

SOFTCARE LIMITED

樂舒適有限公司

(Incorporated in Cayman Islands with limited liability)

Report and Consolidated Financial Statements

For each of the three years ended December 31, 2024
and the four months ended April 30, 2025

SOFTCARE LIMITED

樂舒適有限公司

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR EACH OF THE THREE YEARS ENDED DECEMBER 31, 2024 AND THE FOUR MONTHS
ENDED APRIL 30, 2025

<u>CONTENTS</u>	<u>PAGE(S)</u>
INDEPENDENT AUDITOR'S REPORT	1 - 3
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	4
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	5 - 6
COMPANY STATEMENTS OF FINANCIAL POSITION	7
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY	8 - 10
CONSOLIDATED STATEMENTS OF CASH FLOWS	11 - 13
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	14 - 67

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF SOFTCARE LIMITED

(樂舒適有限公司)

(incorporated in Cayman Islands with limited liability)

Opinion

We have audited the consolidated financial statements of Softcare Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 4 to 67, which comprise the consolidated statements of financial position of the Group as at December 31, 2022, 2023 and 2024 and April 30, 2025, the statements of financial position of the Company as at December 31, 2022, 2023 and 2024 and April 30, 2025, and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows of the Group for each of the three years ended December 31, 2024 and the four months ended April 30, 2025 and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements of the Group for each of the three years ended December 31, 2024 and the four months ended April 30, 2025 are prepared, in all material respects, in accordance with the basis of preparation and presentation set out in note 2 to the consolidated financial statements.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

We draw attention to note 2 to the consolidated financial statements, which describe the basis of accounting. The consolidated financial statements are prepared solely for the purpose of inclusion in the financial information to be incorporated in the prospectus of the Company dated October 31, 2025 in connection with the initial public offering of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited. As a result, the consolidated financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter. Our report is intended solely for the Company and should not be distributed to or used by parties other than the Company without our prior written consent. All duties and liabilities (including, without limitation, those arising from negligence or otherwise) to any third party are specifically disclaimed. As explained in our engagement letter governing this engagement, the Contracts (Rights of Third Parties) Ordinance does not apply, and only the signing parties to the engagement letter have any rights under it.

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF SOFTCARE LIMITED - continued

(樂舒適有限公司)

(incorporated in Cayman Islands with limited liability)

Other Matter

The comparative financial information for the four months ended April 30, 2024 has not been audited.

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements in accordance with the basis of preparation and presentation set out in note 2 to the consolidated financial statements, this includes determining that the basis of accounting is an acceptable basis for the preparation of the consolidated financial statements in the circumstances, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group'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 to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 solely to you, as a body, in accordance with our agreed terms of engagement, 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 HKSAAs 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 Group's internal control.

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF SOFTCARE LIMITED - continued

(樂舒適有限公司)

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- 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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.



Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
October 31, 2025

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	NOTES	Year ended December 31,			Four months ended April 30,	
		2022	2023	2024	2024	2025
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
					(unaudited)	
Revenue	6	319,898	411,369	454,389	139,632	161,310
Cost of sales		(246,365)	(267,621)	(294,238)	(90,848)	(107,101)
Gross profit		73,533	143,748	160,151	48,784	54,209
Other income	7	46	390	388	30	100
Other gains and losses, net	7	379	(3,016)	351	(72)	142
Selling and distribution expenses		(8,996)	(13,536)	(15,919)	(4,764)	(5,677)
Administrative expenses		(28,841)	(35,617)	(28,220)	(9,002)	(11,372)
Research expenses		(156)	(341)	(531)	(134)	(257)
Foreign exchange (losses) gains, net		(4,362)	(13,752)	(120)	(686)	1,653
Listing expenses		–	–	(2,555)	(1,035)	(1,408)
Finance costs	8	(6,982)	(1,388)	(464)	(270)	(443)
Profit before taxation		24,621	76,488	113,081	32,851	36,947
Taxation	9	(6,231)	(11,808)	(17,970)	(5,192)	(5,844)
Profit for the year/period	10	18,390	64,680	95,111	27,659	31,103
Other comprehensive (expense) income						
<i>Item that may be reclassified to profit or loss:</i>						
Exchange differences on translation of foreign operations		(1,264)	(1,867)	880	233	141
Other comprehensive (expense) income for the year/period		(1,264)	(1,867)	880	233	141
Total comprehensive income for the year/period attributable to owners of the Company		17,126	62,813	95,991	27,892	31,244
Earnings per share (in US cents)	14					
– Basic		3.7	12.9	19.0	5.5	6.1
– Diluted		N/A	N/A	N/A	N/A	6.1

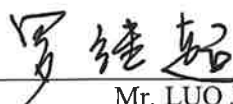
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		At December 31,			At April 30,
	NOTES	2022	2023	2024	2025
		US\$'000	US\$'000	US\$'000	US\$'000
NON-CURRENT ASSETS					
Property, plant and equipment . . .	15	52,441	39,518	54,658	61,288
Right-of-use assets	16	878	3,431	10,744	11,470
Prepayments	19	253	1,694	4,774	5,436
Deferred tax assets	27	7,414	8,820	7,491	8,910
		60,986	53,463	77,667	87,104
CURRENT ASSETS					
Inventories	17	114,689	107,746	119,375	119,711
Trade receivables	18	6,632	4,086	5,367	7,277
Other receivables, deposits and prepayments	19	40,508	46,803	17,323	17,914
Prepaid income tax		393	2,150	3,222	601
Bank deposits, bank balances and cash	20	21,725	30,439	31,112	84,526
		183,947	191,224	176,399	230,029
CURRENT LIABILITIES					
Trade payables	21	40,874	43,788	43,262	43,287
Other payables and accruals	22	3,598	9,973	12,192	14,164
Contract liabilities	23	4,235	4,597	9,747	7,961
Tax liabilities		1,757	3,635	8,688	9,594
Lease liabilities	24	409	438	491	578
Borrowings	25	164,653	92,985	1,001	–
Dividends payable	13	–	–	35,000	35,000
		215,526	155,416	110,381	110,584
NET CURRENT (LIABILITIES) ASSETS					
		(31,579)	35,808	66,018	119,445
TOTAL ASSETS LESS CURRENT LIABILITIES					
		29,407	89,271	143,685	206,549
NON-CURRENT LIABILITIES					
Lease liabilities	24	560	283	936	1,471
Borrowings	25	4,719	2,862	–	–
Other financial liability	26	–	–	–	31,084
Deferred tax liabilities	27	1,378	728	2,863	3,129
		6,657	3,873	3,799	35,684
NET ASSETS					
		22,750	85,398	139,886	170,865

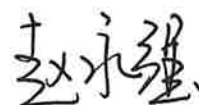
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (continued)

		At December 31,			At April 30,
	NOTES	2022	2023	2024	2025
		US\$'000	US\$'000	US\$'000	US\$'000
CAPITAL AND RESERVES					
Share capital/Paid-up registered capital	28	3,751	3,851	50	52
Reserves		18,999	81,547	139,836	170,813
TOTAL EQUITY		22,750	85,398	139,886	170,865

The consolidated financial statements on pages 4 to 67 were approved and authorized for issue by the board of directors on October 31, 2025 and are signed on its behalf by:



Mr. LUO Jichao



Mr. ZHAO Yongqiang

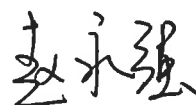
COMPANY STATEMENTS OF FINANCIAL POSITION

		At December 31,			At April 30,
	NOTES	2022	2023	2024	2025
		US\$'000	US\$'000	US\$'000	US\$'000
NON-CURRENT ASSET					
Investment in a subsidiary	35	50	50	50	50
CURRENT ASSETS					
Due from subsidiaries	19	—	—	39,311	51,416
Other receivables and prepayments	19	—	—	439	1,234
Bank deposits and bank balances	20	—	—	125	16,616
		—	—	39,875	69,266
CURRENT LIABILITIES					
Due to subsidiaries	22	1	4	47	—
Dividends payable	13	—	—	35,000	35,000
		1	4	35,047	35,000
NET CURRENT (LIABILITIES) ASSETS					
		(1)	(4)	4,828	34,266
TOTAL ASSETS LESS CURRENT LIABILITIES					
		49	46	4,878	34,316
NON-CURRENT LIABILITIES					
Other financial liability	26	—	—	—	31,084
NET ASSETS					
		49	46	4,878	3,232
CAPITAL AND RESERVES					
Share capital	28	50	50	50	52
Reserves	38	(1)	(4)	4,828	3,180
TOTAL EQUITY					
		49	46	4,878	3,232

The Company's statements of financial position were approved and authorized for issue by the board of directors on October 31, 2025 and are signed on its behalf by:



Mr. LUO Jichao



Mr. ZHAO Yongqiang

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share capital/ Paid-up registered capital	Share premium	Share- based payment reserve	Other reserve	Statutory surplus reserves	Exchange reserve	Retained profits	Total
	US\$'000	US\$'000	US\$'000	US\$'000 (Note a)	US\$'000 (Note e)	US\$'000	US\$'000	US\$'000
At January 1, 2022	97	-	-	43,861	-	337	1,800	46,095
Profit for the year	-	-	-	-	-	-	18,390	18,390
Other comprehensive expense for the year	-	-	-	-	-	(1,264)	-	(1,264)
Total comprehensive (expense) income for the year	-	-	-	-	-	(1,264)	18,390	17,126
Deemed distribution, net (Note b)	-	-	-	(44,125)	-	-	-	(44,125)
Issue of shares/paid-up registered capital (Note 28)	3,654	-	-	-	-	-	-	3,654
Transfer to statutory surplus reserves	-	-	-	-	37	-	(37)	-
At December 31, 2022	3,751	-	-	(264)	37	(927)	20,153	22,750
Profit for the year	-	-	-	-	-	-	64,680	64,680
Other comprehensive expense for the year	-	-	-	-	-	(1,867)	-	(1,867)
Total comprehensive (expense) income for the year	-	-	-	-	-	(1,867)	64,680	62,813
Deemed distribution (Note c)	-	-	-	(265)	-	-	-	(265)
Issue of shares (Note 28)	100	-	-	-	-	-	-	100
Transfer to statutory surplus reserves	-	-	-	-	36	-	(36)	-
At December 31, 2023	3,851	-	-	(529)	73	(2,794)	84,797	85,398
Profit for the year	-	-	-	-	-	-	95,111	95,111
Other comprehensive income for the year	-	-	-	-	-	880	-	880
Total comprehensive income for the year	-	-	-	-	-	880	95,111	95,991
Deemed contribution (Note d)	-	-	-	96	-	-	-	96
Transfer to statutory surplus reserves	-	-	-	-	55	-	(55)	-
Effect of acquisition of subsidiaries pursuant to the Group Reorganization (Notes 2 and 28)	(3,801)	-	-	(2,445)	-	-	-	(6,246)
Dividends declared (Note 13)	-	-	-	-	-	-	(35,353)	(35,353)
At December 31, 2024	50	-	-	(2,878)	128	(1,914)	144,500	139,886
Profit for the period	-	-	-	-	-	-	31,103	31,103
Other comprehensive income for the period	-	-	-	-	-	141	-	141
Total comprehensive income for the period	-	-	-	-	-	141	31,103	31,244

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (continued)

	Share capital/ Paid-up registered capital	Share premium	Share- based payment reserve	Other reserve	Statutory surplus reserves	Exchange reserve	Retained profits	Total
	US\$'000	US\$'000	US\$'000	US\$'000 (Note a)	US\$'000 (Note e)	US\$'000	US\$'000	US\$'000
Cancellation of ordinary shares (Note 28)	(17)	17	-	-	-	-	-	-
Issue of new ordinary shares (Note 28)	17	-	-	-	-	-	-	17
Recognition of equity settled share-based payments (Note 29)	-	-	481	-	-	-	-	481
Issue of new ordinary shares, together with a put option and certain special rights (Notes 26 and 28)	2	29,998	-	-	-	-	-	30,000
Recognition of other financial liability (Note 26)	-	-	-	(30,763)	-	-	-	(30,763)
At April 30, 2025	<u>52</u>	<u>30,015</u>	<u>481</u>	<u>(33,641)</u>	<u>128</u>	<u>(1,773)</u>	<u>175,603</u>	<u>170,865</u>
At January 1, 2024	3,851	-	-	(529)	73	(2,794)	84,797	85,398
Profit for the period (unaudited).	-	-	-	-	-	-	27,659	27,659
Other comprehensive income for the period (unaudited)	-	-	-	-	-	233	-	233
Total comprehensive income for the period (unaudited)	-	-	-	-	-	233	27,659	27,892
Deemed contribution (Note d) (unaudited)	-	-	-	96	-	-	-	96
Dividends declared (Note 13) (unaudited).	-	-	-	-	-	-	(353)	(353)
Effect of acquisition of subsidiaries pursuant to the Group Reorganization (Notes 2 and 28).	(1,096)	-	-	597	-	-	-	(499)
At April 30, 2024 (unaudited)	<u>2,755</u>	<u>-</u>	<u>-</u>	<u>164</u>	<u>73</u>	<u>(2,561)</u>	<u>112,103</u>	<u>112,534</u>

Notes:

- (a) As at January 1, 2022, other reserve mainly represents the carrying amounts of certain principal assets (such as property, plant and equipment and inventories) for the manufacture and sale of baby diapers, baby pants, sanitary pads and wet wipes (i.e. the “Relevant Business” as defined in note 1) contributed and owned by the predecessor companies of the Remaining Sunda Group (as defined in note 2) in The Republic of Ghana (“Ghana”), The Republic of Kenya (“Kenya”), The United Republic of Tanzania (“Tanzania”) and The Republic of Senegal (“Senegal”), net of the consideration payable liability as at the same date of US\$51,588,000 for the aforesaid principal assets in Ghana, which was settled in full during the year ended December 31, 2022.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (continued)

On December 31, 2021 and during the year end December 31, 2022, the Relevant Business in (i) Ghana, and (ii) Kenya, Tanzania and Senegal, respectively, were formally transferred to the respective newly incorporated operating subsidiaries of the Group in these countries (the “Transfer”) pursuant to the respective agreements for business transfer between these predecessor companies and the respective newly incorporated operating subsidiaries of the Group in these countries (the “Relevant Business Transfer Agreements”) under merger accounting in accordance with the Group Reorganization (as detailed and defined in note 2). The considerations for the Relevant Business Transfer Agreements were settled in full during the year ended December 31, 2022.

- (b) The net deemed distribution for the year ended December 31, 2022 mainly includes the net effect of the following:
 - (i) the additional carrying amounts of property, plant and equipment and inventories (for the Relevant Business) contributed and owned by the predecessor companies of the Remaining Sunda Group in Tanzania, Kenya and Senegal transferred to the respective newly incorporated operating subsidiaries of the Group in these countries according to the Relevant Business Transfer Agreements amounting to US\$15,736,000;
 - (ii) the total considerations paid under the Relevant Business Transfer Agreements and additional property, plant and equipment and inventories to these predecessor companies in Tanzania, Kenya and Senegal amounting to US\$55,468,000; and
 - (iii) the deemed distribution to predecessor companies of the Remaining Sunda Group for earnings of US\$4,393,000, in aggregate, generated from Tanzania, Kenya and Senegal, as well as certain trading arms of the Relevant Business in The Republic of Côte d’Ivoire (“Côte d’Ivoire”), The Republic of Uganda (“Uganda”) and The Republic of Peru (“Peru”) retained by the predecessor companies prior to the formal Transfer and the taken up of sales activities by the Group.
- (c) Amount represents the deemed distribution to the predecessor company of the Remaining Sunda Group for earning of US\$265,000 generated from the trading arm in Peru retained by the predecessor company prior to the taken up of sales activity by the Group.
- (d) Amount represents the deemed contribution to the predecessor company of the Remaining Sunda Group for loss of US\$96,000 generated from the trading arm in Peru retained by the predecessor company prior to the taken up of sales activity by the Group.
- (e) Pursuant to the relevant laws in the People’s Republic of China (the “PRC”), each of the Company’s subsidiaries established in the PRC is required to transfer 10% of its profit after taxation as per financial statements to the statutory surplus reserves (including the general reserve fund and enterprise development fund, where appropriate). The general reserve fund is discretionary when the fund balance reaches 50% of the registered capital of the respective company and can be used to make up for previous years’ losses, expand the existing operations or can be converted into additional capital of the entity.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended December 31,			Four months ended April 30,	
	2022	2023	2024	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000 (unaudited)	US\$'000
OPERATING ACTIVITIES					
Profit before taxation	24,621	76,488	113,081	32,851	36,947
Adjustments for:					
Finance costs	6,982	1,388	464	270	443
Bank interest income	(46)	(390)	(388)	(30)	(100)
Gain on fair value changes of financial assets at fair value through profit or loss	(32)	(252)	(665)	(63)	(147)
(Profit) loss of the Relevant Business of predecessor companies of the Remaining Sunda Group and accounted for as deemed (distribution) contribution	(4,393)	(265)	96	96	—
Depreciation of property, plant and equipment	6,836	7,637	7,742	2,174	2,766
Depreciation of right-of-use assets . .	322	388	526	153	267
Loss (gain) on disposal of property, plant and equipment, net	10	3,318	(47)	9	(1)
Impairment losses under expected credit loss model, net of reversal .	206	2	71	47	—
Recognition of equity-settled share- based payments	—	—	—	—	481
Operating cash flows before movements in working capital	34,506	88,314	120,880	35,507	40,656
(Increase) decrease in inventories . . .	(39,856)	(45)	(9,401)	2,562	429
(Increase) decrease in trade receivables	(6,404)	2,072	(975)	(1,196)	(1,781)
(Increase) decrease in other receivables, deposits and prepayments	(13,037)	(3,017)	5,051	16	(433)
Increase (decrease) in trade payables . .	41,894	16,359	(3,898)	(15,075)	179
Increase (decrease) in contract liabilities	4,243	639	5,153	5,346	(1,830)
Increase (decrease) in other payables and accruals	1,394	5,396	3,381	1,859	(1,461)

CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)

	Year ended December 31,			Four months ended April 30,	
	2022	2023	2024	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
				(unaudited)	
Net cash generated from operations . . .	22,740	109,718	120,191	29,019	35,759
Income taxes paid	(9,165)	(13,741)	(10,658)	(1,833)	(3,427)
NET CASH FROM OPERATING					
ACTIVITIES	<u>13,575</u>	<u>95,977</u>	<u>109,533</u>	<u>27,186</u>	<u>32,332</u>
INVESTING ACTIVITIES					
Purchases of property, plant and					
equipment	(31,366)	(5,814)	(26,547)	(5,643)	(7,980)
Purchases of leasehold lands	–	(2,819)	(6,324)	–	(249)
Advances to related companies	(19,773)	(19,355)	(1,600)	–	–
Purchases of financial assets at fair					
value through profit or loss	(19,312)	(112,508)	(368,132)	(38,323)	(194,331)
Proceeds from disposals of financial					
assets at fair value through profit or					
loss	19,344	112,760	368,797	38,386	194,478
Repayments from advances to related					
companies	–	14,441	26,287	23,670	–
Bank interest received	46	390	388	30	100
Net cash inflow on acquisition of					
subsidiaries (Note 39)	–	–	1,001	–	–
Proceeds from disposal of property,					
plant and equipment	<u>–</u>	<u>2,031</u>	<u>410</u>	<u>298</u>	<u>22</u>
NET CASH (USED IN) FROM					
INVESTING ACTIVITIES	<u>(51,061)</u>	<u>(10,874)</u>	<u>(5,720)</u>	<u>18,418</u>	<u>(7,960)</u>

CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)

	Year ended December 31,			Four months ended April 30,	
	2022	2023	2024	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
				(unaudited)	
FINANCING ACTIVITIES					
Proceeds from issue of shares/paid-up registered capital received	3,654	100	–	–	17
Proceeds from issuance of new ordinary shares, together with put option and certain special rights (Note 26)	–	–	–	–	30,000
Advances from related parties	199,077	41,859	20,259	9,325	–
Bank and other borrowings raised	40,097	17,633	–	–	10,000
Repayments to related parties	(36,923)	(112,080)	(112,410)	(18,676)	(1,001)
Repayments of bank and other borrowings	(33,026)	(21,315)	(2,791)	(2,791)	(10,000)
Repayments of lease liabilities	(286)	(410)	(540)	(154)	(222)
Interest paid	(6,982)	(1,388)	(464)	(270)	(122)
Net cash outflow on the Group					
Reorganization	(107,056)	–	(6,246)	(499)	–
Share issue costs paid	–	–	(439)	(177)	(155)
Dividends paid	–	–	(353)	(353)	–
NET CASH FROM (USED IN)					
FINANCING ACTIVITIES	<u>58,555</u>	<u>(75,601)</u>	<u>(102,984)</u>	<u>(13,595)</u>	<u>28,517</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	21,069	9,502	829	32,009	52,889
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR/PERIOD	554	21,725	30,439	30,439	31,112
Effect of foreign exchange rate changes	<u>102</u>	<u>(788)</u>	<u>(156)</u>	<u>(82)</u>	<u>525</u>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR/PERIOD, represented by bank deposits, bank balances and cash	<u><u>21,725</u></u>	<u><u>30,439</u></u>	<u><u>31,112</u></u>	<u><u>62,366</u></u>	<u><u>84,526</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

Softcare Limited (formerly known as Sunda International Limited which was changed to its current name on January 16, 2024, the “Company”, together with its subsidiaries collectively referred to as the “Group”) was incorporated in the Cayman Islands as an exempted company with limited liability on February 17, 2022 under the Companies Act (As Revised) Chapter 22 of the Cayman Islands.

As at the date of approval of these consolidated financial statements, the immediate holding company of the Company is Century Industry Limited (“Century BVI”, which was incorporated in the British Virgin Islands (“BVI”)), which holds 64.42% of equity interests of the Company and is wholly-owned by Sunda Enterprise Limited (“Sunda Enterprise”, an exempted company incorporated in the Cayman Islands with limited liability). Sunda Enterprise is 51% directly owned by Chaoyuet Holding Limited (“Chaoyuet Holding”, which was incorporated in BVI by Mr. Shen Yanchang (“Mr. Shen”)) and is 49% directly owned by Haoyue Investment Limited (“Haoyue Investment”, which was incorporated in BVI by Ms. Yang Yanjuan (“Ms. Yang”, spouse of Mr. Shen)). In the opinion of the directors of the Company, Chaoyuet Holding is considered as the ultimate holding company of the Company.

The addresses of the registered office and the principal place of business of the Company and headquarter of the Group are set out in the section headed “Corporate Information” to the prospectus of the Company dated October 30, 2025 (the “Prospectus”) in connection with the initial listing of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Company acts as an investment holding company of the Group and its subsidiaries are principally engaged in manufacturing and sales of baby diapers, baby pants, sanitary pads and wet wipes (the “Relevant Business”, being the core business of the Group now included in the consolidated financial statements) in certain countries in Africa, Central and South America and Central Asia. The principal activities of the companies comprising the Group are set out in note 35.

The consolidated financial statements are presented in United States Dollar (“US\$”) because the management of the Company controls and monitors the performance and financial position of the Group using US\$, which is also the functional currency of the Company. The functional currencies of certain principal operating subsidiaries of the Company are their statutory currencies as set out in note 35, which are different from the Company’s functional currency, that are determined by the directors of the Company based on their primary economic environment in which these companies operate.

2. BASIS OF PREPARATION AND PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Group for each of the three years ended December 31, 2024 and the four months ended April 30, 2025 (collectively, the “Track Record Period”), were prepared solely for inclusion as financial information in the Prospectus. Accordingly, the comparative amounts for the year ended December 31, 2022, are not presented. The financial information for the four months ended April 30, 2024, are unaudited and are provided for comparative purposes only.

The consolidated financial statements have been prepared based on the accounting policies set out in note 4 which conform with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”) and the principles of merger accounting applicable to group reorganization.

Historically the operations of the Relevant Business of the Group in Africa (Ghana, Kenya, Tanzania, Senegal, Côte d’Ivoire, Uganda, Zambia, The Republic of Benin (“Benin”), The Republic of Cameroon (“Cameroon”), and in South America (The Republic of Peru (“Peru”)) were conducted by predecessor companies which were part of the “Remaining Sunda Group” (comprising of Sunda Group Co., Limited (“Sunda Company”) and Guangzhou Sunda Trading Co., Ltd. (“Guangzhou Sunda”) and their subsidiaries). Before the Relevant Business of the Group was spun off by the Remaining Sunda Group and taken up by the Company, it is owned by the Remaining Sunda Group which was in turn held by Mr. Shen, Ms. Yang and a group of existing and former employees and senior management of the Group (who designated Mr. Shen as their nominee) as to 36.28%, 30.07% and 33.65%, respectively, on a collective basis (hereinafter collectively referred to as the “Shareholders”). The predecessor companies and their business other than the Relevant Business do not form part of the Group.

In preparation for the listing of the Company’s ordinary shares on the Stock Exchange (the “Listing”), the companies comprising the Group underwent a group reorganization (the “Group Reorganization”) in order to spin-off the Relevant Business from the Remaining Sunda Group to the Group, which are detailed below. After completion of the Group Reorganization, the Company became the holding company of the Relevant Business in the aforesaid countries and the Company is held by the Shareholders indirectly in the same proportion as they were holding the Relevant Business through the Remaining Sunda Group before the spun off.

The Group Reorganization mainly involved (i) the formal acquisition by the Group of the “Principal Assets” (comprising the relevant property, plant and equipment and inventories) of the Relevant Business from predecessor companies of the Remaining Sunda Group in Ghana, Tanzania, Kenya and Senegal which engaged in both Relevant Business and other businesses (as detailed in note 2(c) below), (ii) gradual transfer of sales arms of the Relevant Business of the Group in Uganda, Côte d’Ivoire and Peru from the Remaining Sunda Group (as detailed in note 2(e) below), (iii) acquisition of certain subsidiaries in Zambia, Uganda, Benin and Cameroon from the Remaining Sunda Group which solely engaged in the Relevant Business (as detailed in note 2(g) below), as well as (iv) establishment of PRC and international procurement function of the Relevant Business from the Remaining Sunda Group (as detailed in note 2(d)) and (v) gradual transfer of certain work force of the Relevant Business from the Remaining Sunda Group, as described below:

(a) Incorporation of the Company

The Company was incorporated in the Caymans Islands as an exempted company with limited liability on February 17, 2022 and one ordinary share was allotted, issued and credited as fully-paid at par to an initial independent subscriber who then transferred the one ordinary share to Century BVI at par on the same day. On the same date, 49,999 additional ordinary shares of the Company were allotted, issued and credited as fully-paid at par to Century BVI, a then wholly-owned subsidiary of Sunda Company.

(b) Incorporation of “Intermediate Holding Companies Within The Group”

In addition, the following wholly-owned Intermediate Holding Companies Within The Group were incorporated:

Name of company	Place of incorporation	Date of incorporation	Holding company (% of holding)
Softcare Fm Limited (formerly known as Sunda Fm Limited, “Softcare BVI Holdco”) . . .	BVI	April 26, 2022	the Company (100%)
Senbai Holdings FZCO (“Softcare Dubai Holdco”) . . .	The United Arab Emirates (“UAE”)	August 22, 2022	Softcare BVI Holdco (100%)
Sunda FM (MU) Limited (formerly known as Sunda FM Holdings Limited, “Softcare Mauritius Holdco”)	The Republic of Mauritius (“Mauritius”)	March 6, 2023	Softcare Dubai Holdco (100%)
Softcare S.A. (“Softcare Panama Holdco”)	The Republic of Panama (“Panama”)	May 13, 2024	Softcare Dubai Holdco (100%)

(c) Incorporation of new wholly-owned operating companies for acquisition of the Relevant Business, including, amongst others, the Principal Assets, from the predecessor companies held by the Remaining Sunda Group in Ghana, Kenya, Tanzania and Senegal pursuant to the Group Reorganization.

Name of company	Place of incorporation	Date of incorporation	Holding company (% of holding)
Softcare FM Manufacturing Limited Company (formerly known as Sunda FM Manufacturing Limited Company, “Softcare Ghana”)	Ghana	December 21, 2020	Century BVI (100%)
Softcare Kenya Company Limited (“Softcare Kenya”)	Kenya	December 10, 2021	Century BVI (100%)

Name of company	Place of incorporation	Date of incorporation	Holding company (% of holding)
Dowicare Technology Limited (“Softcare Tanzania”)	Tanzania	December 16, 2021	Century BVI (99%) Century (Mauritius) International Limited (“Century Mauritius”, a wholly-owned subsidiary of Sunda Company) (1%)
Softcare SN Company Limited (“Softcare Senegal”)	Senegal	February 2, 2022	Century BVI (100%)

(d) Incorporation/Establishment of new wholly-owned supply chain companies for PRC and international procurement function of the Relevant Business of the Group

Name of company	Place of incorporation/ establishment	Date of incorporation/ establishment	Holding company (% of holding)
Guangzhou Sengong Trading Co., Ltd. (廣州森供貿易有限公司, formerly known as 廣州森大供應鏈管理有限公司, “Guangzhou Sengong”) . . .	The PRC	December 10, 2021	Sunda Company (100%)
Kewor Limited (“Kewor”)	Hong Kong	December 16, 2021	Sunda Company (100%)
Sunmart Trading FZCO (“Sunmart Trading Dubai”)	UAE	December 5, 2022	Softcare BVI Holdco (100%)

(e) Incorporation of new wholly-owned trading companies for taking up the trading function of the Relevant Business of the Remaining Sunda Group in Uganda, Côte d’Ivoire and Peru

Name of company	Place of incorporation	Date of incorporation	Holding company (% of holding)
Softcare Impex Limited (formerly known as Best Care Impex Limited, “Softcare Impex Uganda”)	Uganda	August 12, 2022	Century BVI (99%) Kewor (1%)
Softcare Limited Côte d’Ivoire (“Softcare Côte d’Ivoire”)	Côte d’Ivoire	October 18, 2022	Softcare Dubai Holdco (100%)
Softcare Peru Company S.R.L. (“Softcare Peru”)	Peru	December 27, 2023	Softcare Dubai Holdco (99%) Sunmart Trading Dubai (1%)

Historically, certain trading subsidiaries of the Remaining Sunda Group in Uganda, Côte d’Ivoire and Peru purchased baby diapers, baby pants, sanitary pads, wet wipes from its predecessor companies as well as other products within or outside the Remaining Sunda Group for sales in their countries. For the purpose of the Group Reorganization, Softcare Impex Uganda, Softcare Côte d’Ivoire and Softcare Peru were incorporated to take up the sales arm of the Relevant Business from the Remaining Sunda Group in these countries in 2023, 2023 and 2024, respectively.

(f) Transfer of the entire 100% of equity interests of Softcare Ghana, Softcare Kenya, Softcare Tanzania and Softcare Senegal (as detailed in 2(c) above) to the Intermediate Holding Companies Within The Group

Name of company	Equity interest	Date of transfer	Transferor	Transferee	Consideration*
Softcare Ghana	100%	March 18, 2024	Century BVI	Softcare Mauritius Holdco	Ghanaian Cedi ("GHS") 6,000,000
Softcare Kenya	100%	May 3, 2024	Century BVI	Softcare Dubai Holdco	Kenyan Shilling ("KES") 100,000,000
Softcare Tanzania	49%	May 8, 2024	Century BVI	Softcare Dubai Holdco	Tanzanian Shilling ("TZS") 1,129,940,000
	49%	May 8, 2024	Century BVI	Sunmart Trading Dubai	TZS1,129,940,000
	1%	May 8, 2024	Century BVI	Softcare Mauritius Holdco	TZS23,060,000
	1%	May 8, 2024	Century Mauritius	Softcare Mauritius Holdco	TZS23,060,000
Softcare Senegal	100%	April 3, 2024	Century BVI	Softcare Dubai Holdco	Western African CFA Franc ("XOF") 1,000,000

* Being cash consideration of approximately US\$2,097,000, in aggregate, which were paid in 2024.

(g) Acquisition of the entire 100% of equity interests of subsidiaries in Zambia, Uganda, Benin and Cameroon from the Remaining Sunda Group which solely engaged in the Relevant Business of the Group

Name of company	Equity interest	Date of transfer	Transferor	Transferee	Consideration*
Softcare Industrial Zambia Limited (formerly known as Sunda International Zambia Company Limited, "Softcare Zambia")	99.999814%	March 19, 2024	Century BVI	Softcare Dubai Holdco	Zambian Kwacha ("K") 1,614,997
	0.000186%	March 19, 2024	Mr. Han Du, Mr. Shi Zheng and Mr. Liu Jiuxing (who are employees of the Remaining Sunda Group as nominees to hold the equity interest for and on behalf of Century BVI)	Softcare Mauritius Holdco	K3
Softcare (U) Ltd (formerly known as General Wares (U) Ltd and General Wares (U)-SMC Ltd, "Softcare (U) Uganda").	99%	May 2, 2024	Century BVI	Softcare Mauritius Holdco	Ugandan Shilling ("UGX") 354,600,000
	1%	May 2, 2024	Century BVI	Softcare Dubai Holdco	UGX3,600,000
Softcare Benin Limited (formerly known As Sunda Benin Limited, "Softcare Benin")	100%	July 23, 2024	Century BVI	Softcare Dubai Holdco	XOF328,970,000
Softcare Cameroon Limited ("Softcare Cameroon")	100%	May 7, 2024	Kewor	Softcare Dubai Holdco	Central African CFA Franc ("XAF") 10,000,000

* Being cash consideration of approximately US\$720,000, in aggregate, which were paid in 2024.

Softcare Zambia has commenced the Relevant Business before the Track Record Period. Softcare (U) Uganda, Softcare Benin and Softcare Cameroon constructed their production plants and commenced production/operation of the Relevant Business in 2022.

The financial information of Softcare Zambia, Softcare (U) Uganda, Softcare Benin and Softcare Cameroon during the Track Record Period was consolidated in the consolidated financial statements under merger accounting.

(h) Incorporation of new wholly-owned trading companies for new markets

Name of company	Place of incorporation	Date of incorporation	Holding company (% of holding)
Softcare El Salvador SRL ("Softcare El Salvador")	The Republic of El Salvador ("El Salvador")	July 3, 2024	Softcare Panama (99%) Softcare Mauritius (1%)
Softcare KZ ("Softcare Kazakhstan")	The Republic of Kazakhstan	June 19, 2024	Softcare Dubai Holdco (99.99%) Softcare Mauritius Holdco (0.01%)

Softcare El Salvador and Softcare Kazakhstan commenced trading in late 2024.

(i) Transfer of newly incorporated/established supply chain/trading companies to Intermediate Holding Companies Within The Group and other subsidiary of the Group

Name of company	Equity interest	Date of transfer	Transferor	Transferee	Consideration*
Softcare Impex Uganda	99%	May 2, 2024	Century BVI	Softcare Mauritius Holdco	UGX9,900,000
	1%	May 2, 2024	Kewor	Softcare Dubai Holdco	UGX100,000
Kewor	100%	November 1, 2024	Sunda Company	Softcare BVI Holdco	Hong Kong Dollar ("HK\$") 100,000
Guangzhou Sengong	100%	November 25, 2024	Sunda Company	Kewor	Renminbi ("RMB") 24,310,000

* Being cash consideration of approximately US\$3,429,000, in aggregate, which were paid in 2024.

Since the Relevant Business of the Group was owned by the same Shareholders throughout the Track Record Period and before and after the spin-off, it is treated as a continuation of business throughout the Track Record Period regardless of actual date of completion of Group Reorganization in November 2024. The above transactions for the Group Reorganization were accounted for using merger accounting and the consolidated financial statements reflect the performance of the Relevant Business of the Group using the historically amounts from the Shareholders' perspective, whereas any consideration paid for the Group Reorganization in excess of the net assets taken up by the Group was reflected as deemed distribution to the Remaining Sunda Group. For the Group's financial position, assets and liabilities that are specifically attributable to the Relevant Business are included in the consolidated financial statements based on their carrying amounts from the Remaining Sunda Group as if they were included in the Group from January 1, 2022 or from the date of incorporation/establishment, whichever is earlier. For assets and liabilities that were attributing to both the Relevant Business and other businesses of the Remaining Sunda Group that were retained by the Remaining Sunda Group, they were not included in the consolidated financial statements. For earnings or losses derived from the Relevant Business attributable to predecessor companies of the Remaining Sunda Group prior to the spun off which was retained by the Remaining Sunda Group, it was reflected as deemed distributions to or contributions from the Remaining Sunda Group and included in "other reserve".

3. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

For the purpose of preparing and presenting the consolidated financial statements for the Track Record Period, the Group has consistently applied the accounting policies which conform with IFRS Accounting Standards, which are effective for the Group's accounting period beginning on January 1, 2025 throughout the Track Record Period.

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

At the date of approval of these consolidated financial statements, the Group has not early adopted the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective:

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

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

² Effective for annual periods beginning on or January 1, 2026.

³ Effective for annual periods beginning on or January 1, 2027.

Except as described below, the directors of the Company anticipate that the application of these new and amendments to IFRS Accounting Standards will have no material impact on the Group's financial position and financial performance in the foreseeable future.

IFRS 18 "Presentation and Disclosure in Financial Statements" sets out requirements on presentation and disclosures in financial statements and it will replace IAS 1 "Presentation of Financial Statements". The new IFRS 18 introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. Minor amendments to IAS 7 "Statement of Cash Flows" and IAS 33 "Earnings per Share" are also made.

IFRS 18 will be effective for annual periods beginning on or after January 1, 2027, with early application permitted. The application of this new standard is not expected to have material impact on the financial position of the Group but is expected to affect the presentation of the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows and disclosures in the future financial statements. The Group will continue to assess the impact of IFRS 18 on the Group's consolidated financial statements.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The consolidated financial statements have been prepared in accordance with the following accounting policies which conform to IFRS Accounting Standards as issued by IASB. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis, 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.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

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

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

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

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

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

Merger accounting for business combination involving business under common control

The consolidated financial statements incorporate the financial statement items of the combining entities or businesses in which the common control combination occurs as if they had been consolidated from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are consolidated using the existing book values from the controlling party's perspective. No amount is recognized in respect of goodwill or excess of acquirer's interest in the net fair value of acquiree's identifiable assets and liabilities over cost at the time of common control combination, to the extent of the continuation of the controlling party's interest. Expenditure incurred in relation to a common control combination that is to be accounted for by using merger accounting is recognized as an expense in the period in which it is incurred. The consolidated statements of profit or loss and other comprehensive income includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period.

Revenue from contracts with customers

Information about the Group's accounting policies relating to revenue from contracts with customers is provided in note 6.

Taxation

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

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

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

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

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

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

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

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

Current and deferred tax are recognized in profit or loss.

Foreign currencies

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

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

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. US\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity under the heading of "exchange reserve". On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

Employee benefits

Retirement benefits costs

Payments to state-managed retirement benefit schemes are recognized as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

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

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

Share-based payments

Equity-settled share-based payment transactions

Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

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

When share options are exercised, the amount previously recognized in share-based payment reserve will be transferred to share capital and share premium, as appropriate. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount as appropriate previously recognized in share-based payment reserve will be transferred to retained profits.

Leases

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

The Group as lessee

Short-term leases

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

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received; and
- any initial direct costs incurred by the Group.

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

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

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

Lease liabilities

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

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

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

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

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purpose (other than freehold lands and construction in progress as described below). Property, plant and equipment are stated in the consolidated statements of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Freehold lands are not depreciated and are measured at cost less subsequent accumulated impairment losses.

Property, plant and equipment in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including costs of testing whether the related assets is functioning properly. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

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

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

Impairment on property, plant and equipment and right-of-use assets

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment and right-of-use assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

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

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

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

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount.

An impairment loss is recognized immediately in profit or loss.

Inventories

Inventories are stated at the lower of cost and net realizable value. Costs of inventories are determined on a weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

Financial instruments

Financial assets and financial liabilities are recognized when a group entity becomes a party to the contractual provisions of the instrument and are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with IFRS 15 "Revenue from Contracts with Customers" ("IFRS 15").

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

Financial assets

Classification and subsequent measurement of financial assets

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

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

All other financial assets are subsequently measured at fair value through profit or loss ("FVTPL").

Amortized cost and interest income

Interest income is recognized using the effective interest method for financial assets measured subsequently at amortized cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired.

Financial assets at FVTPL

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss. The net gain or loss recognized in profit or loss includes any dividend or interest earned on the financial asset and is included in the "other gains and losses, net" line item.

Impairment of financial assets under IFRS 9

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets (including trade and other receivables, deposits, and bank balances and cash) which are subject to impairment assessment under IFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

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

The Group always recognizes lifetime ECL for trade receivables. For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, in which case the Group recognizes lifetime ECL. The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

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

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

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

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

The Group uses a practical expedient in estimating ECL on not credit-impaired trade receivables due from third-party customers based on aged analysis of debtors using provision matrix taking into consideration historical credit loss experience and forward-looking information that is available without undue cost or effort. These not credit-impaired trade receivables due from third-party customers are characterized as a large number of small customers with common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms.

Other financial assets (including trade receivables due from related companies) are individually assessed by management of the Group using internal credit rating. ECL on these other financial assets are estimated by reference to past due status of the individual debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtor, future economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognized through a loss allowance account.

Derecognition of financial assets

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

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

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Financial liabilities at amortized cost

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

Other financial liability

A contract that contains an obligation to purchase the Company's equity instruments for cash or other financial assets give rise to a financial liability to be determined based on the present value of the redemption amount.

At initial recognition, the Group recognizes a gross obligation as a financial liability equal to the present value of the redemption amount, with a corresponding debit in equity. The financial liability is subsequently measured at amortized cost with accretion of interest thereon recognized over time and charged to profit or loss as "finance costs".

Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the obligation specified in the relevant contract is discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Research expenditure

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

Borrowing costs

All borrowing costs not directly attributable to the acquisition or construction of qualifying assets are recognized in profit or loss in the period in which they are incurred.

Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

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

Inventories

The management of the Group reviews inventories ageing analysis at the end of each reporting period, and makes allowance for obsolete and slow-moving inventory items identified. Estimation of net realisable value are based on the latest invoice prices and current market condition. Where the net realisable value is less than the carrying amount, write-down of inventories may arise. As at December 31, 2022, 2023 and 2024 and April 30, 2025, the carrying amounts of inventories are US\$114,689,000, US\$107,746,000, US\$119,375,000 and US\$119,711,000, respectively. There was no write-down of inventories considered necessary for the Track Record Period.

Allowance for credit losses on trade receivables

The management of the Group has applied simplified approach in IFRS 9 to determine allowance for credit losses on not credit-impaired trade receivables due from third-party customers based on aged analysis of debtors whereas trade receivables due from related companies are assessed individually with reference to historical observed default rates and forward-looking information, which are reassessed/considered at every reporting date. The information about the ECL and the Group's trade receivables are disclosed in notes 18 and 33, respectively. The allowance for credit losses on trade receivables is sensitive to changes in estimates.

As at December 31, 2022, 2023 and 2024 and April 30, 2025, the carrying amounts of trade receivables are US\$6,632,000 (net of allowance for credit losses of US\$206,000), US\$4,086,000 (net of allowance for credit losses of US\$208,000), US\$5,367,000 (net of allowance for credit losses of US\$279,000) and US\$7,277,000 (net of allowance for credit losses of US\$279,000), respectively.

6. REVENUE AND SEGMENT INFORMATION

(i) Disaggregation of revenue of the Group from contracts with customers was disclosed as follows:

	Year ended December 31,			Four months ended April 30,	
	2022	2023	2024	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000 (unaudited)	US\$'000
Types of products					
Sales of baby diapers	250,651	323,964	341,931	106,455	115,844
Sales of baby pants	17,396	13,046	20,516	4,784	9,288
Sales of sanitary pads	43,079	61,731	77,465	24,092	29,939
Sales of wet wipes	8,772	12,628	14,477	4,301	6,239
Total revenue from contracts with customers	<u>319,898</u>	<u>411,369</u>	<u>454,389</u>	<u>139,632</u>	<u>161,310</u>
Location of customers					
Ghana	72,880	73,768	65,965	21,922	23,049
Kenya	60,357	70,216	90,453	26,653	30,778
Senegal	35,934	44,540	45,283	15,994	15,048
Côte d'Ivoire	29,024	42,049	44,269	13,601	13,165
Tanzania	29,122	34,636	41,397	12,884	14,800
Cameroon	5,015	35,403	30,436	10,320	10,971
Zambia	31,385	33,253	27,132	9,594	8,071
Uganda	24,553	30,715	38,615	11,097	15,896
Others	31,628	46,789	70,839	17,567	29,532
Total	<u>319,898</u>	<u>411,369</u>	<u>454,389</u>	<u>139,632</u>	<u>161,310</u>
Type of customers					
Wholesalers	191,223	266,488	291,256	89,804	100,155
Distributors	106,084	127,141	145,930	44,172	54,698
Supermarkets and other retailers	9,613	11,563	15,175	4,535	6,042
Others	12,978	6,177	2,028	1,121	415
Total	<u>319,898</u>	<u>411,369</u>	<u>454,389</u>	<u>139,632</u>	<u>161,310</u>
Timing of revenue recognition					
At point in time	<u>319,898</u>	<u>411,369</u>	<u>454,389</u>	<u>139,632</u>	<u>161,310</u>

(ii) Performance obligations for contracts with customers

Revenue from sales of its products is recognized at a point in time when the products are picked up by customers from our warehouses or are delivered to the customer's specific locations depending on the relevant contract terms, being at the point that the customer obtains the control of the products and the Group has present right to payment and collection of the consideration is probable. Return of products or refund is generally not allowed. Replacement of products may be provided in the event of a quality issue while evaluated on a case-by-case basis.

Customers are usually required to make full payments before delivery of products, however, credit period up to 90 days may be granted to certain customers on a case-by-case basis after approved by the management of the Group.

Certain customers are entitled to rebates based on the amounts of products they purchased and the pre-established rates upon their assigned quarter or annual purchase targets met. The rebates can only be used on their future purchases and provides a material right to those customers that they would not receive without purchasing the Group's products. The rebate to the customer is therefore a separate performance obligation.

The Group allocates the transaction price to sales of its products and rebates on a relative stand-alone selling price basis.

The rebate amount to a customer is estimated based on the Group's historical experience and a contract liability is recognized at the time of the initial sales transaction. Revenue from the rebates is recognized when the rebates are used by the customer on future purchases.

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

At the end of each reporting period, contracts with customers with unsatisfied performance obligations have original expected durations of one year or less. As permitted under IFRS 15, the transaction prices allocated to these unsatisfied contracts are not disclosed.

(iv) Segment information

Information is reported to directors of the Company, who were management of the Relevant Business prior to the Group Reorganization and are also the chief operating decision makers ("CODM") of the Group, for the purposes of resource allocation and performance assessment. The CODM reviews the overall results and financial performance of the Group as a whole. No analysis of the Group's assets or liabilities and no other discrete financial information is regularly provided to the CODM. Accordingly, only entity-wide disclosures on revenue, major customers and geographical information are presented in accordance with IFRS 8 "Operating Segments".

(v) Geographical information

Information about the Group's revenue based on the location of customers has been presented above. Information about the Group's non-current assets (except for deferred tax assets) based on the geographical location of the assets is presented below:

	At December 31,			At April 30,
	2022	2023	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000
Location of non-current assets				
Ghana	14,384	6,699	9,483	7,927
Kenya	9,186	7,980	20,850	22,992
Senegal	3,765	3,238	3,502	3,841
Côte d'Ivoire	—	163	124	125
Tanzania	2,814	2,273	4,151	6,252
Cameroon	5,335	6,846	7,047	7,179
Zambia	13,074	8,371	8,451	8,329
Uganda	3,088	5,781	9,805	12,254
Benin	1,601	1,431	1,172	1,078
Peru	—	—	2,941	4,800
El Salvador	—	—	2,095	2,067
Others	325	1,861	555	1,350
	<u>53,572</u>	<u>44,643</u>	<u>70,176</u>	<u>78,194</u>

(vi) Information about major customers

No customer individually contributes over 10% of the total revenue of the Group during each of the year/period in the Track Record Period.

7. OTHER INCOME AND OTHER GAINS AND LOSSES, NET

	Year ended December 31,			Four months ended April 30,	
	2022	2023	2024	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000 (unaudited)	US\$'000
<u>Other income</u>					
Interest income	<u>46</u>	<u>390</u>	<u>388</u>	<u>30</u>	<u>100</u>
<u>Other gains and losses, net</u>					
Impairment losses under expected credit loss model, net of reversal . . .	(206)	(2)	(71)	(47)	—
(Loss) gain on disposal of plant and equipment, net	(10)	(3,318)	47	(9)	1
Gain on fair value changes for financial assets at fair value through profit or loss	32	252	665	63	147
Others	<u>563</u>	<u>52</u>	<u>(290)</u>	<u>(79)</u>	<u>(6)</u>
	<u>379</u>	<u>(3,016)</u>	<u>351</u>	<u>(72)</u>	<u>142</u>

8. FINANCE COSTS

	Year ended December 31,			Four months ended April 30,	
	2022	2023	2024	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000 (unaudited)	US\$'000
Interest on bank borrowings	125	1,102	86	86	87
Interest on loans from related companies (Note 31)	6,770	222	307	167	—
Interest on lease liabilities .	87	64	71	17	35
Interest on other financial liability (Note 26)	—	—	—	—	321
	<u>6,982</u>	<u>1,388</u>	<u>464</u>	<u>270</u>	<u>443</u>

9. TAXATION

	Year ended December 31,			Four months ended April 30,	
	2022	2023	2024	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000 (unaudited)	US\$'000
Income tax					
– Current	10,519	14,025	14,586	5,813	6,925
Deferred tax (Note 27) . . .	<u>(4,288)</u>	<u>(2,217)</u>	<u>3,384</u>	<u>(621)</u>	<u>(1,081)</u>
	<u>6,231</u>	<u>11,808</u>	<u>17,970</u>	<u>5,192</u>	<u>5,844</u>

No provision for corporate income tax of the Company has been made as it did not have assessable profit which arose in, or was derived from the Cayman Islands. The Group's profit is subject to taxation from the place of its operations where its profit is generated and is calculated at the rates prevailing in the relevant jurisdictions as follows:

Jurisdictions	Applicable tax rates
Kenya	30%
Zambia	30%
Tanzania	30%
Uganda	30%
Cameroon	38.5%
Peru	29.5%
Senegal	30%
Côte d'Ivoire	25%
Benin	25%
Ghana	25% and 8% on assessable profits attributable to local and export businesses, respectively
PRC	25%
Hong Kong	16.5%
The United Arab Emirates ("UAE")	9% and 0% on qualifying income for qualified free zone person according to local rules and regulations
El Salvador	30%
Kazakhstan	20%

Tax exemption of each country of operation:—

- Softcare (U) Uganda enjoys tax holidays for 10 years commencing from year ended December 31, 2022.
- Softcare Benin enjoys tax holidays for 8 years commencing from year ended December 31, 2023.
- Softcare Cameroon enjoys preferential tax rates of 9.625% from years ending December 31, 2023 to 2027, and 19.25% from years ending December 31, 2028 to 2032.
- Softcare Zambia enjoys preferential tax rates of 0% from years ending December 31, 2021 to 2030, 15% from years ending December 31, 2031 to 2033 and 22.5% from years ending December 31, 2034 to 2035, on its assessable profits attributable to export business.

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

	Year ended December 31,			Four months ended April 30,	
	2022	2023	2024	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000 (unaudited)	US\$'000
Profit before taxation	24,621	76,488	113,081	32,851	36,947
Tax at applicable tax rate of 25%	6,155	19,122	28,270	8,213	9,237
Effect of income not taxable for tax purpose	(394)	(1,014)	—	—	—
Effect of tax exemption granted to a subsidiary	(780)	(218)	(386)	—	(762)
Effect of expenses not deductible for tax purposes	949	327	1,840	950	429
Effect of different tax rates of subsidiaries operating in different jurisdictions	1,020	(5,038)	(7,519)	(3,490)	(2,105)
Effect of lower tax rate applicable for export sales	(719)	(1,666)	(2,470)	(707)	(683)
Effect of accelerated investment allowance at 150% on the cumulative qualified plant and machinery incurred pursuant to Kenya Tax Law Amendment Act, 2024	—	—	(2,311)	—	(367)
Other levies	—	295	546	226	95
	<u>6,231</u>	<u>11,808</u>	<u>17,970</u>	<u>5,192</u>	<u>5,844</u>

10. PROFIT FOR THE YEAR/PERIOD

	Year ended December 31,			Four months ended April 30,	
	2022	2023	2024	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000 (unaudited)	US\$'000
Profit for the year/period has been arrived at after charging:					
Auditor's remuneration	263	246	234	95	82
Staff costs (including the directors' remuneration in note 11)					
– Salaries, allowances and other benefits	13,163	16,673	20,347	6,018	7,766
– Contributions to retirement benefits schemes	2,409	2,635	2,975	792	800
– Share-based payments	—	—	—	—	481
Less: Amount capitalized in inventories	(6,270)	(8,071)	(9,475)	(2,810)	(3,178)
Staff costs recognized as expenses	<u>9,302</u>	<u>11,237</u>	<u>13,847</u>	<u>4,000</u>	<u>5,869</u>
Depreciation of property, plant and equipment	6,836	7,637	7,742	2,174	2,766
Depreciation of right-of-use assets	322	388	526	153	267
Less: Amount capitalized in inventories	(6,605)	(7,480)	(7,914)	(2,191)	(2,706)
Depreciation recognized as an expense	<u>553</u>	<u>545</u>	<u>354</u>	<u>136</u>	<u>327</u>
Short-term leases in respect of leased properties	3,368	3,524	3,980	1,405	1,323
Cost of inventories recognized as an expense	246,365	267,621	294,238	90,848	107,101
Listing expenses	—	—	2,555	1,035	1,408

11. DIRECTORS' EMOLUMENTS

Details of the emoluments paid or payable to the directors of the Company (including emoluments for services rendered to the Relevant Business prior to becoming the directors of the Company) during the Track Record Period as follows:

	Fees	Salaries and allowances	Retirement benefits schemes contributions	Share-based payments	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
For the year ended December 31, 2022					
Executive directors					
Mr. Luo Jichao	—	33	3	—	36
Mr. Shen Yanchang	—	—	—	—	—
Non-executive directors					
Ms. Yang Yanjuan	—	—	—	—	—
Mr. Zhou Renwei	—	—	—	—	—
	—	33	3	—	36
	==	==	==	==	==
For the year ended December 31, 2023					
Executive directors					
Mr. Luo Jichao	—	141	3	—	144
Mr. Shen Yanchang	—	—	—	—	—
Non-executive directors					
Ms. Yang Yanjuan	—	—	—	—	—
Mr. Zhou Renwei	—	—	—	—	—
	—	141	3	—	144
	==	==	==	==	==
For the year ended December 31, 2024					
Executive directors					
Mr. Luo Jichao	—	249	4	—	253
Mr. Shen Yanchang	—	—	—	—	—
Mr. Zhao Yongqiang	—	63	1	—	64
Non-executive directors					
Ms. Yang Yanjuan	—	—	—	—	—
Mr. Zhou Renwei	—	—	—	—	—
	—	312	5	—	317
	==	==	==	==	==
For the four months ended April 30, 2025					
Executive directors					
Mr. Luo Jichao	—	106	3	—	109
Mr. Zhao Yongqiang	—	148	2	73	223
Non-executive directors					
Mr. Shen Yanchang	—	—	—	—	—
Ms. Yang Yanjuan	—	—	—	—	—
Mr. Zhou Renwei	—	—	—	—	—
	—	254	5	73	332
	==	==	==	==	==
For the four months ended April 30, 2024 (unaudited)					
Executive directors					
Mr. Luo Jichao	—	65	1	—	66
Mr. Shen Yanchang	—	—	—	—	—
Mr. Zhao Yongqiang	—	—	—	—	—
Non-executive directors					
Ms. Yang Yanjuan	—	—	—	—	—
Mr. Zhou Renwei	—	—	—	—	—
	—	65	1	—	66
	==	==	==	==	==

On February 17, 2022, Mr. Shen Yanchang was appointed as an executive director of the Company and on January 20, 2025, was re-designated as a non-executive director of the Company. No emoluments was paid to him during the Track Record Period.

On January 20, 2025, Mr. Luo Jichao was appointed as an executive director of the Company and acts as the chief executive officer of the Company.

On January 20, 2025, Ms. Yang Yanjuan and Mr. Zhou Renwei were appointed as non-executive directors of the Company and no emoluments was paid to them during the Track Record Period.

On January 20, 2025, Mr. Zhao Yongqiang was appointed as an executive director of the Company. Mr. Zhao Yongqiang joined the Group in October 2024 and no emoluments was paid to him for the two years ended December 31, 2023.

On June 18, 2025, Ms. Lou Aidong, Mr. Gao Jianming and Mr. Xu Jing were appointed as independent non-executive directors of the Company and no emoluments were paid to them during the Track Record Period.

The emoluments stated above were for their services in connection with the management of the affairs of the Group.

During the Track Record Period, no emoluments were paid by the Group to directors of the Company as an inducement to join or upon joining the Group, or as compensation for loss of office.

12. FIVE HIGHEST PAID EMPLOYEES' EMOLUMENTS

The emoluments of the five highest paid individuals included 1, 1, 1, 1 (unaudited) and 2 directors of the Company for the years ended December 31, 2022, 2023 and 2024 and the four months ended April 30, 2024 (unaudited) and 2025, respectively, whose emoluments are included in the disclosures in note 11. The emoluments of the remaining 4, 4, 4, 4 (unaudited) and 3 non-director employees for the years ended December 31, 2022, 2023 and 2024 and the four months ended April 30, 2024 (unaudited) and 2025, respectively, were as follows:

	Year ended December 31,			Four months ended April 30,	
	2022	2023	2024	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000 (unaudited)	US\$'000
Salaries, allowances and other benefits	239	461	664	157	319
Retirement benefits schemes contributions	11	12	13	4	7
Share-based payments	—	—	—	—	231
	<u>250</u>	<u>473</u>	<u>677</u>	<u>161</u>	<u>557</u>
	<u>Number of individuals</u>	<u>Number of individuals</u>	<u>Number of individuals</u>	<u>Number of individuals</u> (unaudited)	<u>Number of individuals</u>
Nil to Hong Kong Dollar ("HK\$") 1,000,000	3	3	2	4	2
HK\$1,000,001 to HK\$1,500,000	1	—	—	—	—
HK\$1,500,001 to HK\$2,000,000	—	—	1	—	—
HK\$2,000,001 to HK\$3,000,000	—	1	1	—	1
	<u>—</u>	<u>1</u>	<u>1</u>	<u>—</u>	<u>1</u>

During the Track Record Period, no emoluments were paid by the Group to the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

13. DIVIDENDS

	Year ended December 31,			Four months ended April 30,	
	2022	2023	2024	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000 (unaudited)	US\$'000
Dividends declared to Century BVI recognized as distribution during the Track Record Period					
Interim dividends declared by Softcare Kenya on January 12, 2024	—	—	353	353	—
Interim dividends declared by the Company on December 23, 2024	—	—	35,000	—	—
	—	—	35,353	353	—

Information of rate of dividend declared before effective of Subdivision of Shares, Surrender of Shares and Shares Allotment (as defined in note 28(b)) on January 15, 2025 is not meaningful having regard to the purpose of these consolidated financial statements.

The dividends declared by the Company of US\$35,000,000 remained unsettled as at December 31, 2024 and April 30, 2025 and the dividends were settled subsequently in cash.

14. EARNINGS PER SHARE

The calculation of the earnings per share attributable to owners of the Company is based on the following data:

	Year ended December 31,			Four months ended April 30,	
	2022	2023	2024	2024	2025
				(unaudited)	
Earnings (US\$'000)					
Earnings for the purpose of the basic earnings per share (Profit for the year attributable to owners of the Company)	18,390	64,680	95,111	27,659	31,103
Number of shares ('000)					
Weighted average number of ordinary shares for the purpose of basic earnings per share	500,000	500,000	500,000	500,000	508,750

The weighted average number of ordinary shares was determined assuming the Subdivision of Shares, Surrender of Shares and Shares Allotment (as defined in note 28(b)) had been effective since January 1, 2022.

The dilutive impact on earnings per share for the assumed exercise of (1) the Company's outstanding put option (as detailed in note 26); and (2) the Company's Pre-IPO Share Options (as defined and detailed in note 29) are insignificant. Accordingly, diluted earnings per share for the four months ended April 30, 2025 are the same as basic earnings per share of the same period.

15. PROPERTY, PLANT AND EQUIPMENT

	Freehold lands	Owned properties	Machinery	Motor vehicles	Office equipment	Construction in progress	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
COST							
At January 1, 2022	—	1,890	43,490	120	32	—	45,532
Additions	—	1,791	13,891	206	165	8,256	24,309
Disposals	—	—	(14)	—	—	—	(14)
Exchange realignment	—	(61)	(1,841)	(5)	—	(236)	(2,143)
At December 31, 2022	—	3,620	55,526	321	197	8,020	67,684
Additions	1,227	2,256	953	283	116	697	5,532
Reclassifications	—	—	3,777	—	—	(3,777)	—
Disposals	—	—	(2,345)	(28)	(2)	(3,952)	(6,327)
Exchange realignment	13	(722)	(5,749)	(18)	(3)	(497)	(6,976)
At December 31, 2023	1,240	5,154	52,162	558	308	491	59,913
Additions	2,242	3,930	7,193	484	451	7,930	22,230
Reclassifications	—	—	1,339	—	—	(1,339)	—
Disposals	—	—	(340)	(22)	(189)	(94)	(645)
Exchange realignment	(63)	35	1,432	1	(4)	183	1,584
At December 31, 2024	3,419	9,119	61,786	1,021	566	7,171	83,082
Additions	—	—	—	124	—	8,953	9,077
Reclassifications	—	2,576	2,993	—	—	(5,569)	—
Disposals	—	—	(13)	(13)	—	—	(26)
Exchange realignment	121	6	212	23	(1)	(68)	293
At April 30, 2025	3,540	11,701	64,978	1,155	565	10,487	92,426
ACCUMULATED DEPRECIATION							
At January 1, 2022	—	45	8,700	36	14	—	8,795
Provided for the year	—	107	6,636	62	31	—	6,836
Disposals	—	—	(4)	—	—	—	(4)
Exchange realignment	—	(8)	(376)	(1)	1	—	(384)
At December 31, 2022	—	144	14,956	97	46	—	15,243
Provided for the year	—	217	7,288	86	46	—	7,637
Disposals	—	—	(954)	(23)	(1)	—	(978)
Exchange realignment	—	(61)	(1,440)	(4)	(2)	—	(1,507)
At December 31, 2023	—	300	19,850	156	89	—	20,395
Provided for the year	—	369	7,126	154	93	—	7,742
Disposals	—	—	(192)	(20)	(70)	—	(282)
Exchange realignment	—	(16)	588	(2)	(1)	—	569
At December 31, 2024	—	653	27,372	288	111	—	28,424
Provided for the period	—	186	2,475	70	35	—	2,766
Disposals	—	—	(5)	—	—	—	(5)
Exchange realignment	—	10	(76)	17	2	—	(47)
At April 30, 2025	—	849	29,766	375	148	—	31,138
CARRYING VALUES							
At December 31, 2022	—	3,476	40,570	224	151	8,020	52,441
At December 31, 2023	1,240	4,854	32,312	402	219	491	39,518
At December 31, 2024	3,419	8,466	34,414	733	455	7,171	54,658
At April 30, 2025	3,540	10,852	35,212	780	417	10,487	61,288

The freehold lands are located in Cameroon and Peru.

The above items of property, plant and equipment, except for freehold lands and construction in progress, after taking into account the residual values, are depreciated on a straight-line basis over the useful lives at the following rates per annum:

Owned properties	4.8%-9.5%
Machinery	9.5%-31.7%
Motor vehicles	19.0%-31.7%
Office equipment	19.0%-31.7%

16. RIGHT-OF-USE ASSETS

	At December 31,			At April 30,
	2022	2023	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000
Leasehold lands	—	2,778	9,398	9,489
Leased properties	878	653	1,346	1,981
	<u>878</u>	<u>3,431</u>	<u>10,744</u>	<u>11,470</u>

	Year ended December 31,			Four months ended April 30,	
	2022	2023	2024	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000 (unaudited)	US\$'000
Depreciation charges					
– Leasehold lands	—	2	66	12	40
– Leasehold properties	322	386	460	141	227
Expenses relating to short-term leases	3,368	3,524	3,980	1,405	1,323
Additions to right-to-use assets					
– Leasehold lands	—	2,819	6,324	—	249
– Leased properties	249	206	1,225	4	852
Total cash outflow for leases	<u>3,741</u>	<u>6,817</u>	<u>10,915</u>	<u>1,576</u>	<u>1,829</u>

During the Track Record Period, the Group purchased certain leasehold lands in Uganda, Tanzania and Kenya and obtained the land use right certificates with remaining lease terms of 71-99 years.

In addition, the Group also leased warehouse, factory and office premises and a piece of land during the Track Record Period. Lease contracts were entered into for fixed term of 2 to 40 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

The Group regularly entered into short-term leases for premises. At the end of each reporting period, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expenses disclosed above.

Restrictions or covenants on leases

In addition, lease liabilities of US\$969,000, US\$721,000, US\$1,427,000 and US\$2,049,000 are recognized with related right-of-use assets of US\$878,000, US\$653,000, US\$1,346,000 and US\$1,981,000 as at December 31, 2022, 2023 and 2024 and April 30, 2025, respectively. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessors. Leased assets may not be used as security for borrowing purposes.

17. INVENTORIES

	At December 31,			At April 30,
	2022	2023	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000
Raw materials and spare parts	92,110	82,989	84,240	83,683
Work-in-progress	161	209	607	606
Finished goods	22,418	24,548	34,528	35,422
	<u>114,689</u>	<u>107,746</u>	<u>119,375</u>	<u>119,711</u>

18. TRADE RECEIVABLES

	At December 31,			At April 30,
	2022	2023	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000
Trade receivables	6,838	4,294	5,646	7,556
Less: Allowance for credit losses	(206)	(208)	(279)	(279)
	<u>6,632</u>	<u>4,086</u>	<u>5,367</u>	<u>7,277</u>

Included in trade receivables as at December 31, 2022, 2023 and 2024 and April 30, 2025 are amounts due from related companies, which are under common control by the Shareholders and are in the Remaining Sunda Group, totalling to US\$73,000, US\$121,000, US\$Nil and US\$Nil, respectively. These amounts due from related companies are trade-nature, unsecured and interest-free.

The Group grants credit terms to customers for up to 90 days from the invoice date for trade receivables. An ageing analysis of the trade receivables, net of allowance for credit losses, presented based on the invoice dates at the end of each reporting period is as follows:

	At December 31,			At April 30,
	2022	2023	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000
Within 1 month	4,976	3,342	4,751	6,404
In 2-3 months	445	659	545	609
In 4-6 months	314	6	18	264
In 7-12 months	897	79	53	–
	<u>6,632</u>	<u>4,086</u>	<u>5,367</u>	<u>7,277</u>

As at December 31, 2022, 2023 and 2024 and April 30, 2025, included in the Group's trade receivables balances are debtors with aggregate carrying amounts of US\$1,211,000, US\$85,000, US\$71,000 and US\$264,000, respectively, which are past due as at the reporting date, of which US\$897,000, US\$79,000, US\$53,000 and US\$Nil, respectively, had been past due more than 90 days while they are not considered as in default because these customers have good business relationships with the Group and satisfactory settlement history. The Group does not hold any collateral over these balances.

Details of impairment assessment of trade receivables as at December 31, 2022, 2023 and 2024 and April 30, 2025 are set out in note 33.

19. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group				Company			
	At December 31,			At April 30,	At December 31,			At April 30,
	2022	2023	2024	2025	2022	2023	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Due from Century BVI	1,694	—	—	—	—	—	—	—
Due from related companies	18,079	24,687	—	—	—	—	—	—
Other receivables and deposits	406	1,381	720	1,575	—	—	—	—
VAT recoverable	17,888	11,092	7,429	6,515	—	—	—	—
Prepayments	2,694	11,337	13,509	14,026	—	—	—	—
Deferred issue costs	—	—	439	1,234	—	—	439	1,234
Due from subsidiaries	—	—	—	—	—	—	39,311	51,416
	40,761	48,497	22,097	23,350	—	—	39,750	52,650
Less: Prepayments for purchases of machinery and equipment that classified as non-current assets	(253)	(1,694)	(4,774)	(5,436)	—	—	—	—
Current portion	40,508	46,803	17,323	17,914	—	—	39,750	52,650

The Group's due from Century BVI and related companies are further analysed as follow:

	Maximum amount outstanding during								
	At January 1,	At December 31,			At April 30,	the year ended December 31,			the four months ended April 30,
	2022	2022	2023	2024	2025	2022	2023	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Due from:									
Century BVI	—	1,694	—	—	—	1,694	1,694	—	—
Solipro Limited.	—	—	17,005	—	—	—	17,005	17,005	—
Guangzhou Sunda	—	—	—	—	—	—	91	143	—
Sunda Ghana Limited.	—	8,646	2,700	—	—	8,646	8,646	2,700	—
Keds Tanzania Company Limited.	—	26	32	—	—	26	32	32	—
Best Ceramics Uganda Limited.	—	1,327	199	—	—	1,327	1,327	199	—
Housemart Peru S.A.C.	—	644	934	—	—	644	1,871	2,371	—
Housemart Benin Limited	—	—	6	—	—	—	6	6	—
House Mart SARL	—	72	—	—	—	72	72	—	—
Sunsteel Côte d'Ivoire Investment Limited SARL	—	7,162	3,391	—	—	7,162	7,162	3,391	—
Century Industrial Fze	—	44	—	—	—	44	204	—	—
Sunda (K) Industrial Company Limited	—	15	—	—	—	15	15	—	—
Sunda (SN) Limited	—	27	96	—	—	27	96	96	—
Homepro (SN) Limited SUARL	—	—	1	—	—	—	1	21	—
Sunda (Ghana) Investment Company Limited	—	116	323	—	—	116	325	323	—
	—	<u>19,773</u>	<u>24,687</u>	—	—	—	—	—	—

Details of impairment assessment of the Group's amounts due from Century BVI and related companies, other receivables and deposits as at December 31, 2022, 2023 and 2024 and April 30, 2025 are set out in note 33.

The Group's amounts due from Century BVI and related companies, which are under common control by the Shareholders and are in the Remaining Sunda Group, are non trade-nature, unsecured, interest-free and repayable on demand. The Group's amounts due from Century BVI and related companies were fully settled in 2023 and 2024, respectively.

The Company's amounts due from subsidiaries as at December 31, 2024 and April 30, 2025 are non trade-nature, unsecured, interest-free and repayable on demand.

20. BANK DEPOSITS, BANK BALANCES AND CASH

As at December 31, 2022, 2023 and 2024 and April 30, 2025, bank balances of the Group and the Company carry interest at prevailing market rates.

As at December 31, 2022, 2023 and 2024, the Group and the Company did not have bank deposits. As at April 30, 2025, the Group and the Company had bank deposits with original maturity less than 3 months amounting to US\$27,754,000 and US\$16,110,000, respectively, which carried interest at fixed rates ranging from 2.2% to 4.3% per annum.

Details of impairment assessment of bank deposits and balances as at December 31, 2022, 2023 and 2024 and April 30, 2025 are set out in note 33.

21. TRADE PAYABLES

The credit period on trade payables to third parties is up to 90 days. The following is an ageing analysis of trade payables of the Group presented based on the invoice date at the end of each reporting period:

	At December 31,			At April 30,
	2022	2023	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000
Within 3 months	33,400	41,991	42,088	42,986
In 4-6 months	2,714	849	1,171	220
Over 6 months	4,760	948	3	81
	<u>40,874</u>	<u>43,788</u>	<u>43,262</u>	<u>43,287</u>

Included in trade payables as at December 31, 2022, 2023 and 2024 and April 30, 2025 are amounts due to related companies, which are under common control by the Shareholders and are in the Remaining Sunda Group, totalling to US\$10,246,000, US\$5,392,000, US\$3,431,000 and US\$1,790,000, respectively. These amounts due to related companies are trade-nature, unsecured and interest-free.

22. OTHER PAYABLES AND ACCRUALS

Group

	At December 31,			At April 30,
	2022	2023	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000
Other payables and accrued expenses	587	1,058	3,740	1,438
Staff costs payable	1,638	3,119	4,981	5,672
Other taxes payables	1,373	4,556	2,662	3,382
Accrued listing expenses and share issue costs	—	—	809	1,863
Payables for purchasing property, plant and equipment	—	—	—	1,809
Consideration payable for a freehold land due to a related company	—	1,240	—	—
	<u>3,598</u>	<u>9,973</u>	<u>12,192</u>	<u>14,164</u>

As at December 31, 2023, the amount due to the related company is under common control by the Shareholders and is in the Remaining Sunda Group, and is unsecured, interest-free and repayable on demand.

Company

The amounts due to subsidiaries are unsecured, interest-free and repayable on demand. These amounts were fully settled in the four months ended April 30, 2025.

23. CONTRACT LIABILITIES

	At December 31,			At April 30,
	2022	2023	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000
Related to:				
Sale of products	2,739	2,462	6,833	5,842
Rebates	1,496	2,135	2,914	2,119
	<u>4,235</u>	<u>4,597</u>	<u>9,747</u>	<u>7,961</u>

The above contract liabilities are expected to be settled in the next year from the end of the reporting period.

Included in contract liabilities arising from sales of products as at December 31, 2022, 2023 and 2024 and April 30, 2025 are amounts due to related companies, which are common control by the Shareholders and are in the Remaining Sunda Group, totalling to US\$912,000, US\$Nil, US\$Nil and US\$Nil, respectively.

During the years ended December 31, 2023 and 2024 and the four months ended April 30, 2025, the Group's revenue includes contract liability balance at the beginning of the year/period amounting to US\$4,235,000, US\$4,597,000 and US\$9,464,000, respectively.

24. LEASE LIABILITIES

	At December 31,			At April 30,
	2022	2023	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000
Non-current	560	283	936	1,471
Current	409	438	491	578
	<u>969</u>	<u>721</u>	<u>1,427</u>	<u>2,049</u>
Lease liabilities payable:				
Within one year	409	438	491	578
Within a period of more than one year but not exceeding two years	396	137	382	481
Within a period of more than two years but not exceeding five years	111	106	486	928
Within a period of more than five years	<u>53</u>	<u>40</u>	<u>68</u>	<u>62</u>
	<u>969</u>	<u>721</u>	<u>1,427</u>	<u>2,049</u>

The weighted average incremental borrowing rates applied to lease liabilities were 8.2%, 8.7%, 7.2%, 8.8% and 5.8% for the years ended December 31, 2022, 2023 and 2024 and four months ended April 30, 2024 (unaudited) and 2025, respectively.

25. BORROWINGS

	At December 31,			At April 30,
	2022	2023	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000
Bank borrowing, unsecured and unguaranteed (<i>Note (i)</i>)	398	—	—	—
Bank borrowing, secured and unguaranteed (<i>Note (i)</i>)	6,389	—	—	—
Bank borrowing, secured and guaranteed (<i>Note (ii)</i>)	—	2,817	—	—
	<u>6,787</u>	<u>2,817</u>	<u>—</u>	<u>—</u>
Advances from Century BVI, unsecured and unguaranteed (<i>Note (iii)</i>)	1,511	2,012	—	—
Advances from other related companies, unsecured and unguaranteed (<i>Note (iii)</i>)	151,256	83,356	—	—
Loans from Century BVI, unsecured and unguaranteed (<i>Note (iv)</i>)	—	7,662	—	—
Loans from other related companies, unsecured and unguaranteed (<i>Note (v)</i>)	9,657	—	—	—
Loan from Chaoyuet Holding, unsecured and unguaranteed (<i>Note (vii)</i>)	—	—	1,001	—
Other borrowing, unsecured and unguaranteed (<i>Note (vi)</i>)	<u>161</u>	<u>—</u>	<u>—</u>	<u>—</u>
	<u>162,585</u>	<u>93,030</u>	<u>1,001</u>	<u>—</u>
Total borrowings	<u>169,372</u>	<u>95,847</u>	<u>1,001</u>	<u>—</u>

Notes:

- (i) As at December 31, 2022, the bank borrowings included: (a) an unsecured and unguaranteed bank loan of US\$398,000, bore interest at fixed-rate of 8.8% per annum and was fully repaid in 2023; and (b) a secured and unguaranteed bank loan of US\$6,389,000, which was secured by floating charges of certain property, plant and equipment, inventories and trade receivables of the Group totalling to US\$7,935,000, bore interest at variable-rate of 7.5% per annum and was repayable from 2023 to 2027; and the bank loan was early and fully repaid in 2023.

- (ii) As at December 31, 2023, the secured and guaranteed bank borrowing was secured by certain properties held by a related company, which is owned by the Shareholders through the Remaining Sunda Group, and certain intra-group receivables amounting to US\$4,661,000 within the Group; and the repayment of the bank loan was also jointly guaranteed by certain related companies, which are owned by the Shareholders through the Remaining Sunda Group, and a subsidiary of the Company. The bank loan bore interest at fixed-rate of 3.9% per annum and was repaid in 2024.
- (iii) The advances from Century BVI and other related companies, which are owned by the Shareholders through the Remaining Sunda Group, were interest-free and repayable on demand. These advances were fully settled in 2024.
- (iv) The loans from Century BVI bore interest at fixed interest rates ranging from 6.7% to 8.0% per annum and were repayable from 2024 to 2027. The loans from Century BVI were early repaid in 2024.
- (v) The loans from other related companies, which are owned by the Shareholders through the Remaining Sunda Group, bore interest at fixed-rates ranging from 3.7% to 9.0% per annum and were repayable within one year from the end of the reporting period. These loans from related companies were fully repaid during 2023.
- (vi) The other borrowing bore interest at fixed-rate of 3% per annum and was repaid in 2023.
- (vii) The loan from Chaoyuet Holding was acquired arising from acquisition of Colline Limited (“Colline”) and its subsidiaries in December 2024, further details of which are set out in note 39. As at December 31, 2024, the loan was interest-free and repayable on demand. The loan was fully repaid in January 2025.

	At December 31,			At April 30,
	2022	2023	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000
The carrying amounts of the above borrowings are repayable:				
<u>Bank borrowings</u>				
Within one year	2,068	2,817	—	—
Within a period of more than one year but not exceeding two years	1,670	—	—	—
Within a period of more than two years but not exceeding five years	3,049	—	—	—
	<u>6,787</u>	<u>2,817</u>	<u>—</u>	<u>—</u>
<u>Loans/advances from Chaoyuet Holding, Century BVI, other related companies and other borrowing</u>				
Within one year or on demand	162,585	90,168	1,001	—
Within a period of more than one year but not exceeding two years	—	2,662	—	—
Within a period of more than two years but not exceeding five years	—	200	—	—
	<u>162,585</u>	<u>93,030</u>	<u>1,001</u>	<u>—</u>
Total borrowings	169,372	95,847	1,001	—
Less: Amounts due within one year or on demand shown under current liabilities	(164,653)	(92,985)	(1,001)	—
Amounts shown under non-current liabilities	<u>4,719</u>	<u>2,862</u>	<u>—</u>	<u>—</u>

26. OTHER FINANCIAL LIABILITY

The Group and the Company

	As at December 31,			As at April 30,
	2022	2023	2024	2025
Other financial liability	—	—	—	31,084

Pursuant to a subscription agreement, including other transaction documents, entered into amongst the Company, Sunda Enterprise and International Finance Corporation (the “Pre-IPO Investor”) on February 18, 2025, the Company issued 15,000,000 new ordinary shares of the Company with a par value of US\$0.0001 each (the “Pre-IPO Investor Shares”), together with a put option and certain special rights, to the Pre-IPO Investor at US\$2 per ordinary share for a total net cash proceed of US\$30,000,000. This transaction (the “Pre-IPO Investment”) was completed on February 20, 2025.

As part of the terms under the Pre-IPO Investment, the Pre-IPO Investor is granted the put option that imposed an obligation to the Company to purchase the Pre-IPO Investor Shares from the Pre-IPO Investor at a cash purchase amount equivalent to an annual internal rate of return on the amount the Pre-IPO Investor invested in the Pre-IPO Investment; giving rise to an “other financial liability” of the Company, even if such obligation is conditional on the Pre-IPO Investor exercising the put option if certain prescribed events occur, as further detailed below.

The other financial liability is initially recognized (correspondingly debited to “other reserve”) and is determined based on the present value of the cash purchase amount at an annual effective interest rate of 4.7%. The other financial liability is subsequently measured at amortized cost with accretion of interest thereon recognized over time and charged to profit or loss as “finance cost”. Upon the lapse/cancellation/termination of the put option and these special rights, the carrying amount of the other financial liability is derecognized and credited directly to the “other reserve” of the Company.

The movements of other financial liability for the Track Record Period are as follows:

	US\$'000
At January 1, 2022, December 31, 2022, 2023 and 2024	—
Recognition of other financial liability	30,763
Accretion of interest during the period	321
At April 30, 2025	31,084

In addition, the Pre-IPO Investor is also granted under the terms of the Pre-IPO Investment certain special rights including, amongst others, an event of default (“EoD”) exit right, down round protection and right to guarantee return, etc. These special rights and other principal details of the Pre-IPO Investment are set out below:

Put Option Agreement

Put option

On February 18, 2025, the Company, Sunda Enterprise and the Pre-IPO Investor entered into the “Put Option Agreement”, one of the transaction documents, pursuant to which the Pre-IPO Investor is granted a put option and an EoD exit right, both contingent upon specific conditions.

The put option is not effective and shall become effective only upon the earliest occurrence of: (i) the Company withdrawing its listing application filed with the Stock Exchange on January 27, 2025; (ii) the Stock Exchange rejecting or returning the said application; or (iii) the Company failing to complete the Listing by August 31, 2026.

Upon effective, the Pre-IPO Investor is entitled to require the Company or Sunda Enterprise to repurchase its Pre-IPO Investor Shares at a cash purchase amount equivalent to an annual internal rate of return on the amount it invested in the Pre-IPO Investment pursuant to the put option at any time during the period commencing September 1, 2026, and ending on the earlier of the completion of the Listing or the fifth anniversary of the Pre-IPO Investor's share subscription date. The Company applied an effective interest rate to derive the present value of a financial liability in respect of the obligation under the put option and the financial liability was subsequently measured at amortized cost.

EoD exit right

The EoD exit right is not effective and shall become effective upon the earliest occurrence of: (i) withdrawal of the January 27, 2025 listing application; (ii) rejection or return of that application by the Stock Exchange; or (iii) the lapse of six months from January 27, 2025 (the "Original EoD Exit Effective Date"); and only occurrence of an EoD exit trigger event (including material uncured breaches of the Investment Agreement (as defined below), specified breaches of representations/warranties, bankruptcy, asset seizure/condemnation, or change of control).

The EoD exit trigger period begins on the date on which the Pre-IPO Investor subscribes for the Pre-IPO Investor Shares and ends on earlier to occur of (a) the date on which the Pre-IPO Investor no longer owns any Pre-IPO Investor Shares; and (b) on the date that falls on the fifth anniversary of the Pre-IPO Investor's share subscription date. If the Company files a new listing application after the Original EoD Exit Effective Date and before any EoD exit trigger event occurs, the EoD exit right is automatically terminated upon filing but reinstates immediately if that subsequent application is withdrawn, rejected, returned, or lapses. Furthermore, should an EoD exit trigger event occur after the Original EoD Exit Effective Date, the Company is restricted from filing any new listing application until three months after the EoD exit right is restored or becomes effective.

Upon effective, the Pre-IPO Investor is entitled to require the Company or Sunda Enterprise to repurchase its Pre-IPO Investor Shares at a cash purchase amount equivalent to an annual internal rate of return on the amount it invested in the Pre-IPO Investment pursuant to the EoD exit right at any time during the EoD exit trigger period. The directors of the Company considered that the EoD exit trigger events are unlikely to occur and a financial liability in respect of the obligation under the EoD exit right is immaterial, if any.

Deed of Fixed Returns

On February 18, 2025, Sunda Enterprise and the Pre-IPO Investor entered into the "Deed of Fixed Returns", one of the transaction documents, pursuant of which, in the event the Listing occurring during the period between the date on which the Pre-IPO Investor subscribes to the Pre-IPO Investor Shares under the Pre-IPO Investment and August 31, 2026 (both dates inclusive), the Pre-IPO Investor shall be entitled to a guaranteed fixed rate of return (the "Guaranteed Return"). The amount of the Guaranteed Return to be realized by the Pre-IPO Investor in the event that the Pre-IPO Investor sells the Pre-IPO Investor Shares within 180 days from the day of the Listing shall be equal to (as the case may be):

- (a) If the Listing is completed on or prior to December 31, 2025:

US\$30,000,000/the total number of the Pre-IPO Investor Shares x the number of The Pre-IPO Investor Shares to be sold by the Pre-IPO Investor

- (b) If the Listing is completed on or after January 1, 2026:

US\$33,000,000/the total number of the Pre-IPO Investor Shares x the number of The Pre-IPO Investor Shares to be sold by the Pre-IPO Investor

Sunda Enterprise will compensate the Pre-IPO Investor the shortfall if the aggregate amount realized by the Pre-IPO Investor from the sale of the Pre-IPO Investor Shares is less than the amount of the Guaranteed Return.

Since the right to the Guaranteed Return is a private arrangement between Sunda Enterprise and the Pre-IPO Investor, the Company is not liable and has no obligation for compensating the Pre-IPO Investor under such arrangement and no financial liability is recognized.

Investment Agreement

As part of the terms under the Pre-IPO Investment, on February 18, 2025, the Company, Sunda Enterprise, Century BVI and the Pre-IPO Investor entered into the “Investment Agreement”, one of the transaction documents, pursuant to which the Pre-IPO Investor was granted certain other special rights in relation to the Company, including, among others, the right to appoint and remove one director to the Company’s board of directors starting January 1, 2026; approval rights over certain major corporate actions; access to company information; preemptive rights to maintain their ownership percentage; tag-along rights to sell shares alongside major shareholders; the right to demand the Company complete a listing of its ordinary shares on any securities exchange by December 31, 2027, if one has not occurred; and a right of first refusal on major share sales. The Pre-IPO Investor also received full ratchet anti-dilution right entitling it to additional free ordinary shares of the Company if future ordinary shares of the Company are issued below its price in the Pre-IPO Investment, except for, inter alia, the Pre-IPO Share Options (as defined and detailed in note 29), share split or stock dividend (“down round protection”); the right to receive free ordinary shares of the Company if final audited financial results deviated negatively by 10% or more from specific historical figures provided to the Pre-IPO Investor; and the right to financial compensation if final audited annual results deviated negatively by 5% or more from draft figures provided for the same year. Subject to regulatory approvals and the Stock Exchange waivers, the Pre-IPO Investor also has the right to participate in the Company’s international offering of ordinary shares of the Company. Crucially, all these special rights terminate immediately upon the earlier of: (a) the Listing (if the Pre-IPO Investor does not participate in the international offering), or (b) the submission of a waiver application to the Stock Exchange concerning the Pre-IPO Investor’s participation (if the Pre-IPO Investor does participate in the international offering). The directors of the Company considered that the fair value of the down round protection and other special rights under the Investment Agreement was immaterial and therefore no derivative liability was recognized by the Company.

Policy Agreement

On February 18, 2025, the Company and the Pre-IPO Investor entered into the “Policy Agreement”, one of the transaction documents, pursuant to which the Group agreed to adopt certain corporate governance and reporting measures. Under the Policy Agreement, the Pre-IPO Investor will not have any special right after the Listing but the Company will have contractual obligations to comply with the requirements of the Policy Agreement including the above requirements. No financial instrument was recognized by the Company.

27. DEFERRED TAXATION

	At December 31,			At April 30,
	2022	2023	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000
Deferred tax assets	7,414	8,820	7,491	8,910
Deferred tax liabilities	(1,378)	(728)	(2,863)	(3,129)
	<u>6,036</u>	<u>8,092</u>	<u>4,628</u>	<u>5,781</u>

The following is the deferred tax assets (liabilities) recognized and movements thereon during the Track Record Period.

	Property, plant and equipment	Unrealized profits in inventories	Others	Total
	US\$'000	US\$'000	US\$'000	US\$'000
At January 1, 2022	2,492	—	(737)	1,755
(Charge) credit to profit or loss for the year (Note 9)	(167)	3,543	912	4,288
Exchange realignment	56	—	(63)	(7)
At December 31, 2022	2,381	3,543	112	6,036
(Charge) credit to profit or loss for the year (Note 9)	(1,480)	2,125	1,572	2,217
Exchange realignment	111	—	(272)	(161)
At December 31, 2023	1,012	5,668	1,412	8,092
Charge to profit or loss for the year (Note 9)	(1,438)	(1,174)	(772)	(3,384)
Exchange realignment	(95)	—	15	(80)
At December 31, 2024	(521)	4,494	655	4,628
(Charge) credit to profit or loss for the period (Note 9)	(912)	1,800	193	1,081
Exchange realignment	12	—	60	72
At April 30, 2025	(1,421)	6,294	908	5,781

Under the income tax laws and regulations prevailing in the countries that the Group operates, withholding tax are imposed on dividends declared in respect of profits earned by certain subsidiaries. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of these subsidiaries amounting to US\$20,994,000, US\$53,087,000, US\$106,734,000 and US\$122,344,000 as at December 31, 2022, 2023 and 2024 and April 30, 2025, respectively, as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

28. CAPITAL

Group

The capital of the Group as at January 1, 2022, December 31, 2022, 2023 (represented the combined capital of the following companies) and 2024 and April 30, 2025 and their movements are as follows:

US\$'000

At January 1, 2022

Softcare Zambia (Note)	97
	<u>97</u>
Issue of shares/paid-up registered capital during the year ended December 31, 2022	
The Company	50
Softcare BVI Holdco (Note)	—*
Softcare Ghana (Note)	999
Softcare Impex Uganda (Note)	—*
Softcare Benin (Note)	564
Softcare Kenya (Note)	870
Guangzhou Sengong (Note)	158
Kewor (Note)	13
Softcare Tanzania (Note)	998
Softcare Senegal (Note)	2
	<u>3,654</u>

At December 31, 2022

Issue of shares during the year ended December 31, 2023	
Softcare (U) Uganda (Note)	100
At December 31, 2023	<u>3,851</u>
Eliminated of capital pursuant to the Group Reorganization (Note)	<u>(3,801)</u>

At December 31, 2024

Cancellation of ordinary shares of the Company (Note (b)(ii) below)	(17)
Issue of new ordinary shares of the Company (Note (b)(iv) below)	17
Issue of new ordinary shares of the Company, together with put option and certain special rights (Note (c) below)	2

At April 30, 2025	<u>52</u>
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* less than US\$1,000.

Note: These subsidiaries were indirectly acquired by the Company at a total cash consideration of US\$6,246,000 and became subsidiaries of the Company during the year ended December 31, 2024 pursuant to the Group Reorganization, details of which are set out in note 2. Their capitals were, therefore, eliminated on consolidation.

Company

During the Track Record Period, the movements of the Company's share capital are as follows:

	Number of ordinary shares	Par value	Share capital
	'000	US\$	US\$'000
Authorized:			
At February 17, 2022 (incorporation),			
December 31, 2022, 2023, 2024 (<i>Note (a)</i>)	50	1.0000	50
Subdivision of ordinary shares			
(<i>Note (b)(i)</i>)	499,950	0.0001	—
Increase of authorized ordinary share capital			
(<i>Note (b)(iii)</i>)	500,000	0.0001	50
At April 30, 2025	1,000,000	0.0001	100
Issued and paid-up:			
At February 17, 2022 (incorporation),			
December 31, 2022, 2023, 2024 (<i>Note (a)</i>)	50	1.000	50
Subdivision of ordinary shares (<i>Note (b)(i)</i>)	499,950	0.0001	—
Cancellation of ordinary shares (<i>Note (b)(ii)</i>)	(168,261)	0.0001	(17)
Issue of new ordinary shares (<i>Note (b)(iv)</i>)	168,261	0.0001	17
Issue of new ordinary shares, together with put option and certain special rights			
(<i>Note (c)</i>)	15,000	0.0001	2
At April 30, 2025	515,000	0.0001	52

Notes:

- (a) On February 17, 2022, the Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act (As Revised) Chapter 22 of the Cayman Islands.

As of the date of incorporation of the Company, its authorized ordinary share capital was US\$50,000 divided into 50,000 ordinary shares of US\$1.00 each. Upon its incorporation, one ordinary share was allotted and issued to an initial subscriber at par, and such ordinary share was transferred to Century BVI at par on the same day. On the same day, the Company further allotted and issued 49,999 ordinary shares, credited as fully-paid at par, to Century BVI.

As at December 31, 2022, 2023 and 2024, the share capital of the Company is US\$50,000.

- (b) Pursuant to the then sole shareholder's written resolutions of the Company passed on January 15, 2025:
- each of the Company's issued and unissued ordinary shares of US\$1.00 each was subdivided into 10,000 ordinary shares of US\$0.0001 each, such that following the subdivision ("Subdivision of Shares"), (1) the authorized share capital of the Company was changed from US\$50,000 divided into 50,000 ordinary shares of a par value of US\$1.00 each to US\$50,000 divided into 500,000,000 ordinary shares of a par value of US\$0.0001 each; and (2) the issued ordinary share capital of the Company was changed to US\$50,000 divided into 500,000,000 Shares of a par value of US\$0.0001 each;
 - a total of 168,260,500 ordinary shares of US\$0.0001 each were surrendered by Century BVI at nil consideration, which were immediately canceled by the Company (the "Surrender of Shares") and a total amount of US\$17,000 was credited to share premium of the Company;
 - the authorized ordinary share capital of the Company was increased from US\$50,000 divided into 500,000,000 ordinary shares of a par value of US\$0.0001 each to US\$100,000 divided into 1,000,000,000 ordinary shares of a par value of US\$0.0001 each;

- (iv) a total of 168,260,500 ordinary shares were allotted and issued to the delegates of certain existing and former employees and senior management of the Group (the “Shares Allotment”) at par, credited as fully paid.
- (c) On February 20, 2025, the Company issued 15,000,000 new ordinary shares of the Company, together with put option and certain special rights, to the Pre-IPO Investor for a total cash consideration of US\$30,000,000, the excess of the cash consideration received for the issuance of the new ordinary shares over their par value amounting to US\$29,998,000 is credited to share premium of the Company.

29. PRE-IPO SHARE OPTION SCHEME

Pursuant to written resolutions passed on January 15, 2025, the Company adopted a Pre-IPO Share Option Scheme (the “Pre-IPO Share Option Scheme”). The Pre-IPO Share Option Scheme is valid and effective for a period of 10 years from the Listing date, subject to earlier termination by the Company in general meeting or by the board of directors. The purpose of the Pre-IPO Share Option Scheme is to provide an incentive or reward for the grantees for their contribution or potential contribution to the Group.

Under the Pre-IPO Share Option Scheme, the board of directors of the Company may, at its discretion, grant options to subscribe for ordinary shares of the Company to any director and employee of the Group (including persons who are granted options under the Pre-IPO Share Option Scheme as an inducement to enter into employment contracts with the Group) to subscribe for such number of new ordinary shares of the Company as the board of directors of the Company or its duly authorized committee may determine at an exercise price determined in accordance with below.

The maximum number of ordinary shares in respect of which options may be granted under the Pre-IPO Share Option Scheme shall be up to 0.55% of the total number of ordinary shares of the Company in issue immediately upon completion of the initial public offering of the Company, but excluding any ordinary shares which may be issued upon the exercise of the options granted under the Pre-IPO Share Option Scheme, or to be granted under the Post-IPO Share Option Scheme, other share schemes as defined in the rules of the Pre-IPO Share Option Scheme and ordinary shares of the Company that may fall to be issued upon the exercise of the over-allotment option.

In recognition of the contributions made by the employees of the Group towards its growth and success, on February 28, 2025 (the “Offer Date”), a total of 19 eligible participants were offered options to subscribe for an aggregate of 2,218,200 new ordinary shares of the Company, at an exercise price of HK\$2.26 per ordinary share of the Company as decided by the Company’s board of directors on the Offer Date.

Each of the grantees to whom an option has been granted under the Pre-IPO Share Option Scheme shall be entitled to exercise his/her option in the manner as specified in the offer letter in respect of the grant of options (the “Offer Letter”). Depending on the ranking and duration of services of the eligible participants with the Group, there are three vesting options in which the granted options shall vest with the grantee:

Vesting option 1

- Up to 33% of the ordinary shares that are subject to the granted options (rounded down to the nearest whole number) shall be vested on the day falling on the 1st anniversary of the date of the Offer Letter;
- Up to 33% of the ordinary shares that are subject to the granted options (rounded down to the nearest whole number) shall be vested on the day falling on the 2nd anniversary of the date of the Offer Letter; and
- Up to 34% of the ordinary shares that are subject to the granted options (rounded down to the nearest whole number) shall be vested on the day falling on the 3rd anniversary of the date of the Offer Letter.

Vesting option 2

- Up to 50% of the ordinary shares that are subject to the granted options (rounded down to the nearest whole number) shall be vested on the day falling on the 1st anniversary of the date of the Offer Letter; and
- Up to 50% of the ordinary shares that are subject to the granted options (rounded down to the nearest whole number) shall be vested on the day falling on the 2nd anniversary of the date of the Offer Letter.

Vesting option 3

- Up to 100% of the ordinary shares that are subject to the granted options (rounded down to the nearest whole number) shall be vested on the day falling on the 1st anniversary of the date of the Offer Letter.

Additional vesting conditions include (i) the Company's ordinary shares remain listed on the Stock Exchange on the relevant vesting date; and (ii) the vesting percentage of the granted options shall be further adjusted based on the annual performance appraisal targets achieved by the grantee as determined in the sole and absolute discretion by the board of directors of the Company or its duly authorized committee from time to time. All granted options that are not vested during the periods as specified in above due to the failure to achieve the annual performance appraisal targets by the grantee shall be automatically forfeited.

The exercise price of an ordinary share of the Company in respect of each option offered to an eligible participant shall, subject to any adjustments made in the event of any alteration in the capital structure of the Company whilst any option may become or remains exercisable on the basis that a grantee shall have the same proportion of the equity capital of the Company he/she entitled to at the date of grant after the alternation of capital, be determined by the board of directors of the Company or its duly authorized committee in its sole and absolute discretion but in any event, must be at least the higher of: (i) the closing price of the ordinary shares of the Company as stated in the Stock Exchange's daily quotations sheets on the date of the offer of the share options, which must be a business day; (ii) the average closing price of the ordinary shares of the Company as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of the ordinary shares of the Company.

The 2,218,200 options granted under the Pre-IPO Share Option Scheme on February 28, 2025 have fair value of approximately US\$2.4 million and did not lapse, cancel or expire and remained outstanding and unexercisable as at April 30, 2025. During the four months ended April 30, 2025, the Group and the Company recognized share-based payments expense of US\$481,000.

Subsequent to the end of the Track Record Period, on June 17, 2025, 121,500 options were further offered to an employee under the Pre-IPO Share Option Scheme with vesting option 1 to subscribe for 121,500 new ordinary shares of the Company at an exercise price of HK\$2.26 per ordinary share of the Company.

30. RETIREMENT BENEFITS SCHEMES

The Group participates in defined contribution retirement schemes organized by the relevant local government authorities in countries where the Group operates. Employees of the Group eligible for participating in the retirement schemes are entitled to retirement benefits from the schemes. The Group is required to make contributions to the retirement schemes up to the time of retirement of the eligible employees, excluding those employees who resign before their retirement, at a percentage that is specified by the local government authorities. The contributions paid and payable to the schemes by the Group are disclosed in note 10.

31. RELATED PARTY TRANSACTIONS

- (a) Save as disclosed in notes 2, 8, 11, 13, 18, 19, 21, 22, 23, 25, 26, 28, 29 and 39 to the consolidated financial statements, the Group had the following material related party transactions during the Track Record Period:

		Year ended December 31,			Four months ended April 30,	
	Notes	2022	2023	2024	2024	2025
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
					(unaudited)	
<u>The Remaining Sunda Group</u>						
Interest expense	(i)	6,770	222	307	167	—
Short-term leases	(ii)	2,271	2,631	3,158	1,206	889
Royalty fees for trademarks use . . .	(ii)	8,975	10,637	—	—	—
Purchases of materials, spare parts and equipment	(ii)	3,474	1,957	1,118	361	112
Purchases of agency and other services	(ii)	520	526	1,404	218	430
Purchases of water and utilities . . .	(ii)	445	372	430	155	122
Integrated support services fees in respect of logistics, warehousing and handling services and labour support services	(ii)	7,542	8,302	9,792	2,928	3,426
Information technology services fee	(ii)	1,392	2,466	2,449	848	729
Purchases of leasehold and freehold lands and properties	(ii)	—	1,227	6,491	—	—
Purchases of trademarks	(ii)	—	—	175	—	—
Sales of materials, spare parts, products and equipment.	(ii)	(4,098)	(656)	(44)	(5)	(10)
Royalty income for trademarks use	(ii)	—	—	(3)	—	(1)

Notes:

- (i) Include in the interest expense was an amount of US\$6,214,000 for the year ended December 31, 2022, which arose from a loan of approximately GHS332,224,000 (equivalent to US\$51,588,000) from the predecessor company in Ghana bearing interest at 20% per annum that was advanced to the Group and was fully repaid in 2022. The other interest expense for the years ended December 31, 2022, 2023 and 2024 arose from interest-bearing loans from related companies, details of which are set out in note 25.
- (ii) These transactions were conducted in accordance with terms of agreements with the related companies.

(b) Compensation of key management personnel

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

	Year ended December 31,			Four months ended April 30,	
	2022	2023	2024	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000 (unaudited)	US\$'000
Short-term benefits	272	602	1,055	244	680
Post-employment benefits	14	15	21	7	18
Share-based payments (Note 29)	—	—	—	—	304
	<u>286</u>	<u>617</u>	<u>1,076</u>	<u>251</u>	<u>1,002</u>

32. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to owners of the Company through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged from the Track Record Period.

The capital structure of the Group consists of net debts, which includes lease liabilities (note 24), borrowings (note 25) and other financial liability (note 26) net of bank deposits, bank balances and cash (note 20) and equity attributable to owners of the Group, comprising capital and reserves. The Group is not subject to any externally imposed capital requirement.

Management of the Group reviews the capital structure on a regular basis and considers the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through new share issues and raise of new borrowings.

33. FINANCIAL INSTRUMENTS

Categories of financial instruments

	Group				Company			
	At December 31,			At April 30,	At December 31,			At April 30,
	2022	2023	2024	2025	2022	2023	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Financial assets								
At amortized cost	48,536	60,593	37,199	93,378	—	—	39,436	68,032
Financial liabilities								
At amortized cost	210,718	141,634	79,869	111,677	1	4	35,047	66,084

Financial risk management objectives and policies

The Group's financial instruments include trade and other receivables, due from related companies, deposits, bank deposits, bank balances and cash, trade, other and dividends payables, lease liabilities, borrowings and other financial liability. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Currency risk

Group

Several subsidiaries of the Company have foreign currencies (other than their functional currencies) sales and purchases. The carrying amounts of major foreign currency denominated monetary assets and liabilities (including trade and other receivables, amounts due from/to intra-group companies, deposits, bank deposits, bank balances and cash, trade and other payables and borrowings) which expose the Group to foreign currency risk at the end of the reporting period are as follows:

	Assets				Liabilities			
	At December 31,			At	At December 31,			At
	2022	2023	2024	April 30,	2022	2023	2024	April 30,
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Foreign currencies								
<i>Intra-group balances</i>								
US\$	23,791	12,621	13,524	8,234	(59,860)	(69,481)	(61,162)	(57,717)
EURO ("EUR").	24,161	26,163	36,391	41,529	(25,466)	(26,470)	(36,315)	(41,278)
RMB	—	—	12,126	12,017	(8,274)	(17,716)	(28,286)	(21,289)
GHS	—	—	—	—	(4,824)	—	—	—
<i>Other monetary items</i>								
US\$	3,398	4,971	3,391	7,220	(39,302)	(6,222)	(3,116)	(2,305)
EUR	17,882	23,438	2,325	21,525	(7,449)	(19,566)	(1,354)	(745)
RMB	—	—	402	1,640	(9,347)	(8,445)	(342)	(248)
GHS	1,082	2,242	1,317	3,136	(37,388)	(11,531)	(2,932)	(8,397)

Sensitivity analysis

The following table details the Group's sensitivity to a 15% increase and decrease in the functional currencies against respective foreign currencies. 15% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 15% change in foreign currency rates. A negative or positive number below indicates a decrease or increase, respectively, in post-tax profit where the foreign currencies strengthened against the functional currencies. For a 15% weakening of foreign currencies, there would be an equal and opposite impact on the result for the year/period.

	Year ended December 31,			Four months ended April 30,
	2022	2023	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000
Impact of foreign currencies				
US\$	(8,097)	(6,537)	(5,328)	(5,014)
EUR	1,027	401	118	2,366
RMB	(1,982)	(2,943)	(1,811)	(887)
GHS	(4,627)	(1,045)	(182)	(592)

In the opinion of the directors of the Company, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the Track Record Period.

Company

The Company's assets and liabilities are denominated in US\$, its functional currency, and this does not expose the Company to foreign currency risk at the end of each reporting period. Therefore, no further analysis is presented.

Interest rate risk

Group

The Group's interest rate risk arises primarily from interest-bearing financial instruments. These financial instruments issued at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The Group does not have any specific interest rate hedging policy except that the Group would regularly review the market interest rates to capture the potential opportunities to reduce the cost of borrowings.

(i) Fair value interest rate risk

The Group's fair value interest rate risk relates primarily to fixed-rate bank deposits (note 20), lease liabilities (note 24), borrowings (note 25) and other financial liability (note 26).

(ii) Cash flow interest rate risk

The Group's cash flow interest rate risk relates primarily to its variable-rate borrowings (note 25).

Sensitivity analysis of interest rate risk is not presented because the profit or loss impact thereof on the Group's financial performance, if any, is not significant.

Company

The Company is subject to interest rate risk relating to its bank deposits and bank balances (note 20) and other financial liability (note 26). Further analysis is not presented because the profit or loss impact thereof on the Company's financial performance, if any, is not significant.

Credit risk and impairment assessment

Group and Company

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations in relation to each class of recognized financial assets is the carrying amount of those assets as stated in the consolidated statements of financial position. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

For individual assessment of ECL of the Group's financial assets, the Group's internal credit risk grading assessment comprises the following categories:

<u>Internal credit rating</u>	<u>Description</u>	<u>Trade receivables</u>	<u>Other financial assets</u>
Low risk 	The counterparty has a low risk of default and does not have any past-due amounts.	Lifetime ECL – not credit-impaired	12-month ECL
Watch list 	Debtor frequently repays after due dates but usually settle in full.	Lifetime ECL – not credit-impaired	12-month ECL
Doubtful 	There have been significant increases in credit risk since initial recognition through information developed internally or external resources.	Lifetime ECL – not credit-impaired	Lifetime ECL – not credit-impaired
Loss 	There is evidence indicating the asset is credit-impaired.	Lifetime ECL – credit-impaired	Lifetime ECL – credit-impaired
Write-off 	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off	Amount is written off

The table below details the credit risk exposures of the Group's and the Company's financial assets as at December 31, 2022, 2023 and 2024 and April 30, 2025, which are subject to ECL assessment:

Notes	External credit rating	Internal credit rating	12m or lifetime ECL	Group Gross carrying amount				Company Gross carrying amount				
				At December 31,			At April 30,	At December 31,			At April 30,	
				2022	2023	2024	2025	2022	2023	2024	2025	
				US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	
Financial assets at amortized cost												
Trade receivables – third parties	18	N/A	N/A	Lifetime ECL (not credit-impaired and assessed using provision matrix)	6,765	4,173	5,646	7,556	-	-	-	-
Trade receivables – related companies	18	N/A	Low Risk	Lifetime ECL (not credit-impaired and assessed individually)	73	121	-	-	-	-	-	-
Other receivables and deposits	19	N/A	Low Risk	12m ECL (not credit-impaired and assessed individually)	406	1,381	720	1,575	-	-	-	-
Due from related companies/ subsidiaries	19	N/A	Low Risk	12m ECL (not credit-impaired and assessed individually)	19,773	24,687	-	-	-	-	39,311	51,416
Bank deposits and bank balances	20	Aaa-Caa1	N/A	12m ECL (not credit-impaired and assessed individually)	14,861	25,749	24,272	78,784	-	-	125	16,616
		Non-rated	Low Risk	12m ECL (not credit-impaired and assessed individually)	6,352	4,396	6,789	5,681	-	-	-	-
					48,230	60,507	37,427	93,596	-	-	39,436	68,032

Trade receivables arising from contracts with customers

Before accepting any new customer, the Group assesses the potential customer's credit quality by internal credit rating and defines credit limits by customer. Credit limits attributed to customers are reviewed regularly. Other monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

The management of the Group has applied simplified approach to determine allowance for credit losses on not credit-impaired trade receivables due from third-party customers based on aged analysis of debtors whereas trade receivables due from related companies are assessed individually with reference to historical observed default rates and forward-looking information, which are reassessed/considered at every reporting date. In this regard, the management considers that the Group's credit risk is significantly reduced.

As part of the Group's credit risk management, the Group uses debtors' ageing to assess the impairment for its third-party customers because these customers consist of a large number of small customers with common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. The following table provides information about the exposure to credit risk for the Group's trade receivables due from third-party customers which are assessed on a collective basis by using provision matrix within lifetime ECL (not credit-impaired).

	At December 31, 2022		At December 31, 2023		At December 31, 2024		At April 30, 2025	
	Average loss rate	Trade receivables	Average loss rate	Trade receivables	Average loss rate	Trade receivables	Average loss rate	Trade receivables
		US\$'000		US\$'000		US\$'000		US\$'000
Gross carrying amount								
Within 1 month	1-2%	5,026	0.5-1%	3,267	0.3-1%	4,781	0.3-1%	6,404
In 2-3 months	4-10%	464	2-19%	736	1-25%	636	1-25%	649
In 4-6 months	10-15%	291	34-49%	12	31-35%	58	31-47%	503
In 7-12 months	15-20%	984	49-51%	158	35-40%	171	-	-
		6,765		4,173		5,646		7,556

As at December 31, 2022, 2023 and 2024 and April 30, 2025, allowance of credit losses of US\$206,000, US\$208,000, US\$279,000 and US\$279,000 were made for trade receivables due from third-party customers of the Group, respectively.

As at December 31, 2022, 2023 and 2024 and April 30, 2025, the Group had trade receivables due from related companies with gross carrying amounts of US\$73,000, US\$121,000, US\$Nil and US\$Nil, respectively, that their ECL were assessed individually.

The management of the Company considers that the credit risk on trade receivables due from related companies is limited because the creditability of these related companies remains high and their financial information is available that management of the Group can closely monitor their repayments.

Other receivables (including amounts due from related companies/subsidiaries) and deposits

The Group had concentration of credit risk in amounts due from related companies (whose creditability remain high) amounting to US\$19,773,000, US\$24,687,000, US\$Nil and US\$Nil as at December 31, 2022, 2023 and 2024 and April 30, 2025, respectively. The amounts due from the related companies were fully settled in 2023 and 2024.

The Company had concentration of credit risk in amounts due from subsidiaries (which have strong financial position) amounting to US\$Nil, US\$Nil, US\$39,311,000 and US\$51,417,000 as at December 31, 2022, 2023 and 2024 and April 30, 2025, respectively.

Management of the Group closely monitors the outstanding amounts of other receivables (including the amounts due from related companies/subsidiaries) and deposits and identifies any credit risk in a timely manner in order to reduce the risk of a credit related loss. In addition, financial information of the related companies/subsidiaries is available that management of the Group can closely monitor its repayments. In this regard, management of the Group considers the Group's and the Company's credit risk is significantly reduced. No allowance of credit losses was made as ECL, if any, would not be significant.

Bank deposits and bank balances

The credit risk of bank deposits and bank balances of the Group and the Company at December 31, 2022, 2023 and 2024 and April 30, 2025 were considered as not material because such amounts were placed in banks with good external and/or internal credit ratings. The Group assessed 12m ECL on these balances and concluded that the ECL would be insignificant and, therefore, no impairment loss was recognized.

The following table shows the movement in lifetime ECL that has been recognized for the Group's trade receivables due from third-party customers (not credit-impaired) under the simplified approach:

	2022	2023	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000
At beginning of year/period,	—	206	208	279
Impairment losses under expected credit loss model, net of reversal	206	2	71	—
At end of year/period,	<u>206</u>	<u>208</u>	<u>279</u>	<u>279</u>

Liquidity risk

Group and Company

In management of the liquidity risk, the Group's management prepares forecast for future cash requirements that takes into account of the cash flows from operations, bank facilities and borrowings available, the liquidity risk tables below and future capital commitments aiming at keeping the Group's operation with sufficient cash to meet the liabilities due at any time. Based on such forecast, should the Group require additional cash to fund its operation/expansion projects, the Group's management decides to obtain additional borrowings or additional capital. Details of lease liabilities, borrowings, other financial liability and capital of the Group during the Track Record Period have been set out in notes 24, 25, 26 and 28, respectively.

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities and lease liabilities based on the earliest date on which the Group can be required to pay.

The table includes both interest and principal cash flows. To the extent that interest flows are variable rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

	Effective interest rate <i>per annum %</i>	On demand or within 1 year <i>US\$'000</i>	1-2 years <i>US\$'000</i>	2-5 years <i>US\$'000</i>	Over 5 years <i>US\$'000</i>	Total undiscounted cash flow <i>US\$'000</i>	Total carrying amounts <i>US\$'000</i>
As at December 31, 2022							
Trade payables	N/A	40,874	—	—	—	40,874	40,874
Other payables	N/A	472	—	—	—	472	472
Borrowings							
– Interest-free	0.0	152,767	—	—	—	152,767	152,767
– Fixed-rate	4.0	10,364	—	—	—	10,364	10,216
– Variable-rate	7.5	2,145	2,022	3,720	—	7,887	6,389
Lease liabilities	8.2	451	416	125	493	1,485	969
		<u>207,073</u>	<u>2,438</u>	<u>3,845</u>	<u>493</u>	<u>213,849</u>	<u>211,687</u>
As at December 31, 2023							
Trade payables	N/A	43,788	—	—	—	43,788	43,788
Other payables	N/A	1,999	—	—	—	1,999	1,999
Borrowings							
– Interest-free	0.0	85,368	—	—	—	85,368	85,368
– Fixed-rate	6.3	8,174	2,855	201	—	11,230	10,479
Lease liabilities	8.7	466	152	128	342	1,088	721
		<u>139,795</u>	<u>3,007</u>	<u>329</u>	<u>342</u>	<u>143,473</u>	<u>142,355</u>
As at December 31, 2024							
Trade payables	N/A	43,262	—	—	—	43,262	43,262
Other payables	N/A	606	—	—	—	606	606
Dividends payable	N/A	35,000	—	—	—	35,000	35,000
Borrowings							
– Interest-free	0.0	1,001	—	—	—	1,001	1,001
Lease liabilities	7.2	573	446	561	303	1,883	1,427
		<u>80,442</u>	<u>446</u>	<u>561</u>	<u>303</u>	<u>81,752</u>	<u>81,296</u>
As at April 30, 2025							
Trade payables	N/A	43,287	—	—	—	43,287	43,287
Other payables	N/A	2,306	—	—	—	2,306	2,306
Dividends payable	N/A	35,000	—	—	—	35,000	35,000
Other financial liability	4.7	31,084	—	—	—	31,084	31,084
Lease liabilities	5.8	678	553	1,015	295	2,541	2,049
		<u>112,355</u>	<u>553</u>	<u>1,015</u>	<u>295</u>	<u>114,218</u>	<u>113,726</u>

The Company's financial liabilities are repayable on demand or within 1 year.

The Group and the Company's other financial liability amounted to US\$31,084,000 is included in the "on demand or within 1 year" time band in the above maturity analysis as at April 30, 2025 because that is the earliest time repayment may be demanded by the counterparty dependent upon the occurrence of certain contingent events under the put option agreement as detailed in note 26. At April 30, 2025, the liability was classified as a non-current liability in the consolidated statement of financial position and statement of financial position of the Company because none of the contingent events have occurred as at the reporting date.

Fair value of financial instruments

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortized cost in the consolidated financial statements approximate to their fair values.

34. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

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

	Dividends payable	Accrued share issue costs	Lease liabilities	Borrowings	Other financial liability	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
At January 1, 2022	—	—	1,056	51,902	—	52,958
Financing cash flows	—	—	(373)	110,742	—	110,369
New leases entered	—	—	249	—	—	249
Interest expense recognized	—	—	87	6,895	—	6,982
Exchange realignment	—	—	(50)	(167)	—	(217)
At December 31, 2022	—	—	969	169,372	—	170,341
Financing cash flows	—	—	(474)	(75,227)	—	(75,701)
New leases entered	—	—	206	—	—	206
Interest expense recognized	—	—	64	1,324	—	1,388
Exchange realignment	—	—	(44)	378	—	334
At December 31, 2023	—	—	721	95,847	—	96,568
Financing cash flows	(353)	(439)	(611)	(95,335)	—	(96,738)
New leases entered	—	—	1,225	—	—	1,225
Interest expense recognized	—	—	71	393	—	464
Acquisition of subsidiaries (Note 39)	—	—	—	1,001	—	1,001
Dividends declared	35,353	—	—	—	—	35,353
Issue costs accrued	—	439	—	—	—	439
Exchange realignment	—	—	21	(905)	—	(884)
At December 31, 2024	35,000	—	1,427	1,001	—	37,428
Financing cash flows	—	(155)	(257)	(1,088)	—	(1,500)
New leases entered	—	—	852	—	—	852
Interest expense recognized	—	—	35	87	321	443
Recognition of other financial liability	—	—	—	—	30,763	30,763
Issue costs accrued	—	795	—	—	—	795
Exchange realignment	—	—	(8)	—	—	(8)
At April 30, 2025	35,000	640	2,049	—	31,084	68,773
At January 1, 2024	—	—	721	95,847	—	96,568
Financing cash flows (unaudited)	(353)	(177)	(171)	(12,395)	—	(13,096)
New leases entered (unaudited)	—	—	4	—	—	4
Interest expense recognized (unaudited)	—	—	17	253	—	270
Dividend declared (unaudited)	353	—	—	—	—	353
Issue costs accrued	—	177	—	—	—	177
Exchange realignment (unaudited)	—	—	22	(166)	—	(144)
At April 30, 2024 (unaudited)	—	—	593	83,539	—	84,132

35. PARTICULARS OF SUBSIDIARIES

As at the date of approval of these consolidated financial statements, the Shareholders of the Group/the Company have direct and indirect shareholdings/equity interests in the following subsidiaries:

			Shareholding/equity interest attributable to the Group/Company at					Date of approval of these consolidated financial statements	Principal activities	Notes
Name of subsidiary	Place and date of incorporation/ establishment	Issued and fully paid share capital/paid-in registered capital	December 31,			April 30,				
			2022	2023	2024	2025				
Directly held:										
Softcare BVI Holdco	BVI April 26, 2022	US\$50,000	100%	100%	100%	100%	100%	Investment holding	(a)	
Indirectly held:										
Softcare Zambia	Zambia November 26, 2019	K1,615,000	100%	100%	100%	100%	100%	Manufacture and sale of baby and feminine products	(b)	
Softcare (U) Uganda	Uganda March 5, 2020	UGX3,800,000,000	100%	100%	100%	100%	100%	Manufacture and sale of baby and feminine products	(c)	
Softcare Ghana	Ghana December 21, 2020	GHS6,000,000	100%	100%	100%	100%	100%	Manufacture and sale of baby and feminine products	(d)	
Softcare Benin	Benin October 11, 2021	XOF328,970,000	100%	100%	100%	100%	100%	Manufacture and sale of baby and feminine products	(e)	
Softcare Kenya	Kenya December 10, 2021	KES100,000,000	100%	100%	100%	100%	100%	Manufacture and sale of baby and feminine products	(f)	
Guangzhou Sengong	The PRC December 10, 2021	RMB1,000,000	100%	100%	100%	100%	100%	Supply chain	(g)	
Kewor	Hong Kong December 16, 2021	HK\$100,000	100%	100%	100%	100%	100%	Supply chain	(h)	

Name of subsidiary	Place and date of incorporation/ establishment	Issued and fully paid share capital/paid-in registered capital	Shareholding/equity interest attributable to the Group/Company at					Date of approval of these consolidated financial statements	Principal activities	Notes
			December 31,			April 30,				
			2022	2023	2024	2025				
Softcare Tanzania	Tanzania December 16, 2021	TZS2,306,000,000	100%	100%	100%	100%	100%	Manufacture and sale of baby and feminine products	(i)	
Softcare Senegal	Senegal February 2, 2022	XOF1,000,000	100%	100%	100%	100%	100%	Manufacture and sale of baby and feminine products	(j)	
Softcare Cameroon	Cameroon July 18, 2022	XAF10,000,000	100%	100%	100%	100%	100%	Manufacture and sale of baby and feminine products	(k)	
Softcare Impex Uganda	Uganda August 12, 2022	UGX10,000,000	100%	100%	100%	100%	100%	Sale of baby and feminine products	(l)	
Softcare Dubai Holdco	UAE August 22, 2022	AED1,000	100%	100%	100%	100%	100%	Investment holding	(m)	
Softcare Côte d'Ivoire	Côte d'Ivoire October 18, 2022	XOF10,000,000	100%	100%	100%	100%	100%	Sale of baby and feminine products	(n)	
Sunmart Trading Dubai	UAE December 5, 2022	AED150,000	100%	100%	100%	100%	100%	Headquarter of the Group, procurement and trading of materials	(m)	
Softcare Mauritius Holdco	Mauritius March 6, 2023	USD50,000	N/A	100%	100%	100%	100%	Investment holding	(o)	
Softcare Peru	Peru December 27, 2023	Peruvian Soles ("PEN") 752,518	N/A	100%	100%	100%	100%	Sale of baby and feminine products	(p)	
Softcare Panama Holdco	Panama May 13, 2024	USD10,000	N/A	N/A	100%	100%	100%	Investment holding	(a)	

			Shareholding/equity interest attributable to the Group/Company at						
Name of subsidiary	Place and date of incorporation/ establishment	Issued and fully paid share capital/paid-in registered capital	December 31,			April 30,	Date of approval of these consolidated financial statements	Principal activities	Notes
			2022	2023	2024	2025			
Softcare EL Salvador	El Salvador July 3, 2024	US\$301,010	N/A	N/A	100%	100%	100%	Sale of baby and feminine products	(q)
Softcare Kazakhstan	Kazakhstan June 19, 2024	Kazakh Tenge (“KZT”) 500,000	N/A	N/A	100%	100%	100%	Sale of baby and feminine products	(r)
Colline	Hong Kong February 24, 2023	US\$1	N/A	N/A	100%	100%	100%	Investment holding	(s)
Guangzhou Wofei Supply Chain Management Co., Ltd. (廣州沃非供應鏈管理有限公司) (“Guangzhou Wofei”)	The PRC March 28, 2023	US\$1,000,000	N/A	N/A	100%	100%	100%	Inactive	(t)
Guangzhou Qixin Trading Co., Ltd. (廣州祁新貿易有限公司) (“Guangzhou Qixin”)	The PRC December 15, 2022	RMB1,000,000	N/A	N/A	100%	100%	100%	Inactive	(t)

Notes:

- (a) These companies prepare their financial statements under IFRS Accounting Standards. Their functional currency is US\$. No statutory audited financial statements for the period/years ended December 31, 2022, 2023 and 2024 have been issued as they are incorporated in jurisdictions where there is no statutory audit requirement.
- (b) This company prepares its financial statements under International Financial Reporting Standard for Small and Medium-sized Entities ("IFRS for SMEs"). Its statutory audited financial statements for the years ended December 31, 2022, 2023 and 2024 were audited by Deloitte & Touche, Certified Public Accountants in Zambia. Its functional currency is K, the lawful currency of Zambia.
- (c) This company prepares its financial statements under IFRS Accounting Standards. Its statutory audited financial statements for the years ended December 31, 2022, 2023 and 2024 were audited by Deloitte & Touche, Joek & Associates and Chris Evert Johnson & Co., respectively, Certified Public Accountants in Uganda. Its functional currency is UGX, the lawful currency of Uganda.
- (d) This company prepares its financial statements under IFRS for SMEs. Its statutory audited financial statements for the period/years ended December 31, 2022, 2023 and 2024 were audited by Deloitte & Touche, Certified Public Accountants in Ghana. Its functional currency is US\$.
- (e) This company prepares its financial statements under Organization for the Harmonization of Corporate Law In Africa ("OHADA"). Its statutory audited financial statements for the period/year ended December 31, 2022, 2023 and 2024 were audited by Deloitte Benin, Olayitan Fidèle DOFFON and Olayitan Fidèle DOFFON, respectively, Certified Public Accountants in Benin. Its functional currency is XOF, the lawful currency of Benin.

- (f) This company prepares its financial statements under IFRS Accounting Standards. Its statutory audited financial statements for the period/years ended December 31, 2022, 2023 and 2024 were audited by Deloitte & Touche LLP, Certified Public Accountants in Kenya. Its functional currency is KES, the lawful currency of Kenya.
- (g) This company prepares its financial statements under China Accounting Standards for Business Enterprises (“CASBE”). Its statutory audited financial statements for the period/years ended December 31, 2022, 2023 and 2024 were audited by 德勤華永會計師事務所(特殊普通合夥), 德勤華永會計師事務所(特殊普通合夥) and 滙創(廣州)會計師事務所(普通合夥), respectively, Certified Public Accountants in the PRC. Its functional currency is RMB, the lawful currency of the PRC.
- (h) This company prepares its financial statements under HKFRS Accounting Standards. Its statutory audited financial statements for the period/years ended December 31, 2022, 2023 and 2024 were audited by Deloitte Touche Tohmatsu, KKSC CPA & Co., and KKSC CPA & Co., respectively, Certified Public Accountants in Hong Kong. Its functional currency is US\$.
- (i) This company prepares its financial statements under IFRS Accounting Standards. Its statutory audited financial statements for the period/years ended December 31, 2022, 2023 and 2024 were audited by Deloitte & Touche, Certified Public Accountants in Tanzania. Its functional currency is TZS, the lawful currency of Tanzania.
- (j) This company prepares its financial statements under OHADA. Its statutory audited financial statements for the period/year ended December 31, 2022, 2023 and 2024 were audited by Deloitte Senegal, Certified Public Accountants in Senegal. Its functional currency is XOF, the lawful currency of Senegal.
- (k) This company prepares its financial statements under OHADA. Its statutory audited financial statements for the period/year ended December 31, 2022, 2023 and 2024 were audited by Deloitte & Touche Afrique Centrale, Certified Public Accountants in Cameroon. Its functional currency is XAF, the lawful currency of Cameroon.
- (l) This company prepares its financial statements under IFRS Accounting Standards. Its statutory audited financial statements for the period/year ended December 31, 2023 and 2024 were audited by Woodhask and Chris Evert Johnson & Co., respectively, Certified Public Accountants in Uganda. Its functional currency is UGX.
- (m) These companies prepare their financial statements under IFRS Accounting Standards. Their statutory audited financial statements for the period/year ended December 31, 2023 and 2024 were audited by Maryam Bin Belaila Auditing, Certified Public Accountants in UAE. Their functional currency is US\$.
- (n) This company prepares its financial statements under OHADA. Its statutory audited financial statements for the period/year ended December 31, 2023 and 2024 were audited by Hobson SA, Certified Public Accountants in Côte d’Ivoire. Its functional currency is XOF, the lawful currency of Côte d’Ivoire.
- (o) This company prepares its financial statements under IFRS Accounting Standards. Its statutory audited financial statements for the period/year ended December 31, 2023 and 2024 were audited by Barnes Associates, an audit, accounting, tax and advisory firm registered with the Financial Reporting Council of Mauritius and the Mauritius Institute of Professional Accountants. Its functional currency is US\$.
- (p) This company prepares its financial statements under IFRS for SMEs. Its first statutory audited financial statements for the period ended December 31, 2024 were audited by RSM Panez, Chacaliaza & Asociados, Certified Public Accountants in Peru. Its functional currency is PEN, the lawful currency of Peru.
- (q) This company prepares its financial statements under IFRS for SMEs and its first statutory financial statements for the period ended December 31, 2024 were audited by Romero Funes Auditores Y Asociados, S.A. DE C.V., Certified Public Accountants in El Salvador. Its functional currency is US\$.
- (r) This company prepares its financial statements under IFRS Accounting Standards and there is no requirement for issuance of audited statutory financial statements in Kazakhstan. Its functional currency is KZT, the lawful currency of Kazakhstan.
- (s) This company was acquired by the Group in December 2024, see note 39 for details. It prepares its financial statements under HKFRS Accounting Standards and its statutory financial statements for the period/year ended December 31, 2023 and 2024 were audited by ICS CPA Limited and KKSC CPA & Co., respectively, Certified Public Accountants in Hong Kong. Its functional currency is US\$.

- (t) These companies were acquired by the Group in December 2024, see note 39 for details. They prepare their statutory financial statements under CASBE and their first statutory financial statements for the year ended December 31, 2024 were audited by 滙創(廣州)會計師事務所(普通合夥), Certified Public Accountants in the PRC. Their functional currency is RMB.

The functional currency of each subsidiary has been individually determined by the directors of the Company based on the major currency for its sales of products, purchases of materials and payments of services that has the most influence on its revenue and production costs.

All companies now comprising the Group have adopted December 31 as their financial year end.

None of the subsidiaries had issued any debt securities at the end of each of the reporting periods.

The Company's unlisted investment in a subsidiary is stated at cost.

36. MAJOR NON-CASH TRANSACTIONS

During the Track Record Period, the Group had the following the major non-cash transactions:

During the four months ended April 30, 2025, the Group recognized other financial liability amounting to US\$30,763,000 upon issuance of new ordinary shares, together with put option and certain special rights by debiting the other reserve of the Group.

During the four months ended April 30, 2025, the Group entered into new lease agreements for the use of leased office premises for 2-5 years. On the lease commencement, the Group recognized right-of-use assets and lease liabilities of US\$852,000 and US\$852,000, respectively.

During the four months ended April 30, 2024, the Group entered into new lease agreements for the use of leased office premises for 2 years. On the lease commencement, the Group recognized right-of-use assets and lease liabilities of US\$4,000 (unaudited) and US\$4,000 (unaudited), respectively.

During the year ended December 31, 2024, the Group entered into new lease agreements for the use of leased warehouses and office premises for 2-5 years. On the lease commencement, the Group recognized right-of-use assets and lease liabilities of US\$1,225,000 and US\$1,225,000, respectively.

During the year ended December 31, 2023, the Group entered into new lease agreements for the use of leased warehouses and office premises for 2-5 years. On the lease commencement, the Group recognized right-of-use assets and lease liabilities of US\$206,000 and US\$206,000, respectively.

During the year ended December 31, 2022, the Group entered into new lease agreements for the use of leased warehouses and office premises for 3 years. On the lease commencement, the Group recognized right-of-use assets and lease liabilities of US\$249,000 and US\$249,000, respectively.

37. CAPITAL COMMITMENTS

	At December 31,			At April 30,
	2022	2023	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000
Capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	=	4,278	13,323	14,554

38. RESERVES OF THE COMPANY

	Share premium	Share-based payment reserve	Other reserve	(Accumulated losses) retained profits	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
At February 17, 2022 (date of incorporation)	-	-	-	-	-
Loss and other comprehensive expense for the period	-	-	-	(1)	(1)
At December 31, 2022	-	-	-	(1)	(1)
Loss and other comprehensive expense for the year	-	-	-	(3)	(3)
At December 31, 2023	-	-	-	(4)	(4)
Profit and other comprehensive income for the year	-	-	-	39,832	39,832
Dividend declared (Note 13)	-	-	-	(35,000)	(35,000)
At December 31, 2024	-	-	-	4,828	4,828
Loss and other comprehensive expense for the period	-	-	-	(1,381)	(1,381)
Cancellation of ordinary shares (Note 28)	17	-	-	-	17
Recognition of equity-settled share-based payments (Note 29)	-	481	-	-	481
Issue of new ordinary shares, together with put option and certain special rights (Note 26)	29,998	-	-	-	29,998
Recognition of other financial liability (Note 26)	-	-	(30,763)	-	(30,763)
At April 30, 2025	30,015	481	(30,763)	3,447	3,180
At January 1, 2024	-	-	-	(4)	(4)
Loss and other comprehensive expense for the period (unaudited)	-	-	-	(34)	(34)
At April 30, 2024 (unaudited)	-	-	-	(38)	(38)

39. ACQUISITION OF SUBSIDIARIES

On December 9, 2024, the Group acquired the 100% of shareholdings of Colline, which has two wholly-owned subsidiaries, namely, Guangzhou Wofei and Guangzhou Qixin, from Chaoyuet Holding at a cash consideration of approximately US\$15,000. Up to the date of acquisition, Colline, Guangzhou Wofei and Guangzhou Qixin have not commenced any activity and did not constitute a business.

Upon the completion of the aforesaid acquisition on December 9, 2024, Colline, Guangzhou Wofei and Guangzhou Qixin became indirect wholly-owned subsidiaries of the Company.

Assets acquired and liabilities recognized at the date of acquisition

	US\$'000
Bank balances	1,016
Loan from Chaoyuet Holding	(1,001)
	<u>15</u>
Cash consideration	<u>15</u>
Net cash flows arising on acquisition of Colline and its subsidiaries	
Consideration paid	(15)
Less: Bank balances acquired	1,016
	<u>1,001</u>

40. SUBSEQUENT EVENTS

Saved as disclosed in notes 13 and 29 to the consolidated financial statements, subsequent to the end of the Track Record Period, the following significant events took place:

- (a) In September and October, 2025, the Group entered into the following agreements for connected and related party transactions with connected and related parties:
 1. The “Trademark Licensing Framework Agreement” with Sunda Enterprise (for itself and on behalf of its subsidiaries of the Remaining Sunda Group in Guinea and Nigeria, the “Excluded Group”), pursuant to which the Group agreed to irrevocably and unconditionally grant to the Excluded Group a non-transferable license to use a total number of 25 trademarks registered in Nigeria and African Intellectual Property Organization (the “Transferred Trademarks”) in an ordinary course of business at an annual aggregate amount of not more than US\$5,000 for a term commencing from this agreement date and ending on December 31, 2027, which may be renewed as the parties may mutually agree, subject to compliance with the relevant requirements under the Listing Rules and all other applicable laws and regulations.
 2. The “Sales of Spare Parts Framework Agreement” with Sunda Enterprise (for itself and on behalf of the members of the Remaining Sunda Group), pursuant to which the Group agreed to sell spare parts for maintenance and replacement due to normal wear and tear of the production facilities and machineries at an annual aggregate amount not more than US\$50,000 for a term commencing from the Listing and ending on December 31, 2027, which may be renewed as the parties may mutually agree, subject to compliance with the relevant requirements under the Listing Rules and all other applicable laws and regulations.
 3. The “Sunda Enterprise Property Leasing Agreement” with Sunda Enterprise (for itself and on behalf of the members of the Remaining Sunda Group operating in Uganda), pursuant to which the Group agreed to lease to the Remaining Sunda Group office premises of approximately 480 m² and a warehouse of approximately 2,600 m² in Uganda at annual aggregate amounts not more than US\$70,000, US\$200,000 and US\$220,000, respectively, for a term commencing from the Listing and ending on December 31, 2027, which may be renewed as the parties may mutually agree, subject to compliance with the relevant requirements under the Listing Rules and all other applicable laws and regulations.

4. The “Procurement of Spare Parts Framework Agreement” with Sunda Enterprise (for itself and on behalf of the members of the Remaining Sunda Group), pursuant to which Sunda Enterprise agreed to sell spare parts for maintenance and replacement due to normal wear and tear of the production facilities and machineries at an annual aggregate amount not more than US\$500,000 for a term commencing from the Listing and ending on December 31, 2027, which may be renewed as the parties may mutually agree, subject to compliance with the relevant requirements under the Listing Rules and all other applicable laws and regulations.
5. The “IT Services Framework Agreement” with Sunda Enterprise (for itself and on behalf of the Remaining Sunda Group), pursuant to which the Remaining Sunda Group agreed to provide various IT support and maintenance services including (i) maintenance and operational services to the Group’s IT systems and networks; and (ii) procurement and licensing including implementation and upgrade of software and procurement of hardware services at annual aggregate amounts not more than US\$2,400,000, US\$2,200,000, and US\$2,500,000, respectively, for a term commencing from the Listing and ending on December 31, 2027, which may be renewed as the parties may mutually agree, subject to compliance with the relevant requirements under the Listing Rules and all other applicable laws and regulations.
6. The “Power Supply Services Agreement” with Keda (SN) Ceramics Company Limited (“Keda (SN)”, a subsidiary of an associate of the Remaining Sunda Group), pursuant to which Keda (SN) agreed to provide power supply services to the Group’s production facilities and staff dormitories in Senegal at annual aggregate amounts not more than US\$1,400,000, US\$1,600,000 and US\$1,800,000, respectively, for a term commencing from the Listing and ending on December 31, 2027, which may be renewed as the parties may mutually agree, subject to compliance with the relevant requirements under the Listing Rules and all other applicable laws and regulations.
7. The “Procurement of Cardboard Boxes Framework Agreement” with Keda (Ghana) Ceramics Company Limited (“Keda Ghana”, a subsidiary of an associate of the Remaining Sunda Group), pursuant to which Keda Ghana agreed to sell cardboard boxes to us for packaging of the Group’s baby and feminine hygiene products manufactured in Ghana at an annual aggregate amount not more than US\$150,000, US\$500,000 and US\$700,000, respectively, for a term commencing from the Listing and ending on December 31, 2027, which may be renewed as the parties may mutually agree, subject to compliance with the relevant requirements under the Listing Rules and all other applicable laws and regulations.
8. The “Twyford Property Leasing Agreement” with Twyford Impex (U) Ltd (“Twyford Uganda”, a subsidiary of an associate of the Remaining Sunda Group), pursuant to which the Group agreed to lease to Twyford Uganda office premises of approximately 480 m² and a warehouse of approximately 5,900 m² in Uganda at annual aggregate amounts not more than US\$140,000, US\$400,000, and US\$450,000, respectively, for a term commencing from the Listing and ending on December 31, 2027, which may be renewed as the parties may mutually agree, subject to compliance with the relevant requirements under the Listing Rules and all other applicable laws and regulations.
9. The “Integrated Support Services Framework Agreement” with Sunda Enterprise (on behalf of the members of the Remaining Sunda Group), pursuant to which the Remaining Sunda Group agreed to provide certain integrated support services to the Group, including (i) the processing and support services to the Group’s supply chain, such as (a) logistics documentation processing and logistics status tracking of raw materials procurement and products delivery, (b) warehousing and handling services and (c) labor support services in handling various import and export customs clearance procedures; and (ii) the integrated administrative support services to the Group’s human resources and administrative management at an annual aggregate amounts not more than US\$12,000,000, US\$14,500,000 and US\$17,100,000, respectively, for a term commencing from the Listing and ending on December 31, 2027, which may be renewed as the parties may mutually agree, subject to compliance with the relevant requirements under the Listing Rules and all other applicable laws and regulations.
10. The Group replaced its existing short-term leases with certain subsidiaries of the Remaining Sunda Group by entering into new leases with terms ranging between one and three years, at an average monthly rental of approximately US\$0.2 million.

- (b) On October 27, 2025, written resolutions passed by the shareholders of the Company, amongst others, to approve, conditional on the Listing:
- (i) the allotment and issuance of 90,884,000 new ordinary shares of the Company (subject to an over-allotment option) pursuant to the “Global Offering”, details of which are set out in the Prospectus;
 - (ii) the adoption of the “Post-IPO Share Option Scheme”, details of which are set out in the Prospectus and no option had been granted or agreed to be granted under the Post-IPO Share Option Scheme; and
 - (iii) the grant of general mandates given to the directors of the Company to allot, issue or repurchase certain of the Company’s ordinary shares and such mandates will remain in effect until the conclusion of the next annual general meeting of the Company, details of these mandates are set out in the Prospectus.