

THE CAPITAL MARKETS COMPANY LIMITED
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

REPORT OF THE DIRECTORS

The directors present their report together with the audited financial statements of The Capital Markets Company Limited (the “Company”) for the year ended 31 December 2025.

Principal activities

The principal activity of the Company is the provision of business and IT consulting services.

Business review

As the Company is a private company that does not fall within the reporting exemption for the financial year, a special resolution has been passed by the members to the effect that the Company is not to prepare a business review for the financial year.

Results and appropriation

The results of the Company for the year ended 31 December 2025 are set out in the statement of profit or loss and other comprehensive income on page 8.

The state of affairs of the Company as at 31 December 2025 is set out in the statement of financial position on pages 9 and 10.

The cash flows of the Company for the year ended 31 December 2025 are set out in the statement of cash flows on pages 12 and 13.

Reserve

Details of the movements in the Company’s reserve during the year are set out in the statement of changes in equity on page 11.

Share capital

Details of the Company’s share capital are set out in note 17 to the financial statements.

Dividends

The directors do not recommend any payment of dividend nor transfer of any amount to reserve for the year ended 31 December 2025 (2024: Nil).

REPORT OF THE DIRECTORS (CONTINUED)**Directors**

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

Balaji Ramakoti
Niya Wang

There is no provision in the Company's Articles of Association for the retirement and rotation of directors. All the existing directors continue in office.

Directors' material interests in transactions, arrangements and contracts that are significant in relation to the Company's business

Except for those disclosed in the financial statements, no other transactions, arrangements and contracts of significance in relation to the Company's business to which the Company's fellow subsidiaries or its parent companies was a party and in which directors of the Company had a material interest, whether directly or indirectly, subsisted at the end of the period or at any time during the year.

Permitted indemnity provision

Article 157 of the Company's Articles of Association ("Article") provides that a director or former director of the Company may be indemnified out of the Company's assets against any liability incurred by the director to a person other than the Company or an associated company of the Company in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or associated company (as the case may be). This Article only applies if the indemnity does not cover the liability of the director to pay and the liability incurred by the director set out in Article 158(a) and Article 158(b) of the Company's Articles respectively. This permitted indemnity provision is in force during the financial period and at the time of approval of this report.

Directors' rights to acquire shares or debentures

At no time during the year was the Company, its holding companies or any of its fellow subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

REPORT OF THE DIRECTORS (CONTINUED)

Auditors

The financial statements of the Company have been audited by HLB Hodgson Impey Cheng Limited who retire and, being eligible, offer themselves for re-appointment as auditors of the Company at the forthcoming annual general meeting. A resolution for the appointment of HLB Hodgson Impey Cheng Limited as the auditors of the Company for the subsequent year is to be proposed at the forthcoming annual general meeting.

On behalf of the board

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Balaji Ramakoti
Director

Hong Kong, 8 June 2026
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**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
THE CAPITAL MARKETS COMPANY LIMITED**
(incorporated in Hong Kong with limited liability)

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Opinion

We have audited the financial statements of The Capital Markets Company Limited (the “Company”) set out on pages 8 to 44, which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2025 and of its financial performance and cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) as issued by the Hong Kong Institute of Certified Public Accountants (“the HKICPA”). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 3 in the financial statements, which indicates that the Company’s current liabilities exceeded its current assets by HK\$14,258,661 and total liabilities exceeded its total assets by HK\$14,925,352. As stated in Note 3, these events or conditions, along with other matters as set forth in Note 3, indicate that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
THE CAPITAL MARKETS COMPANY LIMITED (CONTINUED)** _____ 5
(incorporated in Hong Kong with limited liability)

Other Information

The directors are responsible for the other information. The other information comprises the information included in the report of the directors, but does not include the financial statements and our auditors' report thereon ("Other Information").

Our opinion on the financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The directors are responsible for overseeing the Company's financial reporting process.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
THE CAPITAL MARKETS COMPANY LIMITED (CONTINUED) _____ 6
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Auditors' 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 auditors' report that includes our opinion. This report is made solely to you, as a body, in accordance with section 405 of the Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
THE CAPITAL MARKETS COMPANY LIMITED (CONTINUED)** _____ 7
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Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The engagement director on the audit resulting in this independent auditors' report is Tien Sun Kit, Jack. (Practising Certificate Number: P07364).

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HLB Hodgson Impey Cheng Limited
Certified Public Accountants

Hong Kong, 8 June 2026
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025 (in HK Dollars)	Notes	2025	2024
Revenue	4	137,765,142	130,299,731
Other income	5	8,334,429	7,486,683
Staff costs	6(a)	(149,424,778)	(148,288,160)
Administrative expenses		(27,628,710)	(24,946,774)
Loss from operations		(30,953,917)	(35,448,520)
Finance costs	6(b)	(2,377,783)	(4,733,163)
Loss before tax	6	(33,331,700)	(40,181,683)
Income tax expense	7	-	-
Loss for the year		(33,331,700)	(40,181,683)
Other comprehensive income: Items that will not be reclassified subsequently to profit or loss:			
– Remeasurement of long service payment liabilities	18	(103,131)	124,265
Other comprehensive (expenses)/income for the year		(103,131)	124,265
Total comprehensive expenses for the year		(33,434,831)	(40,057,418)

The accompanying notes form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2025 (in HK Dollars)	Notes	2025	2024
Non-current assets			
Property, plant and equipment	9	242,143	1,169,683
Right-of-use assets	9	697,875	3,489,377
Deposits	12	1,329,646	1,257,236
		2,269,664	5,916,296
Current assets			
Trade and other receivables and contract assets	12	18,379,954	12,796,386
Amounts due from fellow subsidiaries	10	15,730,812	22,402,950
Amount due from immediate holding company	10	16	16
Amount due from a shareholder	10	27,873,924	10,239,835
Amounts due from ultimate holding company	10	4,140,539	3,314,134
Loans to fellow subsidiaries	11	1,237,253	1,220,618
Cash and cash equivalents	13	22,555,481	19,601,740
		89,917,979	69,575,679
Current liabilities			
Trade and other payables and contract liabilities	14	(11,161,649)	(11,440,340)
Amount due to immediate holding company	10	-	(109,740)
Amounts due to a shareholder	10	(142,240)	(841,735)
Amounts due to fellow subsidiaries	10	(34,505,981)	(8,068,956)
Loans from immediate holding company	11	(56,350,254)	(23,055,119)
Loans from fellow subsidiaries	11	(1,209,876)	(7,143,974)
Lease liabilities	16	(806,640)	(3,115,927)
		(104,176,640)	(53,775,791)
Net current (liabilities)/assets		(14,258,661)	15,799,888
Total assets less current liabilities		(11,988,997)	21,716,184

The accompanying notes form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2025 (in HK Dollars)	Notes	2025	2024
Non-current liabilities			
Lease liabilities	16	-	(806,640)
Employee benefit obligations	18	(536,257)	-
Provision for asset reinstatement	19	(2,400,098)	(2,400,065)
		(2,936,355)	(3,206,705)
Net (liabilities)/assets		(14,925,352)	18,509,479
Equity			
Share capital	17	132,430,100	132,430,100
Accumulated losses		(147,355,452)	(113,920,621)
Total (deficit)/equity		(14,925,352)	18,509,479

The financial statements were approved and authorised for issue by the directors on 8 June 2026:

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) Director

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Balaji Ramakoti

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) Director

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Niya Wang

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025 (in HK Dollars)

	<u>Share capital</u>	<u>Accumulated losses</u>	<u>Total</u>
As at 1 January 2024	100	(73,863,203)	(73,863,103)
Issuance of shares	132,430,000	-	132,430,000
Loss for the year	-	(40,181,683)	(40,181,683)
Remeasurements of long service payment liabilities	-	124,265	124,265
As at 31 December 2024 and 1 January 2025	132,430,100	(113,920,621)	18,509,479
Loss for the year	-	(33,331,700)	(33,331,700)
Remeasurements of long service payment liabilities	-	(103,131)	(103,131)
As at 31 December 2025	132,430,100	(147,355,452)	(14,925,352)

STATEMENT OF CASH FLOWS

For the year ended 31 December 2025 (in HK Dollars)	Notes	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(33,331,700)	(40,181,684)
Adjustments for:			
Depreciation	9	3,719,042	4,315,090
Impairment loss on trade and other receivables, net		(293,947)	293,947
Interest expense	6(b)	2,377,783	4,733,163
Interest income	5	(636,089)	(1,131,622)
Loss on disposal of property, plant and equipment		-	1,499
Exchange differences		437,503	(241,738)
Operating loss before working capital		(27,727,408)	(32,211,345)
(Increase)/decrease in trade and other receivables and contract assets		(5,362,031)	5,020,528
Decrease in amounts due from fellow subsidiaries		6,480,867	3,519,015
Increase in amount due from a shareholder		(17,892,952)	(10,363,636)
Increase in amount due from immediate holding company		-	(16)
Increase in amount due from ultimate holding company		(791,850)	(2,546,074)
Increase in trade and other payables and contract liabilities, including employee benefits obligation		182,059	1,025,802
Decrease in amount due to a shareholder		(680,614)	(4,445,300)
Increase in amount due to fellow subsidiaries		27,130,203	1,240,765
(Decrease)/increase in amount due to immediate holding company		(109,740)	111,067
Decrease in amount due to ultimate holding company		-	(1,049,083)
Net cash used in operating activities		(18,771,466)	(39,698,277)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchases of property, plant and equipment		-	(2,664,921)
Proceeds from repayment of loans by fellow subsidiaries		33,757	5,822,970
Net cash generated from investing activities		33,757	3,158,049

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)	Notes	2025	2024
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities	15	(3,115,927)	(2,946,175)
Interest paid on lease liabilities	15	(68,463)	(242,108)
Proceeds of loan from immediate holding company	15	31,126,793	21,882,868
Repayment of loans from immediate holding company	15	-	(41,576,036)
Proceeds from loan from a shareholder	15	-	9,258
Proceeds from loans from fellow subsidiaries	15	1,163,638	7,005,353
Repayment of loans from fellow subsidiaries	15	(7,414,591)	(67,387,807)
Proceeds from issuance of share capital	17	-	132,430,000
Net cash generated from financing activities		21,691,450	49,175,353
Net increase in cash and cash equivalents		2,953,741	12,635,125
Cash and cash equivalents at the beginning of the year		19,601,740	6,966,615
Cash and cash equivalents at the end of the year		22,555,481	19,601,740

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTSFor the year ended 31 December 2025 (in HK Dollars)

1. GENERAL INFORMATION

The Capital Markets Company Limited (the “Company”) was incorporated in Hong Kong with limited liability under the Hong Kong Companies Ordinance. The address of its registered office and principal place of business are Room 1919, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong and 16/F, 28 Hennessy Road, Wan Chai, Hong Kong, respectively.

The principal activity of the Company is provision of business and IT consulting services.

The directors consider the immediate parent and ultimate controlling party of the Company to be The Capital Markets Company BV and Wipro Limited, which are incorporated in Belgium and India respectively. Both The Capital Markets Company BV and Wipro Limited produce financial statements available for public use.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS**(a) Amendments to an HKFRS Accounting Standard that are mandatorily effective for the current year**

In the current year, the Company has applied the following amendments to an HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the Company’s annual period beginning on 1 January 2025 for the preparation of the financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to HKFRS Accounting Standards in the current year has had no material impact on the Company’s financial positions and performance for the current and prior years and/or on the disclosures set out in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS (CONTINUED)**(b) New and amendments to HKFRS Accounting Standards in issue but not yet effective**

The Company has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

HKFRS 18	Presentation and Disclosure in Financial Statements ³
HKFRS 19 and its amendments	Subsidiaries without Public Accountability: Disclosures ³
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency ³
Amendments to HKFRS Accounting standards	Annual Improvements to HKFRS Accounting Standards - Volume 11 ²

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

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

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

HKFRS 18 “Presentation and Disclosure in Financial Statements”

HKFRS 18 will replace HKAS 1 Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements of the Company, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statements of profit or loss and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Company’s financial statements. The Company expects to apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with HKFRS 18.

Except for the above-mentioned changes in presentation and disclosure, these amendments are not expected to have a material impact on the results or the financial position of the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)For the year ended 31 December 2025 (in HK Dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION**Basis of preparation of financial statements**

The financial statements have been prepared in accordance with HKFRS Accounting Standards, which is a collective term that includes all applicable individual HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the HKICPA, and accounting principles generally accepted in Hong Kong. For the purpose of preparation of the financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the financial statements also comply with the Hong Kong Companies Ordinance.

The financial statements have been prepared on the historical cost basis at the end of each reporting period as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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

In preparing the financial statements, the Company incurred a net loss of HK\$33,331,700 (net loss of 2024: HK\$40,181,683) for the year ended 31 December 2025 and as of the date, the Company’s current liabilities exceeded its current assets by HK\$14,258,661 (2024: net current asset of HK\$15,799,888) while total liabilities exceeded its total assets by HK\$14,925,352 (2024: net asset of HK\$18,509,479). Notwithstanding the above results, the financial statements have been prepared on a going concern basis. The Company’s ultimate holding company and immediate holding company have confirmed to provide continuing financial support to the Company to enable it to continue as a going concern and to settle its liabilities as when they fall due.

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)For the year ended 31 December 2025 (in HK Dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**Property, plant and equipment**

Property, plant and equipment, including right-of-use assets arising from leases of underlying property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Depreciation is calculated to write-off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

- Leasehold improvements	Shorter of lease period or 5 years
- Furniture and fixtures	7 years
- Office equipment	3 - 5 years
- Properties leased for own use	3 years

Both the useful life of an asset and its residual value, if any, are reviewed annually.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Leased assets

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

As a lessee

At the lease commencement date, the Company recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets which, for the Company, are primarily laptops and office furniture. When the Company enters into a lease in respect of a low-value asset, the Company decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**Leased assets (continued)***As a lessee (continued)*

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Company will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets in "property, plant and equipment", the same line item within which the corresponding underlying assets would be presented if they were owned.

In the statement of financial position, the current portion of long-term lease liabilities is determined as principal portion of contractual payments that are due to be settled within twelve months after the reporting period.

Impairment of assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased on property, plant and equipment.

If any such indication exists, the asset's recoverable amount is estimated.

- Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)For the year ended 31 December 2025 (in HK Dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**Impairment of assets (continued)****- Recognition of impairment losses**

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

- Reversals of impairment losses

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

Trade and other receivables

A receivable is recognised when the Company has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Company has an unconditional right to receive consideration, the amount is presented as a contract asset.

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs.

A contract asset is recognised when the Company recognises revenue before being unconditionally entitled to the consideration under the terms in the contract. Contract assets are assessed for ECLs and are reclassified to receivables when the right to the consideration becomes unconditional.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**Trade and other receivables (continued)**

All receivables are subsequently stated at amortised cost, using the effective interest method and including an allowance for credit losses as determined below:

The loss allowance is measured at an amount equal to lifetime expected credit losses (“ECLs”), which are those losses that are expected to occur over the expected life of the trade receivables and contract assets. For other financial instruments, the Company recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs. The loss allowance is estimated based on the Company’s historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

ECLs are remeasured at each reporting date with any changes recognised as an impairment gain or loss in profit or loss. The Company recognises an impairment gain or loss with a corresponding adjustment to the carrying amount of trade and other receivables through a loss allowance account.

The gross carrying amount of a trade debtor or other receivable is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

Borrowing costs are expensed in the period in which they are incurred.

Trade and other payables and contract liabilities**(i) Trade and other payables**

Trade and other payables are initially recognised at fair value and subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(ii) Contract liabilities

A contract liability would be recognised if the Company has an unconditional right to receive non-refundable consideration before the Company recognises the related revenue. In such cases, a corresponding receivable would also be recognised.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

Employee benefits

Salaries, annual bonuses, paid annual leave, leave passage, contribution to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

Defined benefit plan obligations

The Company's net obligation in respect of Long Service Payments ("LSP") under the Hong Kong Employment Ordinance, which is the Company's only defined benefit plan, is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount.

The calculation of defined benefit obligation is based on projected unit credit method.

Remeasurements arising from defined benefit plan, which comprise actuarial gains and losses, are recognised immediately in other comprehensive income. Net interest expense for the period is determined by applying the discount rate used to measure the defined benefit obligation at the beginning of the reporting period to the then net defined benefit liability, taking into account any changes in the net defined benefit liability during the period. Net interest expense and other expenses related to defined benefit plan are recognised in profit or loss.

Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of reporting period, and any adjustment to tax payable in respect of previous years.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**Income tax (continued)**

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits. Apart from differences which arise on initial recognition of assets and liabilities, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of reporting period. Deferred tax assets and liabilities are not discounted.

Provisions and contingent liabilities

Provisions are recognised when the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

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, whose existence 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.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

Revenue recognition

Revenue from provision of service in the ordinary course of business is recognised when the Company satisfies a performance obligation (“PO”) by transferring control of a promised service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**Revenue recognition (continued)**

The transaction price is allocated to each PO in the contract on the basis of the relative standalone selling prices of the promised services. The individual standalone selling price of a service that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to services with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the performance obligations if it relates specifically to those performance obligations.

The transaction price is the amount of consideration in the contract to which the Company expects to be entitled in exchange for transferring the promised services. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes a significant financing component. Consideration payable to a customer is deducted from the transaction price if the Company does not receive a separately identifiable benefit from the customer. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue may be recognised at a point in time or over time following the timing of satisfaction of the PO. If a PO is satisfied over time, revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that PO.

Interest income is recognised using the effective interest method. The “effective interest rate” is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Company will comply with the conditions attaching to them. Grants that compensate the Company for expenses incurred are deducted in reporting the related expense.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)For the year ended 31 December 2025 (in HK Dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**Related parties**

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

4. REVENUE

The principal activity of the Company is the provision of business and IT consulting services. Revenue represents consultancy service fee income.

Revenue from contracts with customers within the scope of HKFRS 15 is further analysed as follows:

	2025	2024
Disaggregated by geographical location of the customers		
Hong Kong	97,549,321	90,356,424
Singapore	11,976,047	14,386,719
Saudi Arabia	1,901,785	11,149,273
United Kingdom	14,453,380	10,141,943
Thailand	694,998	1,964,254
India	1,956,720	1,543,752
Australia	8,771,263	180,683
Others	461,628	576,683
	137,765,142	130,299,731

As the Company does not have any remaining performance obligation that has an original expected duration of longer than one year, the Company applies expedient in paragraph 121(a) of HKFRS 15 to its service income and does not disclose information about revenue expected to be recognised in the future arising from contracts with customers in existence at the end of the reporting period.

5. OTHER NET INCOME

	2025	2024
Exchange (loss)/gain, net	(1,051,002)	727,817
Support service revenue received/receivable from a shareholder	8,635,207	4,065,197
Interest income from fellow subsidiaries	310,461	1,131,622
Interest income from a shareholder	325,628	-
Other miscellaneous gain	114,135	1,562,047
	8,334,429	7,486,683

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

6. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

(a) Staff costs

	2025	2024
Salaries, wages and other benefits	145,721,356	144,547,541
Expenses recognised in respect of LSP (note 18)	124,888	78,412
Contributions to Mandatory Provident Fund	3,578,534	3,662,207
	<u>149,424,778</u>	<u>148,288,160</u>

Included in salaries, wages and other benefits is an amount of \$240,080 (2024: Expense of \$713,472) relates to reversal of expenses incurred for restricted stock units granted to the employees by Wipro Limited, the ultimate holding company. The restricted stock units were granted at the discretion of Wipro Limited and the expenses in connection with such grants were fully recharged to the Company.

(b) Finance costs

	2025	2024
Interest on intercompany loans (including loan from a shareholder)	2,285,370	3,947,926
Interest on other intercompany balances (including amount due to a shareholder)	23,950	543,129
Interest on lease liabilities	68,463	242,108
	<u>2,377,783</u>	<u>4,733,163</u>

(c) Other items

	2025	2024
Auditor's remuneration	245,000	237,600
Business support services from related companies	4,171,840	5,487,854
Depreciation (note 9)		
- Owned property, plant and equipment	927,540	1,523,588
- Right-of-use-assets	2,791,502	2,791,502
	<u>3,719,042</u>	<u>4,315,090</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

7. INCOME TAX**(a) Taxation charged to profit or loss:**

No Hong Kong Profits Tax has been provided for the years ended 31 December 2025 and 2024 as the Company sustained a loss for taxation purpose for the current and prior years.

(b) Reconciliation between tax expense charged to profit or loss and accounting loss at applicable tax rate:

	2025	2024
Loss before taxation	(33,331,700)	(40,181,684)
Notional tax on loss before taxation	(5,499,731)	(6,629,978)
Tax effect of non-deductible expenses	248,414	992,416
Tax effect of non-taxable income	(72,498)	(357,035)
Tax effect of temporary differences not recognised	120,588	120,961
Tax effect of unrecognised tax losses	5,203,227	5,873,636
Income tax expense	-	-

(c) Deferred tax

The Company has not recognised deferred tax assets in respect of cumulative tax losses of \$232,292,524 (2024: \$200,757,816) and deductible temporary differences arising from property plant and equipment of \$3,355,047 (2024: \$3,234,459) as it is not probable that future taxable profits against which the losses and deductible temporary differences can be utilised will be available. The tax losses do not expire under current tax legislation.

8. DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

	2025	2024
Directors' fees	-	-
Salaries, allowances and benefits in kind	-	-
Discretionary bonuses	-	-
Retirement scheme contributions	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

9. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

	2025	2024
<u>Property, plant and equipment:</u>		
Leasehold improvement	236,526	1,073,052
Furniture and fixtures	5,617	16,371
Office equipment	-	80,260
	242,143	1,169,683
<u>Right-of-use assets:</u>		
Properties leased for own use	697,875	3,489,377

	Leasehold Improvements	Furniture and fixtures	Office equipment	Properties leased for own use	Total
Cost:					
At 1 January 2024	3,031,855	778,467	9,863,405	8,374,506	22,048,233
Additions	2,509,578	-	155,343	-	2,664,921
Disposals	-	-	(1,813,282)	(2,831,752)	(4,645,034)
At 31 December 2024, 1 January 2025 and 31 December 2025	5,541,433	778,467	8,205,466	5,542,754	20,068,120
Accumulated depreciation and accumulated impairment loss:					
At 1 January 2024	(3,031,855)	(748,618)	(9,863,405)	(2,093,627)	(15,737,505)
Charge for the year	(1,436,526)	(13,478)	(73,584)	(2,791,502)	(4,315,090)
Disposals	-	-	1,811,783	2,831,752	4,643,535
At 31 December 2024 and 1 January 2025	(4,468,381)	(762,096)	(8,125,206)	(2,053,377)	(15,409,060)
Charge for the year	(836,526)	(10,754)	(80,260)	(2,791,502)	(3,719,042)
At 31 December 2025	(5,304,907)	(772,850)	(8,205,466)	(4,844,879)	(19,128,102)
Net book value:					
At 31 December 2025	236,526	5,617	-	697,875	940,018
At 31 December 2024	1,073,052	16,371	80,260	3,489,377	4,659,060

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

9. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS (CONTINUED)

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

	<i>Note</i>	2025	2024
Properties leased for own use, carried at depreciated cost	<i>(i)</i>	697,875	3,489,377

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

	2025	2024
Depreciation charged of right-of-use assets by class of underlying asset:		
Properties leased for own use	2,791,502	2,791,502
Interest on lease liabilities (note 6(b))	68,463	242,108
Expense relating to short-term leases and other leases not capitalised	658,666	582,839

Details of total cash outflows for leases and the maturity analysis of lease liabilities are set out in notes 14 and 15 respectively.

Properties leased for own use

The Company has obtained the right to use properties as its office through a tenancy agreement. The lease typically runs for an initial period of 3 years. The lease is not subject to an option to renew for an additional period after the end of the contract term.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

10. AMOUNTS DUE FROM FELLOW SUBSIDIARIES, IMMEDIATE HOLDING COMPANY, A SHAREHOLDER AND ULTIMATE HOLDING COMPANY, AND LOAN TO FELLOW SUBSIDIARIES

(a) Amount due from fellow subsidiaries, immediate holding company, a shareholder and ultimate holding company

<u>Name of fellow subsidiaries</u>	<u>Maximum outstanding balance during the year</u>	2025	2024
Capco Consultancy (Thailand) Limited	2,765,531	2,577,853	2,765,531
Capco Consultancy (Malaysia) Sdn. Bhd.	193,650	193,650	193,650
Capco Consulting Services LLC	31	31	31
Capco Consulting Singapore Pte. Ltd.	9,929,924	9,929,924	7,935,287
Designit Spain Digital, S.L.U	13,201	-	13,201
The Capital Markets Company GmbH	14,187	-	14,187
The Capital Markets Company Limited (Canada)	557	557	557
The Capital Markets Company S.A.S	13,793	-	13,793
The Capital Markets Company S.à.r.l.	407,925	407,925	302,910
The Capital Markets Company Slovakia, s.r.o.	17,295	17,295	17,295
Wipro Revolution IT Pty Ltd	1,633,392	1,633,392	-
Wipro Arabia Limited	11,146,508	970,185	11,146,508
		15,730,812	22,402,950

<u>Name of immediate holding company</u>	<u>Maximum outstanding balance during the year</u>	2025	2024
The Capital Markets Company BV	16	16	16

<u>Name of shareholder</u>	<u>Maximum outstanding balance during the year</u>	2025	2024
The Capital Markets Company (UK) Limited	27,873,924	27,873,924	10,239,835

<u>Name of ultimate holding company</u>	<u>Maximum outstanding balance during the year</u>	2025	2024
Wipro Limited	4,140,538	4,140,539	3,314,134

The amounts due from immediate holding company, fellow subsidiaries and a shareholder are unsecured, interest-bearing at 0.95% plus interbank offered rate of relevant currency and recoverable on demand (2024: unsecured, interest-bearing at 0.85% plus interbank offered rate of relevant currency and repayable on demand).

The amounts due from ultimate holding company are unsecured, interest-free and recoverable on demand.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

10. AMOUNTS DUE FROM FELLOW SUBSIDIARIES, IMMEDIATE HOLDING COMPANY, A SHAREHOLDER AND ULTIMATE HOLDING COMPANY, AND LOAN TO FELLOW SUBSIDIARIES (CONTINUED)

(b) Loan to fellow subsidiaries

<u>Name of fellow subsidiaries</u>	<u>Maximum outstanding balance during the year</u>	2025	2024
The Capital Markets Company Limited (Canada)	5	2	5
Capco Consultancy (Malaysia) Sdn. Bhd	1,237,253	1,237,251	1,172,201
Capco Consultancy (Thailand) Limited	48,512	-	48,412
		1,237,253	1,220,618

11. AMOUNT DUE TO FELLOW SUBSIDIARIES, IMMEDIATE HOLDING COMPANY, A SHAREHOLDER AND LOANS FROM IMMEDIATE HOLDING COMPANY FELLOW SUBSIDIARIES

Amount due to fellow subsidiaries, immediate holding company, a shareholder and loans from immediate holding company and fellow Subsidiaries are unsecured, interest-bearing at 0.95% plus interbank offered rate of relevant currency (2024: 0.85% plus interbank offered rate of relevant currency) per annum and repayable on demand.

12. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include bank balances and cash for the purpose of meeting the Company's short term cash commitments.

13. TRADE AND OTHER RECEIVABLES AND CONTRACT ASSETS

	2025	2024
Trade receivables	8,867,298	5,705,135
Contract assets	7,441,890	5,262,743
	16,309,188	10,967,878
Less: Allowance for ECL	-	(293,947)
Total trade receivables and contract assets (net of ECL)	16,309,188	10,673,931

The company's credit period is generally 30 days.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

13. TRADE AND OTHER RECEIVABLES AND CONTRACT ASSETS (CONTINUED)

	2025	2024
Other receivables	101,374	-
Deposits	1,329,646	1,257,236
Prepayment	1,969,392	2,122,455
	<u>3,400,412</u>	<u>3,379,691</u>
Less: Non-current portion of deposits	(1,329,646)	(1,257,236)
	<u>2,070,766</u>	<u>2,122,455</u>

Trade and other receivables are expected to be recovered or recognised as expenses within one year. Contract assets are recognised when revenue arising from incomplete POs exceed the receipts from the customers. Details on the Company's credit policy are set out in note 20(a).

14. TRADE AND OTHER PAYABLES AND CONTRACT LIABILITIES

	2025	2024
Trade payables	112,514	43,004
Accrued expenses	8,750,601	11,397,336
Contract liabilities	2,298,534	-
	<u>11,161,649</u>	<u>11,440,340</u>

Trade and other payables are expected to be settled within one year.

The contract liabilities as at 31 December 2025 of HK\$2,298,534 represent deferred revenue not yet recognised or pending customer acceptance and will be recognised as revenue within one year.

Movements in contract liabilities

	2025	2024
Balance at 1 January	-	48,910
Decrease as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	-	(48,910)
Increase as a result of billing in advance for services not yet provided or pending customer acceptance	2,298,534	-
Balance at 31 December	<u>2,298,534</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

15. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Company's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the cash flow statement as cash flows from financing activities.

	Loan from immediate holding company (note 11)	Loans from fellow subsidiaries (note 11)	Lease liabilities (note 16)	Total
At 1 January 2025	23,055,119	7,143,974	3,922,567	34,121,660
Changes from financing cash flows:				
Proceeds from loan from immediate holding company	31,126,793	-	-	31,126,793
Proceeds from loans from fellow subsidiaries	-	1,163,638	-	1,163,638
Repayment of loans from fellow subsidiaries	-	(7,414,591)	-	(7,414,591)
Repayment of lease liabilities	-	-	(3,115,927)	(3,115,927)
Interest paid on lease liabilities	-	-	(68,463)	(68,463)
Total changes from financing cash flows	54,181,912	893,021	738,177	55,813,110
Other changes:				
Interest expense on loans from group companies (note 6(b))	2,046,969	232,841	-	2,279,810
Interest on lease liabilities (note 6(b))	-	-	68,463	68,463
Total other changes	2,046,969	232,841	68,463	2,348,273
Exchange adjustments	121,373	84,014	-	205,387
At 31 December 2025	56,350,254	1,209,876	806,640	58,366,770

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

15. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (CONTINUED)

	Loan from immediate holding company (note 11)	Loans from fellow subsidiaries (note 11)	Lease liabilities (note 16)	Total
At 1 January 2024	41,211,639	65,524,708	6,868,742	113,605,089
Changes from financing cash flows:				
Proceeds from loan from immediate holding company	21,882,868	-	-	21,882,868
Repayment of loan from immediate holding company	(41,576,036)	-	-	(41,576,036)
Proceeds from loans from fellow subsidiaries	-	7,005,353	-	7,005,353
Repayment of loans from fellow subsidiaries	-	(67,387,807)	-	(67,387,807)
Repayment of lease liabilities	-	-	(2,946,175)	(2,946,175)
Interest paid on lease liabilities	-	-	(242,108)	(242,108)
Total changes from financing cash flows	(19,693,168)	(60,382,454)	(3,188,283)	(83,263,905)
Other changes:				
Interest expense on loans from group companies (note 6(b))	1,803,761	2,144,165	-	3,947,926
Interest on lease liabilities (note 6(b))	-	-	242,108	242,108
Total other changes	1,803,761	2,144,165	242,108	4,190,034
Exchange adjustments	(267,113)	(142,445)	-	(409,558)
At 31 December 2024	23,055,119	7,143,974	3,922,567	34,121,660

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

15. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (CONTINUED)

Notes:

- (i) During the years ended 31 December 2025 and 2024, certain amounts due to group companies were reclassified from/to loans from group companies to reflect the nature of the balances more relevantly.
- (ii) Certain interest income on loans to group companies is used to partially settle the loans from group companies (including a shareholder).

Total cash outflow for leases

Amounts included in the cash flow statement for leases comprise the following:

	2025	2024
Within operating cash flows	658,666	582,839
Within financing cash flows	3,184,390	3,188,283
	3,843,056	3,771,122

16. LEASE LIABILITIES

The following table shows the remaining contractual maturities of the Company's lease liabilities at the end of the reporting period:

	2025		2024	
	Present value of the lease payment	Total lease payments	Present value of the lease payments	Total lease payments
Within 1 year	806,640	814,200	3,115,927	3,256,800
After 1 year but within 2 years	-	-	806,640	814,200
	806,640	814,200	3,922,567	4,071,000
Less: total future interest expenses		(7,560)		(148,433)
Present value of lease liabilities		806,640		3,922,567

The weighted average incremental borrowing rate applied to lease liabilities was 2.3% (2024: 2.3%).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

17. CAPITAL AND RESERVE**(a) Components of the Company's capital and reserve**

The opening and closing balances of each component of the Company's equity and a reconciliation between these amounts are set out in the statement of changes in equity.

(b) Issued share capital

	2025		2024	
	No. of shares	Amount HK\$	No. of shares	Amount HK\$
Ordinary shares, issued and fully paid:				
At 1 January	132,430,100	132,430,100	100	100
Issuance of shares	-	-	132,430,000	132,430,000
At 31 December	132,430,100	132,430,100	132,430,100	132,430,100

In accordance with section 135 of the Hong Kong Companies Ordinance, the ordinary shares of the Company do not have a par value.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per ordinary share at general meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

(c) Capital management

The Company's primary objective when managing capital is to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders, by pricing services commensurately with the level of risk and by securing access to finance at a reasonable cost. As the Company is part of a larger group, the Company's sources of additional capital and policies for distribution of excess capital may also be affected by the group's capital management objectives.

The Company defines "capital" as including all components of equity.

The Company's capital structure is regularly reviewed and managed by Wipro Limited, the ultimate holding company of the group in which the Company belongs.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

18. LONG SERVICE PAYMENT LIABILITIES

The Company operates a MPF scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the Hong Kong Employment Ordinance. Employees that have been employed under the Hong Kong Employment Ordinance continuously for at least five years are also entitled to LSP under certain circumstances. These circumstances include where an employee is dismissed for reasons other than serious misconduct or redundancy, that employee resigns at the age of 65 or above, or the employment contract is of fixed term and expires without renewal. The amount of LSP payable is determined with reference to the employee's final salary (capped at \$22,500) and the years of service, with an overall cap of \$390,000 per employee, reduced by the amount of any accrued benefits derived from the Company's contributions to MPF scheme. Currently, the Company does not have any separate funding arrangement in place to meet its LSP obligation

In June 2022, the Government gazetted the Amendment Ordinance, which will eventually abolish the statutory right of an employer to reduce its LSP payable to a Hong Kong employee by drawing on its mandatory contributions to the MPF scheme. The Government has subsequently announced that the Amendment Ordinance will come into effect from the Transition Date i.e. 1 May 2025. Separately, the Government is also expected to introduce a subsidy scheme to assist employers after the abolition.

Among other things, once the abolition of the offsetting mechanism takes effect, an employer can no longer use any of the accrued benefits derived from its mandatory MPF contributions (irrespective of the contributions made before, on or after the Transition Date) to reduce the LSP in respect of an employee's service from the Transition Date. However, where an employee's employment commenced before the Transition Date, the employer can continue to use the above accrued benefits to reduce the LSP in respect of the employee's service up to that date; in addition, the LSP in respect of the service before the Transition Date will be calculated based on the employee's monthly salary immediately before the Transition Date and the years of service up to that date.

It is the Company's policy that the accrued benefits derived from the Company's contribution to MPF scheme will not be used to offset the LSP obligation upon the settlement. Currently, the Company does not have any separate funding arrangement in place to meet its LSP obligation.

The Company has accounted for the LSP payable as disclosed in note 3. The present value of unfunded obligations included in other payables and its movements are as follows:

	2025	2024
At 1 January	335,238	381,091
Current service cost (Note (a))	109,106	68,139
Interest cost (Note (a))	15,782	10,273
Remeasurement arising from experience adjustments and changes in actuarial assumptions	103,131	(124,265)
	563,257	335,238

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

18. LONG SERVICE PAYMENT LIABILITIES (CONTINUED)

Notes:

- (a) During the year ended 31 December 2025, total long service payments expenses charged to profit or loss including current service cost and interest cost amounted to HK\$124,888 (2024: HK\$78,412). They are recognised in staff costs.
- (b) The weighted average duration of the long service payment liabilities as at 31 December 2025 is 23.44 years (2024: 24.14 years).

A portion of the LSP payable is expected to be settled after more than one year. However, it is not practicable to segregate this amount from the amounts payable in the next twelve months, future changes in actuarial assumptions and market conditions.

Significant actuarial assumptions (expressed as weighted averages) and sensitivity analysis are as follows:

	2025	2024
Discount rate	3.60%	4%
Expected rate of future salary incremental	6.50% p.a.	6.75% p.a.

The below analysis shows how the LSP payable would have increased/(decreased) as a result 1% change in the significant actuarial assumptions:

	2025		2024	
	Increase in 1% HK\$	Decrease in 1% HK\$	Increase in 1% HK\$	Decrease in 1% HK\$
Discount rate	(97,151)	123,308	(58,550)	74,476

The change in future salary increment would not result in significant change in LSP payable as most of the employees' salaries exceeded the cap salary of LSP (i.e. HK\$22,500).

The above sensitivity analysis is based on the assumption that changes in actuarial assumptions are not correlated and therefore it does not take into account the correlations between the actuarial assumptions.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

19. PROVISION FOR ASSET REINSTATEMENT

	2025 HK\$
At 1 January	2,400,065
Additional provision in the year	33
At 31 December	2,400,098

20. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS**Categories of financial instruments**

	2025	2024
Financial assets		
Amortised costs	68,028,221	49,402,667
Financial liabilities		
Amortised cost	101,071,466	50,659,864
Lease liabilities	806,640	3,922,567

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Company's business. The Company's exposure to these risks and the financial risk management policies and practices used by the Company to manage these risks are described below.

(a) Credit risk

The Company's credit risk is primarily attributable to trade and other receivables, contract assets and amounts due from and loans to group companies (including a shareholder). The Company has a credit policy in place and the exposures to credit risks are monitored on an ongoing basis.

Amounts due from and loans to group companies mainly represent receivables relating to cash pool and income receivables from provision of consultancy services, and is current in nature and recoverable on demand. Any credit risk associated with these receivables is expected to be low.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

20. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)**Categories of financial instruments (continued)****(a) Credit risk (continued)**

The Company is not exposed to any significant concentration risk in trade and other receivables.

Individual credit evaluations are performed on all customers requiring credit over a certain amount. These take into account the customer's past payment history, financial position and other factors. Trade receivables are due within 30 days from the billing date. Normally, the Company does not obtain collateral from customers.

The Company measures loss allowances for trade receivables and contract assets at an amount equal to lifetime ECLs. As the Company'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 Company's different customer bases.

The following table provides information about the Company's exposure to credit risk and ECLs for trade receivables and contract assets as at 31 December 2025 and 2024:

	2025	2024
	HK\$	HK\$
Current (not past due)	8,095,397	5,768,143
1-30 days past due	657,279	268,500
91-180 days past due	114,622	4,092,537
Over 180 days past due	-	544,751
	8,867,298	10,673,931

During the year ended 31 December 2024, the Company made an impairment loss of HK\$293,947 for trade and other receivables and contract assets based on the provision matrix. Reversal of impairment loss of HK\$293,947 has been made during the year ended 31 December 2025 as the Company assessed that there was no material ECLs based on the above ageing portfolio. The Company also considered current and forecast economic conditions in its assessment.

(b) Liquidity risk

The Company's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The earliest settlement dates of the Company's financial liabilities at the end of the reporting periods are all within one year or on demand and the undiscounted contractual outflows of the financial liabilities approximately equal to their carrying amounts, except lease liabilities of which the payment pattern and future interests are disclosed in note 16.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

20. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)**Categories of financial instruments (continued)****(c) Interest rate risk**

The Company's interest rate risk arises from amounts due from/(to) and loans to/(from) the ultimate holding company, immediate holding company, fellow subsidiaries and a shareholder. Borrowings were issued at variable rates and expose the Company to cashflow interest rate risk. The Company has not used any interest rate swap to hedge its exposure to interest rate risk. Notes 10 and 11 contain information about the intercompany balances and loans. The Company continuously monitors the interest rate risk and does not anticipate significant impact resulting from changes in interest rates.

As at 31 December 2025, it is estimated that a general decrease/increase of 100 basis points in interest rates, with all other variables held constant, would decrease/increase the Company's loss before taxation and total deficit by approximately \$492,000 (2024: decrease/increase the Company's loss after taxation and increase/decrease total equity by approximately \$54,000).

(d) Currency risk

The Company's functional currency is Hong Kong dollars ("HKD"). The Company is exposed to currency risk primarily through sales and purchases giving rise to receivables, payables and cash balances that are denominated in other currencies, being primarily Euro ("EUR"), United States Dollars ("USD"), Swiss Franc ("CHF"), Thai Baht ("THB") and Indian Rupee ("INR").

As HKD is pegged to the USD, the Company considers the risk of movements in exchange rates between HKD and USD to be insignificant. In respect of balances denominated in EUR, CHF and INR, the Company ensures that the net exposure is kept to an acceptable level.

(i) Exposure to currency risk

The following table details the Company's exposure at the end of the reporting period to major currency risk arising from recognised assets or liabilities denominated in a currency other than the Company's functional currency of HKD. For presentation purpose, the amounts of the exposure are expressed in HKD.

	EUR \$	2025 THB \$	INR \$
Amounts due to fellow subsidiaries	(9,459)	(68,019)	(362,509)
Net exposure to currency risk	(9,459)	(68,019)	(362,509)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

20. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

Categories of financial instruments (continued)

*(d) Currency risk (continued)**(i) Exposure to currency risk (continued)*

	EUR \$	2024 CHF \$	INR \$
Amounts due to fellow subsidiaries	(7,476)	(2,253)	(278,046)
Net exposure to currency risk	(7,476)	(2,253)	(278,046)

(ii) Sensitivity analysis

The following table indicates the instantaneous change on the Company's loss before taxation and accumulated losses/retained profits that would arise if foreign exchange rates to which the Company has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant. In this respect, it is assumed that the pegged rate between the HKD and the USD would be materially unaffected by any changes in movement in value of the USD against other currencies.

	2025		2024	
	Increase/ (decrease) In foreign Exchange Rates	(Increase)/ decrease in loss before taxation and accumulated losses \$	Increase/ (decrease) in foreign exchange rates	(Increase)/ decrease in loss before taxation and (decrease)/ increase in retained profit \$
EUR	10% (10%)	(946) 946	10% (10%)	(748) 748
CHF	10% (10%)	- -	10% (10%)	(225) 225
THB	10% (10%)	(6,802) 6,802	10% (10%)	- -
INR	10% (10%)	(36,251) 36,251	10% (10%)	(27,805) 27,805

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

20. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)**Categories of financial instruments (continued)****(d) Currency risk (continued)****(ii) Sensitivity analysis (continued)**

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments which expose the Company to foreign currency risk at the end of the reporting period. The analysis is performed on the same basis for 2024.

(e) Fair values

All financial assets and liabilities are carried at amounts not materially different from their fair values as at 31 December 2025 and 2024.

21. MATERIAL RELATED PARTY TRANSACTIONS**(a) Transactions with key management personnel**

All members of key management personnel are directors of the Company, and their emoluments are disclosed in note 8.

(b) Transactions with other related parties

In addition to the transactions and balances disclosed elsewhere in the financial statements, the Company entered into the following material related party transactions during the year:

	2025	2024
Consultancy service fee income receivable/received from group companies	26,931,348	27,069,599
Support service revenue receivables/received from a shareholder	8,635,207	4,065,197
Management fee payable/paid to a shareholder	4,171,840	5,487,854
Reimbursements of staff costs to group companies	12,427,002	6,786,492
Interest expense on loans from group companies and intercompany balances	2,309,320	4,491,056
Interest income from group companies	636,089	1,131,622
Delivery centre expense to fellow subsidiaries	8,514,121	2,752,113
Consultancy income from ultimate holding company	18,938,062	-
Rental income from ultimate holding company	114,135	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025 (in HK Dollars)

22. EVENTS AFTER THE REPORTING PERIOD

There was no significant event took place subsequent to the end of the reporting period.

23. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation.

24. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issued by the board of directors on 8 June 2026.

- END OF NOTES -