivables and deposits (excluding VAT receivables and prepayments), amounts due from related companies and cash and cash equivalents; financial liabilities are trade payables, accrued payroll and employee benefits, other provisions and payables, lease liabilities and also deferred consideration payable.

These financial assets and financial liabilities, except for an investment and deferred consideration payable, are all measured at amortised costs, approximate to their carrying values, while the investment and deferred consideration payable are measured at FVTP&L. See Note 16 for details of the deferred consideration payable on its valuation, inputs and fair value hierarchy.

Notes to the consolidated financial statements (continued)

25. COMMITMENTS

The Group rents various offices to conduct its business, which the Group has no control over, and hence these leases are not within the scope of IFRS 16 Leases. Such rental expenses incurred were charged to the income statement on a straight-line basis over the relevant lease periods.

For leases within scope of IFRS 16, lease liabilities are recognised (Note 17) to reflect the discounted committed future rental payments. Also, the portfolio of short-term leases to which the Group is committed at the end of the reporting periods are not dissimilar to that which the details of short-term lease expense disclosed on Note 17 relate to. Therefore, these two types of leases are excluded from this commitments disclosure.

The table below presents a maturity analysis of lease payments showing the undiscounted lease payments to be made on an annual basis:

As at 31 December	2023	2022
	US$'000	US$'000
Minimum lease payments for non-cancellable leases:		
Within one year	468	709
Later than one year but not later than five years	-	-
	468	**709**

26. EARNINGS PER SHARE

Basic earnings per share (EPS) is calculated based on the profit or loss for the financial year divided by the weighted average number of ordinary shares during the same financial year. Diluted EPS is calculated by adjusting the weighted average number of common shares to include the potentially dilutive effect of additional ordinary shares.

There have been no dilutive shares during the financial year ended 31 December 2023, and therefore the weighted average number of ordinary shares are the same for the calculations of both Basic EPS and Diluted EPS.

As at 31 December	2023	2022
	US$'000	US$'000
Net (loss)/profit in US$'000	(14,000)	1,638,000
Weighted average number of ordinary shares (basic & diluted)	117,147,233	113,500,000
Basic EPS in USD cent	(0.01)	1.44
Diluted EPS in USD cent	(0.01)	1.44

27. EVENTS OCCURRING AFTER THE REPORTING PERIOD

There have been no material subsequent events as of the report date.

Company balance sheet – UK GAAP (including FRS 101 'Reduced Disclosure Framework')

	Notes	As at 31 December 2023 US$'000
Non-current assets		
Investments in immediate subsidiaries	8	**45**
Current assets		
Other receivables		176
Amounts due from group companies	9	5,796
Cash and cash equivalents		7
		5,979
Total assets		**6,024**
Current liabilities		
Trade payables		32
Directors' fees payables		44
Audit fee accruals	7	500
		576
Net current assets		**5,403**
Total assets less current liabilities		**5,448**
NET ASSETS		**5,448**
Equity		
Share capital	10	120
Share premium	SOCIE	6,199
Accumulated deficits	SOCIE	(871)
Total equity		**5,448**

COMPANY STATEMENT OF CHANGES IN EQUITY ("SOCIE")

	Share capital	Share premium	Accumulated deficits	Total
	US$'000	US$'000	US$'000	US$'000
As at 3 March 2023 (incorporate date)	**62**	**-**	**-**	**62**
Share additions	58	6,462[1]	-	6,520
Directly attributable issuance cost	-	(263)[2]	-	(263)
Net losses for the period			(871)	(871)
As at 31 December 2023	**120**	**6,199**	**(871)**	**5,448**

[1] *On 8 June 2023, the Company successfully raised gross proceeds of US$6.47 million through a placing of 6,468,000 ordinary shares, at the par value of US$0.001 each share. The difference between the placing price and the nominal value of the shares constitutes the share premium.*

[2] *The total amount of US$263k incurred by the Company, which represents incremental costs directly associated with the issuance of new shares, is deducted from equity, in line with IAS 32.*

Notes to the company balance sheet – UK GAAP

1. GENERAL

Amicorp FS (UK) Plc ("Company") was incorporated in England and Wales on 3 March 2023, and it is the holding company of the AFS Group, a provider of fund administration services, regulatory reporting, fiduciary services and multi-faceted business support alternatives for hedge funds, private equity funds and family offices investing in listed or unlisted equities, financial instruments, projects, real estate and various asset classes locally or globally.

2. BACKGROUND AND BASIS OF PREPARATION

The financial statements, which are prepared using the historical cost convention and on a going concern basis, are prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and with UK accounting presentation and the Companies Act 2006 as at 31 December 2023.

As permitted by section 408 of the Companies Act 2006, the income statement of the Company is not presented in this Annual Report.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of information in respect of certain assets, presentation of a cash flow statement, impairment of assets, and related party transactions etc. Where required, equivalent disclosures are given in the consolidated financial statements of the Group.

The function currency of the Company is US dollar ("US$"). There are no comparatives included in the Company's standalone financial statements since this represents the financial period to 31 December 2023 from its incorporation date, being 3 March 2023.

3. ACCOUNTING CONVENTION AND STANDARDS

The balance sheet has been prepared using the historical cost convention and complies with applicable UK accounting standards.

4. ACCOUNTING PRINCIPLES AND POLICIES

To prepare the balance sheet in conformity with generally accepted accounting principles, management are required to make estimations and assumptions that impact the reported amounts of assets and liabilities at the balance sheet's date. The actual amounts could deviate from these estimations.

The balance sheet has been prepared following the Company's accounting policies, which are described in Note 6. These policies have been consistently applied, unless stated otherwise.

5. KEY ACCOUNTING JUDGEMENTS AND ESTIMATES

There were no significant accounting judgments or estimations. Despite the amounts due from group companies being material on monetary terms, the recoverability assessment does not involve significant accounting judgements.

6. ACCOUNTING POLICIES

Foreign currency transactions

Foreign currency transactions are captured at the exchange rate on the date of transaction. Foreign currency monetary assets and liabilities are re-translated at rates of exchange at the balance sheet date.

Notes to the company balance sheet – UK GAAP (continued)

6. ACCOUNTING POLICIES (CONTINUED)

Expenditure and provision

Expenditure is acknowledged for goods and services received in accordance with contractual terms. Provision is established when there is an obligation for a future liability arising from a past event, and the amount of the liability can be accurately estimated.

Investments in immediate subsidiaries

The Company was inserted as the holding company of the Group, by way of receiving transferred shares of certain entities under common control as part of the carve-out reconstruction, given the ultimate controlling parent has remained the same. Investments in immediate subsidiaries are held at the nominal purchase prices for such transferred shares.

Other receivables and amounts due from group companies

Receivables are carried on the books at their amortised cost, reduced by an allowance for expected credit losses. The calculation of expected credit losses follows the methodology permitted by IFRS 9. The majority of the receivables balance comprises amounts owed by subsidiaries within the Group. The Company uses a general approach to estimate the expected credit losses. If a receivable is deemed uncollectible, it is written off, firstly utilising any available expected credit loss allowance, and then recognised in the income statements.

Share capital and share premium

Share capital represents the nominal or par value of the shares issued by the Company and is recorded in the equity section of the balance sheet. Share premium represents the amount received by the Company in excess of the nominal or par value of the shares issued and is also recorded in the equity section of the balance sheet.

In accordance with IAS 32, expenses incurred specifically for issuing shares, such as underwriting fees, are deducted from equity. Conversely, expenses associated with listing on the stock market, such as listing fees, or those not directly linked to issuing new shares, are recognised as expenses in the income statement.

For costs that pertain to both share issuance and listing, such as legal fees, they are allocated between these two functions in a reasonable and consistent manner.

7. OPERATING RESULTS AND PROVISION

During the period, the Company obtained audit services from its auditor, BDO LLP, amounting to US$500k.

8. INVESTMENTS IN IMMEDIATE SUBSIDIARIES

As at the year ended December 2023	
	US$'000
Shares in Amicorp Fund Services Asia Limited	- [1]
Shares in Amicorp Fund Services (Mumbai) Private Limited	45
	45

[1] The shares in Amicorp Fund Services Asia were transferred to the Company in May 2023, as part of the restructuring as outlined in Note 6 of this Company's standalone financial statements and Note 2a of the consolidated financial statements included in the annual report.

Notes to the company balance sheet – UK GAAP (continued)

9. AMOUNTS DUE FROM GROUP COMPANIES

As at the year ended December 2023	
	US$'000
Amounts due from Amicorp Fund Services Asia Limited	**5,796**

The current receivable amount due from companies within the Group is not secured and can be repaid upon request by the Company.

The directors believe that the carrying amounts owed by Group companies is a reasonable approximation of their fair values. No provision has been made for expected credit losses because the counterparty has sufficient funds and assets to fulfill its future obligations.

10. SHARE CAPITAL

Details are described in Note 20 to the consolidated financial statements.

11. DIVIDENDS

Details are described in Note 21 to the consolidated financial statements.

12. GROUP COMPANIES

See Note 2(b) to the consolidated financial statements for a complete list of subsidiaries under the AFS Group, which forms part of these financial statements.

ACRONYMS

AGM	Annual General Meeting
AIFC	Astana International Financial Centre
AIFM	Alternative investment fund manager
AML	Anti-Money Laundering
ANBIMA	Brazilian Association of Financial and Capital Market Entities
AUA	Assets under administration
AUM	Asset under Management
BCP	Business continuity plan
BEPS	Base Erosion of Profit Shifting
BPO	Business Process Outsourcing
BRSR	Business Responsibility and Sustainability Report
CDP	Carbon Disclosure Project
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIMA	Cayman Islands Monetary Authority
CMF	La Comisión para el Mercado Financiero
COO	Chief Operating Officer
CRS	Common Reporting Standard
CSRD	Corporate Sustainability Reporting Directive
CSSF	Luxembourg Commission de Surveillance du Secteur Financier
CVM	Comissão de Valores Mobiliários
DIFC	Dubai International Financial Centre
DTA	Double-tax agreement
ERM	Enterprise Risk Management
EPS	Earnings per share
ESG	Environmental, Social and Governance
FATCA	Foreign Account Tax Compliance Act
FI	Financial Institution
GCC	Gulf Cooperation Council
GHG	Greenhouse gas
GP	General Partner
IFRIC	IFRS Interpretations Committee
IFRS	International Financial Reporting Standard
IGA	Intergovernmental Agreement
KPI	Key Performance Indicators
KYC	Know-Your-Client
LatAm	Latin America

LTIP	Long-term incentive plan
M&A	Merger and acquisition
MAR	Market Abuse Regulation
MFSA	Malta Financial Services Authority
MLRO	Money-Laundering Reporting Officer
NAV	Net Asset Value
NED	Non-Executive Director
PEP	Politically exposed person
PPM	Private Placing Memorandum
QCA Code	Quoted Companies Alliance Corporate Governance Code
RAIF	Reserved Alternative Investment Fund
SEBI	Securities and Exchange Board of India
SECR	Streamlined Energy and Carbon Reporting
SFDR	Sustainable Finance Disclosure Regulation
SICAR	Société d'Investissement en Capital à Risque
SIF	Specialised Investment Fund
SOF	Source of fund
SOW	Source of wealth
SPC	Segregated Portfolio Company
SPV	Special purpose vehicle
TCFD	Taskforce on Climate-related Disclosure
ToR	Terms of reference
UAE	United Arab Emirates
UNPRI	United Nations Principles for Responsible Investing
VCC	Variable Capital Company

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